

REPUBLIC OF THE PHILIPPINES

Department of Agriculture

SUGAR REGULATORY ADMINISTRA

North Avenue, Diliman, Quezon City, 1101 Philips

SUGAR REGULATORY ADMINISTRATION TION ECORDS DATE:

29 September, 2011

SUGAR ORDER NO. Series of 2011-2012

SUBJECT

: ADVANCE SWAPPING OF "B" OR DOMESTIC SUGAR PRODUCED DURING CROP YEAR 2011-2012 INTO "D" OR WORLD MARKET SUGAR FOR SHIPMENT TO THE WORLD MARKET: MODIFYING SUGAR ORDER NO. 11, SERIES OF 2010-2011

WHEREAS, Section 2 (B) of Executive Order No. 18, Series of 1986 mandates the SRA to establish and maintain such balanced relation between production/supply and requirement/demand of sugar;

WHEREAS, Sugar Order No. 1, Series of 2011-2012 has allocated 20% of sugar production for "D" or World Market sugar;

WHEREAS, the volume of physical "D" or World market sugar available for shipment to the world market will not be substantial at the early part of crop year 2011-2012:

WHEREAS, any volume of "D" or World market sugar that can be exported at the earliest possible time will help stabilize the domestic market;

WHEREAS, there is a need to modify the replenishment ratio stipulated in Sugar Order No. 11, & 11-A, Series of 2010-2011 for uniform program implementation;

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

Section 1. Modification of Sugar Order No. 11, Series of 2010-2011

- a. The deadline to apply for advance swapping of "B" or Domestic sugar into "D" or World market sugar pursuant to Sugar Order No. 11, Series of 2010-2011, with an incentive ratio of 1:1.2, shall not be later than 31 October 2011. Only old crop guedan-permits of Crop Year 2010-2011 shall be eligible for this purpose.
- b. Any application for advance swapping of "B" or domestic sugar into "D" after the above deadline shall conform to the conditions set forth under herein Sections 2 & 3.

Section 2. ADVANCE SWAPPING OF "B" TO "D"

- a. The application for advance swapping of "B" or Domestic sugar into "D" or World market sugar is open to all sugar producers, sugar traders and sugar exporters.
- b. All regular "B" quedan-permits issued in Crop Years 2011-2012 and 2010-2011 are hereby allowed (eligible) for advance swapping into "D" or world market sugar on a voluntary basis.
- c. The "B" quedan-permits subject of advance swapping shall be charged with an Advance Swapping Fee of P5.00/LKg-bag pursuant to General Administrative Order No. 1 dated 11 May 2011.
- d. The requirements for regular swapping application per Circular Letter No. 31, Series of 1997-1998 shall apply to the herein advance swapping.
- e. The "B" quedans subject of Advance swapping shall be stamped "SURCHARGING FOR WITHDRAWAL AS "D" (WORLD MARKET SUGAR) PER SUGAR ORDER NO. 4, SERIES OF 2011-2012 DATED 29 SEPTEMBER 2012".
- f. A Letter of Authority addressed to the concerned mills/refineries allowing/authorizing the withdrawal of the (advance-swapped) "B" sugar as "D" shall be issued by SRA.

Section 3. The advance-swapped "B" to "D" allowed in the above Section 2 shall be replenished by an equivalent amount of "D" or 1:1 ratio, within the crop year (2011-2012) to be determined by the SRA Board on the basis of the stock balance position of domestic sugar supply. "D" or World market sugar quedan-permits issued in crop year 2011-2012 are eligible for the replenishment.

Section 4. Provisions of Sugar Orders, Circular Letters, and rules and regulations contrary or inconsistent with this Sugar Order are hereby revised, modified or revoked accordingly.

Section 5. This Sugar Order shall take effect immediately.

MA. REGINA BAUTISTA-MARTIN

Administrator