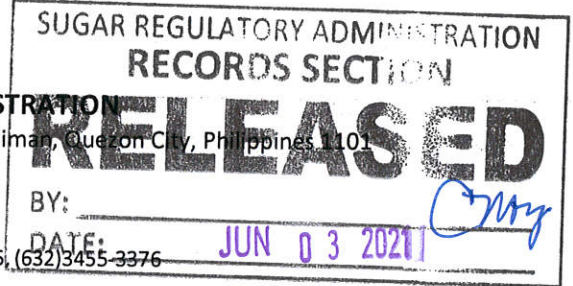


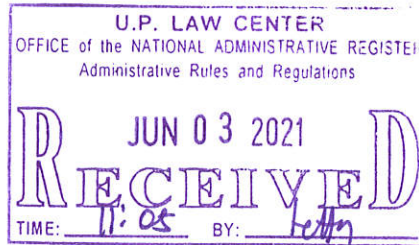


Republic of the Philippines  
Department of Agriculture  
**SUGAR REGULATORY ADMINISTRATION**  
Sugar Center Bldg., North Avenue, Diliman, Quezon City, Philippines 1101  
TIN 000-784-336  
Website: <http://www.sra.gov.ph>  
Email Address: [srahead@sra.gov.ph](mailto:srahead@sra.gov.ph)  
Tel. No.: (632)8929-3633, (632)3455-2135, (632)3455-3376



May 31, 2021

**SUGAR ORDER NO. 3**  
Series of 2020-2021



Subject: **"A" Sugar Export Replenishment Program for Crop Year 2020-2021**

**WHEREAS**, the Final Crop Estimate for Crop Year 2020-2021 released in March 2021 projects production at 2,101,000 metric tons, lower from the initial Pre-Milling Crop Estimate in August 2020 of 2,190,000 metric tons;

**WHEREAS**, according to the survey result of the refiners' group of its members' estimated production for the current crop year shows a 14.32 percent drop in total refined production for CY 2020-2021 compared to previous crop year;

**WHEREAS**, the Sugar Supply and Demand Situation as of May 16, 2021 indicates that domestic raw sugar withdrawals is up 9.86 percent, while locally-produced refined sugar withdrawals is higher by 27.31 percent, both from the same weekending last crop year;

**WHEREAS**, one of the mandates of the Sugar Regulatory Administration (SRA) under its charter is *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 reasonably profitable to the producers and fair to consumers*;

**WHEREAS**, the "A" export replenishment program is proven to be a successful and effective mechanism to augment domestic sugar supply last crop year wherein those that exported or shipped out the "A" sugar produced in crop year 2019-20 to the United States in Quota Year 2019-20 were issued SRA clearances for the sugar they imported as replenishment for the volume of "A" sugar exported;

**WHEREAS**, the "A" export replenishment program also benefits sugar producers, particularly the small sugar farmers and agrarian reform beneficiaries (ARBs), that have sold their "A" sugar prior to this program/order;

**WHEREAS**, sugarcane farmers and mills' associations have recommended to SRA to adopt a similar "A" export replenishment program if it is determined that sugar imports are needed to augment domestic supply;



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**WHEREAS**, it has been determined that a similar "A" export replenishment program is needed this Crop Year 2020-2021 to address the drop in sugar production and increase in withdrawals;

**WHEREAS**, it is necessary to issue the "A" export replenishment program in order to address inflation brought about by rising prices of domestic sugar.

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

**Section 1: Export Replenishment Program.** An "A" sugar export replenishment program shall be adopted to augment the drop in sugar production this Crop Year 2020-2021.

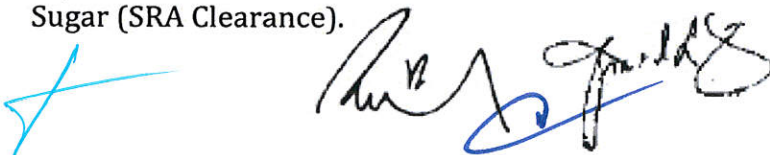
1.1 Under this program, exporters of the "A" sugar/quedans produced or issued in Crop Year 2020-2021 and exported to the United States sugar quota in Quota Year 2020-2021 may import a corresponding volume at a ratio of:

- 1Lkg-bag (50 kilo-bag) "A" sugar exported is to 1 LKg-bag of raw sugar, if raw sugar is imported as replenishment, or
- 1 LKg-bag of "A" sugar exported is to 0.925LKg-bag of refined sugar (raw equivalent), if refined sugar (such as standard refined, premium grade, or bottlers' grade) is imported as replenishment.

