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Republic of the Philippines
Department of Agriculture

SUGAR REGULATORY ADMINISTRATION

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U.P. LAW CENTER
OFFICE of the NATIONAL ADMINISTRATIVE REGISTER
Administrative Rules and Regulations

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REGISTERED
ONAR Registration No. 23-0701
TIME: h/w BY: lot

June 30, 2023

SUGAR ORDER NO. 9
Series of 2022-2023

Subject: RECLASSIFICATION (CONVERSION) OF OUTSTANDING "A" OR U.S. QUOTA SUGAR AND "D" OR WORLD MARKET SUGAR TO "B" OR DOMESTIC MARKET SUGAR UNDER CERTAIN CONDITIONS

WHEREAS, the Sugar Regulatory Administration (SRA) is mandated under Executive Order No. 18, Series of 1986, Section 2 (B) *"to establish and maintain such balanced relation between production and requirement of sugar and such marketing conditions as will insure stabilized prices at a level profitable to the producers and fair to consumers;"*

WHEREAS, there is an imperative to ensure stable supply of sugar in the domestic market with the increase in the demand of "B" sugar and to stabilize the prices;

WHEREAS, as of June 11, 2023, the actual raw production in the country has increased by only 0.37 percent compared to the production for the same period last crop year;

WHEREAS, records of SRA indicate that significant volumes of "A" or U.S. Export market sugar and "D" or World market sugar have remained unshipped and could be utilized to alleviate the perceived tightness in domestic sugar balance. SRA records further reveal that 11,432 MT for "A" sugar and 5,478 MT for "D" sugar have remained outstanding as per final report on raw sugar balances as of November 20, 2022;

WHEREAS, SRA has received requests for the conversion or reclassification of verified unshipped "A" and "D" sugar quedans to "B" sugar quedans considering that the reclassification of "A" and "D" sugar quedans was authorized in Crop Year 2014-2015 and Crop Year 2013-2014, respectively;

WHEREAS, the SRA had consultations with the producers, namely, the planters and millers association/federations, on the conversion or reclassification of the foregoing verified "A" and "D" sugar quedans to "B" sugar quedans to augment the volume of sugar to be made available for domestic consumption, and help alleviate the tightness in the domestic sugar supply for Crop Year 2022-2023;



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NOW, THEREFORE, pursuant to the powers vested in the Sugar Regulatory Administration (SRA), the following are hereby ordered:

Section 1: Coverage for "A" and "D" sugar quedans qualified for Reclassification or Conversion: Any verified unshipped "A" and "D" sugar quedans, regardless of status, issued for CY 2020-2021 and previous crop years, are eligible for reclassification or conversion on a voluntary basis under this Sugar Order;

Section 2: Application and Deadline for Reclassification or Conversion. Holders of verified unshipped "A" and "D" sugar quedans as provided under Section 1 may file an application for reclassification or conversion of said quedans to "B" sugar quedans not later than August 15, 2023; late applications shall not be accepted;

2.1 Applications for conversion shall have complied with the requirements of prior verification and approved application for reinstatement as covered by pertinent separate issuances of the SRA;

Section 3: Procedures for Reclassification or Conversion of "A" and "D" sugar to "B" sugar. Outstanding "A" and "D" sugar quedans for CY 2020-2021 and previous crop years must be verified/reverified not later than July 21, 2023. The final volume of "A" and "D" sugar which can be converted to "B" sugar shall be decided upon by the SRA only after the final verification/reverification. Outstanding "A" and "D" sugar quedans which are unverified after the said deadline shall no longer be accepted for conversion to "B" sugar. The SRA shall issue an Order three (3) working days after the aforesaid deadline containing, among others, the volume of verified outstanding "A" and "D" which can be converted to "B."

To this effect, the SRA shall issue a Memorandum to all sugar mills and planters' associations indicating the volume of outstanding "A" and "D" sugar produced as mill share and individual planter's share for Crop Year 2020-2021 and previous crop years, for both associated and non-associated planters, the correctness of which shall be verified by the latter.

Section 4. The outstanding "A" and "D" sugar quedans for Crop Year 2020-2021 and previous crop years covered by this Order which applied for conversion to "B" sugar quedans shall be charged with the following fees:

Reinstatement Fee	- Php 15.00 per LKg-bag
Reclassification/Conversion Fee	- Php 33.00 per LKg-bag
Revalidation Fee	- Php 5.00 per quedan

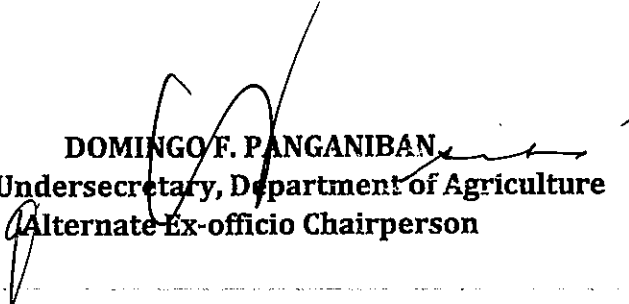
Section 5. The "A" and "D" sugar quedans subject of reclassification shall be stamped **"RECLASSIFIED FOR WITHDRAWAL AS "B" OR DOMESTIC SUGAR"**. Sugar covered by the converted quedans shall be accounted for as that for the current crop year;

Section 6. A Letter of Authority addressed to the concerned mill allowing/authorizing the withdrawal of the "A" sugar and "D" sugar as "B" sugar shall be issued by the SRA.


Section 7. Provisions of other sugar orders, circular letters, and/or rules and regulations contrary to or inconsistent with this Order are hereby amended, modified, or revoked accordingly.

Section 8. This Sugar Order shall be valid only for Crop Year 2023-2024. This Order shall take effect after three (3) days from filing with the Office of the National Registrar, U.P. Law Center, Diliman, Quezon City.

APPROVED BY:


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