



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF CUSTOMS

February 23, 2017

CUSTOMS MEMORANDUM CIRCULAR

NO. 37 - 2017

To: All Deputy Commissioners
All Directors and Division Chiefs
All District/Port Collectors
And Others Concerned

Subject: Sugar Regulatory Administration/Issuance of Clearance for Release of High Fructose Corn Syrup (HFCS) and Chemically Pure Fructose

Attached is the letter dated February 21, 2017 of Mr. Luis M. Marajas, OIC-Office of the Deputy Administrator, Sugar Regulatory Administration endorsing a copy of Sugar Order No. 3 Series of 2016-2017 setting forth the guidelines on the issuance of clearance for the importation of HFCS and fructose crystalline, inviting your attention to Sections 3 and 4 thereof, which reads:

"Section 3. Clearance and classification of Fructose. The clearance for release shall indicate the classification of the Fructose as either "B" or for Domestic market, "C" for Reserved, of "D" for World market.


3.1 If the classification is "C" for Reserved, the imported Fructose may be withdrawn from the Bureau of Customs but only for warehousing in a customs bonded warehouse (CBW) of the importer or consignee. No imported Fructose classified as "C" for Reserved shall be withdrawn from the customs bonded warehouse of the importer or consignee unless classified by SRA into either "B" for Domestic market or "D" for World market.

3.2 If the classification or reclassification is "B" for Domestic market or "D" for World market, the imported Fructose may be withdrawn by the importer or consignee from the BOC or from its customs bonded warehouse, as the case may be, for consumption or export.

Section 4. Shipping Permit. Any movement or transport of the imported Fructose, whether for warehousing, consumption or for coastwise transport shall require a shipping permit **x x x.**"

For your information and guidance.

For record purposes, please confirm the dissemination of this circular throughout your offices within fifteen (15) days from receipt hereof.


NICANOR E. FAELDON
Commissioner



FEB 24 2017

MASTER COPY



Republic of the Philippines
Department of Agriculture
SUGAR REGULATORY ADMINISTRATION
Sugar Center Bldg., North Ave., Diliman, Quezon City
Philippines 1101
TIN 000-784-336

MEMO-REG-OTM-2017-Feb-013

BUREAU OF CUSTOMS
RECEIVED
DATE: FEB 22 2017
TIME: 8:25
COMMUNICATIONS CENTER

February 21, 2017

COMMISSIONER NICANOR E. FAELDON
BOC Commissioner
Bureau of Customs
G/F Ocum Bldg.
BOC Port Area, Manila

BUREAU OF CUSTOMS
OFFICE OF THE COMMISSIONER
RECEIVED
FEB 22 2017
BY: JOSE TIME: 8:25

BUREAU OF CUSTOMS
Office of the Commissioner
Incoming Document No
17-03027

Dear Commissioner Faeldon:


This has reference to the reported increase of volume of importation of High Fructose Corn Syrup (HFCS) that has affected the sugar industry lately due to unregulated importation of the same.

In this regard, please be advised that the SRA has issued Sugar Order # 3 Series of 2016-2017 setting forth the guidelines on the issuance of clearance for the importation of HFCS and fructose crystalline.

Kindly see attached copy for your guidance and reference.

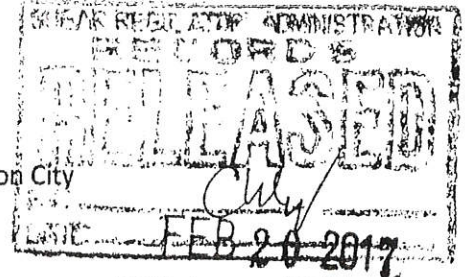
Thank you.

Very truly yours,


LUIS M. MARAJÁS
OIC- Office of the Deputy Administrator



Republic of the Philippines
 Department of Agriculture
SUGAR REGULATORY ADMINISTRATION
 Sugar Center Bldg., North Ave., Diliman, Quezon City
 Philippines 1101
 TIN No. 000-784-336



17 February 2017

Sugar Order No. 3
 Series of 2016-17

Subject: Guidelines on the Issuance of Clearance for Release of Imported HFCS and Chemically Pure Fructose

WHEREAS, there has been a reported increase in the volume of sugar imported into the country, particularly High Fructose Corn Syrup (HFCS);

WHEREAS, HFCS is a type of sugar and/or that its importation affects the balance of supply of sugar in the country;

WHEREAS, the Sugar Regulatory Administration (SRA) has received complaints from sugar farmers, sugar millers and workers, among others, that the unregulated importation of HFCS, displaces the use of locally-produced sugar and thereby negatively affects the balance of production, threatens the livelihood of industry workers, and impedes the growth of the sugar industry;

WHEREAS, Sugarcane Industry Development Act of 2015 (Republic Act No. 10659) mandates the Bureau of Customs (BOC) to require importers or consignees to secure from the SRA the classification of the imported sugar prior to its release;

WHEREAS, Executive Order No. 18 dated 28 May 1986 declares as policy of the State to promote the growth and development of the sugar industry and, in order to carry out such policy, mandates that SRA establish and maintain such balanced relation between production and requirement of sugar and such marketing condition as will insure stabilized prices at a level reasonably profitable to the producers and fair to consumers;

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

Section 1. Scope. This Order covers importation of HFCS and chemically pure fructose (i.e. crystalline fructose), in whatever intensity or form (hereinafter referred to as "Fructose").

