

REPUBLIC OF THE PHILIPPINES SUGAR REGULATORY ADMINISTRATION

P.O. Box 70, U.P., Diliman, Quezon City TIN 0000-784-336

26 June 2003

SUGAR ORDER NO. 8 Series of 2002 – 2003

SUBJECT

ADVANCE REFINING OF "A" EXPORT SUGAR OF CURRENT AND PRIOR CROP YEAR/S

WHEREAS, our U.S. sugar quota for QY 2002-2003 had already been completely filled-up by various traders/exporters, leaving a very significant volume of stocks of "A" or U.S. Export sugar in the mill warehouses;

WHEREAS, it is the primordial concern of the Sugar Regulatory Administration (SRA) to export good quality sugar every Quota Year to fill up our U.S. Quota Allocation;

WHEREAS, it is also, in the national interest to ensure the raw requirements of our refineries for its viability especially at the start of its refining operations;

WHEREAS, the "A" or U.S. Export sugar in raw form is susceptible to deterioration;

WHEREAS, the "A" or U.S. Export sugar, in order to prevent its deterioration, can serve best the raw requirements of our refineries, instead of being exported to the U.S. market for the next Quota Year since, its condition when exported may be subject to penalty resulting to a negative rating for our country as exporter;

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

Section 1. The "A" U.S. Export sugar covered by "A" quedan-permits of current and prior crop year/s are hereby allowed for Advance Refining.

Section 2. The "A" quedan-permits when submitted to the SRA for advance refining shall be charged with an Advance Refining Fee of $\not\equiv$ 3.00 per LKg-Bag.

Section 3. A Letter of Application for Advance Refining shall be filed with the SRA, Diliman, Quezon City attached thereto the following:

- a) Physical "A" quedans with listing, sorted chronologically by date of production.
- b) Affidavit of Ownership of the abovementioned quedans, duly notarized.
- c) Undertaking that the quedan-permits shall be surcharged/swapped into "B" quedan-permits.

Section 4. The "A" quedan-permits subject of Advance Refining shall be stamped "AUTHORIZED FOR ADVANCE REFINING PER SUGAR ORDER NO. 8 DATED 26 JUNE 2003, SERIES OF 2002-2003".

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A Letter Authority, duly signed by the SRA Administrator, addressed to the concerned mill allowing/authorizing the withdrawal for Advance Refining of a particular volume of "A" sugar shall be issued by the SRA. The covering "A" quedan-permits shall be surrendered to the mill for the issuance of the corresponding Sugar Release Order (SRO). The trader upon tolling shall furnish the refinery with a copy of the SRO (refinery's copy) and the said Letter Authority so that the corresponding "A" Refined Sugar Quedan (RSQ) shall be issued to the trader.

In the case of "A" sugar withdrawn from the mill for Advance Refining to a refinery involving coastwise movement of the "A" sugar, the shipper shall attach the aforesaid Letter Authority as additional requirement in the application for a shipping permit.

Section 6. The advance refined "A" or U.S. Export sugar cannot be withdrawn for domestic market unless its covering RSQ has swapped/surcharged (regular or advance) into "B" or Domestic sugar.

Section 7. Close monitoring of the refined "A" or U.S. Quota sugar shall be implemented through the following:

- a) The refineries shall store the refined "A" sugar in a separate pile, apart and distinct from the refined sugar for domestic market covered by Refined Sugar Quedans (RSQs) issued by them.
- b) The refinery shall allow the withdrawals of the subject refined "A" Export sugar upon surrendering of the RSQ which has been swapped/surcharged into "B" Domestic sugar and submission of Letter Authority for withdrawal therefrom.
- c) The mills shall prepare a Weekly Production and Withdrawal (if any) Reports about their refined "A" sugar and to submit same, as verified and certified by SRA SPCROs assigned thereat, to the PCRO, SRA, Quezon City for control purposes.

Section 7. This Order shall take effect immediately and shall be valid and binding only up to and until 31 December 2003.

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

BY AUTHORITY OF THE SUGAR BOARD:

Administrator