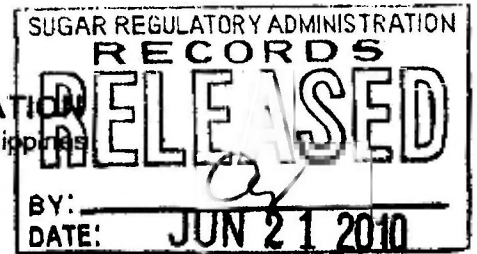




REPUBLIC OF THE PHILIPPINES
Department of Agriculture
SUGAR REGULATORY ADMINISTRATION
North Avenue, Diliman, Quezon City, 1101 Philippines



18 June 2010

SUGAR ORDER NO. 12

Series of 2009-2010

SUBJECT : ADVANCE SWAPPING OF "A" OR U.S. QUOTA SUGAR PRODUCED DURING CROP YEAR 2009-2010 INTO "B" OR DOMESTIC SUGAR

WHEREAS, Executive Order No. 18, Series of 1986, mandates the Sugar Regulatory Administration (SRA) to maintain balanced relation between production (supply) and requirement (demand) of sugar;

WHEREAS, the allocations for the U.S. Sugar Quota of Quota Year 2009-2010 had already been filled up by various traders/exporters as the U.S. Sugar quota increase was lower than projected and there is a significant volume of stocks of "A" or U.S. Export Sugar which could be made available for domestic consumption;

WHEREAS, keeping the "A" sugar as "A" will mean deterioration of it and therefore, not exportable quality for the coming Quota Year 2010-2011 since, its condition when exported shall be subject to penalty which will result to a negative rating for our country as exporter;

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

Section 1. "A" sugar quedan-permits issued for crop year 2009-2010 are hereby allowed (eligible for) on a voluntary basis for advance swapping into "B" or Domestic sugar.

Section 2. The "A" quedan-permits subject of advance swapping shall be charged with an Advance Swapping Fee of **P5.00/Lkg-Bag**.

In addition, a bond of **Eight Hundred Pesos (P800.00) per Lkg-Bag** either in cash or Manager's check shall be paid to/issued in the name of the Sugar Regulatory Administration (SRA), 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 **not later than March 31, 2011** of Crop Year 2010-2011.

However, upon replenishment of the total volume of "A" sugar with the corresponding "B" sugar, the SRA shall return to the applicant the said bond.

Section 3. The "B" sugar quedan-permits issued during **Crop Year 2010-2011** shall be allowed (eligible) for replenishment.

Section 4. Application for Advance Swapping shall be filed at the Regulation Department, SRA, Quezon City.

Section 5. The deadline for the filing of the application for Advance Swapping under this Sugar Order shall be **not later than August 31, 2010** of the current Crop Year 2009-2010. Application for Advance Swapping shall not be accepted thereafter.

Section 6. The requirements of regular swapping application per Circular Letter No. 31, Series of 1997-1998 shall apply to herein advance swapping.

Section 7. The "A" quedan-permits subject of advance swapping shall be stamped **"SURCHARGED FOR WITHDRAWAL AS "B" OR DOMESTIC SUGAR PER SUGAR ORDER NO. 12, SERIES OF 2009-2010, DATED 18 JUNE 2010"**.

Section 8. A Letter Authority addressed to the concerned mills/refineries allowing/authorizing the withdrawal of the "A" sugar as "B" shall be issued by the SRA.

Section 9. This Order shall take effect immediately.

Section 10. Provisions of Sugar Orders, Circular Letters, rules and regulations contrary to or inconsistent with this Sugar Order are hereby revised, modified or revoked accordingly.

BY AUTHORITY OF THE SUGAR BOARD:



BERNARDO C. TREBOL
Administrator