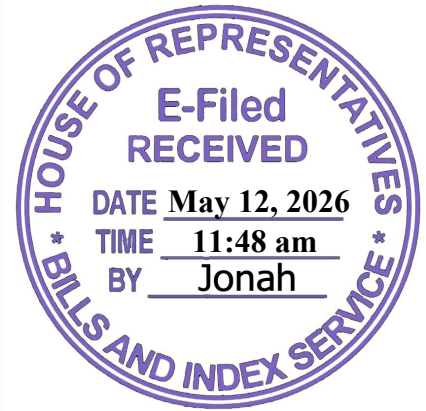


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
First Regular Session



HOUSE BILL NO. 9192

Introduced by **REPRESENTATIVE AUDREY KAY T. ZUBIRI**

AN ACT
AMENDING CERTAIN PROVISIONS OF REPUBLIC ACT NO. 10659, OTHERWISE KNOWN AS THE "SUGARCANE INDUSTRY DEVELOPMENT ACT OF 2015," AND EXECUTIVE ORDER NO. 18 SERIES OF 1986, TO STRENGTHEN THE COMPETITIVENESS, TRANSPARENCY, AND MODERNIZATION OF THE SUGAR INDUSTRY

EXPLANATORY NOTE

The sugar industry remains a vital pillar of the Philippine economy, providing livelihood and employment to millions of farmers, workers, and stakeholders across sugar-producing regions, such as Bukidnon and Mindanao. Recognizing its importance, Executive Order No. 18, series of 1986, created the Sugar Regulatory Administration (SRA) to regulate the industry and promote its orderly development. This mandate was later reinforced through Republic Act No. 10659, otherwise known as the "Sugarcane Industry Development Act of 2015" or the SIDA Law, which instituted programs aimed at increasing productivity, modernizing the industry, improving competitiveness, and extending support to sugarcane farmers and workers.

Notwithstanding these legislative measures, the sugar industry continues to face persistent and emerging challenges that threaten its long-term sustainability and competitiveness. Among these are market volatility, rising costs of farm inputs and production, aging infrastructure, logistical inefficiencies, climate-related disruptions, and the absence of updated technical and operational standards responsive to present industry conditions.

To address these concerns, there is a compelling need to strengthen and enhance the implementation mechanisms of Republic Act No. 10659 and expand the powers and functions

of the SRA under Section 4 of Executive Order No. 18, series of 1986. This proposed measure seeks to introduce responsive and practical amendments that will enable the SRA to more effectively regulate and monitor developments affecting the sugar industry, including artificial sweeteners and sugar substitute products, while ensuring transparency, accountability, and equitable access to development opportunities.

Specifically, the bill seeks to:

- (a) improve access of qualified producer organizations, cooperatives, and stakeholders to industry programs, incentives, and support mechanisms;
- (b) promote modernization initiatives in farm productivity, mechanization, logistics, research and development, and climate resilience;
- (c) strengthen market transparency and evidence-based planning through improved industry data collection and monitoring systems;
- (d) amend Section 4 of Executive Order No. 18, series of 1986, to expand the powers and functions of the SRA to include the regulation, monitoring, classification, and evaluation of artificial sweeteners, sugar substitute products, and related sweetener industry activities insofar as these affect the domestic sugar industry;
- (e) establish standards and mechanisms for the licensing, review, and evaluation of sugar mills, refineries, and other covered entities pursuant to existing regulatory authority;
- (f) enhance the institutional and implementation capacity of the SRA to effectively carry out its mandates; and
- (g) ensure the more efficient and accountable utilization of the Sugarcane Industry Development Fund for programs that directly benefit the industry and its stakeholders.

The proposed amendments provide balanced, practical, and responsive mechanisms designed to strengthen governance, improve coordination, and support sustainable industry development while upholding due process and appropriate safeguards.

