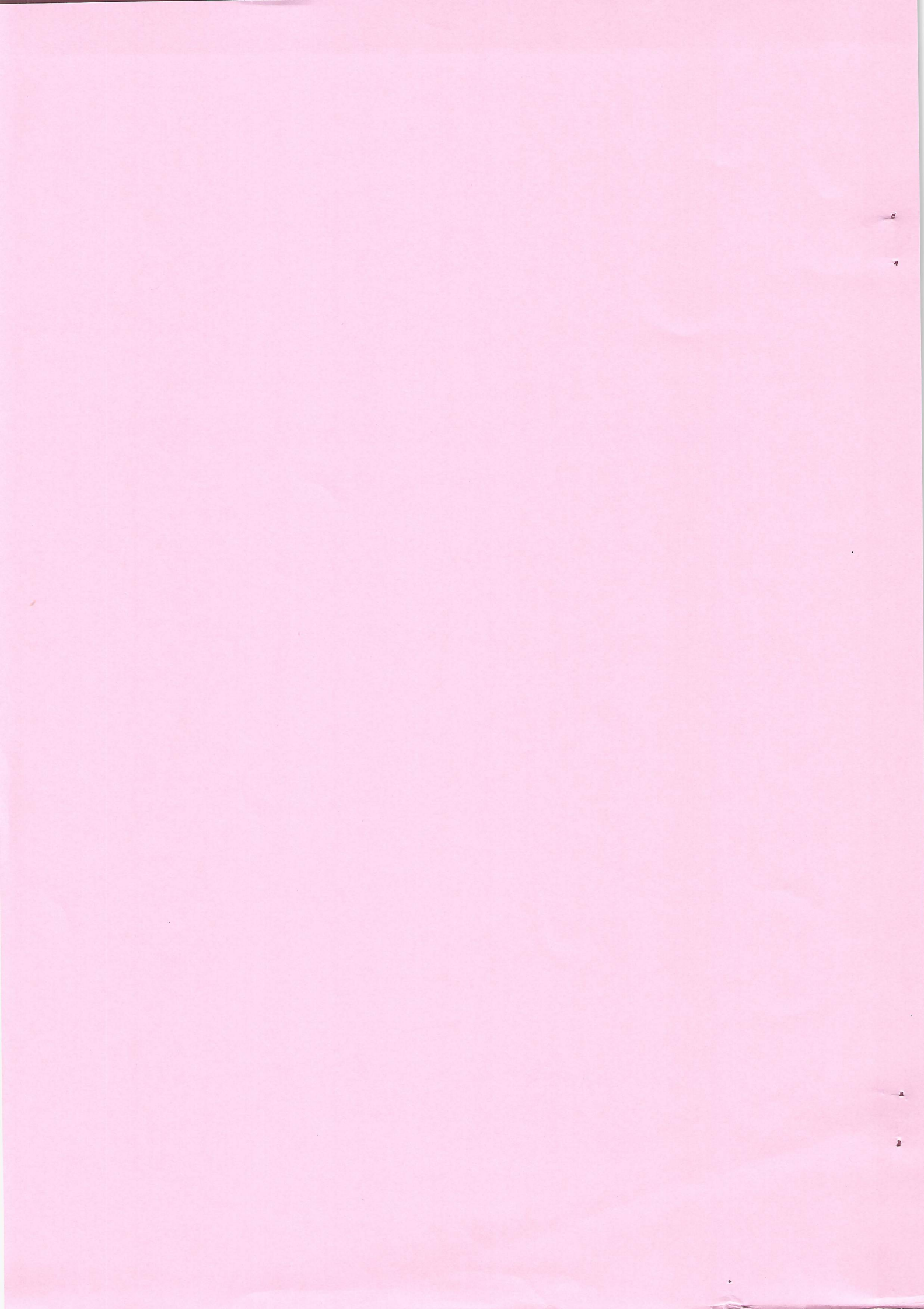




SUGARCANE AND SUGAR ACT B.E. 2527

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UNOFFICIAL TRANSLATION

SUGARCANE AND SUGAR ACT B.E. 2527

**His majesty King Bhumibhol Adulyadej Rex
Given on Twentyseventh Day of July B.E. 2527
Being the Thirtyninth Year of the present regin**

Whereas it is expedient to amend the law on granulated sugar,

**Be it, therefore, enacted by His Majesty the King
under the advice and consent of the Parliament as Follows;**

Section 1./

Section 1. The Act shall be called: Sugarcane and Sugar Act BE. 2527

Section 2. This Act shall be in force on and from the day following the date of its publication in the Government Gazette.

Section 3. The Sugar Act BE. 2511 (1968) shall be repealed.

Any other laws, regulations and rules the provisions of which have been prescribed herein or those contradictory hereto shall be substituted by this Act.

Section 4. In this Act:

"Sugarcane" means sugarcane normally used in the production of granulated Sugar.

"Granulated sugar" means sugar produced from sugarcane, and includes cane juice boiled into syrubb for use in production of granulated sugar and, in case of the inclusion of by-products in the computation of sugarcane price and returns on the production and sale of granulated sugar, this includes the by-products.

"By-products" means molasses and includes any other by-products from the production of granulated sugar.

"Import" means the importation into the Kingdom.

"Export" means the exportation out of the Kingdom.

"Sale" includes loaning and pawning.

"Sugarcane planter" means the grower of sugarcane for supply to the Sugar factories.

"Leader of sugarcane planters group" means a sugarcane planter trusted by the other sugarcane planters to make delivery of the sugarcane to the sugar factories.

"Representative of sugarcane planters" means a sugarcane planter proposed to be the representative of sugarcane planters.

