



REPUBLIC OF THE PHILIPPINES
SUGAR REGULATORY ADMINISTRATION
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SUGAR REGULATORY ADMINISTRATION	
RECORDS	
RELEASED	
BY: _____	<i>Chley</i>
DATE: _____	OCT 18 2007

17 October 2007

SUGAR ORDER NO. 1 - A
Series of 2007-2008

**SUBJECT : REVISED SUGAR POLICY ON THE
PERCENTAGE ALLOCATION FOR
CROP YEAR 2007-2008 AND
CONVERSION OF "C" OR RESERVE SUGAR
TO "B" OR DOMESTIC SUGAR**

WHEREAS, Sugar Order No. 1, Series of 2007-2008, provided for the following allocations: "A" or US Quota Sugar = 7%, "B" or Domestic Sugar = 80%, "C" or Reserve Sugar = 5% and "D" or World Market Sugar = 8%;

WHEREAS, Sugar Order No. 1 was premised on a sugar production of about 2.3 Million Metric Tons (MMT) and a domestic demand of about 1.9 Million Metric Tons (MMT);

WHEREAS, Section 5 of Sugar Order No. 1, states that SRA shall undertake periodic assessment of the 2007-2008 sugar production and on the basis of such assessment, it may adjust from time to time the percentage distribution of the different classes of sugar and/or take the necessary action to address the supply situation in each market;

WHEREAS, Section 3 of Sugar Order No.1, provides that the "C" or Reserve sugar therein allocated may be disposed of as "B" (Domestic) sugar or "D" (World market) sugar depending on the production and consumption trends";

WHEREAS, rainfall in Negros/Panay for September 2007 was one hundred sixty percent (160%) above normal which resulted to delayed or slowed down harvest and low purity;

WHEREAS, as a result of unfavorable weather conditions, production of raw and refined sugar as of 30 September 2007 was lower by about forty percent (40%) and fifty percent (50%) respectively. On the other hand, withdrawals increased by nineteen percent (19%) and forty seven percent (47%) respectively, in comparison with the same period of Crop Year 2006-2007;

WHEREAS, local retail prices of raw and refined sugar have risen to P36.00/kg. and P40.00/kg. respectively, drawing unfavorable attention from the consuming public;

WHEREAS, there is a need to adjust the current sugar allocation policy in order to address the prevailing production/consumption (withdrawal) and price trends;

As a deed
10/18/07

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

SECTION 1. REVISED PERCENTAGE ALLOCATION OF CLASSES OF SUGAR.

- a) The classification and percentage allocation of sugar production under SRA Sugar Order No. 1, Series of 2007-2008 are hereby revised as herein provided;
- b) All sugar produced beginning week ending 21 October 2007 shall be quodanned by the mill companies, as implementors of this Sugar Order, in the following classification and percentage allocation:

"A" or U.S. Quota Sugar	-	6%
"B" or Domestic Sugar	-	89%
"D" or World Market Sugar	-	5%

TOTAL	-	100%

SECTION 2. CONVERSION OF "C" OR RESERVE SUGAR TO "B" OR DOMESTIC SUGAR.

- a) All "C" or Reserve sugar produced since the start of the Crop Year 2007-2008 (September 1, 2007) shall immediately be converted into "B" or domestic sugar.
- b) The "C" quodan permits covering the "C" sugar subject of reclassification when surrendered to the issuing mill companies for the withdrawal therefrom of the corresponding volume of sugar shall be stamped "RECLASSIFIED AS "B" OR DOMESTIC SUGAR PURSUANT TO S.O. No. 1-A, SERIES OF 2007-2008" by the SPRO's assigned thereat.

SECTION 3. Effectivity. This Sugar Order shall take effect immediately.

SECTION 4. Separability Clause. Other provisions of Sugar Order No. 1, Series of 2007-2008 not contrary hereto shall remain in full force and effect.

SECTION 5. Consistency. Provisions of Sugar Orders, Circular Letters and/or other regulations contrary to or inconsistent with this Sugar Order are hereby amended, modified, or revoked accordingly.

BY AUTHORITY OF THE SUGAR BOARD:


RAFAEL L. COSCOLLUELA
Administrator