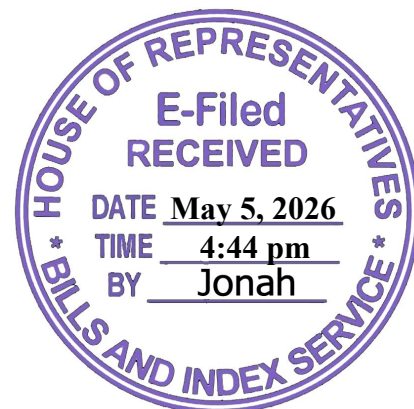


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS

First Regular Session

House Bill No. 9107



Introduced by **Rep. BEVERLEY ROSE A. DIMACUHA**

EXPLANATORY NOTE

Executive Order No. 18 (s. 1986) established the Sugar Regulatory Administration (SRA) to oversee the regulation and orderly development of the sugar industry. Thereafter, Republic Act No. 10659, otherwise known as the *Sugarcane Industry Development Act of 2015*, instituted programs to enhance productivity, modernize, support farmers, and improve industry competitiveness, thereby laying the foundation for sustained sectoral growth.

Despite these legislative milestones, the sugar industry now faces market volatility, rising production costs, climate-related risks, infrastructure constraints, and outdated technical standards. Collectively, these challenges underscore the need to strengthen the operational capacity of existing institutions and programs to ensure the effective delivery of benefits intended under existing law.

In response to these continuing challenges, this bill seeks to strengthen and operationalize the mandates of the SRA under Executive Order No. 18 (s. 1986) and Republic Act No. 10659. Specifically, it aims to:

- Improve access for qualified producer organizations to programs, incentives, and support mechanisms;
- Advance modernization in productivity, mechanization, logistics, research, and climate resilience;
- Enhance market transparency and evidence-based planning through reliable industry data.
- Establish standards for the licensing, review, and evaluation of mills, refineries, and covered entities under existing authority;
- Strengthen the implementation capability of the SRA; and
- Improve the utilization of the Sugarcane Industry Development Fund for programs that directly benefit the industry.

The proposed amendments are carefully designed to avoid unnecessary regulatory burdens or unwarranted capital replacement requirements. They provide practical tools and balanced

mechanisms to more effectively implement existing law, while ensuring due process and appropriate safeguards.

Ultimately, by reinforcing institutional capacity, improving transparency, and promoting modernization, this measure equips the sugar industry to address both longstanding and emerging challenges in a coordinated and sustainable manner.

In view of the foregoing, the immediate passage of this bill is earnestly sought.



BEVERLEY ROSE A. DIMACUHA

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AN ACT
AMENDING CERTAIN PROVISIONS OF REPUBLIC ACT NO. 10659,
OTHERWISE KNOWN AS THE “SUGARCANE INDUSTRY DEVELOPMENT ACT
OF 2015,” TO MODERNIZE AND TO FACILITATE COMPETITIVENESS OF THE
SUGAR INDUSTRY

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

Section 1. Short Title. - This Act shall be known as "A Stronger Sugar Industry Act".

Section 2. Declaration of Policy. - It is the declared policy that the State institute programs to enhance productivity, modernize, support farmers, and improve sugar industry competitiveness. The State shall also continue to strengthen the operational capacity of existing institutions and programs to ensure the effective delivery of benefits, improve transparency, and promote modernization to equip the sugar industry to address both longstanding and emerging challenges in a coordinated and sustainable manner.

Section 3. Section 3 of Republic Act No. 10659, otherwise known as the *Sugarcane Industry Development Act of 2015*, is hereby amended by adding a new paragraph at the end of the section to read as follows:

“Accredited sugarcane planters’ associations and cooperatives shall be entitled to equal participation in, and access to, all programs, incentives, support mechanisms, and benefits under this Act similar to those accorded to block farms, subject to accreditation and compliance with guidelines prescribed by the Sugar Regulatory Administration (SRA)

Such participation shall include eligibility for mechanization programs, farm-equipment grants, training and technical assistance, fertilizer and input support, financing and credit programs, and other modernization and productivity initiatives: Provided, That such associations and cooperatives

shall be duly accredited and compliant with SRA regulatory standards: Provided, further, That no program benefit under this Act shall be denied solely on the basis of organizational structure.”

Section 4. Section 6 of the same Act is hereby amended by adding a new paragraph (f) to read as follows:

“(f) The Sugar Regulatory Administration shall strengthen its institutional capacity to effectively carry out its audit, technical, engineering, data management, and compliance functions through human resource development, the filling of authorized positions, and the lawful engagement of qualified personnel, subject to existing laws. Beneficiaries of scholarship, training, or technical assistance programs funded under this Act may be required to render return service in accordance with guidelines issued by the Sugar Regulatory Administration, in coordination with the Department of Agriculture and other relevant agencies, where appropriate.”

Section 5. A new Section 7-A is hereby inserted after Section 7 of Republic Act No. 10659 to read as follows:

“Section 7-A. Sugarcane Industry Modernization Program. — The Sugar Regulatory Administration, in coordination with the Department of Agriculture, local government units, and relevant agencies, shall support and strengthen modernization initiatives to improve farm productivity, operational efficiency, climate resilience, and the competitiveness of the sugarcane industry.

Such programs shall include, but not be limited to, irrigation development and management, farm mechanization and technology transfer, soil rejuvenation and fertility management, fertilizer and input support, technical assistance, extension services, capacity-building programs, and other lawful measures as may be provided in the implementing rules and regulations.

Priority shall be given to small farmers, block farms, and accredited planter associations and cooperatives.

Funding for this Section shall be charged to the Sugarcane Industry Development Fund (SIDF), subject to existing budgeting, appropriation, accounting, and auditing laws.”

