



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



31 January 2007

**SUGAR ORDER NO. 8**  
Series of 2006-2007

**SUBJECT : REVISED SUGAR POLICY ON THE  
PERCENTAGE ALLOCATION FOR  
CY 2006-2007**

**WHEREAS**, the Philippines has been granted a Tariff Rate Quota (TRQ) of 167,174 MTCW (OR 173.025 MTRV) by the United States for Quota Year (QY) 2006-2007;

**WHEREAS**, for Crop Year 2006-2007, as of January 21, 2007, 98,118 Metric Tons (MT) "A" or Export sugar have already been produced, and an additional of 29,783 MT of "A" or Export sugar is listed as carry-over inventory from previous crop years;

**WHEREAS**, production for Crop Year 2006-2007 which was originally estimated to reach 2,240,000 Metric Tons (MT) is still on tract to reach close to that target based on the latest crop surveys;

**WHEREAS**, the issuance of Sugar Order No. 7, Series of 2006-2007 on the deadline for verification should flush out all the "A" or Export sugar produced and to be produced for the eventual timely shipment to the United States;

**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**, Section 5 of Sugar Order No. 1, Series of 2006-2007 provides that "The SRA shall undertake periodic assessment of the 2006-2007 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 situation";

**WHEREAS**, market conditions today indicate that it will be disadvantageous to the producers to carry significant quantities of locked out "A" or Export sugar (excess "A" or Export sugar produced after quota has been met) now that "A" Export sugar prices are unusually lower than "B" or Domestic sugar prices;

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**WHEREAS**, the milling season is still in full swing and weekly sugar production is still considerably higher than demand as measured in sugar withdrawals from the warehouses;

**WHEREAS**, the Sugar Alliance of the Philippines, (SAP), in its letter dated 31 January 2007, supports the adjustment of "A" export sugar classification and leaves to the discretion of SRA to "decide what the final quedanning ratios would be";

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

**Section 1. Percentage Allocation of Classes of Sugar.**

- a) The classification and percentage allocation of sugar production under the SRA Sugar Order No. 6, Series of 2006-2007 are hereby revised as herein provided;
- b) All sugar produced beginning week ending 04 February 2007 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	-	6.00%
"B" or Domestic Sugar	-	70.00%
"C" or Reserve Sugar	-	18.00%
"D" or World Market Sugar	-	<u>6.00%</u>
Total	-	100.00%

**Section 2. Effectivity.** This Sugar Order shall take effect for production week ending February 4, 2007.

**Section 3.** Other provisions of Sugar Order No. 6, Series of 2006-2007 not contrary hereto shall remain in full force and effect.

**Section 4.** 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:**

  
**JAMES C. LEDESMA**  
Administrator