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SUA Calls on Dept. of Commerce to Improve U.S.-Mexico Sugar Suspension Agreements

*A Return to 2014 Sugar Reference Prices Needed to Support U.S. Food
and Beverage Manufacturers*

Washington, D.C. (November 15, 2019) – The [Sweetener Users Association](#) (SUA) today issued the following statement urging the U.S. Department of Commerce to use a recent Court of International Trade decision vacating 2017 U.S.-Mexico sugar amendments as an opportunity to make improvements that would benefit U.S. food and beverage manufacturers and consumers.

Sweetener users are directly affected by the U.S.-Mexico suspension agreements, which have unnecessarily driven up the cost of sugar for U.S. food and beverage manufacturers and American consumers.

In addition to the following statement, SUA filed [formal comments](#) yesterday with the Commerce Department that provide more detail and perspective on the need to change the current sugar reference prices in the suspension agreements:

In 2017, when the Department of Commerce negotiated amendments to the sugar suspension agreements with Mexico, SUA strongly opposed the higher reference prices in these amendments — de facto price floors that have increased costs for food companies and consumers ever since. We also opposed several other features of the amendments, including changes to the definition of “refined sugar” that were inconsistent with international standards and existing U.S. tariff laws. There were some parts that we supported, however, such as the requirement that a greater share of imports be available to coastal sugar refineries.

Now, the Court of International Trade has vacated the 2017 amendments. In these circumstances, Commerce is right to re-initiate the process of amending the original 2014 suspension agreements. Commerce should not simply rubber-stamp the existing amendments, however, and should instead use this opportunity to return reference prices to the lower levels in the 2014 agreement.

Moreover, the Department should revisit the threshold for what is considered refined sugar, examining carefully whether the 2017 provisions may have been detrimental to new entrants in the cane refining industry. At a time when weather-related shortages have caused some U.S.

sugar sellers to declare force majeure and walk away from previous sales commitments, supply adequacy in the United States is threatened, and we need every possible source of refined sugar, including both traditional and non-traditional cane refiners.

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The Sweetener Users Association (SUA) represents American food and beverage manufacturers who use sugar to make the products U.S. consumers know and love — from sweet treats to everyday staples like bread, pasta sauce, yogurt and peanut butter. SUA members employ hundreds of thousands of Americans across the United States — from bakers and confectioners to food scientists and factory workers.

Connect with us at SweetenerUsers.org or follow us on Twitter [@SweetenerUsers](https://twitter.com/SweetenerUsers).

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