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Report Highlights:

Post forecasts sugar production in Marketing Year (MY) 2026 to remain flat at 2.085 million metric tons (MT). While there are expansion areas especially in Mindanao, the red-striped soft scale insects (RSSI) are affecting some sugarcane fields, which could result in lower sugar recovery. Favorable crop development in the Southern Negros is expected to compensate for the decrease in production caused by RSSI infestation. On September 29, 2025, the Philippines released Sugar Order No. 1 (SO1) allocating 100 percent of its production to the domestic market. The decision aligns with FAS Manila's forecast of zero exports in MY 2026, pending future announcements regarding the Philippines decision to ship their country-specific allocation of sugar to the U.S. WTO raw sugar tariff-rate quota (TRQ). Consumption is projected to remain steady at 2.2 million MT, with imports of 208,000 MT expected to fulfill the remaining volume approved under Sugar Order No. 8 released in July 2025.

Production:

Centrifugal Sugar (Raw Sugar). FAS Manila revised the PSD historical data on sugar centrifugal for MY 2024, MY 2025, and forecast year MY 2026 to align with official Philippine Sugar Regulatory Administration (SRA) data. On July 8, 2025, SRA issued Circular Letter (CL) No. 32-A amending the marketing year, shifting it to October 1-September 30, replacing the previous September 1-August 31 MY cycle (CL32). Please see GAIN report [here](#). Revised ending stock balances at the end of September 30 are accordingly reflected as carry-over stocks or beginning stock balances starting week ending October 5, 2025, of MY 2026.

Table 1: Sugar Production, Supply, and Distribution, in '000 MT						
Sugar, Centrifugal (MY)	2024		2025		2026	
Market Year Begins	Oct 2023		Oct 2024		Oct 2025	
Philippines	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Beginning Stocks (1000 MT)	1,465	821	1,273	656	1,068	959
Beet Sugar Production	0	0	0	0	0	0
Cane Sugar Production	1,922	1,923	1,850	2,085	1,850	2,085
Total Sugar Production	1,922	1,923	1,850	2,085	1,850	2,085
Raw Imports	0	0	0	0	0	0
Refined Imports (Raw Value)	86	86	236	484	321	208
Total Imports	86	86	236	484	321	208
Total Supply	3,473	2,830	3,359	3,225	3,239	3,252
Raw Exports	0	24	91	66	0	0
Refined Exports (Raw Value)	0	0	0	0	0	0
Total Exports	0	24	91	66	0	0
Human Domestic Consumption	2,200	2,150	2,200	2,200	2,200	2,200
Other Disappearance	0	0	0	0	0	0
Total Use	2,200	2,150	2,200	2,200	2,200	2,200
Ending Stocks	1,273	656	1,068	959	1,039	1,052
Total Distribution	3,473	2,830	3,359	3,225	3,239	3,252

FAS Manila forecasts MY 2026 (October 2025 to September 2026) raw sugar production to remain flat at 2.085 million MT. Negros Occidental, accounts for over 60 percent of sugarcane area, shows favorable crop development in the South. The red-striped soft scale insects (RSSI), however, are affecting some parts of Negros Island, especially the northern part and these areas are expected to produce sugarcane with lower sucrose content depending on the extent of RSSI infestation. Favorable crop development in the Southern Negros is expected to compensate for the decrease in production caused by RSSI infestation in the Northern part. Furthermore, utilization of improved high yielding varieties, better soil health and enhanced irrigation systems helped farmers improve their production. On September 29, 2025, SRA released the Sugar Order No. 1 ([SO1](#)) with estimated raw sugar production of 1.92 million MT with a possibility of decrease due to RSSI infestation and excessive rainfall in Negros. On September 11, 2025, the SRA released the RSSI infestation status report in the Philippines; total areas affected are estimated at 6,333 ha, including close to 5,000 ha in Negros Island. According to SRA, actual numbers of RSSI infestation could be more than what SRA validated. The

estimated area affected is less than 2 percent of the total area planted to sugarcane. The corresponding decrease in raw sugar production has yet to be determined and will be assessed once milling starts on September 29, 2025. Post revises the production estimate for MY 2025 to 2.085 million MT to match SRA's official production numbers. The overall surpassed industry's expectations as farms overcame the negative impact of El Niño. SRA's initial announcement of lower production at 1.78 MMT was based on weather forecasts for El Niño during planting season from October to May, resulting in early stunted growth of sugarcane. The onset of the rainy season, however, helped sugarcane crops recover, producing more stalks with ample moisture. The crop matured early with a higher sucrose content, leading to higher sugar production than expected. Industry contacts reported double cropping in some areas, where farmers harvested immature canes due to RSSI infestation, while others did so for cash flow purposes. Sucrose recovered was lower but produced more molasses.

Table 2: RSSI Infestation Status Report As of September 11, 2025	
Sugarcane Areas	Affected Area (ha)
Luzon	1,151
Visayas	5,178
Negros Occidental	
Central and Southern part	3,189
Northern part	1,698
Negros Oriental	36
Total Negros Island	4,923
Iloilo	84
Capiz	34
Leyte	73
Mindanao	8
Total Philippines	6,334

