

# SWEETENER USERS ASSOCIATION

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## **Sweetener Users Urge Commerce to Renegotiate and Improve the Market-Distorting U.S.-Mexico Suspension Agreements**

Washington, DC (September 20, 2016) – In a [letter](#) to U.S. Secretary of Commerce Penny Pritzker, the Sweetener Users Association (SUA) detailed how the U.S.-Mexico suspension agreements have distorted the sugar market – a market already negatively impacted by the U.S. sugar program – and urged Commerce to renegotiate the pacts to improve them.

The association wrote:

*“... [S]ugar markets have unfortunately been further distorted by the suspension agreements between the United States and Mexico. Although these agreements are preferable in theory to the antidumping and countervailing duties that would otherwise apply to Mexican sugar, the pacts badly need to be renegotiated and changed to encourage a more competitive marketplace.*

*“In practice, the agreements have created new sugar price floors that are higher than the ones Congress voted for. They have also unnecessarily distorted the flow of raw and refined sugar from Mexico to the United States, leaving coastal cane sugar refineries short of supplies they need to make use of their refining capacity. Since our members rely on these refiners for sugar supplies, their predicament is a concern to us as well.*

*“... [W]e support renegotiating the deals – but to improve them, not make them even worse and further harm refiners and consumers.”*

In addition, the SUA letter outlined recommended revisions to the agreements, including:

- Reduce the reference (minimum) prices in the agreements to the support prices established by Congress in law, and reject any calls for further increasing these prices;
- Increase the restrictive stocks-to-use target in the current agreements to ensure adequate supplies;
- Increase the amount of raw sugar Mexico is required to ship to the United States; and
- Hold a public comment period on any changes before they are proposed in discussions with the Government of Mexico, so that U.S. food companies and other stakeholders who will be directly affected have a chance to make their views known.

The letter also called on Congress to reform the U.S. sugar program in the 2018 farm bill.

For the full text of the letter, click [here](#).

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