

[EXECUTIVE ORDER NO. 398, January 31, 1997]

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

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

WHEREAS, under Section 3 of Executive Order No. 1028, series of 1985, the President may, for stabilization purposes, authorize the intervention by the appropriate government entity in the trading of food items if so warranted by conditions that may exist from time to time;

WHEREAS, the National Food Authority, considering its capability, facilities and manpower in the marketing of grains and non-grain commodities, is deemed to be the most appropriate government agency to intervene in the stabilization of said commodity;

NOW, THEREFORE, I, FIDEL V. RAMOS, President of the Republic of the Philippines, by virtue of the powers vested in me by law, do hereby order:

SECTION 1. Intervention by the National Food Authority. The National Food Authority is authorized to intervene in the stabilization of sugar prices and shall procure or cause the procurement of raw sugar in such volume as it may deem necessary in consultation with the Department of Agriculture, subject to the pertinent provisions of R. A. 7607, otherwise known as the Magna Carta of Small Farmers.

SEC. 2. Funding. For this purpose, the National Food Authority is authorized to make available its corporate funds, manpower and other facilities and use its credit lines, as well as the unremitted income accruing to the Competitive Enhancement Fund as derived from the incentives of the Minimum Access Volume Importation of Sugar.

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

SEC. 4. Implementing Guidelines. The National Food Authority, in consultation with the Department of Agriculture, shall issue the necessary guidelines 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 June 30, 1997.

DONE in the City of Manila, this 31st day of January in the year of Our Lord, Nineteen Hundred and Ninety-Seven.