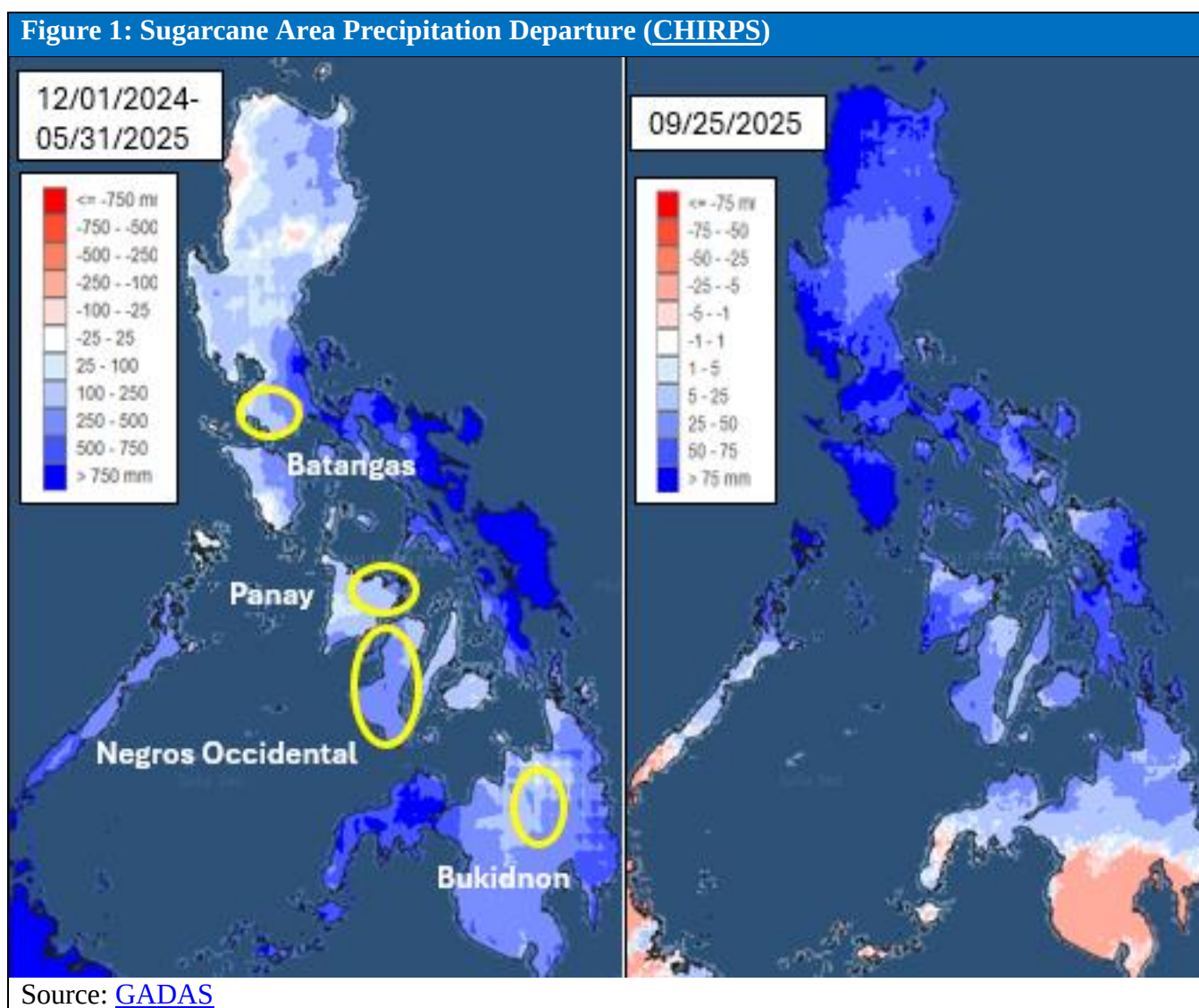
Source: SRA

Table 3: Sugarcane Production, Supply, and Distribution						
Sugarcane (MY)	2024		2025		2026	
Market Year Begins	Oct 2023		Oct 2024		Oct 2025	
Philippines	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted (1000 HA)	388	388	389	392		400
Area Harvested (1000 HA)	388	388	389	392		400
Production (1000 MT)	21,600	21,600	21,800	24,000		25,000
Total Supply (1000 MT)	21,600	21,600	21,800	24,000		25,000
Utilization for Sugar (1000 MT)	20,400	20,400	20,800	23,000		24,000
Utilization for Alcohol (1000 MT)	1,200	1,200	1,000	1,000		1,000
Total Utilization (1000 MT)	21,600	21,600	21,800	24,000		25,000

Post estimates MY 2026 sugarcane area at 400,000 hectares (ha), reflecting an increase in area planted, particularly in Mindanao. This expansion is driven by the conversion of some banana plantation affected by Fusarium wilt (Panama disease) into sugarcane. The loss of area in Luzon due to land conversion to residential and commercial purposes will partly offset area expansion in Mindanao. The prevailing high prices of sugar will continue to encourage farmers to plant sugarcane rather than switching to alternative crops like corn, cassava, and banana.

Post adjusted sugarcane area in MY 2025 to 392,356 hectares following the official figure of SRA. There were some areas in Mindanao that were not included in the initial estimate; hence the higher production volume reported from Mindanao.

Sugarcane planting normally starts in October and ends in May. Ample rainfall supported sugarcane planting from October 2024 to March 2025 in major sugarcane areas in Negros Occidental (61 percent), Bukidnon (15 percent), Panay (7 percent) and Batangas (5 percent), as shown in Figure 1 below. At the start of the milling season, high precipitation in key sugarcane areas may lead to lower sucrose recovery. [GADAS](#) indicated relatively high precipitation in sugarcane areas in Batangas and Panay as of September 25, 2025 (Figure 1). Precipitation in Negros Occidental remains high with milling season fast approaching. This condition could impact sugar recovery.



The Philippine Atmospheric, Geophysical and Astronomical Services Administration (PAGASA) issued a [La Niña Alert](#) on September 15, 2025, suggesting a 70 percent chance of La Niña forming between October and December (OND) 2025 season and is likely to persist until February 2026 (DJF 2025-26). La Niña will impact sugar recovery from harvested canes due to high water concentration in canes, resulting in lower sucrose content.

Sugarcane growing areas cover 26 mill districts located in 20 provinces within the 10 regions of the country. Visayas (Negros, Panay, Cebu and Leyte) remains the top producer. Of the total area, 97 percent are for centrifugal sugar, the remaining areas (3 percent) are for bioethanol production. About 85 percent of sugarcane areas are small farms of one to two hectares. Generally, sugarcane area harvested is on the downtrend due to land conversion and closing of mills. The projected marginal increase in area in MY 2026 is not enough to recover the area lost over the long term.

