



REPUBLIC OF THE PHILIPPINES
SUGAR REGULATORY ADMINISTRATION
North Avenue, Diliman, Quezon City
P.O. Box 70, U.P., Diliman, Quezon City
TIN 0000-784-336



05 August 2003

SUGAR ORDER NO. 9
Series of 2002 - 2003

SUBJECT : **ADVANCE SWAPPING OF "A" OR U.S. QUOTA
SUGAR PRODUCED DURING CROP YEAR 2002-2003
INTO "B" OR DOMESTIC SUGAR**

WHEREAS, the Sugar Regulatory Administration (SRA) is mandated to balance the supply and requirement of sugar in the domestic market in order to stabilize prices at levels profitable to producers and fair to consumers;

WHEREAS, the allocations for the U.S. Sugar Quota of Quota Year 2002-2003 had already been filled up by various traders/exporters and there is a very significant volume of stocks of "A" or U.S. Export sugar available for possible domestic consumption, the disposition of which in the domestic market shall not adversely affect the condition of the market;

WHEREAS, keeping the "A" sugar as "A" will mean deterioration of it and therefore, not of exportable quality for the coming Quota Year 2003-2004 since, its condition when exported shall be subject to penalty which will result to a negative rating for our country as exporter;

NOW, THEREFORE, under and by virtue of the powers vested in the Sugar Regulatory Administration, it is hereby ordered that;

Section 1. All outstanding "A" quedan-permits (regular or swapped for raw sugar and "A" refined sugar) issued during the Crop Year 2002-2003, are hereby allowed (eligible for) on a voluntary basis for advance swapping into "B" or Domestic Sugar.

Section 2. The "A" quedan-permits subject of advance swapping shall be charged with an Advance Swapping Fee of **₱2.50/LKg-Bag** pursuant to General Administrative Order No. T, Series of 2002-2003.

In addition, a bond of Ten Pesos (₱10.00) per LKg-Bag either in cash or company's check with accompanying bank guarantee (please see attached form) referring to the check number thereof, shall be paid to/issued in the name of the Sugar Regulatory Administration (SRA), dated **01 April 2004**, upon submission of the "A" quedan-permits for processing, and wherein said bond shall be forfeited in favor of the SRA in the event the applicant fails to replenish the total volume of "A" sugar approved for advance swapping, with the corresponding "B" sugar **not later than 31 March 2004** of Crop Year 2003-2004.

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However, upon replenishment of the total volume of "A" sugar with the corresponding "B" sugar, the SRA shall return to the applicant the said bond in the amount of **Ten Pesos (P10.00) per LKg-Bag**. In the case of "A" refined sugar, the volume of "B" raw sugar to replenish the same shall be the volume of "A" raw sugar subject of advance refining.

Section 3. The "B" quedan-permits issued during the current crop year shall be allowed (eligible) for replenishment.

Section 4. Application for Advance Swapping shall be filed in any of the following SRA Offices:

- a. PCRO, SRA Quezon City
- b. SRED, SRA Bacolod City

Section 5. The deadline for the filing of the application for Advance Swapping under this Sugar Order shall be **not later than 31 August 2003** of the current Crop Year 2002-2003. Application for Advance Swapping shall not be accepted thereafter.

Section 6. The requirements of regular swapping application per Circular Letter No. 31, Series of 1997-1998 shall apply to herein advance swapping.

Section 7. The "A" quedans subject of advance swapping shall be stamped "**SURCHARGED FOR WITHDRAWAL AS "B" OR DOMESTIC SUGAR PER SUGAR ORDER NO. 9, SERIES OF 2002-2003, DATED 05 AUGUST 2003**".

Section 8. A Letter Authority addressed to the concerned mills/refineries allowing/authorizing the withdrawal of the "A" sugar as "B" shall be issued by the SRA.

Section 9. This Order shall take effect immediately.

Section 10. Provisions of Sugar Orders, Circular Letters, rules and regulations contrary to or inconsistent with this Sugar Order are hereby revised, modified or revoked accordingly.

BY AUTHORITY OF THE SUGAR BOARD:


JAMES C. LEDESMA
Administrator

Encl : as stated

Date

THE SUGAR REGULATORY ADMINISTRATION
Philippine Sugar Center Building
North Avenue, Diliman
Quezon City

ATTENTION : MR. JAMES C. LEDESMA
Administrator

LETTER GUARANTEE

Dear Sirs:

In compliance with SRA Sugar Order No. _____, Series of _____,
dated _____, we hereby guarantee that
_____ check no. _____

(Name of Bank)

issued by _____ to the

(Name of Producer/Trader)

to the Sugar Regulatory Administration (SRA) in the total amount of
_____ (P _____),

(amount in words)

copy hereto attached, shall be honored and fully funded by this bank on the
date indicated therein, which is _____, when negotiated by SRA.

(date of check)

Very truly yours,

Name and Signature
of Authorized Bank Personnel

Position Title/Designation

Encl : as stated