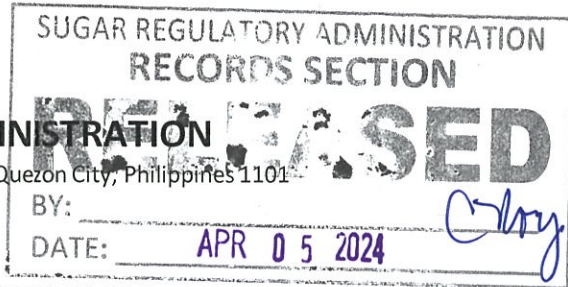




Republic of the Philippines
Department of Agriculture

SUGAR REGULATORY ADMINISTRATION

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MEMO- DEP-REG-2024-APR-001

Memorandum Circular No. 6 Series of 2023-2024

SUBJECT: GUIDELINES ON ADVANCE REFINING OF RECLASSIFIED RAW SUGAR UNDER SUGAR ORDER NO. 2, SERIES OF 2023-2024

WHEREAS, Sugar Order No. 2, Series of 2023-2024, allows holders of “B” quedans to apply for reclassification to “C” or reserve sugar, for a maximum volume of 300,000 metric tons (MT), in order to qualify for future importation program, if there be any;

WHEREAS, the Sugar Regulatory Administration, had received requests for advance refining of their quedans from various applicants thereto;

WHEREAS, the Sugar Board sees the imperative for advance refining of raw sugar covered by the raw sugar quedans reclassified as “C” under Sugar Order No. 2, Series of 2023-2024, for purposes of, among others, hedging on some operational advantages such as achieving full refinery capacity utilization, availing of mill provided amenities (steam, power and water) and timely provision for market demand of refined sugar;

WHEREAS, the requests for advance refining must be subjected to SRA policies to ensure that these sugars are not circumvented to the local market without prior authority from the SRA, and for these sugars to physically be available when their specific market/s so demand;

NOW, THEREFORE, under and by virtue of the powers vested upon the Sugar Regulatory Administration, the following are hereby ordered:

Section 1. Authorized Advance Refining

1. Advance refining is authorized when there is appropriate notarized application to refine “C” or reserve sugar under Sugar Order No. 2, Series of 2023-2024, subject to the approval and other documentary requirements as the SRA may deem fit;

Section 2. Enforcement of Advance Refining Policies

1. Requirements for Application of Request for Advance Refining
 - 1.1 Duly-notarized Letter of Application for advance refining shall be filed with the SRA in Quezon City or Bacolod City attached thereto the physical “C” sugar quedan with listing/s, sorted according to mill name and date of production, and an Affidavit of Ownership of the above-mentioned quedans;



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- 1.2 The sugar quedan-permits subject of advance refining shall be stamped "AUTHORIZED FOR ADVANCE REFINING" by the Regulation Department in Quezon City or Bacolod City;
- 1.3 Refined Sugar Quedan/s shall be issued to cover the equivalent refined sugar indicating therein the date of production/week-ending and the date of issuance of RSQ. The classification of the raw quedans supporting the approval of advance refining shall be stamped with "C" at the upper left portion of the RSQ's quedan portion and permit portion;
- 1.4 The mill shall reflect on the Weekly SMS Report the "B" sugar volume reclassified as "C" reserve sugar, duly signed by the Regulation Officer assigned thereat;
- 1.5 The advance refined "C" sugar shall be stored in the mill warehouse as a separate pile, apart and distinct, from the refined sugar for domestic market;
- 1.6 The sugar covered by advance refined sugar quedans cannot be withdrawn for use in the local market unless their respective RSQs have been swapped into "B" quedan-permits, as may later on be authorized by the SRA;

2. Compliance Monitoring by Regulation Officers:

- 2.1 SRA, through the Regulation Officers assigned at the mills, shall monitor the refining activities of sugar refineries;
- 2.2 The transfer of raw sugar from registered warehouses of mills to sugar refineries, upon submission of a notarized Application to Transfer Reclassified Raw Sugar for Advance Refining, duly signed by the applicant under S.O. 2, series of 2023-2024, and approved by the SRA, shall be monitored by the SRA Regulation Officers;

Both the transfer from the mill and arrival to the refineries, shall be done, strictly, only during government office hours, and shall bear the imprimatur of the regulation officers of both mill of origin and refinery concerned. A document on the authority to transfer shall be provided to the applicants, by the Regulation Department;

Pertinent rules on the transfer of raw sugar for refining, for both integrated and non-integrated mills, shall apply, whenever appropriate under the circumstances;

- 2.3 Regulation Officers assigned at sugar mills and refineries should monitor the arrival of the subject physical sugar, keep record of the stocks and submit duly signed inventory report to the Office of the Deputy Administrator for Regulation Department, which shall serve as the basis for the total physical sugar for advance refining;
- 2.4 The mills and refineries concerned shall prepare Weekly report on advance refining inventory, verified and certified by the SRA Regulation Officer assigned thereat, and submit the same to the Regulation Department, SRA, Quezon City or Bacolod City.

Section 3. Existing Fees and Penalties:

1. Advance Refining Fee of Php 5.00 per LKg for authorized/approved advance refining application;
2. Unauthorized Advance Refining Penalty:
1st Offense: Fine of Php 100.00/LKg
2nd Offense: Fine of Php 150.00/LKg
3rd Offense: Fine of Php 200.00/LKg and suspension or cancellation of license

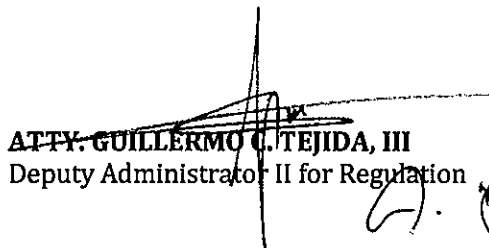
Section 4. Consistency

All previous issuances inconsistent with this, are hereby revoked and or amended accordingly.


Section 5. The Deputy Administrator for Regulation Department is hereby authorized to sign the SRA approval mentioned in sections 1 and 2.2 hereof.

Section 6. This Memorandum Circular shall take effect immediately.

Recommended by:


ATTY. GUILLERMO C. TEJIDA, III
Deputy Administrator II for Regulation

Approved:


PABLO LUIS S. AZCONA
Administrator and CEO