

SIXTEENTH CONGRESS OF THE REPUBLIC)
OF THE PHILIPPINES)
First Regular Session)



Senate
Office of the Secretary

'13 AUG 29 P5:19

SENATE
S. No. 1451

RECEIVED BY: *js*

Introduced by Senator Miriam Defensor Santiago

EXPLANATORY NOTE

Executive Order No. 18, Series of 1986, creating the Sugar Regulatory Administration (SRA) was promulgated to promote the growth and development of the sugar industry through greater participation of the private sector. One of its objectives is "to establish and maintain such balanced relations between production and requirement of sugar and such marketing conditions as will ensure stabilized prices at a level reasonably profitable to the producers and fair to the consumers." The higher cost of sugar in the local market compared to world market prices shows that the SRA has failed to realize this objective.

The iniquitous composition of the Sugar Board, the governing body of the SRA, is blamed for the problem. Under the law, the Board is composed of a Chair to be appointed by the President of the Philippines and two members - one representing the millers and the other representing the planters. Being composed of representatives of sugar producers, the Board is prone to formulating self-serving policies. The interest of consumers is not protected.

To rectify this situation, the Board's composition must be expanded to provide additional members representing sugar consumers.*

Miriam Defensor Santiago
MIRIAM DEFENSOR SANTIAGO

* This bill was originally filed during the Thirteenth Congress, First Regular Session.

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1 AN ACT
2 AMENDING EXECUTIVE ORDER NO. 18, SERIES OF 1986,
3 TO EXPAND THE COMPOSITION OF THE SUGAR REGULATORY ADMINISTRATION
4 (SRA) SUGAR BOARD

Be it enacted by the Senate and the House of Representatives of the Philippines in Congress assembled:

5 SECTION 1. Section 4 of Executive Order No. 18, Series of 1986, is hereby amended to
6 read as follows:

7 "Section 4. *Governing Body: Sugar Board.* – All corporate powers of the
8 Sugar Regulatory Administration shall be vested in, and exercised by, the Sugar
9 Board. The Board shall be composed of an Administrator, who shall act as its
10 Chairman, to be appointed by the President of the Philippines, and **FOUR (4)**
11 **MEMBERS** [two (2) members]. The **FOUR (4)** [two (2)] members of the Board
12 shall likewise be appointed by the President of the Philippines upon the
13 recommendation of the sugar industry, with one member representing **THE**
14 **MILLERS, THE PLANTERS, THE TRADERS, AND THE CONSUMERS,**
15 **RESPECTIVELY** [the millers and the other representing the planters].

16 The Sugar Board shall meet in regular session once a month. The Board
17 may be called by the Chairman **OR ANY MEMBER** [of both private sector
18 representatives] to a special session as the need arises.

19 The Administrator shall be the Chief Executive Officer of the Sugar
20 Regulatory Administration."

21 SECTION 2. Section 5 of the same law is hereby amended to read as follows:

1 “Section 5. Tenure. – The Administrator shall hold office at the pleasure
2 of the President of the Philippines. The **FOUR (4)** [two (2)] members from the
3 private sector shall hold office for a period of three (3) years unless sooner
4 removed for cause. No reappointment of the members shall be made immediately
5 upon termination of their respective terms of office. Any member appointed to a
6 vacancy shall serve only for the unexpired term of the member whom he
7 succeeds.”

8 SECTION 3. *Separability Clause.* - If any provision or part thereof is held invalid or
9 unconstitutional, the remainder of the law or the provision not otherwise affected shall remain
10 valid and subsisting.

11 SECTION 4. *Repealing Clause.* - Any law, presidential decree or issuance, executive
12 order, letter of instruction, administrative order, rule, or regulation contrary to or inconsistent
13 with the provisions of this Act is hereby repealed, modified, or amended accordingly.

14 SECTION 5. *Effectivity Clause.* - This Act shall take effect fifteen days (15) days after its
15 publication in at least two (2) newspapers of general circulation.

Approved,