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European Union

Sugar

ACP Countries Weigh in on EU Sugar Reform

2003

Approved by:

Stan Cohen

U.S. Mission to the European Union, Brussels

Prepared by:

Christine Strossman

Report Highlights:

At a seminar on November 25-26, a representative from the African, Caribbean and Pacific countries group echoed concerns about the impact of the EU's sugar reform on their preferential access system.

Includes PSD Changes: No
Includes Trade Matrix: No
Unscheduled Report
Brussels USEU [BE2]
[E2]

As part of its Common Agricultural Policy reform process, the European Union is considering options for reforming its sugar regime (see GAIN report E23181). Already, Least Developed Countries (LDC) benefiting from the "Everything But Arms" preferential scheme have indicated their concerns regarding these options (see GAIN report E23220).

Recently, at the International Sugar Organisation's International Seminar on "Survival in World Sugar - Visions & Strategies for Success" in November 2003, a spokesperson for the African, Caribbean and Pacific group of countries echoed these concerns. Currently, these countries benefit from fixed import quotas and receive high guaranteed prices for sugar exported to the EU. The spokesperson noted that the economies of several ACP sugar-producing countries have become dependent on these preferences and would be damaged if the EU's sugar regime were to be reformed.

While acknowledging the inevitability of reform, the group called for the EU to maintain a quota system with guaranteed prices for ACP and LDC countries. They also indicated the need for a stable and predictable long-term sugar regime that would encourage investment in these countries' infrastructure.

These statements from developing countries are likely to weaken support for full liberalization of the EU's sugar regime.

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