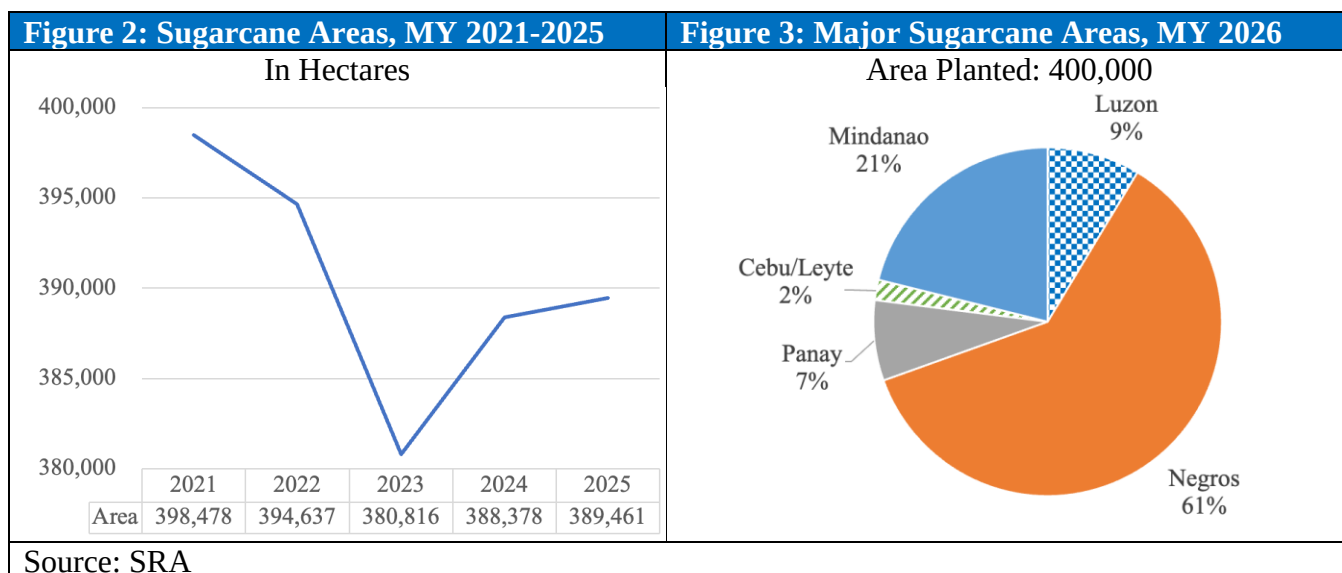


Table 4: Raw Sugar Production by Major Sugarcane Areas, in MT			
Major Producing Island	MY 2024	MY 2025	Growth (%)
Luzon	106,690	103,419	(3.07)
Visayas			
Eastern Visayas	21,534	23,298	8.19
Panay	111,004	150,657	35.72
Negros	1,258,845	1,266,631	0.62
Mindanao	424,513	541,529	27.56
TOTAL	1,922,586	2,085,534	8.48

Source: SRA

In MY 2025, the area expansions in Panay and Mindanao resulted in 36 percent and 28 percent growth in production, respectively. Some banana growers in Mindanao shifted to sugarcane production, particularly in Cotabato, Davao and Bukidnon.

Table 5: U.S. Dollar to Philippine Peso Exchange Rate, Annual Average			
Marketing Year	2023	2024	2025
US\$ - PHP	56.02	56.83	57.27

Source: [Bangko Sentral ng Pilipinas](#) (Central Bank of the Philippines)

Non-centrifugal Sugar (Muscovado).

The increasing interest in healthy and organic food in the Philippines is likely to stimulate demand for muscovado sugar, which is viewed as pure and wholesome. It serves as an important ingredient in local delicacies, jams, beverages, and in making chocolates. Muscovado powder has a minimum polarization of 77-86 °Z as stated in the [PNS/BAFS 144:2015](#). It is one of the healthier alternatives to refined sugar. Several commercial brands are now readily available.

Prices. Mill site prices normally increase toward the end of the milling season (from June to August) as sugarcane supply becomes low. For MY 2025, sugar millers faced challenges due to an oversupply of sugarcane towards the end of the milling season. This led to reports of unharvested cane in some areas, resulting in over-matured cane. Over-matured cane can negatively impact sugar recovery rates. Additionally, the onset of the rainy season made it difficult for trucks to access fields for harvesting. This logistical challenge further contributed to the unharvested cane issue. Sugar mills also had to halt operations temporarily to provide time for cleaning and repairs. Despite these challenges, average millsite prices in MY 2025 were 4 percent higher than MY 2024. Projected income is computed in terms of mill site prices using sugar yield or the 50-kilogram bag per ton cane (LKG/TC) and the prevailing sharing scheme implemented in the mills (i.e., 70:30 or 70 percent to farmer and 30 percent of sugar output to the miller). High prices benefited both millers and

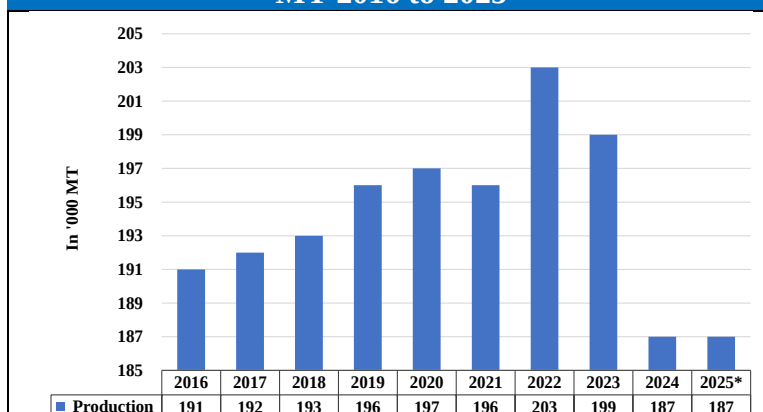
Table 6: Mill Site Prices in Pesos per LKG ("B" Domestic and Composite)			
Month	2023	2024	2025
Sep	3,364	2,758	2,756
Oct	3,312	2,703	2,801
Nov	3,270	2,616	2,653
Dec	3,058	2,415	2,487
Jan	3,425	2,405	2,754
Feb	3,092	2,548	2,910
Mar	3,101	2,753	2,760
Apr	3,177	2,580	2,627
May	3,120	2,444	2,709
Jun	3,033	-	2,681
Jul	3,000	-	2,550
Aug	-	-	2,500
Ave.	3,177	2,580	2,682

Note: No "A" sugar in MY 2023, 2024 and 2025

- Milling operation was terminated

Source: SRA Millsite Prices

**Figure 4: Muscovado Production
MY 2016 to 2025**



Note: *Post forecast

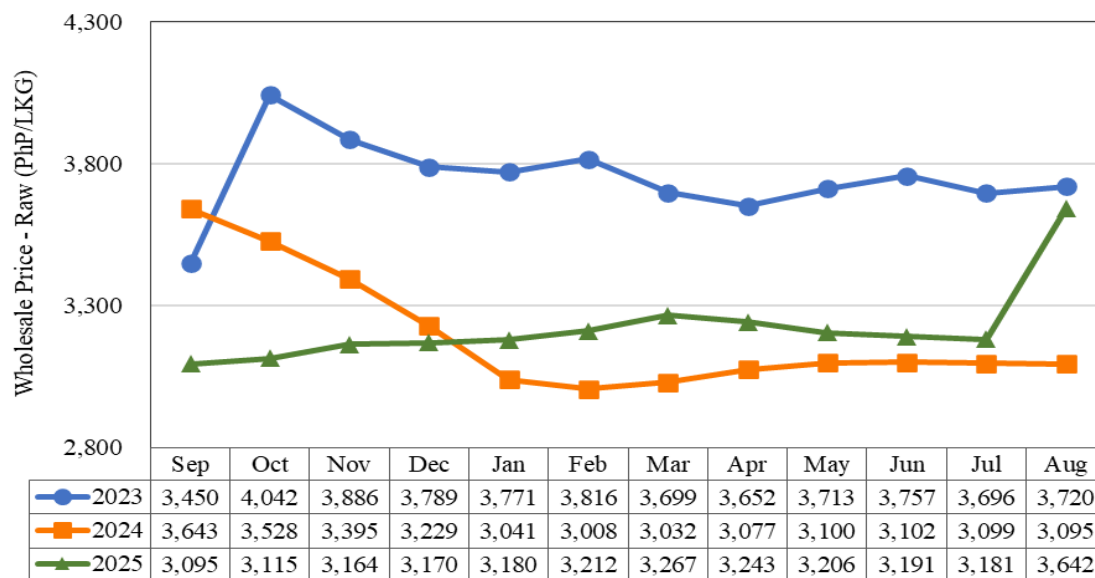
Source: Philippine Statistics Authority (PSA)

planters; however, higher cost of production such as labor, power, and fuel, and other input costs still led to reduced profits for planters.

