

[SRA SUGAR ORDER NO. 7-A, SERIES OF 2007-2008, February 07, 2008]

**REVOCATION OF SUGAR ORDER NO. 7, SERIES OF 2007-2008,
AND ITS REPLACEMENT WITH SUGAR ORDER NO. 7-A,
PROVIDING FOR THE COLLECTION OF P1.00/LKG ON THE RAW
SUGAR PRODUCTION OF SUGAR PLANTERS AND MILLERS WHO
SUBSCRIBE TO SUPPORT THE SUGAR MONITORING AND ANTI-
SMUGGLING PROGRAM OF THE SUGAR INDUSTRY**

WHEREAS, in order to fund an urgently-needed Sugar Monitoring and Anti-Smuggling Program, the Sugar Regulatory Administration issued Sugar Order No. 7, Series of 2007-2008, entitled IMPLEMENTATION OF THE COLLECTION OF MONITORING FEE of P1.00/ Lkg-bag (instead of P2.00/Lkg-bag) OF RAW SUGAR COVERED BY RAW SUGAR QUEDANS;

WHEREAS, from the time Sugar Order No. 7, Series of 2007-2008 was implemented (Week ending January 20, 2008), only one planter association initially contested the said Sugar Order while the rest complied with it;

WHEREAS, the SRA nevertheless created the Sugar Monitoring and Anti-Smuggling Task Force (SMAS-TF) and proceeded to operate within the bounds of operational and administrative constraints attendant to the use of public funds;

WHEREAS, initial operations of the Sugar Monitoring and Anti-Smuggling Task Force (SMAS-TF) successfully flushed out in three separate operations more than 14,000 Lkg-bags of refined sugar believed to be illegally imported and now in the process of forfeiture;

WHEREAS, the sugar industry has opined that the initial SMAS-TF operations not only confirm the industry's allegations of the existence of smuggling but also highlight the imperative need to fight sugar smuggling with greater vigor unhampered by bureaucratic red tape;

WHEREAS, the P1.00/Lkg collection is essentially a private sector contribution to a joint government-private sector undertaking and the industry strongly believes that the effective operation of the SMAS-TF requires quick response, full flexibility and minimal red tape while retaining adequate levels of accountability;

WHEREAS, it will be more practical to source this private sector contribution through a registered and accountable private organization willing and qualified to act as trustee for the fund, subject to the provisions of a Memorandum of Agreement that will ensure the proper utilization of the Fund consistent with the purpose for which it is contributed;

WHEREAS, the Sugar Master Plan Foundation, Inc. (SMPFI), a duly-registered and