

**[ NFA, April 25, 1994 ]**

**ADMINISTRATIVE POWERS AND PROCEDURE IN THE  
IMPOSITION OF ADMINISTRATIVE SANCTIONS**

*SECTION 1. Jurisdiction* - The Administrator or his duly authorized representative shall have jurisdiction to hear and decide cases filed against erring grains businessmen and grains haulers for violation of the provisions of P.D. 4, as amended and R.A. 7581 (Price Act), R.A. 7394 (Consumer's Act), and all other related laws related to the grains industry as well as orders, instructions, rules and regulations issued by the National Food Authority and any other related rules and regulations that may be promulgated thereafter.

Any apprehension made pursuant to the preceding paragraph shall carry with it the power to seize the instruments, tools and effects of any offense committed to be used as evidence against the violator concerned:

*SECTION 2. Power to Summon, Issue Subpoena Ad Testificandum and Duces Tecum* - The Administrator or his deputized Enforcement Officer, shall have the power to summon or subpoena any person, natural or juridical, and require by subpoena duces tecum said person to bring along papers and books and other documents, and/or take his testimony or those of his witnesses in connection with any investigation being conducted by the Authority for violation of the provisions of P.D. No. 4, as amended, other pertinent existing laws, rules and regulations, orders, circulars and directives, promulgated or may be issued hereafter, or in connection with any contract entered into with the National Food Authority. Any case of contumacy or failure to appear upon summons or subpoena or who upon appearing refuses to make oath, give testimony or produce documents for inspection when thereunto lawfully require shall be subject to discipline as in the case of contempt of court and shall be proceeded against in the manner provided by law.

*SECTION 3. Power to Make Arrest* - (a) The Administrator or his Deputized Enforcement Officer shall have the power to arrest any person for violation of any provisions of P.D. No. 4, as amended, and other pertinent existing laws, the implementation and enforcement of which is vested with the Authority, these rules and regulations, orders, circulars and directives, and such rules and regulations which may be promulgated hereafter.

b. The persons vested with the Authority in the foregoing paragraphs shall exercise the same under the following circumstances:

1. When the person to be arrested has committed, is actually committing, or is about to commit an offense in his presence;

2. When an offense has in fact been committed and he has reasonable ground to believe that the person to be arrested has committed it.

c. Duty to Disclose Official Character - It shall be the duty of any person exercising authority as aforesaid, to make known his official character as an officer of the National Food Authority or other government agency duly authorized to make arrest and to exhibit such authority for inspection if demanded.

d. After an arrest is made, it shall be the duty of the arresting officer to deliver the person arrested before the proper judicial authorities, within the period of six (6) hours, otherwise the person arrested shall immediately be released.

*SECTION 4. Power to Administer Oath* - The Administrator or his duly authorized representative shall, pursuant to Section 6, paragraph a, sub-paragraph (xvii) of P.D. No. 4, as amended, have the power to administer oaths in connection with any act performed in the exercise of the function of his/their office/s.

*SECTION 5. Grounds for Imposition of Administrative Fine* -

<u>Violation</u>	<u>Penalty</u>
1. Importation of rice irrespective of quantity and variety	Fine ranging from not less than P1,000.00 nor more than P4,000.00 and/or cancellation of license and/or criminal prosecution under Sec. 29 of P.D. 4 as amended
2. Selling or Offering to sell said imported rice	- do -

*SECTION 6. Venue* - Any complaint/report involving violation of P.D. 4, as amended, and other laws, orders, instructions, rules and regulations shall be filed with the Regional/provincial office where the offense was committed.

*SECTION 7. Imposition of Sanctions* - (a) Any violation of the provisions of P.D. No. 4, as amended, and other laws, orders, circulars, instructions, rules and regulations shall be proceeded criminally depending on the nature and the gravity of the offense and/or in accordance with the procedures as may be promulgated by the Authority. Administrative sanctions may be in the form of suspension/s or cancellation of license and/or imposition of fines as the evidence may warrant.

b. Before any license is cancelled or revoked, for any violation of or failure to comply with any of the provisions of P.D. No. 4 as amended, and other pertinent existing laws, rules and regulations, orders, directives promulgated or may be issued hereafter, the licensee concerned shall be informed in writing of the charges filed against him by the Administrator or his authorized agent or representative, and shall be allowed to file an answer under oath within five (5) days from receipt

thereof. Failure to answer shall be construed as waiver to formal hearing and the case shall be decided on the basis of the evidence presented. The implementation of the foregoing shall be in accordance with the SOP now existing or which may be issued by the Authority hereafter.

c. Grounds for suspension of license:

1. Over-pricing of NFA rice and corn
2. Hoarding or undue accumulation by a grains businessman of rice and corn beyond his normal inventory level and unjust refusal to dispose of, sell or distribute the same to the general public.
3. Non-compliance with the rules, regulations, decisions, orders, circulars or directives lawfully issued by the Authority and other laws related to grains business.
4. Committing any other acts similar or analogous to the foregoing.

d. Summary Suspension - The Administrator or his duly authorized representative, may, summarily suspend without hearing, the license of any licensee for violation/s of the conditions for issuance of a license and the laws, rules and regulations relative thereto, after notice.

e. Indefinite Suspension - Pending investigation against any licensee, the Administrator or his duly authorized representative may whenever he deems necessary in the interest of the public, suspend the license of any licensee indefinitely.

f. Grounds for revocation/cancellation of license

1. Violation/s of the conditions of license.
2. Engaging in act/s of misrepresentation for the purpose of securing a license or renewal thereof such as giving false testimony.

The Administrator may likewise suspend, cancel or revoke any license, after a hearing has been afforded, when the licensee:

1. dies;
2. is non-compos mentis;
3. is bankrupt or insolvent;
4. has sold, transferred or conveyed wholly or substantially his business establishment/facilities/equipment for grains;
5. has in any other manner become non-existent, or incapacitated to conduct said business; or
6. When the business of such licensee is in the process of dissolution or has been dissolved.