Wholesale Prices. Prices remained stable in MY 2025. Government efforts to lower prices through importation have helped, but prices remained elevated from January to August 2025, compared to the same period in MY 2024. The price of raw sugar is determined on a weekly basis via a bidding process initiated by the sugarcane planters' association (note: sugarcane farmers are known locally as planters) with offices located inside the mill compound. The result of the bidding in Negros (the major producing island), normally done on a Wednesday or Thursday, is used as a reference price, which is then made available to other planters' associations nationwide. It is

then within the decision of the sugar trader to use the same price or increase/decrease the price to buyers, but normally it will not differ more than P10-50 (\$0.18 to \$0.88) per LKG bag.

**Figure 5: Wholesale Prices of Raw Sugar
Metro Manila**

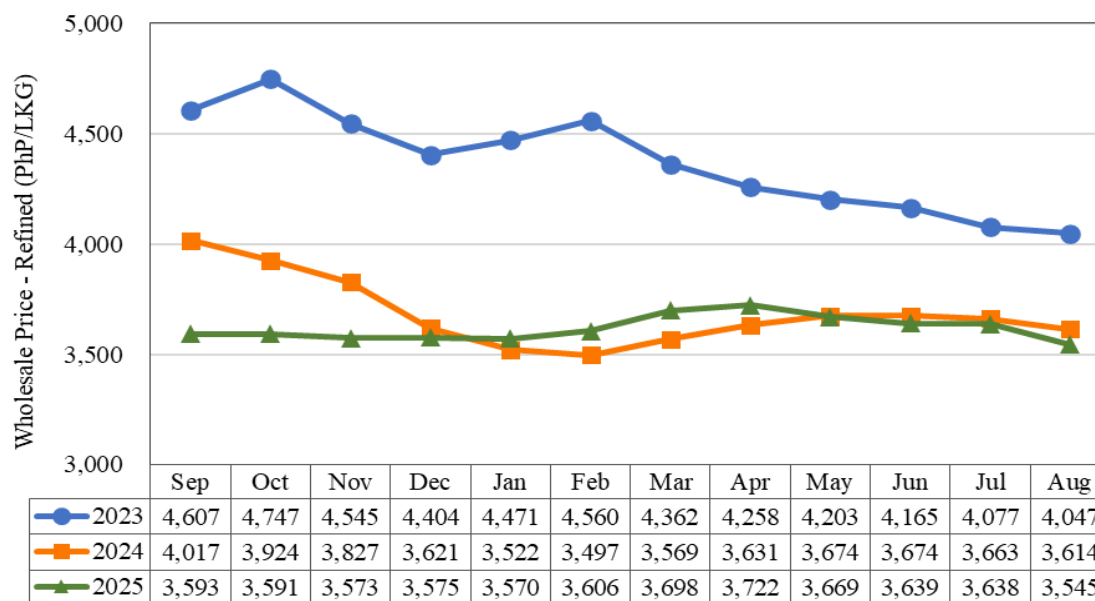


**MY 2025
in \$/LKG**

Sep	55
Oct	54
Nov	54
Dec	54
Jan	54
Feb	55
Mar	57
Apr	57
May	58
Jun	57
Jul	56
Aug	64

Source: [SRA Monthly Average Sugar Prices in Metro Manila](#)

**Figure 6: Wholesale Prices of Refined Sugar
Metro Manila**

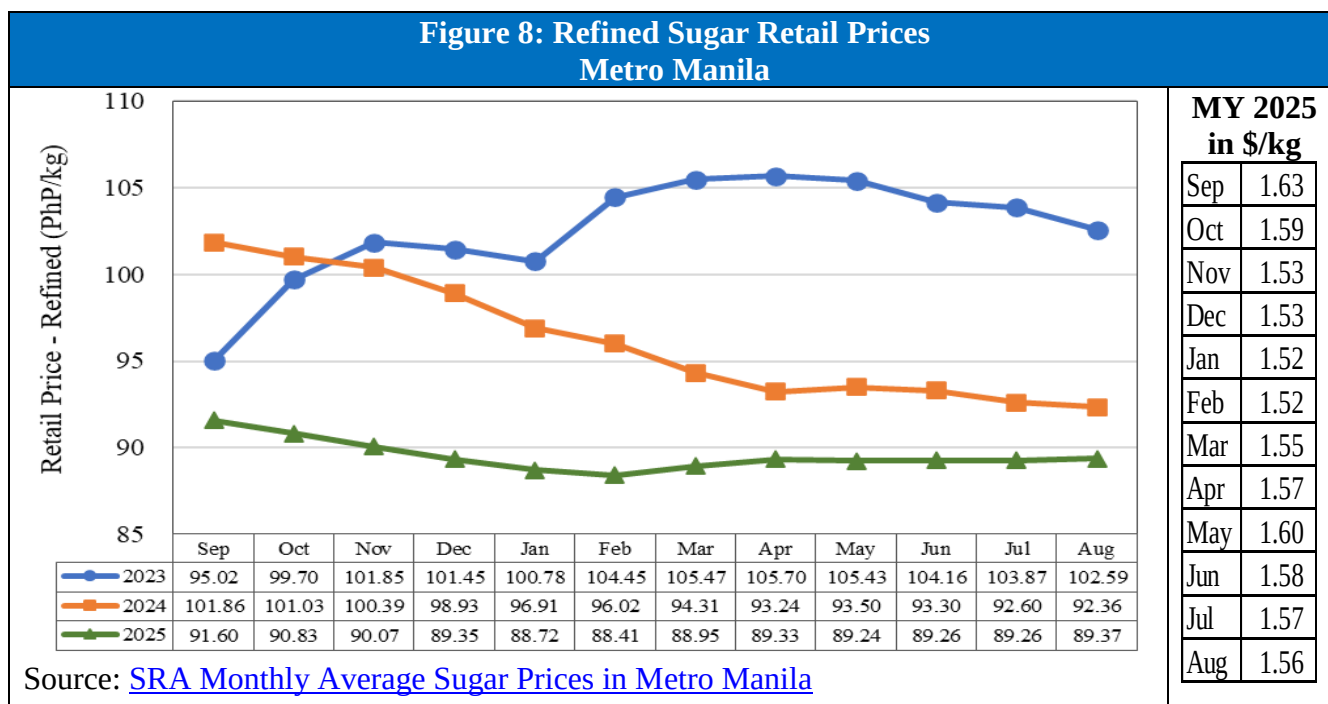
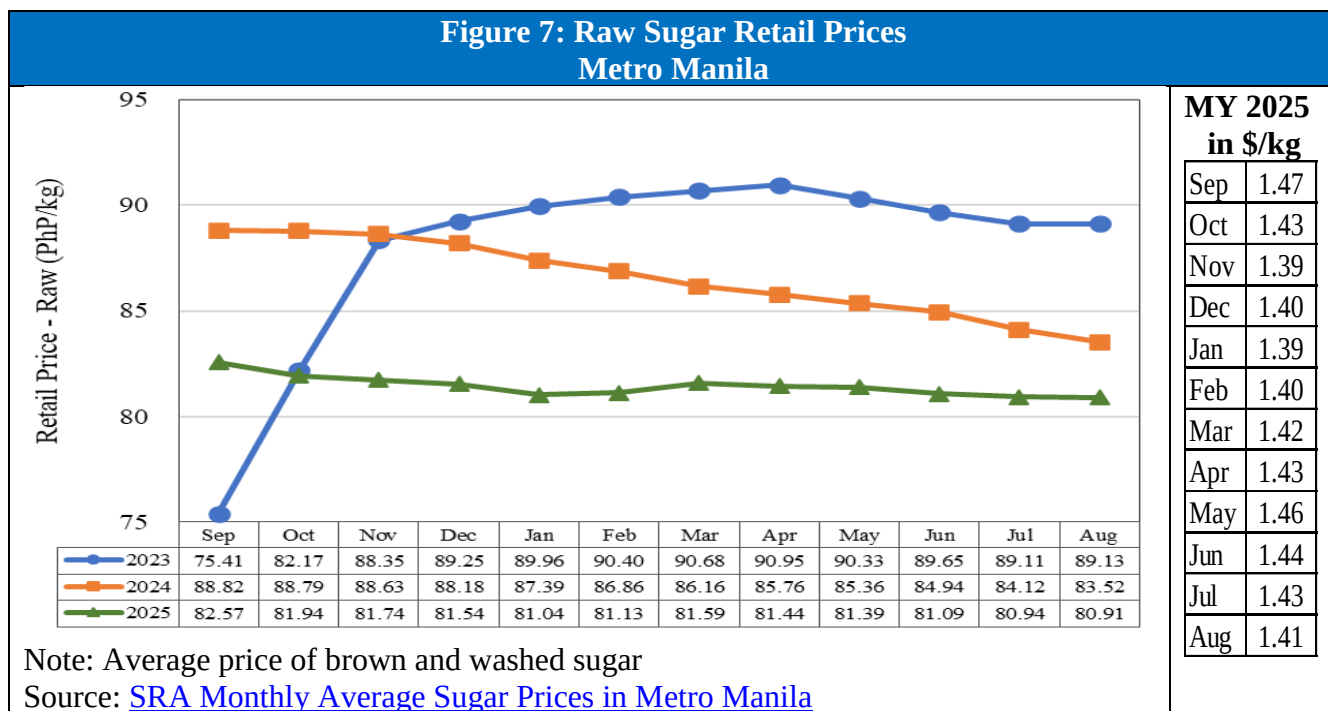


