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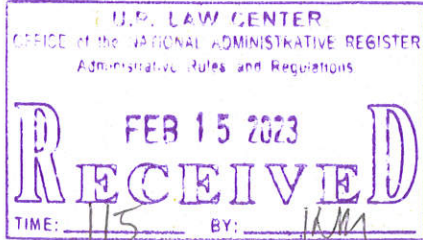
Republic of the Philippines  
Department of Agriculture

### SUGAR REGULATORY ADMINISTRATION

Sugar Center Bldg., North Avenue, Diliman, Quezon City, Philippines 1101  
TIN 000-784-336  
Website: <http://www.sra.gov.ph>  
Email Address: [srahead@sra.gov.ph](mailto:srahead@sra.gov.ph)  
Tel No. (632) 8929-3633, (632) 3455-2135, (632) 3455-3376

SUGAR REGULATORY ADMINISTRATION  
RECORDS SECTION  
**RELEASED**  
BY: *Chry*  
DATE: FEB 15 2023

SUGAR ORDER NO. 6  
Series of 2022-2023



February 6, 2023

**SUBJECT : 2<sup>ND</sup> SUGAR IMPORT PROGRAM  
FOR CROP YEAR 2022-2023**

Office of the President  
REPUBLIC OF THE PHILIPPINES

OP Copy



020923-MRO-40021

**WHEREAS**, paragraph (A) of Section 2 of Executive Order No. 18 (E.O. 18), series of 1986 provides that in order to carry out the policy of the State to promote the growth and development of the sugar industry, the Sugar Regulatory Administration (SRA) is mandated to institute an orderly system in sugarcane production for the stable, sufficient and balanced production of sugar, for local consumption, exportation and strategic reserves;

**WHEREAS**, Section 8 of Republic Act No. 10659 or the Sugarcane Industry Development Act (SIDA) of 2015 affirms the mandate of the SRA to regulate the supply of sugar in the country, in addition to its powers and functions under Executive Order No. 18, series of 1986, and establish a supply chain monitoring system from sugarcane to sugar at the retail level to ensure sufficiency and safety of sugar;

**WHEREAS**, after taking into consideration all data on record and the comments of the stakeholders, the SRA deems it necessary to adopt additional, responsive and pre-emptive measures through timely government intervention by way of importation in order to maintain a balanced supply and demand of sugar for domestic consumption while ensuring stable prices;

**WHEREAS**, the SRA, in the exercise of its regulatory authority, taking into consideration the foregoing premises, the unpredictable weather conditions and the anticipated increase in demand of sugar due to the easing of restrictions brought about by the pandemic, deems it necessary to authorize this second sugar import program for crop year 2022-2023.

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



*Handwritten signatures and initials on the right margin, including 'P. S. O. H.', 'R.', and 'C. S. M.'.*



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**Section 1.** This sugar order shall be known as the Second Sugar Import Program for Crop Year 2022-2023.

**Section 2.** Definition of Terms. For purposes of this Sugar Order, and unless the context shall otherwise provide, the following terms shall mean:

Raw sugar – sugar with color range of 5000 maximum ICUMSA unit and polarization of 97.4% to 99.4%<sup>1</sup>.

Refined sugar - sugar with color range of 1-100 ICUMSA unit and a minimum polarization of 99.8 polarization<sup>2</sup>.

Consumers - shall refer to manufacturers, industrials, retailers, re-packers, wholesalers and traders.

Retailers and re-packers are those engaged in selling of raw and/or refined sugar in small quantities to the general public for consumption such as but not limited to groceries, public markets, and convenience stores.

Wholesalers and traders are those engaged in selling of raw and/or refined sugar in bulk to retailers, institutional users, other industries requiring the use of raw and/or refined sugar regardless of quantity, and such other similar businesses.

Manufacturers and industrials shall include food, confectionaries, biscuits, bread, candies, milk, juice, beverage manufacturers, and carbonated beverage manufacturers, that use raw/refined sugar in the manufacture of their finished product/s for sale or use exclusively in the DOMESTIC market.

<sup>1</sup> PNS/BAFS 82:2010.

<sup>2</sup> PNS/BAFS 82:2018.



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**Section 3. Eligible Participants.** This Sugar Import Program shall be open and voluntary to natural or juridical persons who are duly registered with SRA as an International Sugar Trader in good standing ("Eligible Importer"), provided that the said Sugar Traders are engaged in actual purchase of locally produced sugar directly from the local producers, as well as the selling of physical sugar to the Consumers (see section 2).

