

# [ **PRESIDENTIAL DECREE NO. 1192, September 02, 1977** ]

## **FURTHER AMENDING PRESIDENTIAL DECREE NO. 388, CREATING THE PHILIPPINE SUGAR COMMISSION**

**WHEREAS**, under Presidential Decree No. 388, as amended, the Philippines Sugar Commission is expressly charge with the promotion of the integrated development and stabilization of the sugar industry.

**WHEREAS**, it is imperative that the Philippines Sugar Commission and its affiliated corporations be granted adequate powers and incentives to enable it to attain expeditiously and efficiently its declared objectives.

**NOW, THEREFORE, I, FERDINAND E. MARCOS**, President of the Philippines, by the virtue of the powers vested in me by the Constitution, do hereby decree and order the following:

SECTION 1. Section 3 of Presidential Decree No. 388 is hereby amended by adding the following:

"The administrative supervision of the Philippines Sugar Commission shall be under the direct general supervision of the President."

SEC. 2. Section 4 of Presidential Decree No. 388, as amended, is hereby further amended to read as follows:

"(a) To establish policies pertaining to all phases of the sugar industry; and to all phases of the sugar industry; and to inquire into other aspects of the sugar industry with a view to improving existing methods and system;

"(b) To enter into contracts, transactions or undertakings of whatever nature, with or without public bidding, which are necessary or incidental to its functions and objectives with any natural or juridical person and with any foreign government, private corporations, partnership, institutions, or private individuals, including but not limited to buying, selling, trading, loading, unloading, transportation, vessel-charters, warehousing, marketing, processing or processing of sugar, by-products and derivatives; acquisition by lease, purchase or other modes of materials, supplies, equipment and facilities relative thereto and for the cultivation, production, transportation and processing of sugar cane and related products;

"(c) To levy and collect charges, fees and contributions to finance its operation for social amelioration of the workers in the industry, and for such other purposes as the Commission may determine. The amount of the fees, charges and contributions shall be subject to the approval of the Presidents;

"(d) To act as the single buying and selling agency of sugar on the quedan-permit level, in order to promote the effective merchandising and distribution of sugar;

"(e) To determine from time to time the floor-ceiling price of sugar which will give the planters, millers, traders, wholesalers, and retailers a fair return on their investments; *Provided*, That in determining the floor-ceiling price, the Commission shall take into account the total anticipated cost of production per picul of sugar of plus a corresponding reasonable margin of profit set by the Price Control Council or any other government agency authorized to regulate prices of commodities and service after taking into consideration the effects of devaluation and other economic factors affecting production, processing, marketing, transportation and other related expenses including the minimum wage for agricultural and industrial workers; *Provided*, That the floor-ceiling price established by the Commission shall be adjusted in direct relation to significant changes in the cost of production as determine by the Commission and the Consumers Price Index prepared by the Central Bank of the Philippines; *Provided, however*, That the determination of the ceiling price shall be subject to prevailing wold market prices with the respect to domestic sugar;

"(f) To barrow money from local and foreign sources as may be necessary for its operations;

"(g) To invest its funds as it may deem proper and necessary in any activity related sugar production and trading; including in any bonds or securities issued and guaranteed by the Government of the Philippines;

"(h) To purchase, hold, alienate, mortgaged, pledge or otherwise dispose of the shares of the capital stock of, or any bond or security of other corporations or associations of this or any other country, and while the owner of the said stock, to exercise all the rights of ownerships, including the right to vote thereon;

"(i) To hold lands and acquire rights over agricultural lands in excess of the areas permitted to private corporations, associations and persons at statute;

"(j) To engage in export and import business of sugar and its derivatives, as well as in related activities;

"(k) To acquire assets, real or personal, or interests therein, and encumber or otherwise dispose the same as it may deem proper and necessary in the conduct of its business;

"(l) Subject to existing regulations, if it deems necessary, to established and maintain such communication system, whether by radio, telegraph or any other manner, without the need of a separate franchise therefor;

"(m) To determine its organizational structure, and the number and

salaries of its officers and employees, and conditions with such remuneration or allowances commensurate with their assignment and expertise as may be competitive with rates in private undertakings, as the Commission may decide;

"(n) To establish and maintain offices, branches, agencies subsidiaries, correspondents or other units anywhere as may be needed by the Commission and reorganize or abolish the same as it may deem proper;

"(o) To promulgate rules and regulations to carry into effects the provisions of this Decree and impose penalties for the violation thereof;

"(p) To assume control and/or supervision of sugar mill or refinery that has failed to meet its financial and other contracted obligations for two years or has become insufficient in its operation;

"(q) To organize, register, regulate and maintain exclusive control and supervision over sugar planters and sugar producers marketing cooperative and to restore those existing under laws before their repeal by the provisions of Presidential Decree No. 175; *Provided, however,* That all acts, rulings and orders of the Sugar Quota Administration during the time the Commission under Presidential Decree No. 388 was not officially constituted shall be given force and effect;

"(r) To allow sugar planters and/or sugar producers marketings cooperatives to enjoy privileges and incentives heretobefore granted laws of their creation before their repeal by the provisions of Presidential Decree No. 175, and those granted by all government agencies to business organization under existing laws; *Provided,* That the requirements imposed therein are complied with: *Provided, further,* That pre-existing sugar planters and /or sugar producers marketing cooperatives shall be entitled to the same attributes and grant of privileges and incentives at those created under existing laws; and, *Provided, finally,* That these pre-existing sugar planters and/or sugar producers marketing cooperatives shall apply or petition for re-registration with the Commission with a period of six (6) months from the date promulgation of this Decree, and its existence shall be deemed to continue until the application or petition is approved or denied;

"(s) To determine the manner and extent by which power, privileges and incentives provided by existing laws shall be exercised or enjoyed by sugar planters and/or sugar producers marketing cooperatives: *Provided,* That the Commission shall promulgate rules and regulations to govern the promotion, organization, registration, re-registration, control and supervision of all sugar planters and sugar producers marketing cooperatives;

"(t) To suspend the operation or cancel the registration of any sugar planters and/or sugar producers marketing cooperatives after hearing and when in its judgment based on findings, such cooperative is operating in violation of this Decree, rules and regulations existing laws as well as the by-laws of the sugar cooperatives;