



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 July 2002

SUGAR ORDER NO. 7  
Series of 2001 - 2002

**SUBJECT : OUT-MAV SUGAR IMPORTATION FOR THE YEAR 2002**

**WHEREAS**, the estimated sugar production for CY 2001-2002 ending 31 August 2002 is 1,909,888 MT while the total demand/requirements is expected to be 2,009,032 MT;

**WHEREAS**, total "A" or U.S. Export production/allocation has reached 213,616 MT but only 75,401 MT was actually shipped out, and the balance of 138,215 MT was allowed conversion into "B" for domestic consumption;

**WHEREAS**, it is expected that only 80% of the aforesaid "A" sugar will be converted into "B" sugar or about 30,000 MT will remain as "A" and therefore, cannot be available for domestic use;

**WHEREAS**, it is estimated that by end of August 2002, the sugar stock balance is 192,535 MT and by end of September 2002 (CY 2002-2003) it is 152,535 MT, which is below last year's level of 200,121 MT and may, therefore, result in tightness of supply in the domestic market that can cause the prices of sugar to increase;

**WHEREAS**, the expected early milling for the new CY 2002-2003 may not push through due to the unfavorable weather conditions currently prevailing;

**WHEREAS**, the foregoing considered and in the national interest, there is now an immediate need to import sugar;

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

**Section 1.** A total volume of 50,000 MT, 5% more or less, of raw and/or refined sugar shall be imported under the OUT-MAV for the year 2002 subject to a tariff of 65%, to arrive on or before 31 August 2002.

**Section 2.** The aforesaid OUT-MAV importation, due to tightness of schedule, shall be open only to the most qualified importers, basis of which is their good track record, particularly those importers who supported the import program last year of 2001, in order to ensure the timely arrival of the sugar.

**Section 3.** A Performance Bond of **THIRTY DOLLARS PER METRIC TON (\$30.00/MT)** of sugar shall be required from the importers and shall be forfeited in favor of the SRA should the shipment is Thirty (30) days delayed from the deadline of arrival, which is 31 August 2002, while a penalty of **ONE-PESO PER BAG (P 1.00/LKg-Bag)** shall be imposed for every day of delay from the deadline of arrival (31 August 2002), said penalty shall apply only to delays of less than Thirty (30) days.

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The compliance of the importers for forfeiture and penalty provisions hereof shall be manifested in the attached **UNDERTAKING** duly accomplished and notarized.

**Section 4.** The importer/consignee of the imported sugar under the OUT-MAV for the year 2002 shall apply with the SRA for clearance prior to the release of the commodity from the Bureau of Customs (BOC).

The said importer/consignee shall submit to the SRA a letter-request for clearance, attached thereto the following pertinent documents of importation namely: i) SRA Letter of Advice re : OUT-MAV Import Allocation (Notice of Award), ii) Commercial Invoice, and iii) Bill of Lading, and shall pay the following liens per LKg-Bag of sugar, to wit:

	<u>Raw Sugar</u>	<u>Refined Sugar</u>
1. Sugar Regulatory Administration (SRA) Clearance Fee --	₱ 11.00/LKg-Bag	₱ 11.90/LKg-Bag
2. Sugar Industry Foundation, Inc. (SRA Trustee) -----	7.90/LKg-Bag	8.55/LKg-Bag
3. Sugar Market Development Fund (SRA Trustee) - ----	8.00/LKg-Bag	8.65/LKg-Bag
4. Philippine Sugar Research Institute (SRA Trustee) -----	3.00/LKg-Bag	3.24/LKg-Bag
	<hr/>	<hr/>
<b>TOTAL</b>	<b>₱ 29.90/LKg-Bag</b>	<b>₱ 32.34/LKg-Bag</b>

The importer/consignee shall pay the aforesaid liens for the account of the Sugar Regulatory Administration inasmuch as lien nos. 2 – 4 shall be held in trust by the SRA.

**Section 5.** The volume of importation shall be classified by the SRA as "B" or Domestic sugar upon payment of the liens enumerated herein. Otherwise, the imported sugar shall be "C" or Reserve sugar, in which case, it cannot be disposed of in the domestic market.

**Section 6.** This Order shall take effect immediately.

**Section 7.** Provisions of Sugar Orders, Circular Letters, rules and regulations inconsistent with or contrary to this Order are hereby revoked, amended or modified accordingly.

**BY AUTHORITY OF THE SUGAR BOARD:**

  
**JAMES C. LEDESMA**  
Administrator

Encl : as stated



UNDERTAKING

KNOW ALL MEN BY THESE PRESENTS:

\_\_\_\_\_  
(NAME OF SUGAR IMPORTER)

with office address and principal place of business at \_\_\_\_\_, hereby undertakes to faithfully abide and comply with the provisions of Section 3 of Sugar Order No. 7, S. 2001-2002, and that I/we shall be held administratively liable for violation of the provisions, terms and conditions of the said Sugar Order, which liability includes forfeiture of my/our Performance Bond of \$30.00 per Metric Ton of sugar or penalty of One Peso per bag of Sugar (P1.00/LKKg-Bag) per day of delay.

IN WITNESS WHEREOF, I have hereunto set my hand this \_\_\_\_ day of \_\_\_\_\_ at \_\_\_\_\_, Philippines.

\_\_\_\_\_  
(Name of Sugar Importer)

By:

\_\_\_\_\_  
(Name/Signature of Authorized Representative)

\_\_\_\_\_  
(Position Title)

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SUBSCRIBED AND SWORN TO before me this \_\_\_\_ day of \_\_\_\_\_  
affiant exhibited to me his/her Community Tax Certificate No. \_\_\_\_\_  
issued on \_\_\_\_\_ at \_\_\_\_\_.

NOTARY PUBLIC