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



AUDREY KAY T. ZUBIRI

Representative, 3rd District of Bukidnon

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

1 **SECTION 1.** Section 3 of Republic Act No. 10659 or the Sugar Industry Development
2 Act of 2015 is hereby amended by adding a new subsection to read as follows:

3
4 “(d) “Accredited sugarcane planters’ associations and cooperatives shall enjoy
5 equitable access to programs, incentives, support mechanisms, and benefits
6 under this Act, under terms substantially similar to those accorded to
7 qualified block farms, subject to accreditation and compliance requirements
8 prescribed by the Sugar Regulatory Administration.”

9
10 **SEC. 2.** Section 6 of Republic Act No. 10659 or the Sugar Industry Development Act
11 of 2015 is hereby amended by adding a new paragraph (f) to read as follows:

12
13 “(f) The Sugar Regulatory Administration shall strengthen its institutional
14 capacity to effectively carry out its audit, technical, engineering, data
15 management, and compliance functions through human resource
16 development, the filling of authorized positions, and the lawful engagement of
17 qualified personnel, subject to existing laws. Beneficiaries of scholarship,

1 training, or technical assistance programs funded under this Act may be
2 required to render return service in accordance with guidelines issued by the
3 Sugar Regulatory Administration, in coordination with the Department of
4 Agriculture and other relevant agencies, where appropriate.”

5
6 **SEC. 3.** A new Section 7-A is hereby inserted after Section 7 of Republic Act No.
7 10659 or the Sugar Industry Development Act of 2015 to read as follows:

8
9 **“Section 7-A. Sugarcane Industry Modernization Program. —** The Sugar
10 Regulatory Administration, in coordination with the Department of
11 Agriculture, local government units, and relevant agencies, shall implement
12 modernization programs to improve farm productivity, operational efficiency,
13 climate resilience, and the competitiveness of the sugarcane industry.

14
15 Such programs shall include, but not be limited to, irrigation development and
16 management, farm mechanization and technology transfer, soil rejuvenation
17 and fertility management, fertilizer and input support, technical assistance,
18 extension services, capacity-building programs, and other lawful measures as
19 may be provided in the implementing rules and regulations.

20
21 Priority shall be given to small farmers, block farms, and accredited planter
22 associations and cooperatives.

23
24 Funding for this Section shall be charged to the Sugarcane Industry
25 Development Fund (SIDF), subject to existing budgeting, appropriation,
26 accounting, and auditing laws.”

27
28 **SEC. 4.** A new section denominated as Section 7-B is hereby inserted after Section 7- Republic
29 Act No. 10659 or the Sugar Industry Development Act of 2015 to read as follows:

30
31 **“Section 7-B. Sugar Market Transparency and Monitoring. —** Consistent
32 with Executive Order No. 18 (s. 1986), this Act, and other applicable laws, the
33 Sugar Regulatory Administration, in coordination with the Department of
34 Agriculture and other relevant agencies, shall maintain an integrated system

1 for monitoring production, inventory, utilization, importation, exportation,
2 and other market indicators relating to sugar, its by-products, and other
3 sweeteners for evidence-based policy making, market transparency, and
4 supply planning, consistent with the Philippines' international trade
5 obligations.

6
7 Proprietary or commercially sensitive information submitted pursuant to this
8 Section shall be protected, and only aggregated or non-confidential data shall
9 be publicly disclosed, unless otherwise required by law.

10
11 The Sugar Regulatory Administration shall establish reasonable and
12 proportionate operational and performance standards for sugar mills,
13 refineries, and other regulated entities for licensing, permit renewal, and
14 industry oversight.

15
16 The Sugar Regulatory Administration shall conduct inspections, reviews, and
17 assessments on a periodic, risk-based, or for-case basis, including pre-season
18 readiness assessments and post-season performance reviews relating to
19 recovery, efficiency, and compliance.

20
21 Findings may be considered in permit and licensing actions, and may give rise
22 to appropriate corrective measures or sanctions as authorized under this Act
23 and other applicable laws, subject to notice, hearing, and due process
24 requirements under existing laws.

