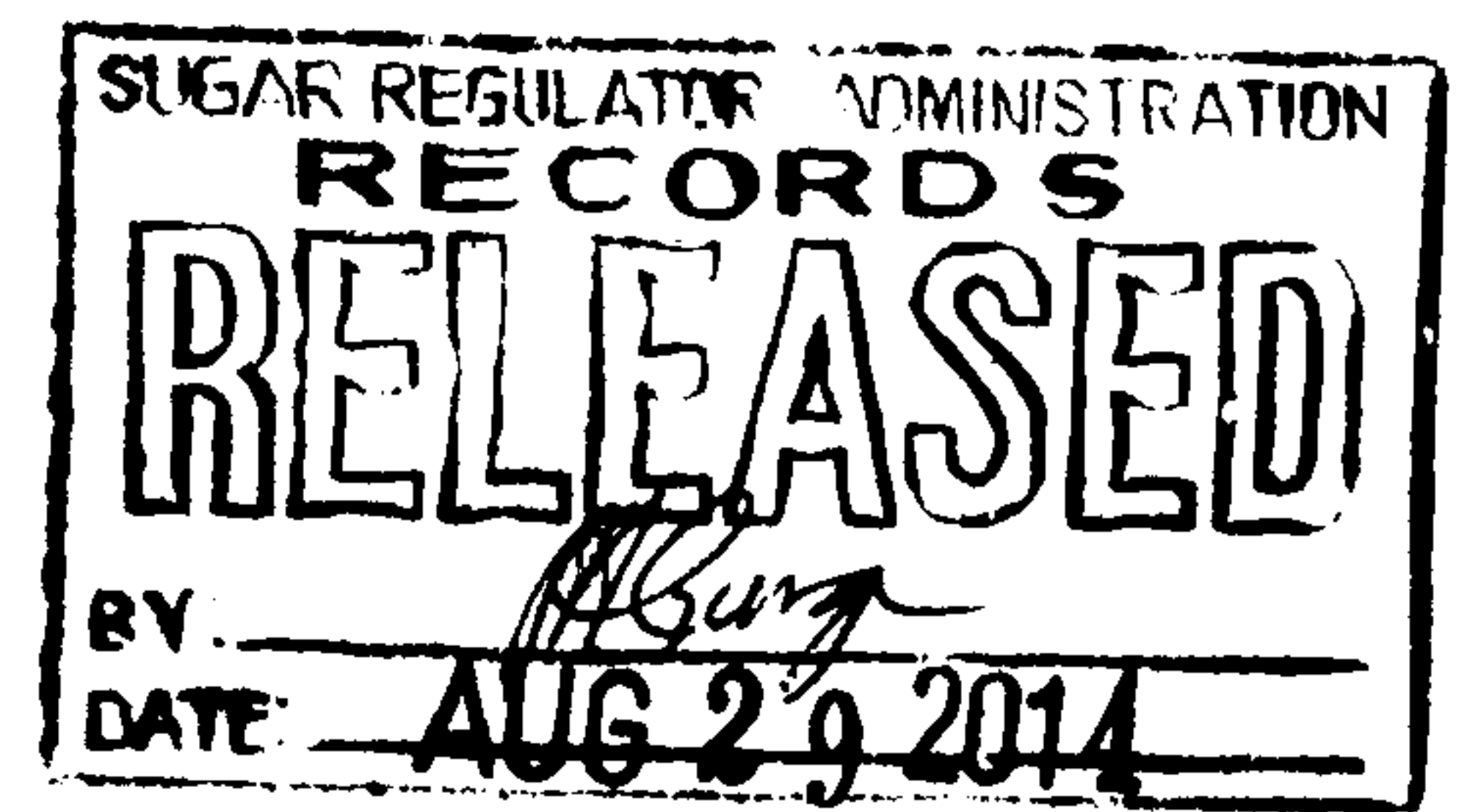




Republic of the Philippines
Department of Agriculture
SUGAR REGULATORY ADMINISTRATION
Sugar Center Bldg., North Ave., Diliman, Quezon City
Philippines 1101
TIN 000-784-336



August 29, 2014

SUGAR ORDER NO. 12-A
Series of 2013-2014

SUBJECT: COMPULSORY DISPOSITION OF RAW SUGAR COVERED BY OUTSTANDING QUEDANS FOR CROP YEAR 2011-2012 AND PRIOR CROP YEARS AND CONVERSION OF "D", "De", "Dr" AND "Dx" OF CROP YEAR 2011-2012 AND PRIOR CROP YEARS, PROVIDING FOR THE SHARING OF THE PRICE DIFFERENTIAL OF CONVERSION

WHEREAS, the SRA has issued Sugar No (S.O.). 12, Series of 2013-2014 providing for the Compulsory Disposition of Raw Sugar Covered by Outstanding Quedans for Previous Crop Year 2011-2012 and Prior Years and Circular Letter No. 35, Series of 2013-2014 as Implementing Rules and Regulations of the said sugar order;

WHEREAS, in order to augment the supply of domestic sugar due to the unforeseen spike in domestic sugar withdrawals, the SRA Board during the deliberation of S.O. 12, has initially determined the need to convert the "D", "De", "Dr" and "Dx" of Crop Year 2011-2012 and Previous Years to "B" or Domestic Sugar. However, because these involve different sugar classes, week endings and crop years, its complexity has prevented the Board from issuing the complete implementing rules and regulations pending the result of the physical inventory and updated list of outstanding quedans from the mills;

WHEREAS, consistent with transparency and equity, there is a need to proportionately share among the producers the price differential of "D", "De", "Dr" and "Dx" sugar due to its conversion to "B" sugar;

WHEREAS, Circular Letter No. 35, Series of 2013-2014 set August 31, 2014 as the deadline for the auction of sugar under S.O. 12. However, there was a need for some stakeholders to be clarified of the procedure for compulsory disposition and furthermore it took time for the mills to prepare the documentary requirement for the auction, hence the need to extend the deadline for the auction of sugar;

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

Section 1. CONVERSION. The conversion of "D", "De", "Dr" and "Dx" of Crop Year 2011-2012 and Previous Years to "B" or Domestic Sugar as written in Circular Letter No. 35 is hereby affirmed.

S.O. 12-A, S2013-14/11



Section 2. DISTRIBUTION OF PRICE DIFFENTIAL. The increase in prices by virtue of the conversion of "D", "De", "Dr" and "Dx" sugar to "B" sugar shall be equitably distributed to the sugar producers through their respective associations and mills (in the case of non-affiliated planters);

Section 3. EXTENSION OF DEADLINE OF AUCTION. The deadline for the auction sale of sugar as stated in the Circular Letter No. 35, Series of 2013-2014 (paragraph B) is extended to September 22, 2014.

Section 4. SUPPLEMENTAL IMPLEMENTING RULES AND REGULATIONS. The SRA shall issue a supplemental (supplement to Circular Letter No. 35) rules and regulations to implement Sugar Order Nos. 12 and 12-A, Series of 2013-2014.

Section 5. EFFECTIVITY. This Sugar Order shall take effect immediately after its publication in a newspaper of general circulation.

Section 6. CONSISTENCY. 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:


MA. REGINA BAUTISTA-MARTIN
Administrator