"Institution of sugarcane planters" means association, cooperative, or group of sugar planters registered as a juristic person under the law, and registered with the committee under the regulations prescribed by the committee, but does not include a limited company or limited partnership in which the sugarcane planters hold shares, either wholly or in part.

"Factory" means the factory under the Factory Law which produces granulated sugar, except that which produces granulated sugar of the type and in quantity that does not exceed the amount mentioned in the ministerial regulations, and includes the licensee for establishment and operation of the business of the sugar factory.

"Representative of factory" means the representative of factory proposed to be the representative of factory.

"Fund" means Sugarcane and Sugar Fund.

"Office" means Office of Sugarcane and Sugar Committee.

"Committee" means Sugarcane and Sugar Committee.

"Secretary-General" means Secretary-General of Sugarcane and Sugar Committee.

"Competent Officer" means the person appointed by the Minister to discharge his duty in accordance with this Act.

"Minister" means the Minister who takes charge of the execution of this Act.

Section 5. The Minister of Agriculture and Cooperatives, Minister of Commerce and Minister of Industry shall take charge of the Execution of this Act, and have the power to appoint the Competent Officer and issue regulations to be observed under this Act.

The regulations on having been announced and published in the Government Gazette, shall come into force.

DIVISION 1

GENERAL

Section 6. For the stability of the national economy and protection of interests of the sugarcane planters in the production and sale, and for fairness to the factories and the consumer public,

the systemisation and control of production and sale of sugarcane and granulated sugar shall follow the provisions of this Act.

Section 7. For the benefits of the prevention and suppression of corruptions and malpractices, the Committee and Subcommittee under this Act, and the employees under the Fund are regarded as officials of the government in accordance with the law on prevention and suppression of corruptions and malpractices in the government.

In case the Committee on Prevention and Suppression of Corruptions and Malpractices in Government resolves that the Committee, Subcommittee or employee per the first paragraph corrupts or misbehaves, the Minister who orders the appointment in the case of the Minister-appointed committee and the Minister of Industry in other case shall order the sacking of the stated person; and in case of a criminal offence, the Committee on Prevention and Suppression of Corruptions and Malpractices in Government shall take further action within its power in accordance with the law on prevention and suppression of corruptions and malpractices in government.

Section 8. Under Section 24 paragraph three, any one will perform his functions as a member, of more than two committees or subcommittees under this Act at the same time.

DIVISION 2

COMMITTEE

Section 9. There shall be a committee called: Sugarcane and Sugar Committee comprising an official of the Ministry of Agriculture and Cooperatives appointed by the Minister of Agriculture and Cooperatives, two officials of Ministry of Commerce, two officials of Ministry of

Industry appointed by the Minister of Industry, nine representatives of sugarcane planters and seven representatives of sugar factories, as members.

The Committee shall elect the chairman from among the members, the first vice chairman and the second vice chairman, one for each position.

The Secretary-General shall act as Secretary to the Committee.

Section 10. The persons appointed by the Minister of Agriculture and Co-operatives, Minister of Commerce or Minister of Industry per Section 9 are not the sugarcane planters, managing directors, of officials or employees of the sugar factories.

Section 11. The representatives of sugarcane planters and representatives of sugar factories shall meet the following qualifications:

- (1) Thai nationality;
- (2) having not been a solvent person before;
- (3) having not been sentenced by a final judgement of the court to a term of imprisonment, except for an offence committed through negligence or a petty offence;
- (4) having not been sacked per Section 7 paragraph two;
- (5) not being a political official or not having held a position in politics;
- (6) not being a member of a political party or official of a political party.

The representative of sugarcane planters must be a sugarcane planter who is proposed by the institution of sugarcane planters in consideration of the proportion of supplies of sugarcane of the members of each institution, and must not be a committee member, manager, official or employee of sugar factory.

The representative of sugar factories must be a committee member, manager, official or employee of sugar factory, who is proposed by the association of sugar factories in consideration of the proportion of production capacities of the members of the association.

The proposal and withdrawal of the representative of sugarcane planters and the representative of sugar factories shall follow the regulations prescribed by the Minister with the consent of the cabinet.

Section 12. The Committee chairman, vice chairman and member remain in the office for a period of two years.

On Completion of the period mentioned in the first paragraph, if still without the appointment or the proposal to appoint other person as member of the Committee, the member who is to leave on the expiration of his term of office shall remain in his position until a new member is appointed or proposed to take over the position.

The Committee chairman, vice chairman and member may be reappointed, but for once only.

Section 13. As mentioned earlier in Section 12, the Committee chairman, vice chairman and member vacate their office upon:

- (1) death;
- (2) resignation;
- (3) being bankrupt;
- (4) having been sentenced by a final judgement of the court to a term of imprisonment;
- (5) lacking the qualifications or having been prohibited under Section 10 or Section 11 as the case may be;

(6) being retired by the Minister;

(7) being withdrawn from membership under Section 11 paragraph four.

Section 14. When a member vacates his office before the expiration of his term, other person will be appointed or proposed to replace him as the case may be, without delay, and such person shall remain in office for the unexpired term of office of the member he replaces.

During period of absence of the proposed appointment of a person to replace him per paragraph one, and if there is need to have a substitution person to discharge duty as a Committee member under this Act, the Minister shall appoint a person possessing the qualifications and not being prohibited under Section 10 or Section 11 as the Committee member.

On having appointed the Committee member per paragraph one, the appointed member per paragraph two shall leave the office.

Section 15. The Committee chairman shall convene a Committee meeting.

At a meeting of the Committee, not less than half of the total number of its members must be present to constitute a quorum.

