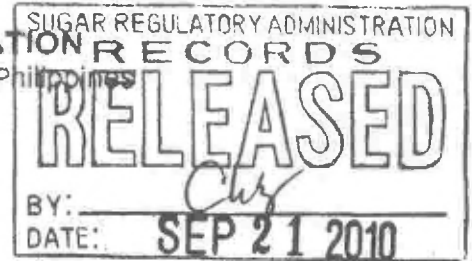




REPUBLIC OF THE PHILIPPINES  
Department of Agriculture  
**SUGAR REGULATORY ADMINISTRATION**  
Araneta Street, Singcang, Bacolod City 6100 Philippines



Sugar Order No. 4  
Series of 2010 - 2011

**SUBJECT: VOLUNTARY CONTRIBUTION AND COLLECTION OF SUGAR MONITORING AND ANTI-SMUGGLING FEE OF P1.00/LKg-BAG OF RAW SUGAR COVERED BY RAW SUGAR QUEDANS FOR CROP YEAR 2010-2011**

**WHEREAS**, the prevalence of sugar smuggling poses a direct threat to the sugar industry and seriously endangers the livelihood of all Filipinos dependent on sugar production;

**WHEREAS**, notwithstanding the efforts of government against smuggling, it is apparent the sugar industry must develop its own concerted plan of action to combat smuggling and needs the private-sector Sugar Anti-Smuggling Organization (SASO) – which is attached and administered under the Sugar MasterPlan Foundation, Inc. (SMPFI) – to continue its sugar monitoring and anti-smuggling operations and therefore must be allocated funds exclusively for that purpose;

**WHEREAS**, industry leaders have requested the Sugar Regulatory Administration to supervise the collection of the voluntary contribution for sugar monitoring and anti-smuggling operations of SASO sourced from every LKg-bag of raw sugar covered by raw sugar quedans for this crop year 2010-2011;

**WHEREAS**, the SRA has in the past crop years managed the collection of sugar monitoring and anti-smuggling fee through Sugar Order No. 7-A, Series of 2007-2008, and Sugar Order No. 5, Series of 2009-2010;

**NOW THEREFORE**, by virtue of the authority vested in the Sugar Regulatory Administration, the following is hereby ordered:

**Section 1. Collection of Sugar Monitoring and Anti-Smuggling Fee of P1.00/LKg-Bag.** Sugar mills shall annotate and SRA Regulation officer in mills shall collect from every raw sugar quedan the amount of ONE PESO (P1.00) per 50-kilo (LKg) bag of raw sugar produced by planters and mills who subscribe to support the sugar monitoring and anti-smuggling campaign of the sugar industry. The amount shall be collected upon withdrawal of the sugar from the mill warehouse.

The Sugar Regulatory Administration shall serve only to collect the fees, which shall be turned over to the Sugar Master Plan Foundation, Inc. The SMPFI shall act as the Trustee of the fund from the voluntary contributions. The SRA and SMPFI shall enter into a Memorandum of Agreement (MOA) covering, among others, the procedure of transfer of fees, accounting reports concerning the utilization of the fund, reports on anti-smuggling operations and activities financed from the fund.

**Section 2. Voluntary Contribution of Sugar Monitoring and Anti-Smuggling Fee.** The Sugar Monitoring and Anti-Smuggling Fee shall be voluntary and shall be collected only from planters and mills that want to support the anti-smuggling campaign of the sugar industry. *Provided however*, in order to determine the total amount of the fund at the onset of the crop year to efficiently and economically plan the anti-smuggling campaign and activities of the industry through SASO, planters or mills that refuse to contribute the P1.00/LKg monitoring and anti-smuggling fee must inform in writing the Office of the Administrator of such refusal, copy furnished the mill concerned within 30 days from receipt of the copy of this Order or 30 days after publication in a news paper of general circulation. Planters' associations or cooperatives and mills are required to attach to its letter a certified copy of its notarized Board Resolution within the period stipulated herein, indicating such refusal to contribute. Failure to submit the aforesaid requirements shall be construed, for the purpose of giving effect to this sugar order, that said planter, planters' associations or cooperatives or sugar mills subscribe to the P1.00/LKg voluntary contribution.

**Section 3. Purpose of the P1.00/LKg Voluntary Contribution.** The fund from the P1.00/Lkg contribution shall be used solely and exclusively for sugar monitoring and anti-smuggling activities and operations of the sugar industry through the SASO. Such sugar monitoring and anti-smuggling activities shall include, among others, expenses for intelligence operations, personnel and agents, and additional regulation personnel hired on contractual basis to monitor the movement and/or storage of locally produced and/or imported sugar. The SMPFI as Trustee of the fund shall make certain this purpose is strictly followed.

**Section 4. Transparency In the Utilization of the Fund.** The SMPFI is required to submit to the Office of the Administrator quarterly report on the utilization or use of the fund, the amount remaining and the accompanying accomplishments of the anti-smuggling operations/activities. Such report shall be made available by SMPFI to those who voluntary contribute to the fund when requested. At the end of the crop year, the SMPFI shall have the fund audited by an independent auditor and shall make the audit report available to those who contribute when requested.

**Section 5. SRA as Collecting Agent.** As a collecting agent of the P1.00/LKg voluntary contribution, SRA shall remit to the SMPFI the total amount collected on a


monthly basis. Considering the participation of SRA is merely to collect the fees, the fund shall be considered private funds for the sugar monitoring and anti-smuggling campaign of the sugar industry, and as an agent SRA shall in no wise be held liable in any manner whatsoever for any and all liability that may now and hereinafter arise by reason of the collection, disbursement and utilization of the funds in the hands of the SMPFL.

**Section 6. Effectivity and Duration of this Sugar Order.** This Sugar shall take effect fifteen (15) days after its issuance and shall remain in force until repealed by another sugar order specifically issued for that purpose.

**Section 7. Provisions of Sugar Orders, Circular Letters, rules and regulations contrary to or inconsistent with this Sugar Order are hereby revised, modified or revoked accordingly.**

Issued this 21 day of September, 2010 in Sugar Center, Quezon City.

**BY AUTHORITY OF THE SUGAR BOARD**



**MA. REGINA BAUTISTA-MARTIN**

Administrator