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Media Contact:

Anna Miller
(202) 822-9491
amiller@fratelli.com

Greater Import Quota Flexibility Needed to Address Increased *Force Majeure* Declarations of Sugar Processors, Issue Brief Shows

Congress Can Address These Supply Chain Disruptions in the Farm Bill

Washington, D.C. (August 17, 2023) – The [Sweetener Users Association](https://www.sweetenerusers.org) (SUA) today released an [issue brief](#) describing how a significant uptick in sugar contract *force majeure* declarations seriously undermines the reliability of the sugar supply that sugar-using companies need.

The issue brief reveals that, after decades of infrequency, four such *force majeure* declarations have been made by sugar producers in the past three years, exclusively within the beet industry, making hundreds of thousands of tons of beet sugar unavailable. The sudden disruptions are coming at a time when the U.S. sugar program is making the sugar market tighter and tighter.

“When a sugar buyer is notified that 12 to 25 percent of the sugar it had contracted for as much as a year earlier will not be available, it cannot readily pivot to alternate suppliers,” explained SUA President Rick Pasco. “Buyers are forced either to wait for the USDA to expand the tariff-rate quota (TRQ) or import sugar by paying what were designed to be prohibitive over-quota tariffs — forcing buyers, through no fault of their own, into untenable situations.”

The current U.S. sugar program does not make enough sugar available to absorb the loss of sugar in the market when *force majeure* declarations are made. The issue brief offers two solutions: (1) USDA can increase TRQs for raw and refined sugar immediately when a *force majeure* declaration is made; and (2) Congress can modernize U.S. sugar policy in the farm bill.

“Provisions in the farm bill giving USDA more flexibility in allowing sugar import increases when they are necessary would be a major step toward eliminating the most damaging effects of *force majeure* declarations on sugar markets,” concluded Pasco.

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The Sweetener Users Association (SUA) represents American food companies that 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. Sugar-using companies employ hundreds of thousands of Americans across the United States, including bakers, confectioners, factory workers and more.

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