The Chairman chairs the meeting. If the chairman is not present at the meeting or cannot attend the meeting, the first vice chairman will chair the meeting. If the chairman and the first vice chairman are not present or cannot attend the meeting, the second vice chairman will chair the meeting. If the chairman and both vice chairman are not present at the meeting or cannot attend the meeting, the members present shall elect one from among themselves to be presiding chairman.

A final decision of the meeting shall be taken by the majority of votes. Each member has one vote. In case of an equality of votes, the presiding chairman shall cast a deciding vote.

Section 16. In case of the Committee chairman's failure to discharge his duty, the first vice chairman shall act in his behalf. On the failure of both the Committee chairman and the first vice chairman to discharge their duty, the second vice chairman shall take charge. If on the failure of the Committee chairman and both vice chairmen to discharge their duty, the secretary shall convene a meeting to elect one member from among those present to take charge as the Committee chairman.

Section 17. The Committee has the following functions:

- (1) To devise plan of planting and production of sugarcane, and production of sugar.
- (2) To designate areas suitable for the promotion of planting of sugarcane.
- (3) To specify suitable strains of sugarcane crop to be promoted among the sugarcane planters for planting in areas that will be designated by the Committee per (2).
- (4) To devise rules, principles, procedures and conditions of the registration and acceptance of the registration of the institutions of sugarcane planters.
- (5) To devise rules of the registration of sugarcane planters and leaders of sugarcane planters groups, and the revocation of registration of leaders of sugarcane planters groups.
- (6) To devise principles, procedures and conditions of the activities of the leaders of sugarcane planters groups.

- (7) To fix quantity of sugarcane to be produced by the sugarcane planters, taking into consideration also the planted areas of sugarcane registered per (5) and production volume averaged in the past three years.
- (8) To devise rules of the allocation of supplies of sugarcane to the sugar factories.
- (9) To devise rules of the promotion of sugarcane planting, including those for the prevention, control and suppression of sugarcane plant enemies.
- (10) To devise rules of the cutting and supply of sugarcane to the sugar factories, and the inspection of quality of sugarcane
- (11) To fix the date of the commencement of cane crushing for production of sugar, rate of cane crushing as normal per day by each factory, and the ending date of cane crushing for production of sugar.
- (12) To devise rules of the acceptance of supplies of sugarcane from the sugarcane planters or leaders of sugarcane planters groups.
- (13) To fix types, quality and amount of granulated sugar produced by the sugar factories.
- (14) To devise rules of the management of sugarcane or granulated sugar representing the surplus of production based on the quantity of production fixed by the Committee per (7) or (13).
- (15) To fix rules of the dealing with the sugar factories which are unable to produce granulated sugar to meet the quantity fixed by the Committee per (13).
- (16) To fix rules and methods of the dealing with the granulated sugar not meeting the quality standards set by the Committee per (13).
- (17) To fix rules of the production, packing, storage, place of storage, survey, movement and delivery of granulated sugar and by-products.

- (18) To lay down principles, procedures and conditions of selling granulated sugar for domestic consumption, and selling prices there of.
- (19) To lay down principles, procedures and conditions of import of granulated sugar if such need arises.
- (20) To lay down principles, procedures and conditions of the licensing of export of granulated sugar, but such principles, procedures and conditions will not in any way favour only one person to engage in the export.
- (21) To lay down principles and methods of computing the costs of production of sugarcane and granulated sugar.
- (22) To lay down principles and methods of estimating income, pricing and payment of sugarcane, and value of production of granulated sugar, taking into account the cost of production of sugarcane and granulated sugar, and also the fund in operation.
- (23) To fix ratio of the returns on investment between the sugarcane planters and sugar factories, taking into account the whole income derived from sales of granulated sugar and by-products on which the estimation of sugarcane price and value of production of sugar will be based.
- (24) To fix rates of fees on the research and promotion of production of sugarcane and granulated sugar, and devise mode of payment of fees and others benefitting the institutions of sugarcane planters.
- (25) To devise rules of the payment of fines and rewards for persons who lead to the arrest of offenders or violators of the rules or announcements of the Committee.
- (26) To devise rules of expending in the control of production of sugarcane and granulated sugar, sale, importation and exportation of granulated sugar.

- (27) To devise rules of hiring employees with payment from the Fund.
- (28) To fix remunerations for the various committees functioning under this Act, except the Committee on Sugarcane and Sugar.
- (29) To perform other functions as prescribed by the law, or assigned by the cabinet.
- (30) To devise any other rules for acting in compliance with this Act.

The rules per (1) (4) (5) (6) (14) (15) (16) (18) (19) (20) (21) (22) (23) (25) (26) (28) and (30) must be approved by the cabinet.

The rules per (2) (3) (7) (8) (9) (10) (11) (12) (13) (17) (24) and (27) must be approved by the Minister.

the rules per (2) (3) (5) (6) (7) (8) (9) (10) (11) (12) (13) (14) (15) (16) (17) (18) (19) (20) (21) (22) (23) (24) (25) (26) and (30) shall be announced in the Government Gazette.

Section 18. In discharging duty in accordance with this Act, the Committee shall authorise the Executive Committee, Committee on Administration of Fund, Sugarcane Committee, Granulated Sugar Committee or the Office to act in its behalf, or make a written call for any person concerned to give facts, explanations, advice or views.

On having done per paragraph one, the Executive Committee, Sugarcane Committee, Granulated Sugar Committee or the Office shall report to the Committee forthwith.

Section 19. The Committee is given the remunerations as will be fixed by the cabinet.

DIVISION 3

Executive Committee

Section 20. The Committee shall appoint one committee called "Executive Committee" comprising one member representing the Ministry of Agriculture and Cooperatives, one member representing the Ministry of Commerce, one member representing the Ministry of Industry, five members representing sugarcane planters, four members representing sugar factories, and another qualified member.

