

[EXECUTIVE ORDER NO. 386, November 18, 2004]

REVIVING THE AUTHORITY OF THE NATIONAL FOOD AUTHORITY TO INTERVENE IN THE STABILIZATION OF THE PRICE OF SUGAR

WHEREAS, pursuant to Executive Order No. 293, series of 2004, the National Food Authority was mandated to intervene in the stabilization of the price of sugar and to undertake such actions necessary for the same until June 30, 2004;

WHEREAS, there is a continuing need to stabilize the price of sugar which is a basic necessity under R.A. 7581, otherwise known as the Price Act brought about the low farmgate prices thereof to the detriment of farm-producers;

NOW, THEREFORE, I, GLORIA MACAPAGAL-ARROYO, President of the Republic of the Philippines, by virtue of the powers vested in me by law, do hereby order:

Sec.1. Intervention by the National Food Authority. – The National Food Authority (NFA) is hereby authorized anew to intervene in the stabilization of sugar prices and to procure or cause the procurement of raw sugar, regardless of classification, in such volume as the NFA may deem necessary in consultation with the Department of Agriculture. The NFA is further authorized to incur the necessary expenses to effectively undertake such activity.

Sec 2. Funding. – For this purpose, the NFA is hereby authorized to make available and use its corporate funds, manpower, other facilities and credit lines, as well as the unremitted income accruing to the Agricultural Competitiveness Enhancement Fund (ACEF) as derived from the incentives of the Minimum Access Volume Importation of Sugar. The NFA is likewise exempted from the payment of advance Value Added Tax (VAT) when it refines its procured sugar.

Sec 3. Nature of Funds. – All disbursements, as well as administrative and operational expenses incurred by virtue hereof shall be treated as a Special Projects Account, subject to the usual accounting and auditing rules and regulations.

Sec. 4. Implementing Guidelines. – The NFA, in consultation with the Department of Agriculture, shall issue the necessary guidelines to implement the provisions of this Executive Order, specifically the pricing mechanism, marketing and distribution strategies and monitoring system.

Sec. 5. Effectivity. – This Executive Order shall take effect immediately and shall remain valid until August 31, 2005.

DONE in the City of Manila, this 18th day November, in the year of Our Lord, Two Thousand and Four.