

**[ SRA ORDER NO. 13, August 28, 1998 ]**

**ADVANCE SWAPPING OF "A" or U.S. QUOTA SUGAR PRODUCED DURING THE CURRENT CY 1997-1998 AND PREVIOUS CY 1996-1997 INTO "B" OR DOMESTIC SUGAR**

WHEREAS, there is a perceived tightness of supply of sugar in the domestic market at the start of the forthcoming crop year 1998-1999;

WHEREAS, there is a significant volume of excess of "A" or U.S. quota sugar this CY 1997-1998 which could address said tightness of supply of sugar;

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

*SECTION 1.* All outstanding "A" quedan-permits (regular or swapped) issued during the current CY 1997-1998 and the previous CY 1996-1997 including those subject of advance refining pursuant to Sugar Order No. 9 Series of 1997-1998, are hereby allowed for advance swapping into "B" or domestic sugar.

*SECTION 2.* The "A" quedan-permits (regular or swapped) subject of advance swapping shall be charged with an advance swapping fee of FIFTEEN PESOS (P 15.00) per Lkg. - Bag payable to the SRA and another THIRTY FIVE PESOS (P 35.00) per Lkg.-Bag as "Price Differential" which will go to the major aggrupations of sugar producers, pro rated on the basis of CY 1997-1998 production, payable also to the SRA as Trustee.

The major aggrupations mentioned herein are the National Millers Organizations composed of the following: i) Philippine Sugar Millers Association, Inc. (PSMA), ii) Association of Integrated Millers, Inc. (AIM), and iii) Philippine Independent Millers Association, Inc. (PIMA), and the National Planters Organizations composed of the following i) Confederation of Sugarcane Producers Association, Inc. (CONFED), ii) National Federation of Sugarcane Planters, Inc. (NFSP), iii) United Sugar Producers Federation of the Philippines, Inc. (UNIFED), and iv) Panay Federation of Sugarcane Farmers, Inc. (PANAYFED).

In addition, a bond of FIFTY PESOS (P 50.00) per Lkg.-Bag in the form of company's check with accompanying bank guarantee referring to the check number thereof shall be issued by the applicant/trader in the name of the Sugar Regulatory Administration (SRA) dated 01 January 1999, upon submission of the "A" quedan-permits for processing, wherein said bond shall be forfeited in favor of the SRA in the event the applicant/trader fails to replenish the total volume of "A" sugar approved for advance swapping with the corresponding volume of "B" sugar, not later than 31 December 1998.

However, upon replenishment of the whole volume of "A" sugar with the