

**[SRA SUGAR ORDER NO. 1-C, S. OF 2007-2008,
March 28, 2008]**

**REVISED SUGAR POLICY ON THE PERCENTAGE ALLOCATION FOR
CY 2007-2008; INCREASING THE ALLOCATION OF "C" OR
RESERVE SUGAR AND TERMINATING THE ALLOCATION FOR "D"
OR WORLD MARKET SUGAR**

WHEREAS, Section 2 (B) of Executive Order (EO) 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 ensure stabilized prices at levels reasonably profitable to the producers and fair to consumers;

WHEREAS, Section 5 of Sugar Order No. 1, Series of 2007-2008 provides that The SRA shall undertake periodic assessment of the crop year 2007-2008 sugar production and on the basis of such assessment, it may adjust from time to time the percentage distribution of the different classes of sugar and/or take the necessary action to address the situation";

WHEREAS, the "D" or world market sugar production for crop year 2007-2008 week ending March 24, 2008 has already exceeded 73,000 metric ton (MT), while the 'IT to "E" sugar availments of sugar-based food processors/exporters for calendar year 2nn7 was only 49,312.57 metric tons (MT);

WHEREAS, the Sugar Regulatory Administration/Presidential Anti-Smuggling Group (PASG)/Bureau of Customs have collectively seized/auctioned 38,298 Ikg-bags of smuggled refined sugar classified as "D" sugar for re-export or for the exclusive use of sugar-based food exporters;

WHEREAS, the confiscated/auctioned refined sugar and the "D" or World Market sugar already produced locally are enough to meet the year 2008 requirements of the sugar-based food processors/exporters;

WHEREAS., consultations have been done with sugar industry leaders and other stakeholders who have recommended to terminate the "D" sugar allocation for Crop Year 2007-2008;

WHEREAS, it is also part of SRA's mandate to classify an appropriate percentage of sugar produced during peak production months as Reserve ("C" sugar) for release during off-milling months in order to ensure that supply is relatively even throughout the year;

WHEREAS, continuing rainy weather in key sugarcane growing areas caused delays in the planting of the next crop which will consequently result to possible delays/low initial output at the start of milling for Crop Year 2008-2009,