**MY 2025
In \$/LKG**

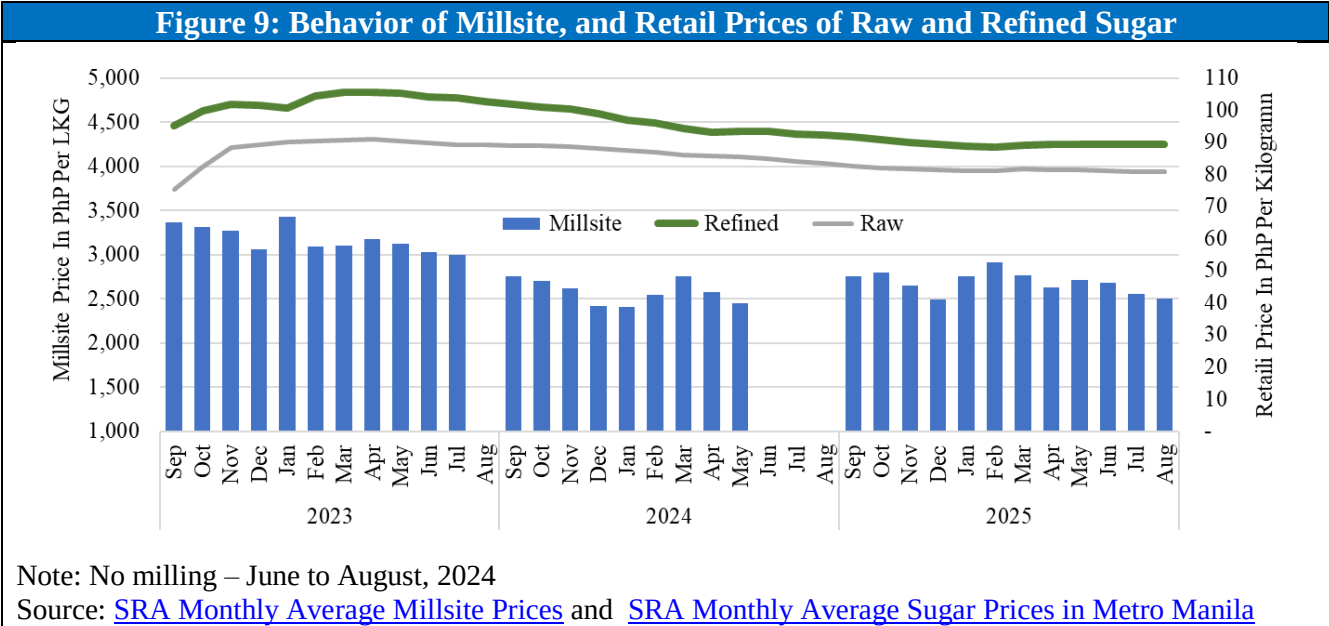
Sep	64
Oct	63
Nov	61
Dec	61
Jan	61
Feb	62
Mar	64
Apr	65
May	66
Jun	65
Jul	64
Aug	62

Source: [SRA Monthly Average Sugar Prices in Metro Manila](#)

Retail Prices. Retail prices had declined in MY 2025 but have not gone down to the government target of Php65/kg (\$1.14/kg). Per FAS-Manila computation, imported refined sugar from ASEAN can be sold between Php60 (\$1.05/kg) and Php65/kilo (\$1.14/kg). See [GAIN Sugar Report](#) for price computation.



The government has tried to resolve the price issue through importation announcements to pull down prices. Additional importation was approved to raise to a two-month buffer stock of 240,000 MT in MY 2023. Due to high sugar stocks, however, importation only reached 66,325 MT in MY 2024. Importation resulted in decreases in millsite prices at a slower pace, but declines did not translate to much lower retail prices of raw and refined. Consumers continue to wait for lower prices. High prices affect consumers resulting in lower consumption. There was a slower annual decline for sugar, confectionery and desserts index at 0.1 percent from year-on-year decrease of 0.5 percent in July 2025. The marginal decrease in prices contributed to the increase in food inflation in August 2025 at a rate of 1.5 percent compared to 0.9 percent in July 2025 (See [PSA Summary of Inflation Report, August 2025](#)).



