



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

18 June 2002



SUGAR ORDER NO. 6
Series of 2001 – 2002

SUBJECT : **ADVANCE SWAPPING OF "A" OR U.S. QUOTA SUGAR PRODUCED DURING CROP YEAR 2001-2002 INTO "B" OR DOMESTIC SUGAR**

WHEREAS, the Sugar Regulatory Administration (SRA) is mandated to balance the supply and requirement of sugar in the domestic market in order to stabilize prices at levels profitable to producers and fair to consumers;

WHEREAS, the estimated production of the current crop year 2001-2002 falls short of the estimated domestic demand, which will result to tightness of supply in the domestic market starting at the time when most of the sugar mills have ended its operations, up to the start of another milling operation on September or October 2002 of the new Crop Year 2002-2003;

WHEREAS, the allocations for the U.S. Sugar Quota of Quota Year 2001-2002 had already been filled up by various traders/exporters and there is a very significant volume of stocks of "A" or U.S. Export sugar available for domestic consumption, the disposition of which in the domestic market shall neither favor the early millers nor the late millers in terms of returns on their investment;

NOW, THEREFORE, under and by virtue of the powers vested in the Sugar Regulatory Administration, it is hereby ordered that;

Section 1. All outstanding "A" quedan-permits, including those covered by surrendered Certificates for Quota Eligibility (CQEs), (regular or swapped) issued during the Crop Year 2001-2002, are hereby allowed (eligible for) on a voluntary basis for advance swapping into "B" or Domestic Sugar.

Section 2. The "A" quedan-permits (regular or swapped) subject of advance swapping shall be charged with an Advance Swapping Fee of ₱2.00/LKg-Bag pursuant to General Administrative Order No. 1, Series of 2001-2002.

In addition, a bond of Ten Pesos (₱10.00) per LKg-Bag either in cash or company's check with accompanying bank guarantee (please see attached form) referring to the check number thereof, shall be paid to/issued in the name of the Sugar Regulatory Administration (SRA), dated **01 April 2004**, upon submission of the "A" quedan-permits for processing, and wherein said bond shall be forfeited in favor of the SRA in the event the applicant fails to replenish the total volume of "A" sugar approved for advance swapping, with the corresponding "B" sugar. A **maximum of fifty percent (50%)** shall be allowed for replenishment ("B" to "A") for Crop Year 2002-2003, and this shall be not later than **31 March 2003**, while the **balance**, for total/complete replenishment of the "A" that was advance swapped, shall be **not later than 31 March 2004** of Crop Year 2003-2004.

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