The Executive Committee shall elect the chairman, vice chairman and secretary from among its members, one for each position

The provisions of Sections 11, 12, 13, 14 and 15 shall apply mutatis mutandis.

Section 21. The Executive Committee has the following functions:

- (1) To give advice and recommendations to the Committee on the subjects pertaining to Section 17 except (28) and (29)
- (2) To discharge duty in accordance with the rules laid down by the Committee.
- (3) To control the functions of the Sugarcane Committee and Granulated Sugar Committee.
- (4) To discharge other duties as specified by the law or as assigned by the Committee.

In the execution of work under paragraph one, the Executive Committee may appoint subcommittee or working group to study and make recommendations on any subject, or execute any work under assignment, and Section 15

paragraphs one and three may apply to the meetings of the subcommittee and the working group mutatis mutandis.

The subcommittee or the working group which will be assigned by the Executive Committee to work in its behalf, shall comprise members representing the government, sugarcane planters and sugar factories in the proportion fixed in Section 20.

Section 22. In dealing with any outside person per Section 21, the chairman of the Executive Committee shall do so in the name of the Executive Committee. In this connection, the chairman of the Executive Committee shall authorise any person to act in his behalf or on a specific assignment, however following the rules as will be prescribed by the Executive Committee with the consent of the Committee.

Any juristic act done by the chairman of the Executive Committee in violation of the rules prescribed by the Committee or of the resolution of the Executive Committee, does not bind the Committee or the Executive Committee.

DIVISION 4

Sugarcane and Sugar fund.

Section 23. There shall be established a Fund called: "Sugarcane and Sugar Fund" with the following objectives:

- (1) Study, research, development and promotion of production, usage and sale of sugarcane and granulated sugar.
- (2) Maintaining the stability of the sugarcane and sugar industry for the benefits of the sugarcane planters and sugar factories and for the country's economic stability.

- (3) Maintaining the stability of prices of sugar consumed in the country for the benefits of the consumers.
- (4) Executing other tasks to achieve the objectives of the Fund.

The Fund is a juristic person with its head office located within the Office of Committee on Sugarcane and Sugar, Ministry of Industry.

Section 24. The cabinet shall appoint a committee called: "Committee on Administration of Fund" comprising one member representing the Ministry of Agriculture and Cooperatives, one member representing the Ministry of Finance one member representing the Ministry of Commerce, one member representing the Ministry of Industry, one member representing the Budget Bureau, one member representing the Bank of Thailand, three members representing the sugarcane planters, and three members representing the sugar factories.

The Committee on Administration of Fund shall appoint the chairman, vice chairman and secretary to the Committee from among its members.

The members per paragraph on must not be the members of Committee or sub-committee in any other committee established under this Act, one for each position.

The provisions of Sections 11, 12, 13, 14 and 15 shall apply mutatis mutandis.

Sections 25. The Committee on Administration of Fund has the following functions .

- (1) To devise principles, procedures and conditions under the various subjects of Section 23 with the consent of the Committee.

- (2) To devise rules of the deposit, earning interests for and spending money out of the Fund with the consent of the Committee.
- (3) To discharge duty in accordance with the rules prescribed by the Committee.
- (4) To discharge other duties as specified by the law as assigned by the Committee.
- (5) To administer and control the operation of the Fund in accordance with this Act.

The provisions of Section 21 paragraph two shall apply *mutatis mutandis*.

The subcommittee or working group to be assigned by the Executive Committee to do the tasks in its behalf, shall comprise members representing the government, sugarcane planters and sugar factories in the proportion fixed in Section 24.

Section 26. In dealing with any outside person per Section 25, the chairman of the Committee on Administration of Fund shall do so in its behalf, and the provisions of Section 22 shall apply *mutatis mutandi*

Section 27. The Fund is composed of:

- (1) fees on research and promotion of production of sugarcane and granulated sugar;
- (2) fines per Section 17 (25);
- (3) money received per Section 57;
- (4) interests earned by the Fund;
- (5) money and properties given to the Fund;
- (6) loans with the approval of the cabinet;
- (7) money and other properties entitled to the Fund.

Section 28. The sugarcane planters and sugar factories shall pay the fees on research and promotion of production of sugarcane and granulated sugar, computed from the quantity of sugarcane delivered to the sugar factories, and from the quantity of granulated sugar and by-products, as the case may be, following the rules prescribed by the Committee.

Section 29. The Committee on Administration of Fund shall allocate 10% of money received by the Fund per Section 57 to be remitted into the Agriculturists Aid Fund in accordance with the law on the Agriculturists Aid Fund.

In case of necessity insofar as the financial status of the Fund is concerned, the cabinet shall approve stoppage of the allocation per paragraph one on a temporary basis or reduction of the allocation to a rate of lower than 10%.

Section 30. The Fund shall be spent only to serve the purposes as mentioned in Section 23, for administrative expenses of the Fund and of the Office as will be prescribed by the Committee, they including the remunerations under this Act.

Section 31. Before the end of April of every year the Committee on Administration of Fund shall work out the Balance Sheet to show the financial status duly certified by the National Auditing Council, and also a progress report for presentation to the cabinet.

The cabinet shall announce the Balance Sheet and the progress report per paragraph one in the Government Gazette.

DIVISION 5

Sugarcane

Section 32. The Committee shall appoint a committee called: "Sugarcane Committee" comprising two members representing the Ministry of Agriculture and Cooperatives, one member representing the Ministry of Commerce, one member representing the Ministry of Industry, six members representing the sugarcane planters and four members representing the sugar factories.

