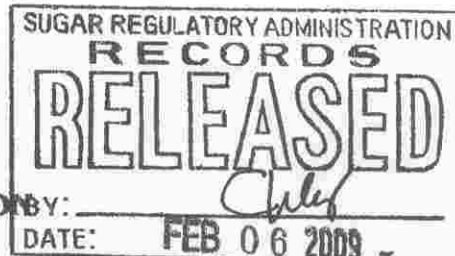




REPUBLIC OF THE PHILIPPINES
SUGAR REGULATORY ADMINISTRATION BY: _____
North Avenue, Diliman, Quezon City
P.O. Box 70, U.P. Diliman, Quezon City



February 05, 2009

SUGAR ORDER No. 1-C
Series of 2008 – 2009

SUBJECT: AMENDING SUGAR ORDER NO. 1-B SERIES OF 2008-2009, TERMINATING THE "Dx" SUGAR ALLOCATION AND, IN LIEU THEREOF, ALLOCATING 4.5% FOR "Dr" OR WORLD MARKET RESERVE SUGAR

WHEREAS, Sugar Order No. 1-B, Series of 2008-2009 allocated four and a half percent (4.5%) for "Dx" or World Market export sugar;

WHEREAS, the unpredictable wet/cold season and the reduction in sugarcane tonnage observed during the current milling season creates the possibility that sugar production might be lower than initially projected;

WHEREAS, because of this possibility, there is a need to institute measures to ensure enough supply of sugar to meet domestic requirements for "B" and "De" sugar; without losing sight of the probability that this "Dr" sugar may still have to be exported;

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

Section 1. The sugar allocation in Section 1 of Sugar Order No. 1-B, Series of 2008-2009 is amended as follows:

"A" or U.S. Quota Sugar	-	10.0%
"B" or Domestic Sugar	-	68.0%
"C" or Reserve Sugar	-	15.0%
"Dr" or World Export Reserve Sugar	-	4.5%
"De" or Sugar-based Food Exporters	-	2.5%

		100 %
		=====

Section 2. Quedanning of "Dr" sugar.

2.1 Quedan Form. The "A" sugar quedan-permit forms for Crop Year 2008-2009 shall be used to cover production of "Dr" sugar beginning week-ending February 8, 2009 and shall be issued after the said "A" quedan-permits have been properly stamped as "Dr" or World Market Reserve sugar and validated by the SRA Regulation Officers assigned at the millsites.

2.2 Block quедanning of "Dr" sugar. Mill companies shall, on a weekly basis, issue consolidated (block quедanning) "Dr" quedan-permits to planters (planters' share) in the name of the planters' association/cooperative as assignee, attached thereto the list of planters by planters' association/cooperative and their corresponding volumes of "Dr" sugar.

Website: <http://www.sra.gov.ph> Telefax: 455-2566/455-3376 Tel.: 455-7402/455-2135

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"Dr" sugar quedans of non-affiliated sugar planters shall be consolidated for the association or cooperative they appoint. Such appointment shall be in writing addressed to the mill. Should there be no appointed association or cooperative, the "Dr" quedans shall be consolidated with the mill with a corresponding list of the individual volumes of "Dr" sugar for each planter.

Sugar planters who wish to be "independent" or whose intention is to transact their "Dr" sugar individually shall inform the mill, copy furnished the SRA. The mill shall automatically effect the request for individual quedanning without need of prior approval from SRA.

Provisions of Sugar Order Nos. 1 and 1-B not contrary to or inconsistent with this Sugar Order shall remain in effect.

Section 3. Holding Period and Financing for "Dr" sugar. The "Dr" or World Market Reserve sugar is intended for World Market export but has been marked "r" (RESERVE) as factors may still affect domestic supply and therefore may be reclassified to another market destination as the situation requires. "Dr" sugar, therefore, cannot be withdrawn unless the same has been converted to other classes in separate sugar order(s) as the circumstances warrant.

Being a reserve sugar, the storage charges for "Dr" shall be the same as with the "C" sugar or until it has been ultimately converted.

In as much as the final classification of "Dr" sugar is held in abeyance, producers are strongly advised not to sell their "Dr" sugar quedans. For the time being, planters may opt for "Dr" quedan financing to meet their financial needs during the "holding" period. For this purpose, the Philippine Sugar Corporation has offered its services to accommodate planters who may need "Dr" financing up to no later than June 28, 2009. A separate Circular Letter shall be issued for this purpose.

Section 4. No verification/shipping deadline. Considering "Dr" sugar is reserve sugar, the provisions on verification/shipping schedules shall not apply, until otherwise determined in a separate Sugar Order.

Section 5. Effectivity. This Order shall take effect starting Production Week Ending February 8, 2009.

Section 6. Sugar Orders not contrary hereto shall remain in full force and effect while sugar orders, circular letters and such other issuances inconsistent or contrary hereto are hereby revoked, modified or amended accordingly.

BY THE AUTHORITY OF THE SUGAR BOARD


RAFAEL L. COSCOLLUELA
Administrator