



REPUBLIC OF THE PHILIPPINES  
SUGAR REGULATORY ADMINISTRATION  
North Avenue, Diliman, Quezon City  
P.O. Box 70, U.P., Diliman, Quezon City

21 May 2002



SUGAR ORDER NO. 5  
Series of 2001 – 2002

**SUBJECT : LIENS ON SURRENDERED CERTIFICATES FOR QUOTA ELIGIBILITY (CQEs) UNDER THE FY 2002 RAW SUGAR TARIFF RATE QUOTA**

**WHEREAS**, the U.S. Department of Agriculture has announced on 29 April 2002, that it will accept bids (public tender) for Commodity Credit Corp. (CCC) raw cane sugar in exchange for Certificates for Quota Eligibility (CQEs) from countries that had shipped sugar to the U.S. in each of the past three (3) Fiscal Years (1999 – 2001), said CQEs shall be in lieu of the actual shipment of raw sugar under the FY 2002 Tariff Rate Quota (TRQ);

**WHEREAS**, participation in this program by the Philippines shall not subject our country to any reduction in the quantity of raw sugar allocated under the U.S. raw sugar TRQ;

**WHEREAS**, the Philippines has a remaining volume of 61,952 Metric Tons Commercial Weight (MTCW) or 64,120.32 Metric Tons Raw Value (MTRV) of unshipped "A" or U.S. quota raw sugar to fill up completely its quota for QY 2001 – 2002, said volume shall be subject of surrendering of CQEs;

**WHEREAS**, the 61,952 MTCW of unshipped raw sugar to the U.S. when re-classified as "B" or Domestic sugar shall reduce the import requirements of the Philippines by as much for the year 2002;

**WHEREAS**, the aforesaid sugar importation is always subject to imposition of liens, in which case, the aforesaid reduction of 61,952 MTCW in our importation shall reduce the lien collections correspondingly;

**WHEREAS**, in the interest of the sugar industry, there is a need to recover the said loss in liens through the imposition of same on the "A" or U.S. quota raw sugar subject of surrendering of CQEs.

**WHEREAS**, there is also, a need to rationalize the said imposition of liens on surrendered CQEs by taking into account the liens on imported sugar viz-a-viz the domestic sugar;

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

**Section 1.** All applications with the SRA for the surrendering of CQEs covering the unshipped (verified) "A" or U.S. Quota sugar for QY 2001 – 2002 shall be subject to payment of the following liens derived from the **difference** between the liens collected from imported sugar pursuant to Sugar Order No. 4, S. 2001-2002 and domestic sugar as reflected in the raw sugar quedans, to wit:

	<u>Imported</u>	<u>Domestic</u>	<u>Difference</u>
1. SRA Processing Fee -----	₱ 11.00/LKg-Bag	₱ 1.18/LKg-Bag	₱ 9.82/LKg-Bag
2. SIFI / SAF -----	7.90/LKg-Bag	7.90/LKg-Bag	-
3. SMDF (SRA Trustee) - - - - -	8.00/LKg-Bag	0.70/LKg-Bag	7.30/LKg-Bag
4. Philsurin (SRA Trustee) - - - - -	3.00/LKg-Bag	2.00/LKg-Bag	1.00/LKg-Bag
<b>TOTAL</b>	<b>₱ 29.90/LKg-Bag</b>	<b>₱ 11.78/LKg-Bag</b>	<b>₱ 18.12/LKg-Bag</b>

The trader/exporter shall pay the aforementioned liens of P18.12/Lkg-Bag for the account of the Sugar Regulatory Administration although liens nos. 3 & 4 shall only be held in trust by the SRA.

**Section 2.** Provisions of Sugar Orders, Circular Letters, rules and regulations inconsistent with or contrary to this Order are hereby revoked, amended or modified accordingly.

**Section 3.** This Order shall take effect immediately.

**BY AUTHORITY OF THE SUGAR BOARD:**

  
**JAMES C. LEDESMA**  
 Administrator