

[LETTER OF INSTRUCTIONS No. 1364, November 14, 1983]

TO: The Garments and Textile Export Board
The Ministry of Justice

WHEREAS, textile smuggling which undermines the foundations of the Philippine economy has been perpetrated by various garments and textile firms registered with the Garments and Textile Export Board;

WHEREAS, textile smuggling activities continue and have reached a proportion that the government finds no other alternative but to apply the fullest extent of the law against the guilty parties;

WHEREAS, textile smuggling partakes of the nature of economic sabotage and must be counteracted by the government with all the means at its disposal in order that said activities may once and for all be eradicated;

NOW, THEREFORE, I, FERDINAND E. MARCOS, President of the Philippines, by virtue of the power vested in me by the Constitution, do hereby direct:

1) The Garments and Textile Export Board (GTEB) to apply the full measure of the law and to immediately endorse to the Ministry of Justice for prosecution the cases of all garments and textile firms who have been found to be involved in textile smuggling activities and whose export quotas and authorizations and authority to operate customs bonded manufacturing warehouses have been cancelled and revoked by it.

2) The Ministry of Justice, through its Prosecution Staff, to expeditiously prosecute textile smuggling cases endorsed to it by the GTEB.

3) For the purpose of prosecution, the following among others, shall be considered prima facie evidence involvement in textile smuggling activities:

- a) misdeclaration of importations;
- b) illegal withdrawal of textile fabrics from customs bonded manufacturing warehouse;
- c) use of fictitious or non-existent principals supplying raw materials and/or accessories on consignment;
- d) unaccounted issuance of fabrics and accessories to sub-contractors;
- e) false exports through the use of forged or fake export documents;
- f) failure to account for imported fabrics and/or accessories;
- g) use of forged or falsified documents;
- h) other grave violators of GTEB or Bureau of Customs regulations.

4) The Garments and Textile Export Board to continue to closely monitor the activities of licensed garments and textile firms and to continue to revoke the export quotas and authorizations and the authority to operate bonded manufacturing warehouses of those who may be found engaged in textile smuggling activities, or are otherwise in violation of GTEB or Bureau of Customs rules and regulations.