The Sugarcane Committee shall elect the chairman, vice chairman and secretary to the committee from among its members, one for each position.

The provisions of Sections 11, 12, 13, 14 and 15 shall apply *mutatis mutandis*.

Section 33. The Sugarcane Committee has the following functions:

- (1) To give advice and recommendations to the Committee and the Executive Committee per Sections 17 (1) (2) (3) (5) (6) (7) (9) and (10)
- (2) To carry out work and supervise the tasks as specified by the Committee per Sections 17 (1) (2) (3) (5) (6) (7) (8) (9) (10) and (21) insofar as they are concerned with the cost of production of sugarcane.
- (3) To discharge duty in accordance with the rules laid down by the Committee.
- (4) To discharge other duties as specified by the law or as assigned by the Committee or the Executive Committee.

The provisions of Section 21 paragraph two shall apply *mutatis mutandis*.

The subcommittee or working group to be assigned by the Sugarcane Committee to execute work in its behalf, shall comprise members representing the government, sugarcane planters and sugar factories in the proportion fixed in Section 32.

Section 34. In dealing with any outsider under Section 33, the chairman of the Sugarcane Committee shall act in behalf of the Sugarcane Committee, and the provisions of Section 22 shall apply *mutatis mutandis*.

Section 35. Anyone growing sugarcane for supply to the sugar factories must be registered as the sugarcane planter.

The registration per paragraph one shall follow the rules prescribed by the Committee.

Section 36. The sugarcane planters shall:

- (1) act in compliance with the rules and announcements made by the Committee;
- (2) report on the quantity of sugarcane to be delivered to the leaders of sugarcane planters group or sugar factory on the form and following the procedures and period of time as will be prescribed by the Sugarcane Committee.

Section 37. The sugarcane planters must grow sugarcane in the quantity as fixed by the Committee.

In case of the production of sugarcane being higher or lower than that fixed by the Committee, or non-production of same as has been reported, necessary action will be taken under the regulations prescribed by the Committee.

Section 38. The leader of sugarcane planters group must register as the leader of sugarcane planters group.

The registration per paragraph one and the revocation of the registration must follow the regulations prescribed by the Committee.

Section 39. The leader of sugarcane planters group must:

- (1) act in compliance with the regulations and announcements made by the Committee;
- (2) report on the quantity of sugarcane to be received from the sugarcane planters and delivered to the sugar factories, following the procedures and period of time as will be prescribed by the Sugarcane Committee.

Section 40. The leader of sugarcane planters group must deliver sugarcane to the sugar factories in the quantity fixed by the Committee, and the provisions of Section 37 paragraph two shall apply *mutatis mutandis*.

DIVISION 6. GRANULATED SUGAR.

Part 1. Granulated Sugar Committee.

Section 41. The Committee shall appoint a committee called: "Granulated Sugar Committee" to comprise one member representing the Ministry of Agriculture and Cooperatives, two members representing the Ministry of Commerce, two members representing the Ministry of Industry, five members representing the sugarcane planters and another five members representing the sugar factories.

The provisions of Sections 11, 12, 13, 14, 15 and 32 paragraph three shall apply *mutatis mutandis*.

Section 42. The Granulated Sugar Committee has the following functions:

- (1) To give advice and recommendations to the Committee and the Executive Committee on subjects of the Sections 17 (11) (12)

(13) (14) (15) (16) (17) (18) (19) (20) and (21) insofar as they are concerned with the cost of production of granulated sugar.

- (2) To control the distribution of granulated sugar in the Kingdom, and export of granulated sugar.
- (3) To arrange for the import of granulated sugar for domestic consumption in case of shortage, by importing same on its own or assigning other persons to do so on its behalf in accordance with the regulations prescribed by the Committee.
- (4) To act in compliance with the regulations prescribed by the Committee.
- (5) To discharge other duties prescribed by the law or as assigned by the Committee or the Executive Committee.
- (6) To supervise and control work under the subjects specified by the Committee in accordance with Section 17 (11) (12) (13) (14) (15) (16) (17) (18) (19) (20) and (21)

The provisions of Section 21 in paragraph two shall apply *mutatis mutandis*.

The subcommittee or the working group which will be assigned by the Granulated Sugar Committee to work in its behalf, shall comprise members representing the government, sugarcane planters and sugar factories in the proportion fixed in Section 41.

Section 43. In dealing with any outsider per Section 42, the chairman of the Granulated Sugar Committee shall do so in behalf of the Committee, and the provisions of Section 22 shall apply *mutatis mutandis*.

Part 2. Factories.

Section 44. The sugar factories must:

- (1) act in compliance with the regulations and announcements made by the Committee;
- (2) make preparations so the factories are ready for crushing sugarcane at a time fixed by the Committee per Section 17 (11);
- (3) take delivery of sugarcane from the sugarcane planters and leaders of sugarcane planters groups as will be fixed or ordered by the Executive Committee in case the sugar factories are ordered to increase production of granulated sugar per Section 45;
- (4) produce granulated sugar of the types, quality and in the quantity fixed by the Committee;
- (5) will not start or stop sugarcane crushing before the date fixed by the Committee, or stop the sugarcane crushing without appropriate reasons;
- (6) store the granulated sugar so produced in a place which has been approved by the Executive Committee;
- (7) will not move the granulated sugar so produced out of the factory compound, with the exception of the movement of same in compliance with the regulations fixed by the Committee;
- (8) report on types, quality and quantity of granulated sugar produced, stored, moved, delivered and remained in balance, on the prescribed form and following the procedures and period of time fixed by the Granulated Sugar Committee, monthly.
- (9) remit money into the Fund per Section 57.

