

CIUS is the Committee of European Sugar Users – representing the European sugar-using food and beverage industries. CIUS members purchase and use almost 70% of the European annual consumption of sugar and provide direct employment for over 350,000 people.

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Measures required ensuring sufficient supply of sugar and fair competition on the EU sugar market

European sugar users are highly concerned about current discussions in the single CMO Management Committee on the Commission's proposal to introduce market measures for additional sugar supply.

Member States and the European Commission must ensure that adequate measures are taken in order to avoid shortages and guarantee a sufficient end stock level at the end of this marketing year.

For the last three marketing years, the structural deficit has been remedied by market management measures making more than 1 million tonnes of additional sugar available to the food and drinks industry each year. While end stock levels have finally reached a reasonable level, the competitiveness and price convergence goals of the last reform of the EU sugar regime remain far from achievement. Besides the inherent supply deficit of the current regime, there are several factors this year that could lead to a lower than expected end stock level:

- The CXL import quota has only reached 50% of its capacity. The import quota attributed to Brazil has still not been filled, a volume of around 300 000 T.
- The EPA/EBA preferential imports have always been over-estimated: the application for licenses is not comparable with the actual physical imports entering the market.
- The EU sugar consumption figure could still increase and needs to be regularly updated.

It is vital that market management measures be taken in order to ensure that the improvement in end stock levels is sustained: **end stock levels should not fall below 2.4 million tonnes.**

For instance, CIUS believes that tendering is a transparent market-based measure in the context of production quota and high import tariffs. If there is sufficient sugar on the market, producers and refiners will not bid as there is no market opportunity. But any additional sugar should be made available in equal amounts to each sector, beet or cane, and at zero duty.

Allowing shortage on the market runs contrary to the clear direction of market orientation agreed by Council and European Parliament for the latest CAP reform. Moreover, it would annul all recent efforts of the European Commission to stabilise supply on the EU sugar market.

The competitiveness of the European sugar using Food and Drink sector is at stake.

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