**Section 4. Volume and Type of Sugar.** The maximum volume of imported sugar covered by this Order shall be FOUR HUNDRED FORTY THOUSAND METRIC TONS (440,000 MT) of REFINED SUGAR, broken down as follows:

- 4.1. TWO HUNDRED THOUSAND METRIC TONS (200,000 MT) shall be allocated to Consumers.
- 4.2. TWO HUNDRED FORTY THOUSAND METRIC TONS (240,000 MT) shall be allocated as BUFFER STOCK, for release to consumers upon the approval of the SRA Board.

**Section 5. Volume.** The volume allocated to an eligible Importer shall be that as recommended by the SRA Board and approved by the Department of Agriculture.

**Section 6. Period for Submission of Applications and Award of Allocation.** The SRA Regulation Departments in Quezon City and Bacolod City shall begin accepting applications and requirements for importation under this Sugar Import Program from the date of effectivity of this order, for five (5) calendar days. The award of the foregoing allocations shall be given within five (5) calendar days from the last day of acceptance of applications.

**Section 7. Requirements and Application for Importation and Allocation.** The Eligible Importer shall submit to the SRA Regulation Departments in Quezon City and/or Bacolod City the following requirements:

- 7.1. A duly notarized application letter signed by the President/Chief Executive Officer, Chief Operating Officer, Partner or Owner to participate in the Sugar Import Program with the following details:



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- 7.1.a. The volume of sugar applied for under Section 4;
- 7.1.b. Country of origin;
- 7.1.c. Specific address of SRA-registered warehouse where the imported sugar shall be stored;
- 7.1.d. Undertaking stating the following:

1. That the Eligible Importer shall purchase locally produced refined sugar, and or locally produced raw sugar, for the crop year 2022-23, as well as upcoming crop year 2023-24, and to present to SRA proof of such purchases, as well as for the importer to show proof of actual physical sugar trading (purchase from producers and selling of physical sugar to consumers mentioned in Section 2), in order to maintain the importer's eligibility for future import programs.
2. That the Eligible Importer shall comply with this Order and other resolutions or circulars of SRA on sugar importation.

7.2 Original or certified true copies (by the issuing Agency) of the following:

- 7.2.a. Valid Food and Drug Administration Certificate of Product Registration of the refined sugar to be imported;
- 7.2.b. Valid Food and Drug Administration License to Operate for Industrial Users and Registered International Sugar Traders;
- 7.2.c. Latest valid applicable Bureau of Internal Revenue (BIR) Certificate of Tax Clearance/Certificate of No Tax Liability;
- 7.2.d. Certificate of Good Standing/No Derogatory Record from Securities and Exchange Commission (SEC) for corporations and partnerships, from the Department of Trade and Industry (DTI) for single proprietorships, and from the Cooperative Development Authority (CDA) for cooperatives;

**Section 8. Period of Arrival of Imports.** The Eligible Importers who are granted allocations under this Sugar Import Program shall ensure that their respective allocated volumes shall arrive in the Philippines within the following schedule:



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- 8.1 For first arrival of REFINED sugar, 100,000 MT to arrive as soon as possible.
- 8.2 For the second arrival of REFINED sugar, 100,000 MT to arrive before April 1, 2023.
- 8.3 For the BUFFER STOCK of refined sugar, 240,000 MT to arrive not earlier than April 1, 2023.

### Section 9. Requirements for Issuance of SRA Clearance for Release.

Eligible Importers under this Sugar Import Program shall submit to the SRA Regulation Departments in Quezon City or Bacolod City the following requirements for issuance of SRA Clearance for release of imported sugar:

- 9.1 Duly notarized application letter for issuance of SRA Clearance indicating the volume of imported sugar applied for;
- 9.2 Bill of Lading;
- 9.3 Commercial Invoice of imported sugar;
- 9.4 Packing List;
- 9.5 Certificate of Analysis (from country of origin);
- 9.6 Proof of payment of applicable SRA fees provided under relevant sugar orders;
- 9.7 Proof of Payment of Performance Bond of P 850 per 50-kilo bag, unless waived or reduced;
- 9.8 Reimbursement of performance bond (if necessary), faithful compliance of the provisions of this order, and proof of trading, which is the purchase and sales of physical locally produced domestic sugar for CY 2022/23 & CY 2023/24 not later than August 31, 2024; and
- 9.9 Other requirements as may be required by the SRA BOARD.

**Section 10. SRA Clearance Fees.** The SRA shall collect a fee of Thirty-Three Pesos (P33.00) per 50-kilo bag of imported refined sugar as SRA Clearance Fee.