Section 6. A new section denominated as Section 7-B is hereby inserted after Section 7-A of the same Act to read as follows :

“Section 7-B. Sugar Market Transparency and Monitoring. — Consistent with Executive Order No. 18 (s. 1986), this Act, and other applicable laws, the Sugar Regulatory Administration, in coordination with the Department of

Agriculture and other relevant agencies, shall maintain an integrated system for monitoring production, inventory, utilization, importation, exportation, and other market indicators relating to sugar, its by-products, and other sweeteners for evidence-based policy making, market transparency, and supply planning, consistent with the Philippines' international trade obligations.

Proprietary or commercially sensitive information submitted pursuant to this Section shall be protected, and only aggregated or non-confidential data shall be publicly disclosed, unless otherwise required by law.

The Sugar Regulatory Administration shall establish reasonable and proportionate operational and performance standards for sugar mills, refineries, and other regulated entities for licensing, permit renewal, and industry oversight.

The Sugar Regulatory Administration shall conduct inspections, reviews, and assessments on a periodic, risk-based, or for-case basis, including pre-season readiness assessments and post-season performance reviews relating to recovery, efficiency, and compliance.

Findings may be considered in permit and licensing actions, and may give rise to appropriate corrective measures or sanctions as authorized under this Act and other applicable laws, subject to notice, hearing, and due process requirements under existing laws.

Such standards shall promote efficiency, reliability, safety, fair treatment of industry participants, and lawful performance, and shall not, by reason of age alone, require the replacement of otherwise serviceable, safe, and efficient equipment.

The Sugar Regulatory Administration shall publish quarterly market summaries and an annual industry performance report, and shall furnish copies thereof to the appropriate committees of Congress through the Department of Agriculture, in such form as may be prescribed in the implementing rules and regulations.”

Section 7. Section 9. of Republic Act No. 10659 is hereby amended to read as follows:

“Section 9. Classification and Regulation of Supply of Sugar The Sugar Regulatory Administration (SRA), in the exercise of its regulatory authority, shall classify imported sugar in accordance with its appropriate classification at the time of importation, taking into account prevailing domestic supply conditions. The Bureau of Customs (BOC) shall require importers or consignees to secure from the SRA the appropriate classification of imported sugar prior to its release.

The SRA shall exercise regulatory authority and supervision, consistent with existing laws, over the production, processing, distribution, and monitoring of sugar and its by-products, including molasses, bagasse, and other derivatives.

For purposes of ensuring market transparency, data integrity, informed policy-making, and fair competition, the SRA shall establish and maintain a system for the monitoring, data collection, and analysis of the supply, importation, exportation, and use of other sweeteners that may serve as substitutes for sugar.

In furtherance of this mandate, the SRA may require importers, manufacturers, processors, distributors, and other relevant entities to register for monitoring and reporting purposes and to submit periodic reports, data, and such information as may be necessary for market analysis and policy development, subject to existing laws and applicable trade obligations.

The Bureau of Customs (BOC) shall, consistent with applicable tariff and trade laws, cooperate with and provide relevant importation data to the SRA for purposes of data verification and monitoring.

The SRA shall coordinate with the Department of Health (DOH) and the Food and Drug Administration (FDA) on matters concerning public health, food safety, and nutrition.

Nothing in this Act shall be construed to grant the SRA authority to regulate product standards, registration, labeling, health claims, or to impose restrictions on the lawful importation of products, which remain within the mandates of the Food and Drug Administration (FDA), the Department of Health (DOH), and other competent agencies.

For purposes of this Act, “other sweeteners” refers to caloric or non-caloric substances, whether natural or synthetic, that impart a sweet taste or function as sugar substitutes in food, beverage, or industrial applications, including but not limited to sugar syrups, glucose, dextrose, fructose, high-fructose corn syrup (HFCS), and high-intensity sweeteners such as aspartame, sucralose, steviol glycosides, and similar substances recognized or approved by the Food and Drug Administration (FDA) or the Codex Alimentarius Commission.

The SRA shall issue the necessary rules and regulations to implement this Section in a transparent, non-discriminatory, and evidence-based manner consistent with the World Trade Organization (WTO) Agreement on Technical Barriers to Trade (TBT) and other applicable laws. Nothing herein shall be construed to diminish or supersede the mandates of the Bureau of

Customs (BOC), the Food and Drug Administration (FDA), the Department of Health (DOH), or other competent agencies under existing laws.”

Section 8. Section 11 of Republic Act No. 10659 is hereby amended by adding a new paragraph at the end of the section to read as follows:

“Administrative fines, penalties, and other monetary sanctions collected pursuant to this Act shall accrue to the Sugarcane Industry Development Fund (SIDF), subject to existing budgeting, appropriation, accounting, and auditing laws. Amounts appropriated therefrom shall be used solely for programs and projects authorized under this Act.”

Section 9. Implementing Rules and Regulations. - Within sixty (60) days from the effectivity of this Act, the Sugar Regulatory Administration (SRA) in coordination with the Department of Agriculture (DA), and representatives from the Luzon Federation of Sugarcane Growers Association, Inc. (LUNZONFED), United Sugar Producers Federation (UNIFED) and Mindanao Federation of Sugarcane Planters, Inc. (MINFED), shall promulgate the implementing rules and regulations.

Section 10. Separability Clause. - If any provision of this Act is declared invalid or unconstitutional, the other provisions and parts hereof not otherwise affected shall remain in full force and effect.

Section 11. Repealing Clause. -All laws, decrees, orders, proclamations, rules and regulations, or parts thereof which are inconsistent with this Act are hereby repealed, amended, or modified accordingly.

Section 12. Effectivity. - This Act shall take effect after fifteen (15) days following its publication in the Official Gazette or in at least two (2) newspapers of general circulation.

Approved,