

**[ SRA SUGAR ORDER NO. 9, S. 2010-2011, May 20, 2011 ]**

**ADVANCE SWAPPING OF CROP YEAR 2010-2011 "B" OR DOMESTIC SUGAR TO "A" OR U.S. MARKET SUGAR**

**WHEREAS,** Section 2 (B) of Executive Order No. 18, series of 1986 mandates the SRA to establish and maintain such balanced relation between production and requirement of sugar and such marketing conditions as will ensue stabilized price levels reasonably profitable to producers and fair to consumers;

**WHEREAS,** Sugar Order No. 1, Series of 2010-2011 allocated only for "A" or U.S. Market Sugar and "B" or Domestic Market Sugar;

**WHEREAS,** the Philippines have been given an additional allocation of 60,000 MTRV (or 57,480 metric tons) for shipment to the United States, in addition to its basic yearly quota;

**WHEREAS,** the Philippines will be able to fully serve its basic U.S. quota, and has committed to fully serve the additional allocation;

**WHEREAS,** the volume of verified "A" quedans for shipment to the U.S. has reached more than 174,000 metric tons as of May 16, 2011, which is not enough to fully serve the total U.S. allocation for the current quota year;

**WHEREAS,** ending stock balances for the crop year will be higher than normal levels, due the higher than expected production for the crop year, coupled with weak withdrawal;

**WHEREAS,** an early shipment of next crop year's U.S. quota 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 2010-2011 are hereby allowed (eligible), on a voluntary basis, for advance swapping into "A" or U.S. Quota Sugar for Quota Years 2010-2011 and 2011-2012. Applications for advance swapping shall be accepted starting from the issuance of this order until June 17, 2011.