

**[ SRA SUGAR ORDER NO. 6 S. 1992-93, September 17, 1992 ]**

**QUEDANNING OF REFINED SUGAR**

WHEREAS, the Sugar Regulatory Administration (SRA) is mandated by Executive Order No. 18 to promote the effective merchandising of sugar both in the domestic and foreign markets so that those engaged in the sugar industry will be placed on a basis of economic viability;

WHEREAS, Executive Order No. 18 empowers the SRA to institute, implement and regulate an orderly system of quedanning various forms of sugar;

WHEREAS, there is a need to regulate and monitor the inflow of raw sugar as well as the outflow of refined sugar due to the increasing number of sugar refineries;

WHEREAS, since SRA has been allocating "D" World Market sugar in refined form, there is need to quedan all refined "D" sugar because with this system SRA can control effectively the disposition of "D" sugar which is primarily exported to the world market;

WHEREAS, there is now a need to quedan the refined sugar produced by sugar refineries under the provisions of existing laws and SRA rules and regulations.

NOW, THEREFORE, pursuant to the powers vested in the Sugar Regulatory Administration, it is hereby ordered that:

*SECTION 1. Quedanning of Refined Sugar* — There is hereby established a system of quedanning refined sugar produced by sugar refineries, both integrated and non-integrated.

*SECTION 2. a) Refining of Raw Sugar by Integrated Refineries* — All raw "B" Domestic sugar produced by integrated mills (mills with sugar refineries) are hereby authorized to be refined. All other classes of sugar, including "B-1" Domestic (Reserve) sugar which has a maturity date, shall require the prior approval of the SRA.

*b) Refining of Raw Sugar by Non-Integrated Refineries* — Only raw "B" sugar may be refined by non-integrated refineries and same shall be issued refined sugar quedans.

The refining of any other class of sugar shall require the prior approval of SRA.

*SECTION 3.* No refinery, integrated or non-integrated, shall accept raw sugar from outside sources for tolling unless accompanied by a Sugar Release Order as required in SRA Sugar Order No. 5, dated 17 September 1992.

*SECTION 4. (a) Withdrawal of Refined Sugar From Integrated Refineries* — In the withdrawal of raw sugar where the intent of the producer/trader is to withdraw the same as refined, the raw sugar quedans shall first be surrendered to the mill for replacement with the corresponding refined sugar quedans to be issued by the sugar refinery.

*(b) Withdrawal of Refined sugar from Non-Integrated Refineries* — In non-integrated refineries, all sugar for refining may only be withdrawn from refinery warehouses upon surrender of refined sugar quedans issued by the sugar refinery.

*SECTION 5. Format, Design, and Security Features of the Refined Sugar Quedan* — The format of the quedan for refined sugar will be similar basically to the quedan presently used for raw sugar, as having a stub, quedan, and permit portions. Control measures such as pre-numbering and incorporating security features/symbols will be considered in the design to easily detect form authenticity. A distinctive design, which shall be planned by the Production Control and Regulation Office (PCRO) in coordination with the designated quedan printer, shall be provided each crop year.

The cost of materials and printing of the quedan forms shall be defrayed by the sugar refineries for whom said forms are printed.

*SECTION 6. Printing and Custody of Quedan Forms* — The refined sugar quedan forms shall be printed and serially numbered by a reputable printer duly designated by the SRA. Since the forms are negotiable documents, the PCRO will directly supervise and control the printing process of said forms.

Sugar quedan forms are negotiable documents and require maximum care for their safekeeping and custody. Securing the safety of said forms shall be the responsibility of sugar refineries from the time said forms are released to their custody for any loss, destruction, or any irregularity in the issuance thereof.

*SECTION 7. Signatories to the Quedan-Permits* — All quedan-permits covering refined sugar shall be signed as follows:

- a. The quedan portion shall be certified correct and signed by the authorized representative of the sugar refinery, agreed to (CONFORME) and signed by the owner/depositor of the refined sugar;
- b. The permit portion shall be attested for the SRA Administrator and signed by the authorized Mill District Regulation Officer (MDRO) assigned in the sugar refinery; and
- c. The stub portion may be signed only by the sugar refinery concerned as it serves merely for its records purposes.

Each sugar refinery, shall at the start of each crop year, register with the SRA a certificate of authority and specimen signatures of its representative duly authorized to sign quedans for refined sugar. Changes in names and signatures shall be reported to the SRA.