

SWEETENER USERS ASSOCIATION

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Sweetener Users Submit NAFTA Recommendations

Washington, DC (June 12, 2017) – In comments submitted in response to the request for comments by Office of the U.S. Trade Representative (USTR) on objectives for the modernization of the North American Free Trade Agreement (NAFTA), America’s sweetener users urged negotiators to expand, not further restrict, trade.

The Sweetener Users Association (SUA) wrote:

“We believe there are positive opportunities to expand rather than restrict trade in sweeteners. Unfortunately, these opportunities must be evaluated in the light of highly negative modifications to the U.S.-Mexico suspension agreements, which were announced in principle on June 6, 2017.

“The suspension agreements, from the beginning, have been detrimental to industrial users of sugar. ... Now, it appears that the new modifications will make bad agreements still worse. ... We recognize that USTR will be negotiating, not the suspension agreements, but the market conditions that would be obtained under the terms of NAFTA itself. However, USTR can and must take into account the likelihood that the suspension agreements will persist for some time.

“... [W]e strongly urge USTR to take into account the needs and opportunities of the entire U.S. farm and food sector – including the vast majority of that sector that can export efficiently, but can also be harmed, directly or indirectly, by sugar protectionism.”

Specifically, SUA recommended the following three negotiating objectives:

1. **Compensate for the injurious new suspension agreements with a separate tariff-rate quota (TRQ) to which reference prices do not apply.** Although we oppose new quotas generally, the terms of the recently announced modifications to the 2014 suspension agreements appear to be so onerous for industrial sugar users, such that some relief is urgently required. Therefore, we recommend the establishment of a permanent TRQ for Mexico, which would be exempt from reference prices in the suspension agreements. This TRQ should be in addition to the minimum TRQ for other World Trade Organization members, in order to achieve the goal of adequate supplies at reasonable prices for our domestic market.
2. **Restore re-export trade.** Mexico should again permit U.S. sugar to enter duty-free under the Refined Sugar Re-Export Program and Mexico’s IMMEX program. This trade will benefit both nations.

3. **Provide additional access for Canada.** The negotiations under the Trans-Pacific Partnership (TPP) demonstrated that modest additional amounts of sugar from Canada and other origins could easily be accommodated without damaging the U.S. sugar policy regime. At a minimum, the cumulative concessions U.S. negotiators made to Canada and other TPP countries should be provided to Canada under any new NAFTA agreement.

For the full comments, click [here](#).

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