25
26 Such standards shall promote efficiency, reliability, safety, fair treatment of
27 industry participants, and lawful performance, and shall not, by reason of age
28 alone, require the replacement of otherwise serviceable, safe, and efficient
29 equipment.

30
31 The Sugar Regulatory Administration shall publish quarterly market
32 summaries and an annual industry performance report, and shall furnish
33 copies thereof to the appropriate committees of Congress through the

1 **Department of Agriculture, in such form as may be prescribed in the**
2 **implementing rules and regulations.”**
3

4 **SEC. 5.** Section 8 of Republic Act No. 10659 or the Sugar Industry Development Act of 2015
5 is hereby amended by adding a new paragraph (f) to read as follows:
6

7 **“(f) The Sugar Regulatory Administration is authorized to collect available**
8 **market data and monitor aggregate trends relating to sugar, its by-products,**
9 **and other sweeteners for industry planning, statistical, and regulatory**
10 **purposes, in such form and frequency as may be prescribed by the Sugar**
11 **Regulatory Administration, without prejudice to the mandates of other**
12 **competent agencies and consistent with the Philippines’ international trade**
13 **obligations.”**
14

15 **SEC. 6.** Section 11 of Republic Act No. 10659 or the Sugar Industry Development Act of 2015
16 is hereby amended by inserting a new paragraph after its existing provisions to read as follows:
17

18 **“Administrative fines, penalties, and other monetary sanctions collected**
19 **pursuant to this Act shall accrue to the Sugarcane Industry Development**
20 **Fund (SIDF), subject to existing budgeting, appropriation, accounting, and**
21 **auditing laws. Amounts appropriated therefrom shall be used solely for**
22 **programs and projects authorized under this Act.”**
23

24 **SEC. 7.** Section 13 of Republic Act No. 10659 or the Sugar Industry Development Act of 2015
25 is hereby amended to read as follows:
26

27 **“Within ninety (90) days from the effectivity of this Act, the Sugar Regulatory**
28 **Administration, in coordination with the Department of Agriculture and other**
29 **relevant agencies, shall amend, revise, and update the existing implementing**
30 **rules and regulations of Republic Act No. 10659 to conform with the**
31 **provisions of this Act and ensure its effective implementation.**
32

33 **Implementation of programs, standards, and compliance measures**
34 **introduced under this Act may be undertaken in phases over a period not**

1 exceeding two (2) crop years from effectivity to ensure an orderly and effective
2 transition.”

3
4 **SEC. 8.** Section 3 of Executive Order No. 18 Series of 1986 is hereby amended by inserting
5 new paragraphs (j), (k), and (l) to read as follows:
6

7 **(j) Regulate, monitor, classify, and evaluate artificial sweeteners, sugar**
8 **substitutes, and other sweetener products insofar as these affect domestic**
9 **sugar demand, market stability, industry competitiveness, and national**
10 **sweetener supply and demand;**

11
12 **(k) Establish and maintain a classification and categorization system for**
13 **artificial sweeteners and sugar substitute products according to composition,**
14 **source, intended use, sweetness equivalence, and commercial application; and**
15

16 **(l) Conduct periodic assessments on the impact of artificial sweeteners and**
17 **sugar substitute products on domestic sugar demand, farmer welfare, labor**
18 **displacement, industry competitiveness, and related economic conditions.”**
19

20 **SEC. 9. Separability Clause.** — If any clause, sentence, paragraph or part of this act shall be
21 declared to be invalid, the remainder of this act or any provision not affected thereby shall
22 remain in force and effect.
23

24 **SEC. 10. Repealing Clause.** — all laws, decrees, orders, and issuances inconsistent with this
25 act are hereby repealed or modified accordingly.
26

27 **SEC. 11. Effectivity.** — this act shall take effect fifteen (15) days after publication in the
28 Official Gazette or in at least two (2) national newspapers of general circulation.

Approved,