

[SRA SUGAR ORDER NO. 12, June 18, 2010]

ADVANCE SWAPPING OF "A" OR U.S. QUOTA SUGAR PRODUCED DURING CROP YEAR 2009-2010 INTO "B" OR DOMESTIC SUGAR

WHEREAS, Executive Order No. 18, series of 1986, mandates the Sugar Regulatory Administration (SRA) to maintain balanced relation between production (supply) and requirement (demand) of sugar;

WHEREAS, the allocations for the U.S. Sugar Quota of Quota Year 2009-2010 had already been filled up by various traders/exporters as the U.S. Sugar quota increase was lower than projected and there is significant volume of stocks of "A" or U.S. Export Sugar which could be made available for domestic consumption;

WHEREAS, keeping the "A" sugar as "A" will mean deterioration of it and therefore, not exportable quality for the coming Quota Year 2010-2011 since, its condition when exported shall be subject to penalty which will result to a negative rating for our country as exporter;

NOW, THEREFORE, under and by virtue of the powers vested in the Sugar Regulatory Administration, it is hereby ordered that:

SECTION 1. "A" Sugar quedan-permits issued for crop year 2009-2010 are hereby allowed (eligible for) on a voluntary basis for advance swapping into "B" or Domestic Sugar.

SECTION 2. The "A" quedan-permits subject of advance swapping shall be charged with an Advance Swapping Fee of P5.00/Lkg-Bag.

In addition, a bond of **Eight Hundred Pesos (P800.00) per Lkg-Bag** either in cash or Manager's Check shall be paid to/issued in the name of the Sugar Regulatory Administration (SRA), upon submission of the "A" quedan-permits for processing, and wherein said bond shall be forfeited in favor of the SRA in the event the applicant fails to replenish the total volume of "A" sugar approved for advance swapping, with the corresponding "B" sugar **not later than March 3, 2011** of Crop Year 2010-2011.

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

SECTION 3. The "B" sugar quedan-permits issued during Crop Year 2010-2011 shall be allowed (eligible) for replenishment.

SECTION 4. Application for Advance Swapping shall be filed at the Regulation Department, SRA, Quezon City.

SECTION 5. The deadline for the filing of the application for Advance Swapping under this Sugar Order shall be not later than August 31, 2010 of the current Crop