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Subject: "A" Sugar Export Replenis	U.P. LAW CENTER OFFICE of the NAT CHAL ADMINISTRATIVE REGISTER Administrative Rules and Requisitions JAN 6 2020 TIME: TIME: TIME: BY TIME: BY TIME: BY TIME: BY TIME: BY TIME: BY TIME: BY BY BY BY BY BY BY BY BY BY

WHEREAS, to export to a highly valued and stable U.S. domestic market under the U.S. Sugar Quota, Sugar Order No. 1, Series 2019-2020 ordered a five percent (5%) allocation as "A" sugar from Crop Year 2019-2020 sugar production;

WHEREAS, to replenish the volume when exported to the U.S. and restore domestic supply of sugar with more processed and valued refined sugar, an "A" sugar export replenishment program has to be implemented;

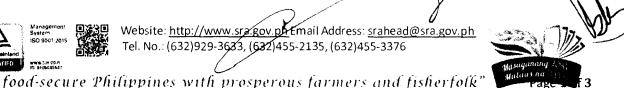
WHEREAS, an "A" sugar export replenishment program shall benefit farmers particularly small farmers as it will increase the value of their "A" sugar quedans;

WHEREAS, Sugar Regulatory Administration is mandated under Executive Order No. 18, dated May 28, 1986, to establish and maintain such balanced relation between production and requirement of sugar and such marketing conditions as will insure stabilized prices at a level reasonably profitable to the producers and fair to consumers;

NOW, THEREFORE, pursuant to the powers vested in the Sugar Regulatory Administration (SRA), the following is hereby ordered:

Section 1: Export Replenishment Program. An "A" sugar export replenishment program shall be adopted when it is determined by SRA that sugar importation is needed to reduce the deficit in the country's supply of sugar.

1.1 Under this program, exporters of the "A" sugar/quedans produced in Crop Year 2019-2020 and exported to the United States sugar quota in Quota Year 2019-2020 may import a corresponding volume of sugar that they exported at a ratio of 1:1 (raw equivalent). Provided, that, the volume of sugar that an exporter may import shall not exceed the volume of "A" sugar/quedans it exported and the total import volume for replenishment shall not exceed the total volume of "A" sugar/quedans exported to the United States for Quota Year 2019-2020.



If the replenishment shall be in raw form, SRA shall require the imported raw sugar to be tolled in a local refinery prior to reclassification. As used in this Order, an Lkg (50 kg) of refined sugar shall be equivalent to 1.08 Lkg of raw sugar if replenishment shall be in refined form.

1.2 Only "A" sugar/quedans issued for Crop Year 2019-2020 and exported to the U.S. sugar quota for Quota Year 2019-2020 are covered by the replenishment program. Previous crop years' "A" sugar/quedans are excluded from the replenishment. As used in this Order, exported "A" sugar/quedans shall refer to those "A" sugar/quedans produced in Crop Year 2019-2020 that has been shipped out and issued Certificate of Quota Eligibility by SRA.

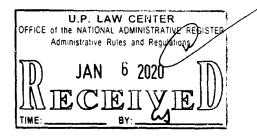
1.3 Exporters of the "A" sugar/quedans may import once the SRA Board determines that replenishment is needed through the issuance of a separate sugar order/circular on guidelines of sugar importation for replenishment which shall cover, among others, arrival date/s and requirements for issuance of clearance for release, etc. Provided, that, imported sugar for replenishment shall be initially classified as "C" or Reserve sugar in their Clearances for Release of Imported Sugar. All sugar imported under this program shall be stored in an SRA registered warehouse prior to its reclassification to "B".

Section 2: Coverage. To ensure that farmers and mills are covered by the benefits of replenishment, exporters with "A" sugar/quedans for Crop Year 2019-2020 but issued or dated prior to this Order ("A" sugar/quedans from Weekending September 1, 2019 through December 15, 2019) are required to submit to SRA, among other requirements for verification of "A" sugar/quedans, a written authority from the planter/planters' association or sugar mill to whom the "A" sugar/quedan was originally issued to have the quedan/s verified. Without the written authority, the subject "A" sugar/quedans will not be eligible for replenishment. Provided, that, the foregoing requirement shall apply only to those "A" sugar/quedans for Crop Year 2019-2020 but issued or dated prior to the effectivity of this Order for eligibility of replenishment.

"A" sugar/quedans from Weekending December 22, 2019 onwards shall not require such written authority from the planter/planter association or sugar mill to be eligible for replenishment.

Section 3: Provisions of sugar orders, circular letters, and other rules and regulations contrary to or inconsistent with this Order are hereby amended, modified or revoked accordingly.

Section 4: A copy of this Order shall be filed with the Office of the National Administrative Registrar, University of the Philippines Law Center, Diliman, Quezon City.



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Section 5: This Order shall take effect after three (3) days from filing in the Office of the National Registrar.

APPROVED BY:

(

SECRETARY WILLIAM D. DAR, Ph.D. Chairperson

ENGR. H ENEGILDOR. SERAFICA Administrator ATTY. ROLAND B. BELTRAN

Board Member - Millers' Representative

ATTY. EMILIO BERNARDINO L. YULO Board Member – Planters' Representative

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