

**[SRA SUGAR ORDER NO. 12, S. 2013-2014, July
22, 2014]**

**COMPULSORY DISPOSITION OF RAW SUGAR COVERED BY
OUTSTANDING QUEDANS FOR PREVIOUS CROP YEAR 2011-2012
AND PRIOR YEARS**

Adopted: 22 July 2014

Date Filed: 24 July 2014

WHEREAS, the Sugar Regulatory Administration (SRA), in the exercise of its regulatory functions and in the course of reviewing its policies concerning outstanding quedan-permits, has observed that majority of the mills have non-moving sugar quedans on their book inventory;

WHEREAS, it is in the interest of the industry that the stock balances of the mills supporting these quedans should be reflective of the actual physical stocks that are of good quality;

WHEREAS, the accumulated sugar of previous crop years, by its nature, if not disposed, tends to deteriorate further and congest the warehouses of the mills;

WHEREAS, it is to the interest of the sugar industry to have the compulsory disposition of the raw sugar covered by outstanding quedans of old crop years;

NOW THEREFORE, under and by virtue of the authority vested in the SRA, it is hereby ordered that:

Section 1. All raw sugar covered by outstanding quedans issued during Crop Year 2011-2012 and prior crop years shall be disposed of by the mills through auction sale.

Section 2. To preempt similar situation in the succeeding crop years, and to ensure that sugar stored at the mills' warehouses are of good quality, all sugar mills are hereby allowed to conduct compulsory disposition through public bidding/auction. The procedures as provided in SRA Circular Letter No. 35 Series of 2013-2014 shall serve as the implementing Rules and Regulations (IRR) of this Order.

Section 3. Failure to comply with this Sugar Order may subject the Mills to penalties as may be determined by SRA based on its existing sugar orders, rules and regulations.

Section 4. This Order shall take effect immediately after its publication in a newspaper of general circulation.

Section 5. Provisions of Sugar Orders, Circular Letters, rules and regulations contrary to or consistent with this Sugar Order are hereby revised, modified or revoked accordingly.