

[SUGAR ORDER NO. 4, S. 2005-2006, January 05, 2006]

COMPULSORY DISPOSITION OF THE RAW SUGAR COVERED BY OUTSTANDING QUEDANS OF PREVIOUS CROP YEARS

WHEREAS, the Sugar Regulatory Administration (SRA) has observed that the physical and quedan inventories conducted in all operating mills every after the end of the Crop Year (CY), majority of the mills still have on their book inventory outstanding raw quedans of previous crop years, where said inventory may not be reflective of the true carry-over stocks of the country for the new crop year that is of good quality and available to the market/s because of the deterioration of the raw sugar covered by the aforementioned quedans;

WHEREAS, the accumulated raw sugar of previous crop years if not disposed of tends to deteriorate and congest the warehouses of the mills;

WHEREAS, it is to the interest of the sugar industry to have the compulsory disposition of the raw sugar covered by outstanding quedans of previous crop years;

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

SECTION 1. All raw sugar covered by outstanding quedans issued during the previous crop years shall be disposed of by the mills through public auction/bidding. Not included for compulsory disposition is the raw sugar produced in the immediate CY prior to the current crop year (e.g. CY 2004-2005 for the current CY 2005-2006).

SECTION 2. A Circular Letter shall be issued by the SRA to serve as the Implementing Rules and Regulations (IRR) of this Order.

SECTION 3. This Order shall take effect immediately.

SECTION 4. Provisions of Sugar Orders, Circular Letters, rules and regulations contrary to or inconsistent with this Sugar Order are hereby revised, modified or revoked accordingly.

Adopted: 05 Jan. 2006

By Authority of the Sugar Board: