

**Voluntary Report** – Voluntary - Public Distribution

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**Report Name:** The Philippines Announces Renewed Sugar Exports to the United States

**Country:** Philippines

**Post:** Manila

**Report Category:** Agricultural Situation, Agriculture in the News, Sugar

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**Report Highlights:**

The Philippines is set to resume raw sugar exports to the United States under its sugar quota in August 2024. The Sugar Regulatory Administration (SRA) issued Sugar Order (SO) No. 3 on July 26, approving the export of 25,300 metric tons raw value (MTRV) of raw sugar in fulfillment of the United States tariff rate quota (TRQ) allocation for fiscal year 2024. This move comes in response to requests from sugar traders/exporters to allow them to export raw sugar. The Philippines last shipment of sugar to the United States was in marketing year (MY) 2020-2021. Concurrently, the country plans to import around 200,000 MT of refined sugar later this year to address an anticipated supply gap and to stabilize prices.

## **Background**

At the start of MY 2023-2024, the Sugar Regulatory Administration (SRA) issued Sugar Order 1 ([SO1](#)), which allocated all production to the domestic market with none for export to the United States. In May 2024, the United States allocated 25,300 metric tons of raw value (MTRV) for the Philippines for fiscal year 2024 (October 1, 2023, through September 30, 2024).

## **Sugar Order No. 3. (SO3)**

On July 26, 2024, SRA issued [SO3](#), the first export of sugar in fulfillment of the United States sugar quota allocation for year 2024. SO3 approved the export of 25,300 MTRV of raw sugar to the United States.

*Eligible Participants.* SO3 stipulated that buyers participating in [SO2](#), the SRA's previous program of buying raw sugar from farmers at a premium price to stabilize the market, would be given priority in fulfilling the country's export quota to the United States. Numerous participants have expressed willingness to help the government fulfill its quota allocation despite lower returns and uncertainty inherent in the exportation of sugar. The participants under SO2 will be prioritized over other exporters of raw sugar to the United States in the event that a future sugar import program is implemented in the Philippines.

*The 1:2.5 Ratio.* The 25,300 MTRV will be proportioned among the participants of SO2 using a formula that is stipulated in SO3. The participants in the export program will be given the privilege of importing a maximum of 2.5 kilograms of sugar for every kilogram exported. The importation program provides sugar traders the ability to recover their cost from exporting sugar at a price lower than domestic prices. Traders can import sugar from other ASEAN nations at lower prices.

## **Attachments:**

No Attachments.