

[EXECUTIVE ORDER NO. 293, March 01, 2004]

**AUTHORIZING THE NATIONAL FOOD AUTHORITY TO INTERVENE
IN THE STABILIZATION OF THE PRICE OF SUGAR.**

WHEREAS , there is an urgent need to stabilize the price of sugar which is a basic necessity under R.A. 7581, otherwise known as the Price Act brought about by the low farm gate prices thereof to the detriment of farmer-producers;

WHEREAS , under Section 3 of Executive Order No. 1028, series of 1995, the President may, for stabilization purposes, authorize the intervention by the appropriate government entity of the trading of food items if so warranted by conditions that may exist from time to time;

WHEREAS , the National Food Authority (NFA) considering its manpower, facilities and capability in the marketing of grains and non-grain commodities, is deemed to be the most appropriate government agency to intervene in the stabilization of sugar prices and supply;

NOW, THEREFORE, I, GLORIA MACAPAGAL-ARROYO , President of the Republic of the Philippines, by virtue of the power vested in me by law, do hereby order:

SEC. 1. Intervention by the National Food Authority. The National Food Authority (NFA) is hereby authorized to intervene in the stabilization of sugar prices. It shall procure or cause the procurement of raw sugar regardless of its clarification in such volume as it may deem necessary in consultation with the Department of Agriculture. The NFA is further authorized to incur the necessary expenses to effectively undertake the said activity.

SEC. 2. Funding. For this purposes, the NFA is hereby authorized to make available and use its corporate funds, manpower, other facilities and credit lines, as well as the unremitted income accruing to the Agricultural Competitiveness Enhancement Fund (ACEF) as derived from the incentives of the Minimum Access Volume Importation of sugar. The NFA is likewise exempted from the payment of advance Value Added Tax (VAT) when it refines its procured sugar.

SEC. 3. Nature of Funds. All disbursement, as well as administrative and operational expenses incurred by virtue hereof shall be treated as a Special Projects Accounts, subject to the usual accounting and auditing rules and regulations.

SEC. 4. Implementing Guidelines. The NFA, in consultation with the Department of Agriculture, shall issue the necessary guideline to implement the provisions of this Executive Order, specifically the pricing mechanism, marketing and distribution strategies and monitoring system.

SEC. 5. Effectivity. This Executive Order shall take effect immediately and shall remain valid until the June 30, 2004.