

FIND MEN BEHIND SMUGGLE ATTEMPT

Port patrol authorities revealed yesterday they had found the persons allegedly behind a recent attempt to smuggle 300 carburetors out of this country into communist China.

Officials, however, refused to disclose the identities of the suspects until more definite proof of their connection with the illegal shipment had been established.

The 300 carburetors were seized Saturday night as they were being loaded onto a lighter at the South harbor, together with provisions for a local steamer bound for Hongkong.

Basis for the seizure was the strategic nature of the motor spare parts and the fact that the cargo had no accompanying export license, manifest, or clearance papers.

Customs men said the provisions that were found on the lighter with the carburetors supplied the main thread of evidence linking the motor parts with the vessel and the local shipping firm to which it belongs. The vessel was said to have been waiting out on the bay, preparing to depart for Hongkong for drydocking and repairs.

The 300 carburetors were reported to be new and packed separately in cardboard boxes. Total value of the shipment was estimated at P15,000.

In the meantime, customs officials and advisers expressed some alarm at certain modifications in the bill recently signed by President Magsaysay, extending the life of the export control commission.

According to customs authorities, the bill contains features which call for the issuing of export licenses not only for goods being shipped from this country but also for strategic items that arrive here for transshipment to foreign points.

The purpose of the new law was said to be the prevention of the shipment of important machinery and other such items to red satellites.

Customs officials pointed out that much of the cargo that arrives daily at the Manila international airport is intended for transshipment, often within a few hours of arrival. Proper enforcement of the new law, they warned, might cause a tie-up in customs operations at the airport.

They added that the time element involved in the schedules of goods to be transshipped would not ordinarily allow for the clearance of those goods through the national intelligence coordinating agency and the subsequent issuance of export licenses.

Unless regulations designed to meet the contingencies created by the new features of the export control law are drawn up by the export commission, customs men said, the recently-signed bill would be difficult to enforce.

WEDNESDAY MORNING, JUNE 23, 1954

PROBE ANOMALY ON SHIP PURCHASE

Central Bank operatives and personal agents of President Magsaysay are currently looking into the reportedly anomalous transaction under which a local shipowner applied for, and obtained, a \$1 million license for the purchase of a boat which actually cost only a fraction of that amount.

This was revealed yesterday by authoritative Central Bank sources even as the President's two agents returned to Manila from Hongkong following an investigation of the circumstances surrounding the supposedly anomalous transaction.

Their report was not released, but qualified Central Bank sources said the agents had obtained information on the alleged illegal disposition of the dollar proceeds obtained through the overpricing of the vessel.

The ship was reportedly purchased for a figure estimated to be in the neighborhood of \$100,000.

The difference in price was allegedly diverted to the black market, thereby earning for its license holder a profit many times over his original investment.

A Central Bank official pointed out, however, that this anomaly had been investigated as early as last December and that the dollars applied for had not been all released.

"We stopped granting the dollars, which were to have been paid in several installments, the moment we heard of the reports that the money had been used for purposes other than for which it was granted," the official explained.

The boat is currently said to be in use on Asian port trips by its operators.

Should the presidential agents' report yield information tending to corroborate the claim that the dollars obtained so far were diverted to the black market, legal steps may be resorted to by the government against the company, it was stated.

MANILA BULLETIN, TUES., JULY 13, 1954

CUSTOMS MAY ACT ON SMUGGLE CASE

Acting Customs Commissioner Edilberto David said yesterday he would confer with the city fiscal on the possibility of instituting criminal proceedings against certain employees of a local shipping firm who were said to have been involved in an alleged attempt to smuggle 300 carburetors out of this country into communist territory.

The carburetors, classified as strategic material, were seized by customs men last June 19 while being loaded onto a lighter at pier 11. The carburetors were mixed in, customs men said, with supplies destined for a freighter that was about to leave for Hongkong.

The shipment of motor spare parts had no accompanying papers clearing it for export.

Customs officials yesterday recommended that formal seizure action be taken against the shipment on grounds that the shippers involved had not been able to prove previous claims that the carburetors had been intended only for a Visayan port.

Customs authorities said they based their decision to seek seizure and criminal action against the shippers on a similar case in 1952.

A prohibited shipment of medicine had been found, they said, on the gangplank of an outgoing vessel. A move on the defense counsel's part to have the case dismissed was denied by the court. The judge's statement held that the fact that "the medicine prohibited for exportation was already on its way to be carried out of the country constituted exportation."

Furthermore, customs officials said, the shippers had made no effort to reclaim the seized carburetors or the five cases of cigarettes that were found with the same shipment. The persons involved, customs men added, had also failed to produce the person in the port of Cebu for whom they had claimed the shipment had been intended.

The carburetors, when seized, were said to have been new and packed separately in cardboard cases. The entire shipment was reportedly worth P15,000.

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