

The European Sugar-Using and Refining Industry's Support for the EU–Mercosur Agreement

On behalf of CIUS (the Committee of European Sugar Users) and ESRA (the European Sugar Refiners Association), we are pleased to express our support for the swift ratification and implementation of the EU–Mercosur Free Trade Agreement (FTA). This agreement marks a significant milestone in strengthening trade relations, ensuring a stable and competitive business environment, helping to tackle climate change and addressing long-standing challenges in the EU sugar market.

The EU and Mercosur are long-standing partners. In today's global environment of geopolitical instability, deepening our well-established trade relations is vital to strengthening the resilience of our industries while promoting rules-based trade and upholding shared values. For the sugar sector, this agreement is of strategic relevance: it provides clarity and continuity through a tariff-rate quota mechanism that ensures stability for both European users and refiners, while supporting competitiveness in global agri-food markets.

Claims suggesting that the agreement would allow sugar concessions equivalent to 1.5 million tonnes of white sugar (or 10% of EU consumption) and that it would significantly harm EU producers are incorrect and risk distorting the debate. To clarify:

1. Minimal Impact on the EU Sugar Market:

- The agreement introduces a duty-free tariff rate quota (TRQ) of 180,000 tonnes of raw sugar from Brazil, representing just 1% of the EU's total sugar consumption.
- It comprises the first 180,000 tonnes of a long existing TRQ for 334,054 tonnes, the rest of which remains subject to a €98/tonne tariff.
- Such TRQ's are rarely utilized except during periods of severe shortages. Their high tariff costs undermine the competitiveness of those users who have to resort to them in periods of insufficient supply of European beet sugar.
- The new TRQ alleviates some of these costs without introducing significant additional volumes.

2. Strengthening European industries: the sugar imported under this agreement is raw cane sugar, which must be refined before reaching food and drink producers. This means that the existing supply chain to refine sugar, which provides employment to thousand of workers across Europe, remains intact while addressing shortages(when necessary) and reducing competitive disadvantages.

The EU-Mercosur trade agreement is a step in the right direction. It promotes sustainability while supporting economic growth and diversity of supply sources.

We respectfully urge you to focus on accurate, data-driven insights and to support the strategic role of trade agreements in balancing economic, geopolitical and sustainability goals. Misleading narratives risk overshadowing the agreement's benefits and undermining constructive policymaking.

CIUS and ESRA therefore call on EU decision-makers to seize this opportunity and proceed with ratification of the agreement. For sugar, the EU–Mercosur FTA is not about expansion of imports, but about continuity and stability which are critical to security of supply and competitiveness.

We would also like to call on regulators to ensure that we, as critical actors in the supply chain, are also informed and consulted in the event of any eventual request for safeguard measures. It should **not** be possible to trigger safeguard measures automatically or arbitrarily, but only in the case of proper due process with evidence-based analysis of real need, and consultation with stakeholders throughout the supply chain including with ESRA and CIUS.

Thank you for your attention to this matter. We would also welcome the opportunity to meet with you to discuss these issues in greater detail and address any questions you may have.

Yours sincerely,



CIUS (Committee of European Sugar Users)



ESRA (European Sugar Refiners Association)