**Section 11. Classification and Reclassification.** The imported sugar shall be classified as follows:



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- 11.1 For first arrival of refined sugar, 100,000 MT, shall be classified as "C" or Reserved sugar, but SHALL IMMEDIATELY be re-classified to "B" or Domestic sugar, upon completion of the necessary requirements and documentation with the SRA.
- 11.2 For the second arrival of refined sugar, 100,000 MT, shall be classified as "C" or Reserved sugar, but, upon approval of the SRA Board, MAY be re-classified to "B" Domestic sugar, not earlier than March 30, 2023.
- 11.3 For the BUFFER STOCK of refined sugar, 240,000 MT, shall be classified as "C" or Reserved Sugar.

The BUFFER STOCK refined sugar classified as "C" or Reserved Sugar shall NOT be made available to the domestic market unless reclassified and approved for release by the SRA Board, at a time as may be directed by the SRA Board.

Necessary conversion fees shall be paid upon application for import processing and such conversion of imported volume for this particular Sugar Order shall be approved by the SRA BOARD. Only after approval from SRA BOARD has been obtained can the stocks be released from SRA registered warehouses or from the vessel, for sale to the domestic market.

### Section 12. Warehousing and Monitoring of Imported Sugar.

- 12.1 Imported sugar classified under this Sugar Order shall only be stored in an SRA-registered warehouse or directly to the Consumers' warehouse as indicated in the importer's application. However, the declared Consumer's warehouses must be pre-inspected to avoid co-mingling of imported sugar stocks and domestic sugar stocks.
- 12.2 Imported sugar may be stored in the same SRA-registered warehouse where domestically produced sugar is stored. Provided that imported sugar shall be segregated as a separate pile for monitoring of SRA.
- 12.3 All warehouses storing imported sugar shall each maintain onsite a ledger that shall record, among others, dates of delivery of the imported sugar to the SRA-registered warehouse and the dates and volume of withdrawal of reclassified "B" sugar from the same warehouse.



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12.4 Non-compliance with the above warehousing rules shall be subject to fines as determined by the SRA.

**Section 13. Performance Bond.** Every allocation of imported raw and refined sugar shall be subjected to a bond of **Eight Hundred Fifty Pesos (P850.00)** per 50-kg bag, unless otherwise **WAIVED** or **REDUCED** by the Department of Agriculture in cases of emergency, or when there is a need to address high consumer retail prices, or upon justified circumstances. Any waiver or reduction in the amount of the performance bond **SHALL** be effective only upon the issuance by the Department of Agriculture of an appropriate Order or Memorandum.

The total amount of the bond shall be payable to the Sugar Regulatory Administration in the form of a Manager's Check. The bond shall be made to answer for violations or non-compliance by the Eligible Importers to the orders, resolutions or circulars of SRA.

Provided, this performance bond shall be released upon submission of proof of purchase (Sugar Release Order/ Sugar Delivery Order) of the locally produced sugar, as well as proof of actual selling of physical sugar (Trading), in compliance to the undertaking stated in Section 7 item 7.1.d. Otherwise, the bond shall be forfeited in favor of SRA.

### Section 14. Sanctions.

14.1 Non-compliance with or violation of any provision of this Sugar Order or any orders, resolutions or circulars of SRA by Eligible Importers shall result in the forfeiture of the entire Performance Bond without prejudice to other sanctions as the SRA may deem proper including those provided in the SRA Book of Penalties and existing laws, rules, regulations and issuances.

14.2 Any natural or juridical person that imports sugar but is not an Eligible Importer or does so without the approved allocation granted by SRA shall be considered as engaged in sugar smuggling and will be prosecuted under RA 10845 or the Anti-Agricultural Smuggling Act and other existing laws, rules, regulations and issuances.



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**Section 15.** Provisions of other sugar orders, circulars, letters and or rules and regulations contrary to or inconsistent with this Sugar Order are hereby amended, modified or revoked accordingly.


**Section 16.** A copy of this Sugar Order shall be filed with the Office of the National Registrar, UP Law Center, Diliman Quezon City.

**Section 17.** This Sugar Order shall take effect three (3) days from its filing with the Office of the National Registrar, UP Law Center, Diliman, Quezon City.


Approved By:

**H.E. PRESIDENT FERDINAND R. MARCOS, JR.**  
Secretary of Agriculture

  
**DOMINGO F. PANGANIBAN**  
Senior Undersecretary  
Department of Agriculture

  
**DAVID JOHN THADDEUS P. ALBA**  
Acting SRA Administrator

  
**MA. MITZI V. MANGWAG**  
Acting Board Member  
Millers' Representative

  
**PABLO LUIS S. AZCONA**  
Acting Board Member  
Planters Representative