



REPUBLIC OF THE PHILIPPINES
SUGAR REGULATORY ADMINISTRATION
North Avenue, Diliman, Quezon City
P.O. Box 70, U.P. Diliman, Quezon City
TIN 000-784-336-000

11 March 2005



SUGAR ORDER NO. 4-B
Series of 2004-2005

**SUBJECT : AMENDMENT TO SUGAR ORDER NO. 4, SERIES OF 2004-2005 RE:
PROVIDING FOR "C" OR RESERVE SUGAR AND FOR OTHER PURPOSES**

WHEREAS, Section 3 of Sugar Order No. 1, Series 2004-2005, dated 24 August 2004, provides that the SRA shall undertake periodic assessments of the 2004-2005 sugar production and on the basis of such assessments, it shall adjust from time to time the percentage distribution of the different classes of sugar;

WHEREAS, the SRA is mandated to ensure a sufficient supply of sugar in the domestic market which will stabilize prices thereat at levels profitable to producers and fair to consumers;

WHEREAS, the final estimated sugar production of CY 2004-2005 is expected to decrease from the initial projection of 2.28 MMT to between 2.15MMT and 2.18MMT due to the closure of Central Azucarera de Tarlac, the delay in the milling operation of Central Azucarera de Bais, and unfavorable weather conditions in some sugarcane growing areas;

WHEREAS, we have already allocated more than 65% of the initially estimated excess sugar for the World Market as "D" sugar;

WHEREAS, we are still at the peak of our sugar production (December 2004- March 2005) such as our domestic supply is substantially more than our domestic demand during this particular period;

WHEREAS, there is a need to amend certain provisions of Sugar Order No. 4, Series of 2004-2005;

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

Section 1. Sections 1, 2 and 3 of Sugar Order No. 4, Series of 2004-2005 are hereby amended to read as follows:

"Section 1. Production and Classes of Sugar. (a) The classification and percentage allocation for the different classes of sugar under Section 1 of Sugar Order No. 4, Series of 2004-2005 are hereby amended and revised in the manner as hereinafter provided.

(b) All sugar production for the Crop Year 2004-2005 beginning **week ending 20 March 2005** shall be issued weekly quedan-permits by mill companies in the following classification and percentage allocation:

"A" or U.S. Quota Sugar	4.00%
"B" or Domestic Sugar	76.00%
"C" or Reserve Sugar (for Domestic Market)	<u>20.00%</u>
as "C" - 10%	
as "C-1" - <u>10%</u>	
TOTAL	100.00%

Section 3. Quedanning of the "C" or Reserve Sugar (for Domestic Market).
The quedanning of the "C" or Reserve sugar, which is 20% of the total production, shall be done in the following manner, namely: i) 10% of the total "C" or Reserve sugar shall be quedanned and classified as "C", and ii) 10% of the total "C" or Reserve sugar shall be quedanned and classified as "C-1".

The "B" or Domestic sugar quedan-permit forms for Crop Year 2004-2005 shall be used to cover every week-ending's production of **total "C" or Reserve sugar quedanned and reflected therein as "C" (10% of total "C") and "C-1" (10% of total "C")**, and shall be issued after the said "B" quedan-permits have been properly stamped **as "C" and "C-1" or Reserve sugar** and validated by the SRA Sugar Production Control and Regulation Officers (SPRO's) assigned at the millsites.

Mill companies shall on a weekly basis, **issue consolidated (block quedanning) "C" and "C-1" quedan-permits** to planters (planters' share) in the name of the planters' association/cooperative as assignee, attached thereto the list of planters by planters' association/cooperative and their corresponding volumes of "C" and "C-1" sugar.

For the non-affiliated planters, **quedanning of the "C" and "C-1" sugar** shall be joined with those of the mill or any planters' association/cooperative of their choices, attached thereto the list of planters and their corresponding volumes of sugar.

Sugar planters who wish to be "independent" shall inform the SRA in writing about it, copy furnished the mills. The mills shall issue **separate "C" and "C-1" quedans** in the name of the planters."

Section 2. The "C-1" or Reserve sugar is distinct from the initial "C" in terms of its classification schedule for the domestic market.



Section 3. A separate Sugar Order/Circular Letter shall be issued to serve as rules and regulations/implementing guidelines for the schedule of reclassification of the "C-1" sugar into "B" or Domestic sugar.

Section 4. This Order shall take effect immediately.

Section 5. Provisions of Sugar Orders, Circular Letters, rules and regulations contrary to or inconsistent with this Order are hereby amended, revoked or modified accordingly.

BY AUTHORITY OF THE SUGAR BOARD:


JAMES C. LEDESMA
Administrator