



REPUBLIC OF THE PHILIPPINES
SUGAR REGULATORY ADMINISTRATION
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05 July 2002

SUGAR ORDER NO. 7
Series of 2001 - 2002

SUBJECT : OUT-MAV SUGAR IMPORTATION FOR THE YEAR 2002

WHEREAS, the estimated sugar production for CY 2001-2002 ending 31 August 2002 is 1,909,888 MT while the total demand/requirements is expected to be 2,009,032 MT;

WHEREAS, total "A" or U.S. Export production/allocation has reached 213,616 MT but only 75,401 MT was actually shipped out, and the balance of 138,215 MT was allowed conversion into "B" for domestic consumption;

WHEREAS, it is expected that only 80% of the aforesaid "A" sugar will be converted into "B" sugar or about 30,000 MT will remain as "A" and therefore, cannot be available for domestic use;

WHEREAS, it is estimated that by end of August 2002, the sugar stock balance is 192,535 MT and by end of September 2002 (CY 2002-2003) it is 152,535 MT, which is below last year's level of 200,121 MT and may, therefore, result in tightness of supply in the domestic market that can cause the prices of sugar to increase;

WHEREAS, the expected early milling for the new CY 2002-2003 may not push through due to the unfavorable weather conditions currently prevailing;

WHEREAS, the foregoing considered and in the national interest, there is now an immediate need to import sugar;

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

Section 1. A total volume of 50,000 MT, 5% more or less, of raw and/or refined sugar shall be imported under the OUT-MAV for the year 2002 subject to a tariff of 65%, to arrive on or before 31 August 2002.

Section 2. The aforesaid OUT-MAV importation, due to tightness of schedule, shall be open only to the most qualified importers, basis of which is their good track record, particularly those importers who supported the import program last year of 2001, in order to ensure the timely arrival of the sugar.

Section 3. A Performance Bond of **THIRTY DOLLARS PER METRIC TON (\$30.00/MT)** of sugar shall be required from the importers and shall be forfeited in favor of the SRA should the shipment is Thirty (30) days delayed from the deadline of arrival, which is 31 August 2002, while a penalty of **ONE-PESO PER BAG (P 1.00/LKg-Bag)** shall be imposed for every day of delay from the deadline of arrival (31 August 2002), said penalty shall apply only to delays of less than Thirty (30) days.

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