Provided, that, the volume of sugar that an exporter may import as replenishment shall not exceed the volume of "A" sugar/quedans it exported, and that the total import volume for replenishment shall not exceed the total volume of "A" sugar/quedans of Crop Year 2020-2021 that were exported to the United States for Quota Year 2020-2021.

1.2 Only "A" sugar/quedans issued for Crop Year 2020-2021 and exported to the U.S. sugar quota for Quota Year 2020-2021 are covered by the replenishment program. Previous crop years' "A" sugar/quedans are excluded from the replenishment even if exported to the United States in Quota Year 2020-2021. As used in this Order, **exported "A" sugar/quedans shall refer to those "A" sugar/quedans produced or issued in Crop Year 2020-2021 that has been shipped out to the U.S. sugar quota in Quota Year 2020-2021 and issued Certificate of Quota Eligibility (CQE) by SRA.**

1.3 Notwithstanding the provision of the preceding paragraph, exporters of "A" sugar/quedans issued for Crop Year 2020-2021 and exported to the U.S. sugar quota in Quota Year 2020-21 are required, among other requirements enumerated in Sec. 2.2, to submit to SRA a written authority from the planter/planters' association or sugar mill to whom the "A" sugar/quedan was originally issued to have the quedan verified for replenishment. Without the written authority, the subject "A" sugar/quedans will not be eligible for replenishment and shall not be issued SRA Clearance for Release of Imported Sugar (SRA Clearance).



**Section 2: Guidelines for Importation:**

2.1 Exporters that have shipped out the "A" sugar/quedans and have been issued a CQE by SRA may import the replenishment. The replenishment must arrive no sooner than July 1, 2021 and no later than October 31, 2021.

2.2 Applications for the issuance of SRA Clearance shall be submitted to the SRA-Regulation Department, Sugar Centre Building, Quezon City. The following are the requirements:

- i. Application letter for the issuance of SRA Clearance indicating the volume of imported sugar and the address of the SRA-registered warehouse where the sugar will be stored;
- ii. Certificate of no pending tax liability issued by the Revenue District Office of the Bureau of Internal Revenue (BIR) where the applicant/importer is registered;
- iii. Written authority from producer, as mentioned in Sec. 1.3;
- iv. Bill of Lading;
- v. Commercial Invoice of the imported sugar;
- vi. Packing list;
- vii. Certificate of Analysis (from country of origin);
- viii. Proof of payment of applicable SRA fees.

2.3 Imported sugar for replenishment shall be initially classified as "C" Reserved sugar and stored in an SRA-registered warehouse prior to its reclassification to "B" Domestic sugar. Provided that, the reclassification to "B" Domestic shall be upon written application of the exporter. Provided further, the reclassification of "B" Sugar shall be subject to approval by the Sugar Board pursuant to Section 3 (c) and (e) of Executive Order 18, and Section 9 of R.A. 10659.

**Section 3: Penalties:**


3.1 Any exporter that shall submit incomplete requirements as enumerated in Sec. 2.2 shall not be issued SRA Clearance for the imported sugar as replenishment.

3.2 Any exporter that will import in excess of the volume of "A" sugar/quedans it exported as determined by SRA shall not be issued an SRA Clearance on the excess volume, without prejudice to the other penalties that the SRA Board may decide to impose.

3.3 Any imported sugar for replenishment that arrives before July 1, 2021 or after October 31, 2021 shall not be issued SRA Clearance.

**Section 4:** Provisions of sugar orders, circular letters, and other rules and regulations contrary to or inconsistent with this Order are hereby amended, modified or revoked accordingly.

**Section 5:** A copy of this Order shall be filed with the Office of the National Administrative Registrar, University of the Philippines Law Center, Diliman, Quezon City.



**Section 6:** This Order shall take effect after three (3) days from filing in the Office of the National Registrar.

**APPROVED BY:**



**SECRETARY WILLIAM D. DAR, Ph.D.**  
**Chairperson**



**ENGR. HERMENEGILDO R. SERAFICA**  
**Administrator**



**ATTY. ROLAND B. BELTRAN**  
**Board Member - Millers' Representative**



**ATTY. EMILIO BERNARDINO L. YULO III**  
**Board Member - Planters' Representative**