

Brussels, 14 September 2012

## **EU SUGAR USERS ask EP AGRI members to support a fair, balanced and sustainable supply chain for sugar**

CIUS welcomes the high interest from MEPs in the sugar market reform and the debate planned in the European Parliament on 17 September 2012.

CIUS supports the elimination of sugar and isoglucose quotas in 2015 as decided in 2006 and confirmed by the Commission in its proposal. Furthermore, CIUS is favourable towards amendments that offer constructive proposals to improve sugar and isoglucose supply across Europe, both from within the EU and third countries. Removing supply uncertainty and unmanageable price volatility, detrimental to European food manufacturing, must be addressed to create a fair, balanced and sustainable supply chain.

Since early 2010, the European Commission had to stabilise the European sugar market by introducing emergency measures. Those emergency measures clearly demonstrated shortages of supply on the European sugar market and that the current quota system is not sustainable. Reports of sugar users facing supply constraints during the current market year have continued, affecting growth potential and international competitiveness.

CIUS members, with over 350 000 direct employees, rely on high quality European sugar and isoglucose supply. Since the 2006 reform, crop yields have grown significantly and factories have made considerable improvements making European sugar production amongst the most competitive in the world. Sugar users in Europe are confident that the supply chain is sufficiently robust to face more market liberalisation. Furthermore, quota abolition will give European sugar producers and beet farmers the opportunity to capture a larger share of the global export market and benefit from increasing world demand for sugar.

CIUS supports the development for fair contractual relations to ensure that reform does not lead to unintended consequences. However, every year of postponed reform maintains a barrier to European competitiveness and growth that the EU can no longer afford.