Muscovado Prices. In MY 2025, sugar prices remained higher than expected, which had a direct impact on muscovado prices, driving them higher in both domestic and export markets. Retail prices for muscovado increased by 4 percent and ranged from PhP124-199 per kilogram (\$2.18-3.49/kg), with the average price at approximately PhP130/kg (\$2.2/kg). This increase reflects the strong correlation between sugar prices and muscovado, as muscovado is a less refined sugar product derived from sugarcane.

The export market for muscovado proved lucrative, with prices reaching up to four times higher than domestic market prices. This significant price disparity highlights the strong demand for premium muscovado in international markets, where consumers value its artisanal quality, organic appeal, and unique flavor profile. Export opportunities for muscovado producers are particularly attractive, as they allow producers to capitalize on higher margins compared to domestic sales.

Table 7: Muscovado Prices	
Year	PhP/Kg
2015	83.37
2016	86.21
2017	79.61
2018	82.70
2019	85.07
2020	82.99
2021	87.75
2022	90.00
2023	124.00
2024	124.00
2025	130.00

*Post forecast
Source: SRA and FAS Manila research

Consumption:

Centrifugal Sugar (Raw Sugar). The demand forecast for MY 2026 is expected to remain flat at 2.2 million MT, reflecting the challenges posed by high sugar prices and broader economic conditions. Elevated sugar prices, along with the increased cost of products containing sugar, are likely to discourage growth in consumption. This trend highlights the sensitivity of consumer behavior to price fluctuations, particularly for non-essential goods. With inflation driving up the cost of living, consumers are prioritizing spending on basic commodities, leaving less room in household budgets for discretionary items, including sugar and sugar-containing products. This shift in spending behavior is expected to persist into MY 2026, further contributing to the stagnation in sugar demand.

Table 8: Average Monthly Sugar Withdrawal, In MT

MY	Raw	Refined
2018	201,784	90,920
2019	171,994	98,259
2020	178,208	83,263
2021	178,781	83,359
2022	161,638	85,182
2023	146,036	80,458
2024	153,538	84,602
2025*	162,244	79,187

Note: * As of August 24, 2025

Source: SRA

Domestic demand is divided into three main segments: industrial (50 percent), household (32 percent), and institutional (18 percent). Among industrial users, the beverage industry, preserved fruits, and confectionery are primary users. Based on previous studies (1993, 2001, 2008) by the University of Asia and the Pacific-Center for Food and Agri Business (UA&P-CFA), Philippine consumers preferred refined sugar (60 percent) over washed sugar (25 percent) and brown sugar (15 percent). See [2022 Sugar Annual](#). With high prices, per capita consumption also slowed to about 20 kg/capita.

Sugar withdrawal from warehouses remains low compared to previous years, an indication of low consumption. This will continue with the prevailing high retail prices.

Non-centrifugal Sugar (Muscovado). Currently, demand for Muscovado outweighs supply, resulting in high retail prices, and making both the domestic and export markets lucrative for muscovado producers. Consumers of muscovado come from the health and wellness sectors as well as institutional buyers.

ALTERNATIVE SWEETENERS

Among other forms of sugar and sugar substitutes or alternative sweeteners are high fructose corn syrup (HFCS), coconut sap sugar, muscovado, and molasses. These alternative sweeteners serve niche markets, as sugar holds the largest share of consumption.

Table 9: Alternative Sweeteners

Sucralose (Splenda) 600 times sweeter than sugar Supplier: Singapore, China, U.S.
Aspartame (Equal, NutraSweet, NutraTaste) 160-220 times sweeter than sugar Supplier: China, Japan, Taiwan
Stevia (Sweet & Fit) 300 times sweeter than sugar Supplier: Local, China, Malaysia, Thailand
Saccharin (Sweet N Low) 200-700 times sweeter than sugar Supplier: China, South Korea, Japan
Acesulfame (Sweet One, Sunnett) 200 times sweeter than sugar Supplier: Indonesia, China, Singapore

High Fructose Corn Syrup (HFCS). The Philippines used to be a major market for HFCS (HS Code 170260), importing about half of China's exports annually (up to 300,000 MT). On January 1, 2018, however, the Philippines imposed a tax of PhP6 (\$0.12) per liter on drinks using sugar and other sweeteners, while those using HFCS are charged PhP12 (\$0.24) per liter. As a result, the sweetened beverage producers and the largest HFCS buyers shifted to sugar to avoid higher taxes.

Coconut Sap Sugar or Coco Sugar (HS Code 170290). Currently, coco sugar is only a small fraction of the country's coconut industry, but the Philippine Coconut Authority (PCA) has been actively promoting coco sugar as an alternative to cane sugar to boost local demand.

Table 11: Consumption of Sugar and Alternative Sweeteners In '000 MT Raw Sugar Equivalent			
DEMAND/ CONSUMPTION	MARKETING YEAR		
	2023	2024	2025*
Sugar	2,200	2,200	2,200
Fructose/HFCS	16	20	19
Sugar Alternatives	826	814	1,038
Aspartame	327	276	398
Acesulfame	205	192	238
Sucralose	237	282	333
Saccharin	47	45	47
Stevia	11	19	24

Note: *Post Forecast

Aspartame – HS Code 292429, Cyclic Amides (Including Cyclic Carbamates) And Their Derivatives, And Salts Thereof, Nesoi;

Saccharin – HS Code 292511

Sucralose – HS Code 293214

Acesulfame – HS Code 293499, Nucleic Acids and Their Salts, Whether Or Not Chemically Defined; Other Heterocyclic Compounds, Nesoi

Stevia – HS Code 293890, Glycosides, Natural or Reproduced by Synthesis, And Their Salts, Ethers, Esters and Other Derivatives, Nesoi
Philippines has minimal production.

Source: Trade Data Monitor, and SRA

Table 10: Fructose/HFCS Imports In Metric Tons			
	2023	2024	2025
September	870	1,016	878
October	1,370	1,530	1,096
November	1,863	2,407	1,429
December	1,131	1,296	1,101
January	907	1,423	711
February	1,469	1,741	1,504
March	1,003	1,406	1,568
April	1,430	1,785	1,687
May	1,225	1,770	1,437
June	2,184	1,856	1,422
July	1,378	2,067	1,466
August	1,311	1,380	1,941
Total	16,141	19,677	16,240

Source: SRA

Coco sugar has a lower glycemic index (GI) of 35 per serving, compared to GI 65 to GI100 for cane sugar. Coco sugar is exempted from additional excise taxes on sweetened products in the Philippines.

Honey (HS Code 040900). Honey is sweeter than sugar due to the high level of fructose with a GI value of 55. The Philippines imported 719 MT of honey in MY 2023, while its local production is estimated at 100 MT per year.

