

07 November 2001

SUGAR ORDER NO. 2
Series of 2001-2002

**SUBJECT: Filling up the U.S. Quota
for Quota Year 2001-2002**

WHEREAS, the United States of America has allocated for the Philippines an initial quota of 142,160 Metric Tons Raw Value (MTRV) or 137,353 Metric Tons Commercial Weights (MTCW) for Quota Year 2001-2002;

WHEREAS, Certificate for Quota Eligibility (CQE) will be issued to the Philippines to ship up to Twenty Five Percent (25%) of its regular allocation of 137,353 MTCW or 34,338 MTCW every quarter of the Quota Year 2001-2002, however, allocations not entered with the U.S. Customs Service during any quarter may be entered in any succeeding quarter;

WHEREAS, it is in the national interest that the "**First Come-First Served**" policy of allocating the U.S. Quota among sugar traders/exporters shall also apply to shipping schedules of our export sugar to the U.S.;

WHEREAS, it is to the best interest of the Philippines to fill up the U.S. Sugar Quota for Quota Year 2001-2002 in time or within schedule with good quality sugar;

NOW, THEREFORE, under and by virtue of the authority vested in the Sugar Regulatory Administration (SRA), it is hereby ordered that:

Section 1. Sugar exporters with "A" or U.S. Quota sugar quedan-permits issued during the current Crop Year 2001-2002 and the previous Crop Years 1996-1997 to 2000-2001 (unshipped old crop "A" sugar) are hereby advised to apply with the SRA for export allocations attached thereto the aforesaid quedan-permits for verification/processing in order to fill up the 1st, 2nd, 3rd and 4th quarter allocations of the U.S. Sugar Quota for Quota Year 2001-2002.

Section 2. The U.S. Quota Allocation for Quota Year 2001-2002 shall be allocated among the sugar exporters on a "**First Come-First Served**" basis.

Likewise, all sugar shipments to the U.S. shall be made on a "**First-In, First-Out**" basis, such that, any remaining volume in a prior quarter should be shipped first before the current quarter is allowed.

In the event the exporter shall have sold his verified "A" quedan-permits to another party, the allocation of the said exporter is deemed cancelled, in which case, the said "A" quedan-permits shall be subject to verification again by the SRA for allocation on a "**First Come-First Served**" basis.

Section 3. The SRA shall officially announce in a Circular Letter the list of sugar exporters with allocations in a given quarter, e.g. 1st quarter, immediately after having



verified the total volume of 34,338 MTCW of "A" quedan-permits, the allowable U.S. allocation for each quarter.

A Letter of Advice shall be sent to the concerned exporters requiring the same to apply with the SRA for export clearances with all the requirements attached thereto within five (5) days upon receipt of the said advice.

Failure of the concerned exporters to apply for export clearances within the aforementioned period, the SRA shall be constrained to allow the exporters of the next quarter to fill up the remaining balance of the current quarter on a "**First Come-First Served**" basis.

Section 4. The "A" or U.S. Quota Sugar to fill up the 2001-2002 U.S. Quota should be of good quality and preferably near the bulk terminals/loading ports.

In order to ensure that good quality sugar shall be exported to the U.S., exporters with "A" quedan-permits of previous crop year/s, eligible for export pursuant to this Order, are hereby required to procure "B" or Domestic quedan-permits issued during the current Crop Year 2001-2002 and have the said "B" quedans swapped against "A" quedans of previous crop year/s or to provide the SRA with a certification from the sugar mill (duly notarized) that good quality sugar shall be exported.

Section 5. The "A" quedan-permits of previous crop year/s and the "B" quedan-permits of the current Crop Year 2001-2002 when submitted to the SRA for regular swapping, shall be stamped at the back thereof as: '**SURCHARGED AS "B" OR DOMESTIC SUGAR OF PREVIOUS CROP YEAR PER S.O. NO. 2, SERIES OF 2001-2002**', and '**SURCHARGED AS "A" OR EXPORT SUGAR OF THE CURRENT CROP YEAR 2001-2002 PER S.O. NO. 2, SERIES OF 2001-2002**', respectively.

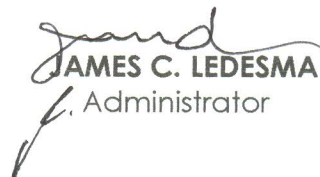
Section 6. All fees and charges due the SRA for the processing of documents relative to the filling up of the 2001-2002 U.S. Quota Allocation shall be subject to SRA General Administrative Order No. 2, Series of 1999-2000 dated March 20, 2000.

Section 7. All forms and/or documents relevant to export of sugar to the U.S. market as prescribed in Circular Letter No. 44, Series of 1995-1996, shall remain in force.

Section 8. This Sugar Order shall take effect immediately.

Section 9. Provisions of Sugar Orders, Circular Letters, and/or other rules and regulations contrary to or inconsistent with this Sugar Order, are hereby amended, modified or revoked accordingly.

BY AUTHORITY OF THE SUGAR BOARD:


JAMES C. LEDESMA
Administrator