Section 45. If necessary, the Executive Committee may order the sugar factories to produce more granulated sugar, in which case the sugar factories shall produce granulated sugar as will be fixed by the Executive

Committee. The granulated sugar so produced in addition will follow the regulations fixed by the Committee.

Section 46. The sugar factories must sell the granulated sugar produced to meet the local consumption in accordance with the regulations fixed by the Committee.

In case the sugar factories have not acted in compliance with paragraph one, the Minister has the power to order the Executive Committee to take action as deemed appropriate by it, with the sugar factories bearing all expenses involved.

Part 3. Import and export of granulated sugar.

Section 47. It is not allowed for any person to import granulated sugar without the prior approval from the Committee. The import shall follow the principles, procedures and conditions prescribed by the Committee.

Section 48. It is not allowed for any person to export granulated sugar without the prior approval from the Committee. The export shall follow the principles, procedures and conditions prescribed by the Committee.

In case of necessity, the Committee shall also fix the quantity, prices and period of time for the export.

The export of granulated sugar is not subject to payment of the export premium under the law on the Agriculturists Aid Fund.

DIVISION 7.

Sugarcane prices and returns on production and sale of granulated sugar.

Section 49. Before the start of season of production of granulated sugar, the Executive Committee shall estimate income on sale of granulated sugar to be produced in that season, in order to fix a preliminary price of sugarcane and returns on production and sale of granulated sugar in a preliminary stage.

The estimate of the income, the fixation of preliminary price of sugarcane and returns on production and sale of granulated sugar in the preliminary stage, shall follow the principles and procedures prescribed by the Committee.

The preliminary price of sugarcane and returns on production and sale of granulated sugar in the preliminary stage, will not be less than 80% of the estimated income, taking into account also the cost of production of sugarcane and granulated sugar.

Section 50. When the Executive Committee has completed the estimate of income and fixed the preliminary price of sugarcane and returns on production and sale of granulated sugar in the preliminary stage, it will notify the institutions of the sugarcane planters and sugar factories accordingly, and arrange for a meeting of representatives of the institutions of the sugarcane planters and associations of sugar factories to hear their views and objections, if any, by written communications made not less than ten days before the meeting will take place. The objections must be made in writing with detailed reasons and submitted to the Office before the meeting date.

Section 51. The Office shall submit the estimate of income, preliminary price of sugarcane and returns on production and sale of granulated sugar in the preliminary stage, as well as a report on the meeting per Section 50 to the Committee for study.

Section 52. When the Committee has studied the estimate of income, preliminary price of sugarcane and returns on production and sale of granulated sugar in the preliminary stage, together with the objections if made, it will make appropriate recommendations to the cabinet.

Section 53. After the cabinet has approved the preliminary price of sugarcane and returns on production and sale of granulated sugar in the preliminary stage per Section 52, the Office shall announce the preliminary price of sugarcane and returns on production and sale of granulated sugar in the preliminary stage in the Government Gazette.

The sugar factories shall pay the cost of sugarcane to the sugarcane planters at the preliminary price, following the principles and procedures prescribed by the Committee.

Section 54. At the end of September of every year, the Executive Committee shall work out the net income from sale of granulated sugar in every producing season.

The principles and procedures fixed by the Committee per Section 49 shall apply to the computation of net income *mutatis mutandis*.

Section 55. Within October of every year, the Executive Committee shall fix the final price of sugarcane and returns on production and sale of granulated sugar in the final stage, considering the following principles:

- (1) nett income per Section 54
- (2) cost and returns on production of sugarcane
- (3) cost and returns on production of granulated sugar.
- (4) preliminary price of sugarcane
- (5) returns on production and sale of granulated sugar in the preliminary stage
- (6) money received from the Fund

The final price of sugarcane and returns on production and sale of granulated sugar in the final stage, when approved by the Committee, shall be presented to the cabinet for study and approval after which it will be announced by the Office in the Government Gazette.

Section 56. In case the final price of sugarcane and returns on production and sale of granulated sugar in the final stage are lower than the preliminary price of sugarcane and returns on production and sale of granulated sugar in the preliminary stage, the Fund shall pay compensations to the sugar factories equal to the difference between the two, but the sugarcane planters do not have to refund for the overpaid cost of sugarcane.

In case the final price of sugarcane and returns on production and sale of granulated sugar in the final stage are higher than the preliminary price of sugarcane and returns on production and sale of granulated sugar in the preliminary stage, the sugar Factories shall pay the increased cost of sugarcane to the sugarcane planters to fulfill the final price of sugarcane, following the principles and procedures prescribed by the Committee.

Section 57. The sugar factories shall remit money into the Fund equal to the difference between the nett income per Section 54 and cost of sugarcane at the final price plus the returns on production and sale of granulated sugar in the final stage, within a period of time fixed by the Committee.

DIVISION 8.

Control and appeal.

Section 58. In case the Executive Committee sees that any sugarcane planter or leader of sugarcane planters group or sugar factory commits an offence under this Act or regulations issued in accordance with this Act, the Executive Committee has the power to order the sugarcane planter, leader of sugarcane planters group, owner of sugar factory, manager of sugar factory or any other person having the responsibility in the operation of the sugar factory to act or refrain from such act.

A person given the order by the Executive Committee per paragraph one, shall act under that order within a period of time fixed by the Executive Committee.

In case a person given the order by the Executive Committee per paragraph one, has an opposing view, he may appeal to the Committee within 15 days from date of receipt of the order.

The Committee shall make its judgement on the appeal within 30 days from date of receipt of the appeal, unless the Minister approves an extension of such period but the Minister shall not seek to extend the period by not more than 30 days.