The Philippines produces and imports several sugar alternatives approved by the Philippine Food and Drug Administration (FDA). Many dieters use alternative sweeteners and artificially sweetened foods to cut sugar consumption without eliminating sweetness for beverages, baked foods, and ice cream, among others. For more information on sugar alternatives, please see the [2021 Sugar Annual Report](#). The consumption of sugar alternatives, including lactose, glucose, and fructose/HFCS was less than 40 percent lower than sugar consumption; however, overall consumption of sugar alternatives has been increasing over the past 3 years.

On January 2, 2025, SRA issued Sugar Order No. 6 ([SO6](#)) imposing clearance fees of PhP3/LKG (\$0.05/LKG) on imported sugar and alternatives. SO6 covers the importation in whatever form and sugar content of all “sugars” covered under Heading 17.01 and 17.02 and “sugar confectionery” under Heading 17.04 of the ASEAN Harmonized Tariff Nomenclature (AHTN).

Table 12: Imports of Sugar Alternatives covered in SO6, in MT					
Marketing Year	2022	2023	2024	2025*	Percentage Growth 2023-2024
Glucose	202,435	198,414	240,047	231,605	21
Lactose	25,715	22,714	18,954	10,494	(17)
Maple syrup	71	37	65	43	76
Other Sugar (a)	77,027	71,622	97,444	79,629	36
Natural Honey	676	810	864	1,444	7
Confectionery	62,395	71,036	82,514	98,581	16
TOTAL	368,319	364,633	439,888	421,796	21

Note: *September to July 2025 only; (a) Including invert sugar and invert syrup

Source: TDM

Trade:

Exports. For MY 2026, Post anticipates zero sugar exports, pending any future announcements from SRA regarding export allocations. [SO1](#) allocated all sugar production to domestic consumption, prioritizing local needs over international trade. This policy reflects the government's focus on ensuring sufficient supply for the domestic markets. The elevated stock levels of raw sugar, however, make it likely that the SRA will announce another import/export program, as has been the case in the past two years. These programs are implemented to address imbalances in supply and demand, stabilize prices, and manage sugar stocks. If such a program is announced, it could allow for exports to reduce sugar inventory.

Post revises MY 2025 exports of 91,000 MT to 66,000 MT, following the recent exports of sugar to the United States under the tariff quota. It is unlikely that there will be additional sugar exports during MY 2025, following the July 2025 shipment. Due to the adjustment in the MY calendar – now starting in October and ending in September – the September shipment of 24,880 MT has been reclassified under MY 2023 instead of MY 2024 and the 66,086 MT shipments for the MY 2025 export fulfillment of the sugar TRQ. In the past, 6 to 7 percent of total production was allocated for the U.S. quota. At the time of this report, Philippines’ export quota to the United States remained at 145,235 metric tons raw value (MTRV) of raw cane sugar under the tariff rate quota (TRQ) scheme of the World Trade Organization.

Table 13: U.S. Sugar Quota and Philippine Shipment, In MTRV		
Marketing Year	U.S. Tariff Rate Quota Allocation	Philippine Shipment
2021	142,160	115,256
2022	145,235	0
2023	145,235	0
2024	145,235	24,880
2025	145,235	66,086

Source: U.S. TRQ and SRA

Imports. For MY 2026, Post forecasts no importation of raw sugar, as the government prioritizes protecting local producers and ensuring the stability of the domestic sugar industry. This policy aligns with the government's broader goals of self-sufficiency and support for sugarcane farmers and millers. Refined sugar imports, however, will continue in MY 2026 with approximately 194,000 MT (raw equivalent of 208,000 MT) carried over from the previous MY 2025 importation under the Sugar Order No. 8 (SO8). Issued in July 2025, SO8 approved the importation of 424,000 MT, of which about 230,000 MT (raw sugar equivalent of 246,000 MT) were imported during MY 2025. Consequently, Post revised MY 2025 refined sugar imports to 452,000 MT (raw equivalent of 484,000 MT) to reflect total importation.

Stocks:

Raw sugar stocks at the beginning of MY 2025 remained above the buffer-stock level supported by stable carryover stocks from MY 2024. Historically, November has been the starting month wherein raw production can supply monthly demand. There remain ample refined stocks due to the entry of imported refined sugar in the past three MYs. Stocks continue to be high at the start of the milling season. Ending raw physical stocks in MY 2025 remained high while withdrawals have been slow, indicating lower sugar demand.

Table 14: Raw and Refined Sugar Stocks, in MT						
	Raw Sugar			Refined Sugar		
MY	2023	2024	2025*	2023	2024	2025*
Beginning Stocks	133,541	190,790	272,005	147,593	551,552	308,519
Domestic	133,541	184,815	272,005	27,388	142,052	230,827
Imports		5,975		120,205	409,500	77,692
Imports	10,000			730,430	80,817	335,196
Production	1,799,466	1,922,586	2,085,534	640,908	691,380	618,421
Total Supply	1,943,007	2,113,376	2,357,539	1,518,931	1,323,749	1,262,136
Withdrawal						
From Imports	4,025	5,975		439,255	412,625	297,458
From Local Production	1,748,403	1,812,297	1,848,390	526,245	602,605	636,953
U.S. Exports Withdrawal		24,179	66,086			
Total Withdrawal	1,752,428	1,842,451	1,914,476	965,500	1,015,230	934,411
Ending Stocks	190,579	270,925	443,063	553,451	308,519	327,726
Transfer to refinery	8,772	92,713	35,048			
From Local Production	126,284	175,832	178,212	142,051	230,827	212,296
From Imports	5,975	-		411,400	77,692	115,430
Net Ending Stocks	181,807	178,212	408,015	553,431	308,519	327,726

Note: * As of August 24, 2025

Discrepancies in ending and beginning stocks were due to adjustments in the reporting of mills.

SRA does the validation report after a week which has slight adjustment from initial mill reporting, hence the variance in ending and beginning stocks.

Source: SRA

The sugar stock balance represents the available supply of sugar in the market at any given time. Sugar is normally stored in mill warehouses. Most sugar is produced and marketed under the long established “*quedan*” system. A *quedan* is the equivalent of a warehouse receipt which shows the ownership of a specified amount of sugar in a warehouse. *Quedan* is a negotiable instrument, the primary trading document in the Philippine sugar industry. The Sugar Act of 1954 mandates the sharing of raw sugar and molasses with the farmer allocating a percentage of the output (30 to 35 percent) of their sugar to the mill as payment for processing of the cane. As soon as the sugar is processed, the mill issues a warehouse receipt called a *quedan*, to the farmer representing their share of the sugar (65 to 70 percent). SRA requires that all raw sugar produced or marketed within the country be covered by a *quedan*. The issued *quedan* attests to the physical presence of sugar in the storage facility. SRA classifies raw sugar at the start of the marketing year (September) into different types of *quedan*.

