

**Voluntary Report** – Voluntary - Public Distribution

**Date:** November 01, 2023

**Report Number:** RP2023-0057

**Report Name:** Philippines Sugar Policy - 100 percent for the domestic market for MY 2023-2024

**Country:** Philippines

**Post:** Manila

**Report Category:** Sugar, Agricultural Situation

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**Report Highlights:**

The Philippines issued sugar policy (Sugar Order No. 1) for marketing year (MY) 2023-2024 allocating 100 percent of the estimated 1.85 million metric tons (MT) production to the domestic market. The estimated production could drop 10 to 15 percent depending on the severity of the ongoing El Niño phenomenon. Assessment of production and withdrawal trends will be conducted periodically to check if there is a need to adjust percentage allocation or distribution to other sugar classes.

## Sugar Policy – Sugar Order No. 1

On September 11, 2023, the Sugar Regulatory Administration (SRA) issued Sugar Order No. 1 ([SO1](#)) allocating 100 percent of the expected sugar production to domestic consumption or “B” sugar, with none classified as “A” sugar for the U.S. market. SRA’s production estimate of 1.85 million metric tons (MT) for marketing year (MY) September 1, 2023 to August 31, 2024 remains above the previous year level of 1.8 million MT.

SRA, however, sees production potentially declining by 10 to 15 percent depending on the effects of El Niño phenomenon which [DOST-PAGASA](#) has determined for this MY. Official weather projections put the peak of the El Niño at late 2023 and early 2024.

SRA will continue to conduct periodic assessment of production and withdrawal trends to check if there is a need to adjust percentage allocation or distribution to other classes of sugar (See types of *quedan*). SRA estimates total domestic withdrawal of around 2.2 million for MY 2023-2024.

Sugar mills issue weekly sugar *quedans*-permits to individual planter and miller for their corresponding shares of sugar and molasses production for the marketing year (MY) 2023-2024. Unused *quedans* issued from previous years must be shredded and are not allowed for use this MY.

SO1 takes effect immediately.

### TYPES OF QUEDAN

- “A” Sugar allocated for the U.S. market in compliance with the U.S. quota requirements
- “B” Sugar for the domestic market
- “C” Sugar classified as reserve, which may subsequently be converted to either A or B as the need arises
- “D” Sugar allocated for the world market

## Attachments:

No Attachments.