



REPUBLIC OF THE PHILIPPINES
SUGAR REGULATORY ADMINISTRATION
North Avenue, Diliman, Quezon City
P.O. Box 70, U.P. Diliman, Quezon City
TIN 000-784-336-000

29 November 2005



SUGAR ORDER NO. 3
Series of 2005-2006

SUBJECT : PROVIDING FOR "C" OR RESERVE SUGAR

WHEREAS, Section 3 of SRA Sugar Order No. 1, Series of 2005-2006, dated 23 August 2005 provides that the Sugar Regulatory Administration (SRA) shall undertake periodic assessment of the 2005-2006 sugar production and, on the basis of such assessments, it shall adjust from time to time the percentage distribution of the different classes of sugar;

WHEREAS, during the peak months of production (December to March), the rate of production is higher than demand causing the sugar stock inventory to build up;

WHEREAS, the sugar stock inventory by end November has reached adequate levels;

WHEREAS, Section 2 (B) of Executive Order (EO) No. 18, Series of 1986, mandates the SRA to establish and maintain such balanced relation between production and requirement of sugar and such marketing conditions as will ensure stabilized prices at levels reasonably profitable to the producers and fair to consumers;

WHEREAS, the segregation of a certain portion of the raw sugar produced during the peak production months as reserve had been successfully implemented in the past;

WHEREAS, after consultations with all the sectors concerned, there is a need to revise the classification and allocation of sugar under Sugar Order No. 1, Series of 2005-2006, in order to address the aforesaid situation in accordance with the aforestated mandate of EO No. 18;

WHEREAS, the Sugar Board, as guided by the aforementioned Section 2 (B) of EO No. 18, has foreseen the possible need for more amendments of the sugar classification and/or percent allocation during the peak production period in response to the market situation and has, therefore, issued Sugar Board Resolution No. 2005-157, Series of 2005, dated 29 November 2005, which authorizes the SRA Administrator to issue series of such amendment, to start with an allocation of 20% of reserve sugar for the program and subsequently adjust the percentage allocation over a range of 0% - 40% at any time during the peak production period (December to March) as the situation may dictate;

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

Section 1. Production and Classes of Sugar. (a) The classification and percentage allocations of sugar under SRA Sugar Order No. 1, Series of 2005-2006, are hereby amended and revised in the manner as hereinafter provided.

(b) All sugar produced beginning week-ending **11 December 2005** shall be quedanned by the mill companies, as implementors of this Sugar Order, in the following classification and percentage allocation:

"A" or U.S. Quota Sugar	10%
"B" or Domestic Sugar	70%
"C" or Reserve Sugar	20%
TOTAL	100%

Section 2. Quedanning of the "C" or Reserve Sugar. The "B" or Domestic sugar quedan-permit forms for Crop Year 2005-2006 shall be used to cover every week-ending's production of "C" or Reserve sugar and shall be issued after the said "B" quedan-permits have been properly stamped as "C" or Reserve sugar and validated by the SRA Sugar Production Control and Regulation Officers (SPCROs) assigned at the millsites.

Mill companies shall, on a weekly basis, issue consolidated (block quedanning) "C" 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 "C" sugar.

Sugar planters who wish to be "independent" or whose intention is not to transact their "C" sugar but opt to wait for their "C" quedan-permits to be reclassified into "A" Export or "B" Domestic sugar shall inform the SRA in writing about it, copy furnished the mills.

Section 3. Reclassification of "C" Sugar. The "C" sugar may be reclassified as "A" Export or "B" Domestic sugar, to the exclusion of any other class of sugar, and shall be released to its corresponding market upon the issuance of another Sugar Order by the SRA that will take up the reclassification guidelines of the "C" sugar.

Section 4. This Order shall take effect on **1 December 2005**.

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

BY AUTHORITY OF THE SUGAR BOARD:


JAMES C. LEDESMA
Administrator