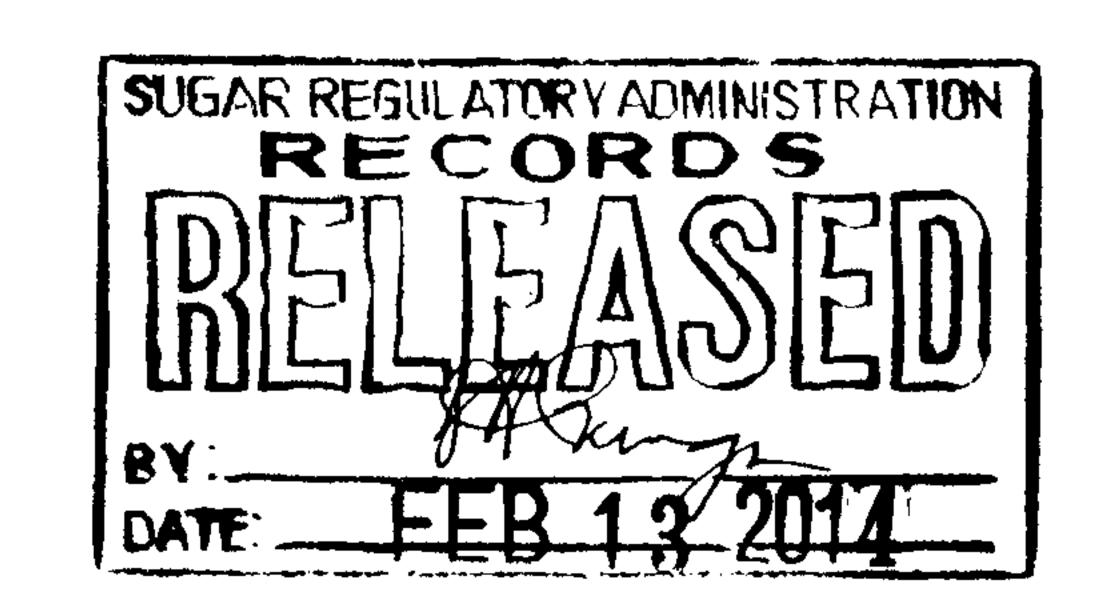


Republic of the Philippines Department of Agriculture

SUGAR REGULATORY ADMINISTRATION

Sugar Center Bldg., North Ave., Diliman, Quezon City Philippines 1101
TIN 000-784-336



February 11, 2014

SUGAR ORDER NO. 1-A
Series of 2013-2014

SUBJECT: RE ALLOCATION OF SUGAR PRODUCTION DISTRIBUTION

WHEREAS, Executive Order No.18, dated 28 May 1986, vests the Sugar Regulatory Administration (SRA) with the power to establish and maintain a balanced relationship between sugar production and the requirements of sugar and to maintain such marketing conditions as will ensure stabilized prices at levels reasonably profitable to the producers and fair to consumers;

WHEREAS, in exercise of its above-mentioned mandate, SRA issued on 30th August 2013, Sugar Order No. 1, Series of 2013-2014 laying down the SUGAR POLICY FOR CROP YEAR 2013-2014, particularly the Production and Classes of Sugar under Section 1 thereof;

WHEREAS, in consonance with Section 5 of Sugar Order No. 1 Series of 2013-2014, the SRA conducted periodic assessments wherein it was determined that due to the adverse effect of the series of severe climatic disturbances befalling the country which directly impacted sugar production, our total national sugar production will be reduced to more or less 2.356 Metric Tonnes;

WHEREAS, while our current crop year's production is on the downtrend on the one hand, the records shows that our local demand or consumption for sugar is increasing, thus it is projected that our domestic sugar buffer stock at the end of the crop year will be at a critical level if and when the sugar production percentage allocation will not be adjusted;

WHEREAS, in order to avert the eventual disturbance of our normal supply of domestic sugar at the end of the crop year, the SRA is under obligation to and will revise the distribution percentages of Sugar



Order No. 1 Series of 2013-2014, acting by virtue of Section 5. of the same Sugar Order which states:

"Section 5. <u>Periodic Assessment</u>, <u>Percentage Adjustment</u>. The SRA shall undertake the periodic assessment of the Crop Year 2013-2014 sugar production and consumption (of the Crop Year 2013-2014 sugar production and consumption) trend, taking into account and in consideration of the impact of the SRA bioethanol program, and on the basis of such assessment, it may from time to time adjust the percentage distribution of the different classes of sugar as provided in this Sugar Order and/or take necessary action to address the situation."

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

Section 1. Production and Classes of Sugar. The percentage distribution of sugar production as stated in Section 1 of Sugar Order No. 1, Series of 2013-2014 is hereby amended as follows:

"A" or US Quota Sugar	2%
"B" or Domestic Sugar	92%
"D" or World Market Sugar	6%

Section 2. <u>Effectivity Clause</u>. This Sugar Order shall take effect immediately to cover sugar produced of week-ending 16 February 2014 and the subsequent week endings of Crop Year 2013-2014;

Section 3. <u>Repealing Clause.</u> Provisions of sugar orders, circular letters, and other rules and regulations inconsistent with or contrary to this Sugar Order are hereby amended, modified or repealed and revoked accordingly.

BY AUTHORITY OF THE SUGAR BOARD:

MA. REGINA BAUTISTA-MARTIN

Administrator