

[SRA CIRCULAR LETTER NO. 4, September 03, 1991]

GUIDELINES TO SUGAR POLICIES

The rules and regulations hereunder are hereby issued as guidelines to sugar policies effective 1991-1992 crop year.

SECTION 1. Crop Year — The 1991-92 crop year shall commence on September 1, 1991, and will terminate on August 31, 1992.

SECTION 2. Classes of Sugar Quedanning Percentages — Sugar production for the 1991-92 crop is estimated to be 1,900,000 metric tons. Sugar produced starting September 1, 1991 up to the time when the 1991-92 quota on "A" Export sugar will be announced by the United States Department of Agriculture shall be quedanned by the mill companies as 100% "B" Domestic sugar. Thereafter, the Sugar Board will determine the quedanning percentages on sugar production.

SECTION 3. Printing and Use of 1991-92 Official Warehouse Receipt Permit Forms — Official warehouse receipt-permits for sugar, otherwise referred to as sugar quedan-permits, to be issued by each mill company to cover the classes of sugar produced during the 1991-92 crop, shall be provided by each mill company at its own expense and shall be printed under the supervision of and in accordance with such rules and regulations as may be issued by the Sugar Regulatory Administration (SRA).

SECTION 4. Use and Validation of 1990-91 Quedan — Unused sugar quedan-permit forms of the 1990-91 crop year, duly validated, may be used for the 1991-92 crop year sugar production, per SRA Sugar Order No. 1, dated 22 August 1991, upon prior permit and validation from SRA. Users of the validated quedan-permit forms are advised to correct the lien on the Social Amelioration Fund from P2.00 per picul to P5.00 per picul, per R.A. No. 6982.

SECTION 5. Use of "LKg" in lieu of "Picul" — The use of the metric system in the sugar industry shall be duly enforced effective the 1991-92 crop year. The "LKg" or "50-kilo-Bag" unit shall, therefore, be adopted in lieu of the "picul" beginning September 1, 1991.

However, to allow all concerned to adjust to the adoption of the said unit of measure, mill companies shall, for the 1991-92 crop year, indicate in the box for "LKg" or "50-kilo-Bag" just beneath the figures for said "LKg" or "50-kilo-Bag" the equivalent figures in piculs, in parentheses.

With the use of the LKg, the computation of the statutory liens in the sugar quedans shall now be as follows, previous computations in parentheses:

- a. Stabilization Fee, P0.79052 per LKg (previously, P1.00 per picul);

- b. Special Milling Fee, P0.079052 per LKg (previously, P0.10 per picul);
- c. Social Amelioration Fund, P3.9526 per LKg equivalent to P5.00 per picul (previously, P2.00 per picul).
- d. Sugar Industry Foundation, Inc., P0.97052 per LKg (previously, P0.10 per picul).

SECTION 6. Issuance of Sugar Quedan-Permits -

(a. Each mill company shall issue on a weekly basis sugar quedan-permits to cover the mill and planter's shares of the sugar production in the percentages provided in Section 2, above.

b. If the sugar producer (mill or planter) is financed by a bank/financial institution, sugar marketing cooperative, or any creditor, the quedan-permit shall be issued in the name of such bank/financial institution, sugar marketing cooperative, or creditor as assignee for account of the financed sugar producer provided, however, that said entities shall have previously informed the mill company concerned of such assignment in their favor by furnishing the latter with a copy of the deed of assignment.

SECTION 7. Registration of Warehouse Receipt Agent, or Warehouseman — Each mill company shall register with the SRA for the crop year the certificate of authority and official signature of its warehouse receipt agent, or warehouseman, and shall report to the SRA any change in name and signature of the authorized warehouseman.

SECTION 8. Signatories to Quedan-Permits — All quedan-permits for all classes of sugar shall be signed as follows:

a. The quedan portion shall be certified correct and signed by the authorized representative of the mill company, verified correct and signed by the authorized representative of the planters association;

b. The permit portion shall be attested for the SRA Administrator and signed by the authorized MDRO;

c. The stub portion may be signed only by the mill company concerned as it serves merely for its record purposes;

d. A planter association/sugar cooperative representing planters in a mill district or a member of such planter association/sugar cooperative may sign the quedan-portion as indicated herein or waive his signature therein, in which case, the authorized MDRO thereat shall cause the rubber-stamping of the word "WAIVED" on the appropriate space for signature and initiated by him;

e. The planters association or its duly authorized representative may refuse to sign the quedan-permit issued by the mill company to cover its mill share only on the ground that the quantity indicated therein is not the correct mill share. If the mill share quedan is not signed by the authorized representative of the planters association within 24 hours after presentation, the mill company shall release the mill and planter's quedan-permits simultaneously, the signature of the planters association representative on the mill share quedan being deemed waived.