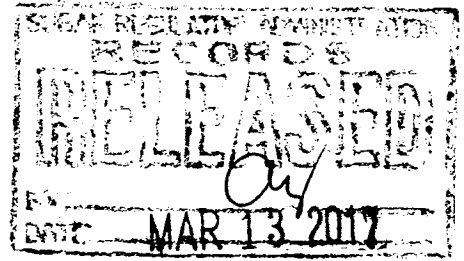




Republic of the Philippines  
 Department of Agriculture  
**SUGAR REGULATORY ADMINISTRATION**  
 Sugar Center Bldg., North Ave., Diliman, Quezon City  
 Philippines 1101  
 TIN 000-784-336

MEMO-OTM-REG-2017-Mar.-009



March 10, 2017

**SUGAR ORDER NO. 4**  
 Series of 2016-2017

**SUBJECT : ADVANCE SWAPPING OF CROP YEAR 2016-2017 "B" OR DOMESTIC SUGAR TO "A" OR U.S. MARKET SUGAR**

**WHEREAS**, Executive Order No. 18, Series of 1986 mandates the SRA to establish and maintain such balanced relation between production (supply) and requirement (demand) of sugar and such marketing conditions as will ensure stabilized price levels reasonably profitable to producers and fair to consumers;

**WHEREAS**, Sugar Order No. 1-A, Series of 2016-2017 allocated 6% for "A" or U.S. Market sugar and 94% for "B" or Domestic Market Sugar;

**WHEREAS**, an early shipment of U.S. quota sugar will help ease the pressure of high sugar stock inventory in the country, and help stabilize the sugar situation;

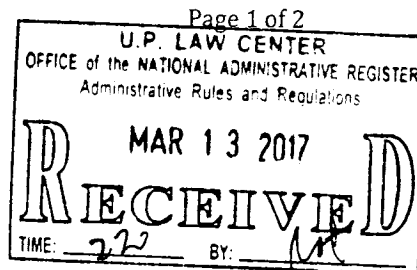
**NOW, THEREFORE**, under and by virtue of the authority vested in the Sugar Regulatory Administration (SRA), the following is hereby ordered:

**Section 1. ADVANCE SWAPPING OF "B" TO "A"**

- a. This advance swapping program is open to all sugar producers, millers, traders and holders of outstanding quedan-permits.
- b. All outstanding "B" sugar quedan-permits issued in Crop Year 2016-2017 are hereby allowed (eligible), on a voluntary basis, for advance swapping into "A" or U.S. Quota Sugar for Quota Years 2016-2017.
- c. Applications for advance swapping shall be accepted starting from the issuance of this Order until April 30, 2017.
- d. The "B" quedan-permits subject of advance swapping shall be charged with an Advance Swapping Fee of P5.00/Lkg-Bag.
- e. The requirement for regular swapping application per Circular Letter No. 31, Series of 1997-1998 shall apply to the herein advance swapping.
- f. The "B" quedans subject of advance swapping shall be stamped **'SURCHARGING FOR WITHDRAWALS AS "A" U.S. QUOTA SUGAR PER SUGAR ORDER NO. 4, SERIES OF 2016-2017 DATED MARCH 10, 2017.'**
- g. A Letter of Authority addressed to the concerned mills/refineries allowing/authorizing the withdrawal of the advanced swapped "B" sugar as "A" shall be issued by the SRA.

**CERTIFIED XEROX COPY**

*ay*  
 CONCEPCION C. RUBY  
 RECORDS OFFICER III



**Section 2. REPLENISHMENT OF ADVANCE-SWAPPED "B" TO "A"**

- a. The "B" quedan-permits hereto advance-swapped to "A" under this Sugar Order shall be allowed replenishment starting September 1, 2017 until August 31, 2018.
- b. The "A" quedan-permits issued in Crop Years 2016-2017 and 2017-2018 only shall be allowed (eligible) to replenish the "B" sugar quedans advance-swapped to "A" (as authorized by this order) provided that the sugar representing the "B" sugar quedans advance-swapped to "A" had actually been exported to the United States.
- c. The "B" quedan-permits which were advance-swapped to "A" quedans shall be replenished at a ratio of **1.0** Lkg-bag of "A" quedans for every **1.0** Lkg-bag of "B" quedans.
- d. The "A" quedan-permits subject of replenishment shall be charged with a Replenishment Fee of P5.00/Lkg-bag.
- e. Failure to replenish the "B" quedan-permits within the prescribed period shall be subject to penalty of P100.00 per Lkg-bag.

A bond of **ONE HUNDRED PESOS (P100.00) per Lkg-bag** either in cash or Company's check shall be paid to/issued in the name of the Sugar Regulatory Administration (SRA), upon submission of the "B" quedan-permits for processing, and wherein said bond shall be forfeited in favour of the SRA in the event the applicant fails to replenish the total volume of "B" sugar approved for advance swapping, with the corresponding "A" sugar not later than August 31, 2018 of Crop Year 2017-2018.

However, upon replenishment of the total volume of "B" sugar with the corresponding "A" sugar, the SRA shall return to the applicant the said bond.

- f. The requirement for regular swapping application per Circular Letter No. 31, Series of 1997-1998 shall apply to the herein replenishment program.
- g. The "A" quedans subject of replenishment shall be stamped **"SURCHARGED FOR WITHDRAWAL AS "B" OR DOMESTIC SUGAR PER SUGAR ORDER NO. 4, SERIES OF 2016-2017, DATED MARCH 10, 2017.**
- h. A Letter of Authority addressed to the concerned mills/refineries allowing/authorizing the withdrawal of the replenished "A" sugar as "B" shall be issued by the SRA.

**Section 3.** Provisions of Sugar Orders, Circular Letter, and rules and regulations contrary or inconsistent with this Sugar Oder are hereby revised, modified or revoked accordingly.

**Section 4.** This Sugar Order shall take effect fifteen (15) calendar days after its issuance.

BY AUTHORITY OF THE SUGAR BOARD:

  
**ANNA ROSARIO V. PANER**  
Administrator

**CERTIFIED XEROX COPY**

  
CONCEPCION C. RUBY  
RECORDS OFFICER III

