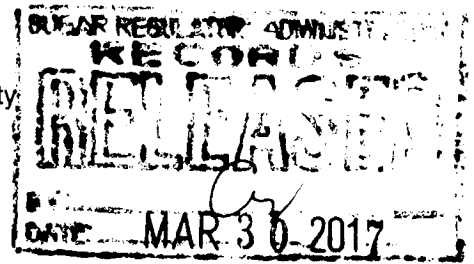




Republic of the Philippines  
Department of Agriculture  
**SUGAR REGULATORY ADMINISTRATION**  
Sugar Center Bldg., North Ave., Diliman, Quezon City  
Philippines 1101  
TIN 000-784-336



MEMO-REG-OTM-2017-Mar.-014

March 20, 2017

**CIRCULAR LETTER NO. 25**  
Series of 2016-2017

**SUBJECT : MAKING AVAILABLE THE "D" WORLD MARKET SUGAR PRODUCED DURING CY 2016-2017 TO FOOD PROCESSORS/ MANUFACTURERS OF SUGAR-BASED PRODUCTS FOR EXPORT, EXPORT TO THE WORLD MARKET AND ACCREDITED ETHANOL PRODUCERS**

**WHEREAS**, it is beneficial to provide readily available sugar to food processors/manufacturers of sugar-based products for export in order to remain competitive in the world market;

**WHEREAS**, SRA has received requests on the possible use of "D" Sugar (raw & refined) for export to the World Market and the production of ethanol;

**WHEREAS**, allowing the use of "D" Sugar for the abovementioned purpose will open an alternative market for local sugar or sugar that the local market cannot absorb;

**WHEREAS**, Section 1 of Sugar Order No. 1-B, Series of 2016-2017, provides a 20% allocation for "D" or Sugar produced during CY 2016-2017 that may be made available to the: 1) World Market for export, 2) Food Processors/Manufacturers of Sugar-Based Products for Export, 3) Ethanol Producers;

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

**Section 1.** The "D" Sugar produced during the current Crop Year 2016-2017 is hereby made available to: i) all food processors/manufacturers of sugar-based products for export, 2) exporter of raw and/or refined sugar for world market shipment and 3) ethanol producers accredited by the SRA.

**Section 2. Quedanning of "D" Sugar.** The quedanning of the "D" Sugar shall be done using the "A" or U.S. Quota sugar quedan-permit forms of CY 2016-2017 after the said "A" quedan-permits have been properly stamped as "D" and validated by the SRA Regulation Officers (ROs) assigned at the millsite.

**Section 3. Block Quedanning of "D" or World Market Sugar.** Block (consolidated) quedans for "D" Sugar shall be issued under the name of the planters' association/cooperative to which the individual planter belongs, or the sugar mill in cases of non-affiliated sugar planters. Planters who choose to have their "D" quedans issued individually shall write the concerned mill which shall automatically implement the issuance of the individual quedans starting week ending after receipt of such letter, copy furnished the SRA.

**Section 4. The following shall serve as Implementing Rules and Regulations (IRR) in the availment of "D" Sugar by the food processors/manufacturers of sugar-based products for export, export to the world market and ethanol producers to wit:**

**4.1 WHO MAY AVAIL OF THE "D" SUGAR**

1. Food processors/manufacturers of sugar-based products for export with approved SRA Certificate of Sugar Requirements the year 2017
2. International Sugar Traders/Exporters, CY 2016-2017 and
3. Ethanol Producers accredited with SRA.

**4.2 HOW TO WITHDRAW THE "D" SUGAR**

**FOR FOOD PROCESSORS/MANUFACTURERS OF SUGAR-BASED PRODUCTS FOR EXPORT:**

Interested food processors/manufacturers of sugar-based products for exports shall write the SRA of their intention to buy the "D" Sugar.

The SRA shall furnish the food processors/manufacturers of sugar-based products for export with the list of SRA accredited traders/exporters with whom the processors/exporters may deal with.

"D" sugar should be reclassified as "E" sugar prior to withdrawal.

**4.3 RECLASSIFICATION OF "D" SUGAR INTO "E" SUGAR**

**REQUIREMENTS:**

1. Application Letter for reclassification of the "D" into "E" Sugar prior to withdrawals for refining.
2. Contract of Sale/Purchase Order (exhibiting the sale/delivery of the "E" Sugar to the food processors/manufacturers of sugar-based products for export.
3. "D" quedan-permits for reclassification into "E" Sugar.
4. Payment for reclassification fee of P3.00 per Lkg-bag.

A Letter Authority for the Reclassification of the "D" Sugar into "E" Sugar shall be issued by SRA to the concerned Traders/Exporters/Producers' group with the quedan-permits properly stamped or with notation **"RECLASSIFIED AS "E" FOOD PROCESSORS'/MANUFACTURERS' OF SUGAR -BASED PRODUCTS FOR EXPORT SUGAR"**.