Section 2. Requirements. An importer or consignee of these imported Fructose must be a duly registered international trader with the SRA at the time of the application for clearance for release.

2.1 Applicants for clearance for release of Fructose shall submit with the Regulation Department, Quezon City the following:

- i) Letter application for issuance of clearance for release;
- ii) Bill of Lading;
- iii) Certificate of Origin;
- iv) Certificate of Analysis;
- v) Notarized declaration by the importer or consignee that the Fructose is either produced or derived from genetically modified organisms or not. For this purpose, a genetically modified organism (GMO) is defined as organisms (i.e. plants, animals or microorganisms) in which the genetic material (DNA) has been altered in a way that does not occur naturally by mating and/or natural recombination;
- vi) Copy of receipt of payment of SRA clearance for release fee, which shall be P 30.00/50-kilo (LKg) bag of raw sugar equivalent of the Fructose. For purposes of HFCS, one (1) metric ton of HFCS shall be equivalent to twenty (20) LKg-bags of raw sugar. For purposes of crystalline fructose, one (1) metric ton of crystalline fructose shall be equivalent to 24 LKg-bags of raw sugar; and
- vii) Other requirements that the SRA may require from time to time.

2.2 If any of the foregoing documents is in a foreign language, a translation in English shall be submitted and must be duly authenticated by a Philippine embassy or consular official in such country where the documents were executed.

2.3 No applications for clearance for release shall be accepted for processing unless all the requirements are duly complied with.

Section 3. Clearance and classification of Fructose. The clearance for release shall indicate the classification of the Fructose as either "B" or for Domestic market, "C" for Reserved, or "D" for World market.

3.1 If the classification is "C" for Reserved, the imported Fructose may be withdrawn from the Bureau of Customs but only for warehousing in a customs bonded warehouse (CBW) of the importer or consignee. No imported Fructose classified as "C" for Reserved shall be withdrawn from the customs bonded warehouse of the importer or consignee unless reclassified by SRA into either "B" for Domestic market or "D" for World market.

3.2 If the classification or reclassification is "B" for Domestic market or "D" for World market, the imported Fructose may be withdrawn by the importer or consignee from the BOC or from its customs bonded warehouse, as the case may be, for consumption or export.

Section 4. Shipping Permit. Any movement or transport of the imported Fructose, whether for warehousing, consumption or for coastwise transport shall require a shipping permit and the payment to SRA of the corresponding shipping fee.

Section 5. Monitoring. The importer or consignee of imported Fructose classified as "C" for Reserved shall inform the SRA Regulation Department, Quezon City, in writing at least three (3) working days in advance of the date of withdrawal of the Fructose from BOC, the description and plate number/s of the vehicle/s to transport the same, and the detailed address/es of the warehouse/s or destination/s (including intermediate or transshipment destination/s) of the Fructose shall be included.

5.1 The importer or consignee of imported Fructose classified as "C" for Reserved shall also be required to keep a ledger at the premises of the customs bonded warehouse where said Fructose shall be stored and to record the volume therein and the date/s of delivery. The ledger shall be kept and updated by an authorized personnel of the importer or consignee.

5.2 SRA Monitoring personnel duly authorized by the Administrator shall, from time to time, conduct unannounced inspections of the warehouse/s, transportation and/or ledger/s of the imported Fructose.

Section 6. Sanctions. Non-compliance with the provisions of this Order shall be subject to the penalties provided under Sugar Order No. 10, series of 2009-2010, as amended by Sugar Order No. 10-A, series of 2009-10 without prejudice to any other administrative and/or legal action that SRA may pursue.

Section 7. Repealing clause. All sugar orders, circular letters, rules and regulations that are contrary to or inconsistent with this Order are hereby amended, modified or revoked accordingly.

Section 8. Separability Clause. If any provision of this Order is declared unconstitutional, the validity of the remaining provisions hereof shall remain in full force and effect.

Section 9. Effectivity. This Order shall take effect fifteen (15) calendar days after its issuance.

BY AUTHORITY OF THE SUGAR BOARD:


ANNA ROSARIO V. PANER
Administrator