[NTA NOTICE, December 07, 2009]

IMPLEMENTATION OF SECTIONS 3 TO 6 OF MEMORANDUM CIRCULAR NO. 001, SERIES OF 2009 AND REGULATION X RULE I, SECTIONS 1.1 TO 1.9 OF THE TRADING RULES AND REGULATIONS FOR LOCALLY-GROWN LEAF TOBACCO AND PROVIDING FOR THE DEADLINE FOR FILING OF APPLICATIONS FOR LICENSE/PERMIT/AUTHORITY TO BUY/PURCHASE LEAF TOBACCO

WHEREAS, resulting from the "Tobacco Stakeholders Consultative Conference on Safeguarding Stakeholders' Interest in the Marketing of Quality Tobacco Leaf" of 06 November 2008, the National Tobacco Administration (NTA) issued last 05 January 2009, Memorandum Circular No. 001, Series of 2009, with subject: ADDITIONAL REQUIREMENTS IN THE **PROCESSING** OF **APPLICATIONS** LICENSE/PERMIT/ AUTHORITY TO BUY/PURCHASE LEAF TOBACCO, <u>AMENDING RULE 2 OF REGULATION III AND RULE 3 OF REGULATION VI OF</u> THE AMENDED TRADING RULES AND REGULATIONS (TRR) AND PROVIDING THE FILING OF APPLICATION FOR **DEADLINES IN LICENSING/PERMIT/AUTHORITY.** The subject Memorandum Circular was duly filed with the Office of the National Administrative Register (ONAR)- UP Law center on 14 January 2009 and was published in the Manila Standard on 15 January 2009;

WHEREAS, upon request of the Philippine Tobacco Institute, Inc. (PTI) and Philippine Aromatic Tobacco Development Association, Inc. (PATDA), the implementation of MC No. 001, S. of 2009 was suspended, per NTA's letter to concerned local tobacco buyers dated 09 February 2009;

WHEREAS, during the conduct of trading operations for CY 2009, the NTA observed and verified that problems being address by the MC No. 001, series of 2009, became persistent and rampant, like pole vaulting of tobacco farmer-cooperators and buying of tobacco buyers outside of their contract growing projects, which are clear violation of the Tobacco Marketing Agreement they entered into and non-compliance with Regulation X, Rule 1, Sections 1.1 to 1.9 of the NTA Trading Rules and Regulations for Locally Grown Leaf Tobacco.

NOW, THEREFORE, for and in consideration of the foregoing premises, notice is hereby made upon all applicants for Certificate of Authority to purchase leaf tobacco, that Sections 3, 4 5 and 6 of Memorandum Circular No. 001, Series of 2009 (Annex "A"*, hereof), shall be implemented effective 30 December 2009 and shall continue to be in full force and effect unless otherwise amended and/or repealed by subsequent issuances by the NTA.

FURTHER, compliance with the provisions of Rule I, Sections 1.1 to 1.9 of Regulation X of the NTA Trading Rules and Regulations for Locally-Grown Leaf Tobacco and of the Memorandum of Agreement, entered into by the tobacco-farmer cooperators