If the appellant does not agree with the judgement of the Committee, or the Committee does not finish the study of the appeal within the period specified in paragraph four, he may resubmit his plea to the court within 15 days from date of his acknowledgement of the judgement of the Committee or upon the expiration of period of time per paragraph four, as the case may be.

The appeal per paragraph three or the submission of plea per paragraph five, does not constitute a cause for the relief in acting in compliance with the order of the Executive Committee, except when the Committee or the court, as the case may be, orders otherwise.

Section 59. The Minister has the power and duty of a general supervision of work of the Committee and in this connection he has the power to make a written order to the chairman of the Committee, vice chairman and any committee member to explain facts, give views, make a report and act or refrain from doing anything, in order to comply with this Act, policy and resolution of the cabinet, and order a report on facts concerning the functioning of the Committee.

Section 60. In case the Minister does not agree with the Committee in its execution of work on any subject, the Minister may order the Committee to review its action on such subject.

The Committee on being notified by the Minister per paragraph one, shall cease to act on such subject temporarily and complete the review within 30 days from date of being notified by the Minister.

In case the Committee stands firm on its view with which the Minister disagrees, the Minister shall refer the matter to the cabinet for study.

The judgement of the cabinet will be final.

DIVISION 9.

Office.

Section 61. The Office of Committee on Sugarcane and Sugar under the jurisdiction of Ministry of Industry has following power and functions:

- (1) Operation of work of this and other committees under this Act.
- (2) Collection, storage and analysis of data concerning the production of sugarcane and granulated sugar, usage and sale of granulated sugar.
- (3) Working out plan of cultivation and production of sugarcane for use in production of granulated sugar, plan of production of granulated sugar for internal consumption and export, for study by the Committee.
- (4) Acceptance of registration of sugarcane planters and leaders of sugarcane planters groups.
- (5) Registration of sugarcane planters and sugarcane planted areas.
- (6) Testing of quality of sugarcane and granulated sugar.
- (7) Research and development of production and cultivation of sugarcane and granulated sugar.
- (8) Promotion and dissemination of knowledge on production, usage and sale of sugarcane and granulated sugar, as well as marketing conditions of granulated sugar, internally and externally.
- (9) Coordination of work among the Executive Committee, Committee on Administration of Fund, Sugarcane Committee and Granulated Sugar Committee.
- (10) Contacts and coordination in work with the foreign and international organizations.
- (11) Execution of other tasks as will be assigned by the cabinet, minister, the Committee and other committees under this Act.

The provisions of paragraph one does not affect the power and duty of the Ministry of Agriculture and Cooperatives, but what is being done by the Ministry of Agriculture and Cooperatives must be consistent with the rules and regulations of the Committee per Section 17.

In carrying out work under paragraph one, the Official may assign other person to do it on its behalf following the regulations prescribed by the Committee.

Section 62. There shall be the Secretary-General in command of officials and employees of the Office. The Secretary-General is a regular government official.

DIVISION 10.

Competent officer.

Section 63. The competent officer has the following power and duties:

- (1) entering the sugarcane farm, premise, vehicle, factory, place of storage of sugarcane, granulated sugar or by-product; or granulated sugar trading house during day time between sunrise and sunset or during working time for inspections in accordance with this Act;
- (2) taking samples of sugarcane, granulated sugar and by-product in reasonable quantity as samples for the purpose of examination or testing;
- (3) seizing, attaching account books and other documents with reasons to believe in the violation or acting not in compliance with this Act.

Section 64. The competent officer has his identification card in the form prescribed by the Minister and announced in the Government Gazette.

In carrying out his duty, the competent officer shows his identification card to the person concerned, and that person shall render appropriate facilities or help.

DIVISION 11.

Penalty.

Section 65. Any sugarcane planter or factory failing to pay fees as mentioned in Section 28, shall be punished by a fine of not exceeding 5,000 Baht.

Section 66. Any person growing sugarcane without registering as a sugarcane planter per Section 35 paragraph one shall be punished by a fine of not exceeding 5,000 Baht.

Section 67. Any sugarcane planter failing to act in compliance with Section 36 (1) or report on the quantity of sugarcane or wilfully give a report that deviates from truth per Section 36 (2), or not acting in compliance with Section 37, shall be punished by a fine of not exceeding 5,000 Baht.

Section 68. Any person not registering as the leader of sugarcane planters group or having been revoked his registration as the leader of sugarcane planters group, who delivers the sugarcane not produced by himself to the sugar factory, shall be punished by a fine of not exceeding 30,000 Baht.

Section 69. Any leader of sugarcane planters group failing to act in compliance with Section 39 or Section 40, shall be punished by a fine of not exceeding 30,000 Baht.

Section 70. Any sugar factory failing to act in compliance with Section 44 (2) (3) (4) (5) (6) or (8) or make false report per Section 44 (8), shall be punished by a fine of not exceeding 500,000 Baht.

Section 71. Any sugar factory failing to act in compliance with Section 44 (7) shall be punished by imprisonment of not more than 2 years or a fine double the value of granulated sugar moved out of the compound of the sugar factory but not exceeding 500,000 Baht, or both.

Section 72. Any sugar factory failing to act in compliance with Section 45, shall be punished by imprisonment of not more than 2 years or a fine of not exceeding 500,000 Baht, or both.

Section 73. Any sugar factory failing to act in compliance with Section 46 paragraph one, shall be punished by imprisonment of not more than 2 years or a fine of not exceeding 500,000 Baht, or both

Section 74. Any sugar factory failing to remit money into the Fund or remit inadequate amount of money into the Fund per Section 57, shall be punished by a fine of not exceeding 100,000 Baht, besides being required to remit the unfulfilled balance together with an increment at 3% per month counting from the due date of remittance or payment.