TYPES OF QUEDAN

“A” Sugar allocated for the U.S. market in compliance with the U.S. quota requirements

“B” sugar for the domestic market

“C” sugar classified as reserved, which may subsequently be converted to either A or B as the need arises

“D” Sugar allocated for the world market

Source: SRA

Trade Policy:

[Executive Order 892](#) (EO 892). Imports of sugar from ASEAN countries are levied at 5 percent duty. The Philippines, a signatory to the World Trade Organization (WTO), has lifted quantitative restrictions on imports of all food products but maintains tariff rate quotas on sugar. The tariff rates for sugar were established in [Executive Order 313](#), which set varying in-quota and out-quota rates. In-quota rates apply for sugar imported within the Minimum Access Volume (MAV), while any imports in excess of the MAV are assessed the out-of-quota rate.

For non-ASEAN countries, under the Uruguay Round of the WTO, the Philippines committed to a final 10-year MAV of 65,050 MT of raw sugar, with a tariff rate of 50 percent. All importation in excess of the MAV is subject to a tariff rate of 65 percent. The Most Favored Nation (MFN) tariff has not changed since 2016. See [Sugar Annual](#) report for a table of ASEAN harmonized tariff codes and MFN rates.

Policy:

SRA has the mandate under [EO 18 Series of 1986](#) and [Republic Act No. 10659](#) or the Sugar Industry Development Act (SIDA) of 2015 to establish a balance between domestic production and the country’s sugar requirement.

Sugar Order. Philippine sugar policy, trade, and domestic prices are generally regulated by the SRA, working closely with various influential industry stakeholders. During the start of each crop year, the SRA issues a central policy (known as Sugar Order No.1) on production and marketing of sugar for the country, which allocates how much production goes to the domestic and export markets and to reserves. These orders are adjusted as the season progresses.

Sugar Order No. 1. SRA released SO No.1 series of 2025-2026 on September 17, 2025, which forecasts production at 1.920 million MT for MY 2026. The SRA allocated all production for the domestic market or “B” sugar, with none classified as “A” sugar for the U.S. market. SRA periodically assesses sugar allocation throughout the year based on the sugar supply situation. A list of policies is available in the [GAIN Sugar Annual 2025](#).

Ethanol. Sugarcane and sugar molasses are the primary feedstocks used for bioethanol production, while the bagasse is mainly used for power cogeneration of sugar mills, refineries, and bioethanol distilleries. There are currently 13 operating bioethanol distilleries and six power-generating plants in the country. For more information, see the [Biofuels Annual Report 2025](#).

The reference price of bioethanol is based on the mill site prices of sugar and molasses. The National Biofuels Board (NBB) through the SRA sets up a price index or reference price of bioethanol, which serves as the basis for negotiations between oil companies and bioethanol producers.

Molasses. Molasses (HS 170310) is a major by-product from sugar production, used in the manufacture of fuel ethanol, potable alcohol, and disinfectants, among other products.

Molasses imports have steadily increased in the past three marketing years. The largest suppliers in MY 2025 were Thailand and Indonesia.

Table 15: Sugar, Molasses, and Bioethanol Prices			
MY	Sugar Composite Price (PhP/LKG)	Molasses Price (PhP/MT)	Bioethanol Reference Price (PhP/Li)
2023	3,177	13,953	82.07
2024	2,580	15,700	80.56
2025*	2,682	15,483	79.84

Note: *Average from September to August 2025
Source: SRA

Table 16: Molasses Supply and Demand, in MT			
Item	Marketing Year		
	2023	2024	2025(a)
Beginning Stocks	149,677	116,132	131,273
Production	847,182	975,934	1,176,054
Local Supply	996,859	1,092,066	1,307,327
Consumption	889,578	962,880	986,317
Ending Stocks (Local)	107,285	129,186	321,010
Imports (b)	792,211	706,475	760,647*

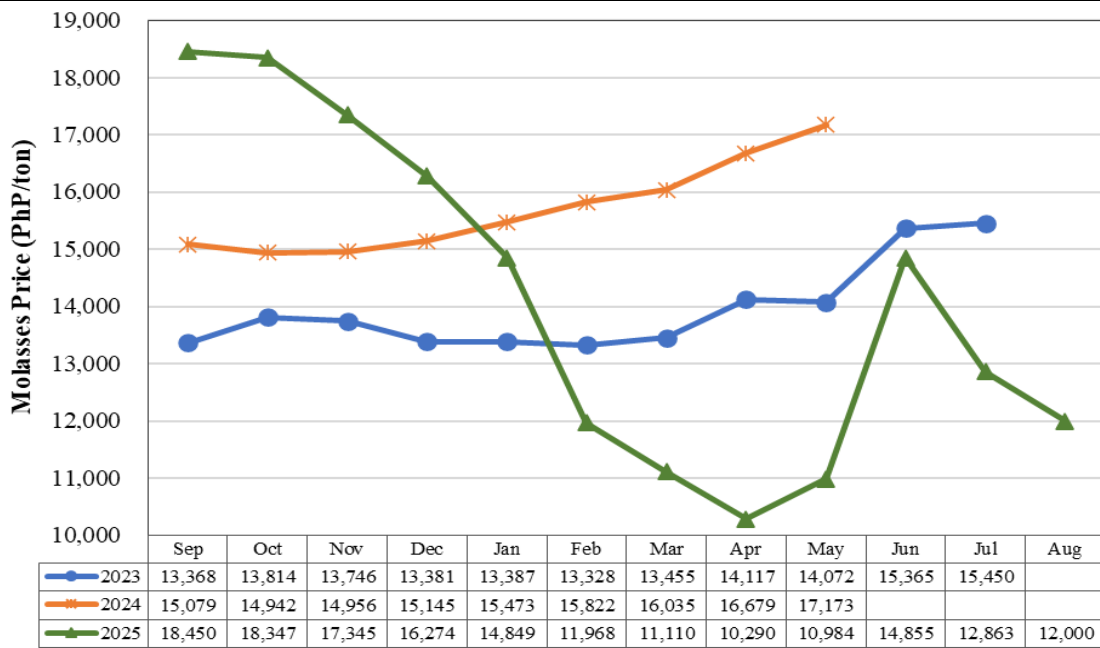
Note: *As of July 2025

(a) As of August 24, 2025

(b) including molasses for ethanol production (potable and disinfectant).

Source: SRA, and TDM for imports

Figure 10: Molasses Prices, MY 2023-2025



**MY 2025
in \$/ton**

Sep	266
Oct	267
Nov	270
Dec	278
Jan	290
Feb	302
Mar	311
Apr	306
May	306
Jun	304
Jul	305
Aug	312

Source: SRA

Molasses prices fluctuated in MY 2025. The price was highest at the beginning of the MY and reached the lowest in April 2025, due to a 13 percent increase in stocks at the mill during the period. As of September 14, 2025, stocks reached 274,345 MT, which is 130 percent higher, compared to 119,117 MT during the same period in MY 2024.

Attachments:

No Attachments