**4.4 WITHDRAWAL OF THE "E" SUGAR FOR REFINING**

**REQUIREMENTS:**

1. Letter request to authorize withdrawal for refining of the "E" Sugar stating, among others, the following:
  - a) Name of food processor/manufacturer of sugar-based products for export recipient of the "E" Sugar;
  - b) Volume of the "E" Sugar;
  - c) Name of the mill where the "E" Sugar shall be withdrawn for refining; and



- d) Name of the refinery where the "E" sugar shall be delivered for refining.
2. Contract of Sale/Purchase Order
3. "E" Sugar Quedan-Permits for surcharging/notation thereof corresponding to the volume of sugar applied for withdrawal for refining.

**AUTHORITY TO WITHDRAW "E" SUGAR FOR REFINING**

1. Request for a letter of approval for withdrawal for refining of the "E" sugar FAO of the processor/exporter shall be issued by the SRA to the concerned Trader/Exporter attached thereto the "E" quedan-permits properly surcharged or with notation **"WITHDRAWN FOR REFINING FAO FOOD PROCESSOR/MANUFACTURER OF SUGAR-BASED PRODUCTS FOR EXPORT PER CIRCULAR LETTER NO. 25 SERIES OF 2016-2017"**.
2. A Letter Authority shall be issued by the SRA to the concerned mill to allow the volume of "E" Sugar stated therein for withdrawal for refining.
3. A Letter Authority shall be issued by the SRA to the concerned refinery to allow the volume of "E" Sugar stated therein for refining.
4. A Refined Sugar Quedan (RSQ) shall be issued by the refinery to the concerned trader/exporter corresponding to the volume of the "E" raw sugar brought for refining. The RSQ shall have a classification also, of "E" or Food Processors'/Manufacturers' of Sugar-Based Products for Export sugar.

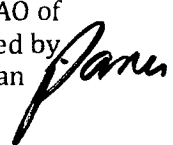
**4.5 WITHDRAWAL OF THE "E" SUGAR FROM THE REFINERY**

**REQUIREMENTS:**

1. Letter request to authorize withdrawal of the "E" Sugar from the refinery stating among others the following:
  - a) Name of food processor/manufacturer of sugar-based product for export recipient of the "E" Sugar;
  - b) Volume of the "E" Sugar;
  - c) Name of the refinery where the "E" Sugar shall be withdrawn; and
  - d) Letter approval of SRA for refining of the "E" Sugar.
2. Refined Sugar Quedan (RSQ) for surcharging/notation thereof corresponding to the volume of "E" Sugar for withdrawal.
3. Monitoring Fee of P25.00 per Lkg-bag shall be paid to SRA upon filing of the request for withdrawal from the refinery.
4. A callable Performance Bond satisfactory to SRA with SRA as beneficiary thereof in the amount determined by the SRA which shall be effective for a period of nine (9) months from issuance of the bond.

**AUTHORITY TO WITHDRAW THE "E" SUGAR FROM THE REFINERY**

1. Request for a letter of approval for withdrawal from the refinery of the "E" Sugar FAO of the food processor/manufacturer of sugar-based products for export shall be issued by the SRA to the concerned trader/exporter attached thereto the Refined Sugar Quedan



(RSQ) properly surcharged or with notation "AUTHORIZED FOR WITHDRAWAL FAO FOOD PROCESSOR/MANUFACTURER OF SUGAR-BASED PRODUCT FOR EXPORT PER CIRCULAR LETTER NO. 25 SERIES OF 2016-2017".

2. A Letter of Authority shall be issued by the SRA to the concerned refinery to allow the volume of refined "E" Sugar stated therein for withdrawal.
3. A Letter of Advice shall be issued by the SRA to the concerned food processor/manufacturer of sugar-based product for export regarding the withdrawal and delivery of the refined "E" Sugar (to be deducted from SRA allocation for the current year) on the basis of the Purchase Agreement between the food processor/manufacturer of sugar-based product for export and the SRA accredited trader/exporter.

#### **4.6 MONITORING AND LIQUIDATION OF THE "E" OR FOOD PROCESSORS' / MANUFACTURERS' OF SUGAR-BASED PRODUCTS FOR EXPORT SUGAR**

The guidelines in the issuance of Certificate of Sugar Requirements per Sugar Order No. 6, Series of 2011-2012 shall apply to the monitoring and liquidation of the "E" or Food Processors'/Manufacturer' of Sugar-Based Products for Export sugar.

#### **5. FOR EXPORT OF RAW AND/OR REFINED SUGAR TO THE WORLD MARKET:**


The Guidelines to Facilitate Shipment of Sugar to the World Market per Sugar Order No. 12, Series of 1986-1987 shall apply to the application of "D" World Market Shipment.

#### **6. FOR ACCREDITED ETHANOL PRODUCERS:**

The requirements for reclassification of "D" Sugar to "F" fermentable sugar per Sugar Order No. 5, Series of 2008-2009 shall apply to the application for ethanol producers.

**Section 5.** The application for food processors/manufacturers of sugar-based products for export, export to the world market and fermentable sugar shall be filed in the Regulation Department, SRA, Quezon City.

This Circular Letter shall take effect immediately.

  
**ANNA ROSARIO V. PANER**  
Administrator