

Republic of the Philippines

Department of Agriculture

SUGAR REGULATORY

Arenets Street, Singcant Bacolod City

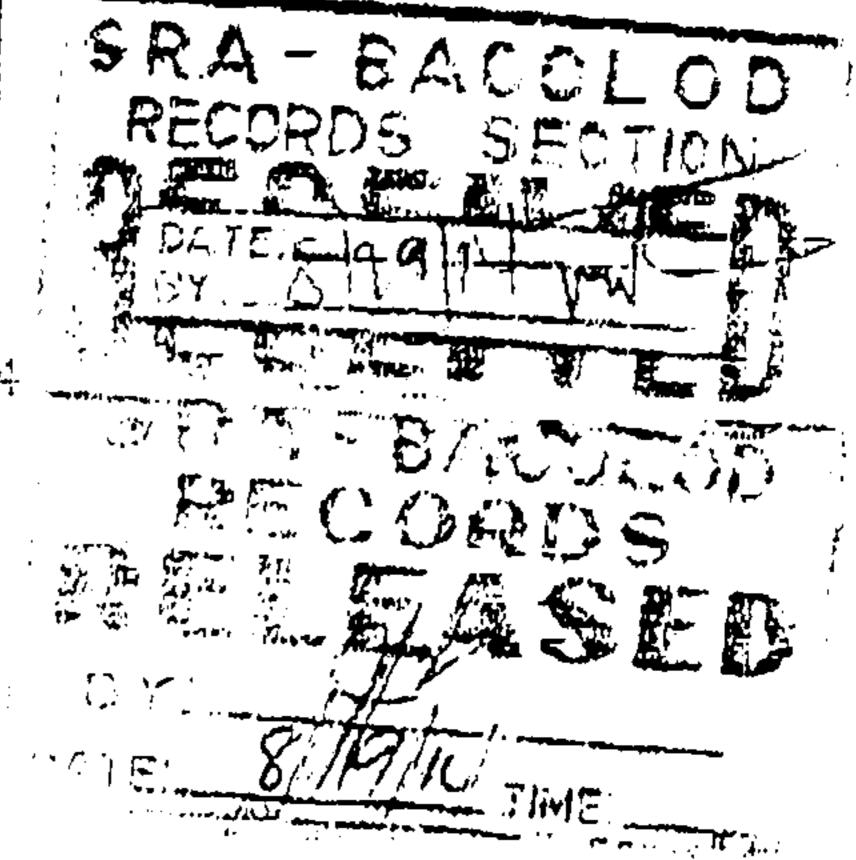
Philippines 6100

TIN 0000-784 336

DATE:



August 19, 2014



SUGAR ORDER NO. 1 Series of 2014 2015

SUBJECT: SUGAR POLICY FOR CROP YEAR 2014 - 2015

WHEREAS, Executive Order No. 18, dated 28 May 1986, vested the Sugar Regulatory Administration 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, domestic demand is estimated to be more or less 2.25 Million Metric Tons this Crop Year 2014-2015;

WHEREAS, in order to promote the effective merchandising of sugar and its products in the domestic, U.S. and World Markets, it will be necessary to allocate the Crop Year 2014-2015 sugar production to such quantities as to place those engaged in the sugar industry on a basis of economic viability;

NOW. THEREFORE, pursuant to the powers vested in the Sugar Regulatory Administration (SRA), it is hereby ordered that:

Section 1. <u>Production and Classes of Sugar</u>-Sugar production for the Crop Year 2014-2015 (September 01, 2014 to August 31, 2015) is expected to be 2.50 Million Metric Tons and shall be quedanned by the mill companies, as implementors of this Sugar Order, in the following percentages:

TOTAL	100%
"D" or World MarketSugar	50/n
"B" or Domestic Sugar	30%
"A" or U.S. Quota Sugar	5%

Section 2. Issuance of Quadan-Permits/Molasscs Storage Certificates

As a general rule, except as hereinafter provided, sugar mill companies shall issue weekly sugar quedan-permits/molasses storage certificates in the name of the individual planter or mill companies for their corresponding shares of sugar and molasses production for the Crop Year 2014-2015.

In case of "B" sugar, however, where a planter has expressly authorized the mill company in writing or has executed a production/marketing agreement in favor of his association/cooperative which agreement provides for the consolidation of his weekly sugar/molasses production in the name of the association/cooperative, mill company concerned shall issue consolidated weekly sugar quedan-permits/molasses storage certificates in the name

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of the association/cooperative with an attached listing of the planters and their corresponding production covered by said sugar quedan-permits/molasses storage certificates.

- Section 3. <u>Quedanning of "D" or World Market Sugar</u>. The quedanning of the "D" or World Market Sugar production shall be done using the "A" or U.S. Quota sugar quedan-permit forms of CY 2014-2015 after the said "A" quedan-permits have been properly stamped as "D" and validated by the SRA Regulation Officers (ROs) assigned at the millsites;
- Section 4. <u>Block Quedanning of "A" or U.S. Quota Sugar and "D" or World Market Sugar.</u> Block (consolidated) quedans for "A" and "D" shall be issued under the name of the planters' association/cooperative to which the individual planter belongs, or the sugar mill in cases of non-affiliated sugar planters, unless otherwise upon prior written request by the applicant, the Sugar Board for valid and justifiable reasons may allow unblocking.
- Section 5. <u>Periodic Assessments</u>, <u>Percentage Adjustment</u>. The SRA shall undertake periodic assessment of the Crop Year 2014-2015 sugar production and consumption trend of the Crop Year 2014-2015, 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 the necessary action to address the situation.
- Section 6. Non-revalidation of Unused Ouedan Permit Forms. Pursuant to Section 6, Sugar Order No. 1, Series of 1995-1996, dated 01 September 1995, it is hereby reiterated that this Crop Year 2014-2015, and thereafter, all unused sugar quedan-permit forms shall never be allowed for revalidation for use on the succeeding crop year.
- Section 7. <u>Effectivity Clause</u>. This Sugar Order shall take effect on September 1, 2014.
- Section 8. Repealing Clause. All provisions of Sugar Orders, Circular Letters, rules and regulations inconsistent with or contrary to this Sugar Order are hereby amended, modified or revoked accordingly.

BY AUTHORITY OF THE SUGAR BOARD:

MA. RECINA BAUTISTA-MARTIN

Administrator