In the computation of period of time per paragraph one, part of a month is regarded as one full month.

The increment per paragraph one shall also belong to the Fund.

Section 75. Any person resisting or not giving facilities to the competent officer discharging his duty per Section 63, shall be punished by imprisonment of not more than 6 months or a fine of not exceeding 10,000 Baht, or both.

Section 76. In case of a juristic person having committed an offence under this Act, it is regarded that the representative of the juristic person, director, manager and any other person having the authority to act in behalf of the juristic person are offenders who are to be punished by imprisonment as the juristic person does, unless proven to the effect that they are not a party to the offence or have acted to prevent such offence.

TRANSITORY PROVISIONS.

Section 77. Any person growing sugarcane or delivering sugarcane to the sugar factory on the date of enforcement of this Act, has the right to seek registration as the sugarcane planter or leader of sugarcane planters group, as the case may be, under this Act.

Section 78. Within five years from date of enforcement of this Act, if a sugarcane planter violates or fails to act in compliance with this Act, thus constituting an offence under Section 66 or Section 67, the authorities shall advise, remind, order for adjustment or correction to be made within an appropriate period of time. A negligence, inaction, resistance or failure on the part of the sugarcane planter to act, will permit a legal action to be made against him.

Section 79. The granulated sugar held in possession of the sugar factories prior to the date of enforcement of this Act, shall follow the regulations prescribed by the Committee.

Section 80. The institutions of sugarcane planters and associations of sugar factories shall propose their representatives to sit in the Committee on Sugarcane and Sugar under this Act without delay.

During the period of absence of the proposal per paragraph one, if it is necessary to have the representatives of sugarcane planters or representatives of sugar factories to perform functions under this Act, the Minister shall appoint the planters of sugarcane for sale to the sugar factories whether or not directly or indirectly through the leaders of sugarcane planters groups or licencees of establishment and operation of sugar factories, as the case may be, with the qualifications but without the disqualifications per Section 11, and who used to act as representatives of the sugarcane planters or representatives of the sugarcane factories, as the case may be, in their contacts with the government prior to the date of enforcement of this, Act -- as the representatives of the sugarcane planters or sugar factories, as the case may be, and the provisions of Section 14 paragraph three shall apply *mutatis mutandis*.

Section 81. The operations, assets, liabilities, government officials, personnel, employees and budget of the Office of Sugarcane and Sugar and the Office of Stabilisation of Sugar Prices, Ministry of Industry, shall be transferred to come under the jurisdiction of the Office of Committee on Sugarcane and Sugar, Ministry of Industry, under this Act.

Section 82. The regular officials or employees of the Office of Sugarcane and Sugar, Office of Permanent Secretary for Industry, Ministry of Industry, in the position as regular officials of the government for not less than 2 years prior to the date of enforcement of this Act, and possessing the qualifications per Section 24 of the Act on Regulations of Divil Servants B.E.2518 and who are transferred per Section 81, shall become the regular officials in the Office of Committee on Sugarcane and Sugar, Ministry of Industry, from the date of classification and appointment per paragraph two.

The classification and appointment of regular employees per paragraph one shall follow the agreement to be reached between the Ministry of Industry, Civil Service Commission and Budget Bureau.

Section 83. An official or employee classified and appointed per Section 82 on being ordered for retirement or termination of employment without his committing an offence, is entitled to gratuity in accordance with the Regulations of Ministry of Finance on payment of gratuity for the state employees.

Section 84. The power and functions of the Sugarcane and Sugar Office and the Office for Stabilisation of Sugar Prices, Ministry of Industry, shall be transferred to come under the Office of Committee on Sugarcane and Sugar, Ministry of Industry, under this Act.

Section 85. Payment of debts arising from loans obtained for the purpose of stabilisation of the sugarcane and sugar industry in producing season 1982/3 under the agreement dated December 23 1982 made at the Ministry of Industry, can be made from the Fund.

Section 86. The Notification of Ministries of Industry and Commerce on the subject of specification of quantity of production of granulated sugar, conditions and buying prices of sugarcane in producing seasons 1982/3-1986/7 dated October 29 1982, and Notification of Ministries of Industry and Commerce on the subject of amendment of Notification of Ministries of Industry and Commerce on the subject of specification of quantity of production of granulated sugar, conditions and buying prices of sugarcane in producing seasons 1982/3 - 1986/7 dated October 29 1982, dated January 24 1983, including the notifications, regulations, orders and resolutions of the cabinet related to the said notifications of those notifications or until changes are made thereof with due consent of the cabinet.

Section 87. The ministerial regulations, rules, announcements, regulations, orders and resolutions of the cabinet concerning sugarcane and granulated sugar which are in force before the date of publication of this Act in the Government Gazette, shall continue to be in force for their parts which are not contradictory to the provisions of this Act, and until the enforcement of new regulations or announcements issued under this Act.

are not contradictory to the provisions of this Act, and until the enforcement of new regulations or announcements issued under this Act.

Certified by

General P. Tinsulanonda

Prime Minister

REMARKS :

Reasons for amendment of the law

In view of needs to maintain the country's economic stability and protect interests of the sugarcane planters in the production and sale of sugarcane, it is considered appropriate to systemise and control the production and sale of sugarcane and granulated sugar produced from sugarcane, requiring the sugarcane planters and owners of sugar factories directly benefitting from it to cooperate with the government in stages ranging from the production of sugarcane to the division of income from sale of granulated sugar in both internal and external markets between the sugarcane planters and the owners of sugar factories to enable the sugar industry to grow with stability and for fairness to all sugarcane planters, owners of sugar factories and the consumer public -- hence the need to issue this Act.

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