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Agriculture and Rural Development

The EU Sugar Regime

CIBE

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Head of Cabinet Mrs Fischer-Boel
Copenhagen, 16-18 June 2009

XLII CONGRESS
16-19 June 2009
COPENHAGEN, Denmark



Restructuring scheme



- Before reform beet sugar was produced in 23 of the 27 present Member States
(No prod. in Lux, EE, CY, MT)
- As from 2008/09 only 18 MS
(PT, LV, SLO, IRL, BG renounced 100%)
- Sharp reduction in 6 MS
(Fin, SK, HU, GR, ITA, ESP)

Quotas from 2009/10

in million tonnes



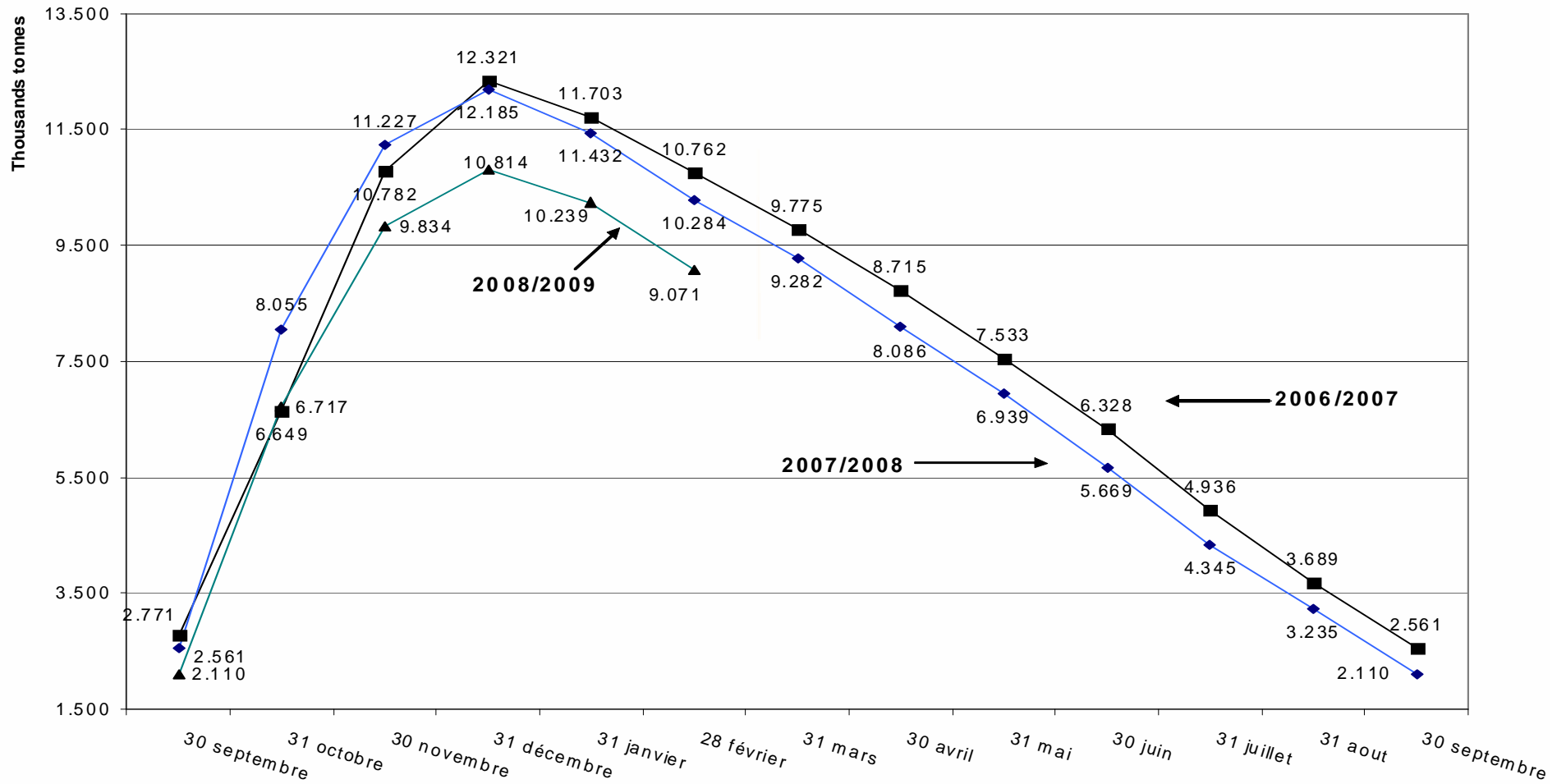
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before reform 2006	18.27	17.4 (sugar) 0.5 (isoglucose) 0.3 (inulin syrup)
+ enlargement Bg & Ro	+ 0.18	
+ additional quotas	+1.35	
- Restructuring	- 5.8	5.2 (sugar) 0.2 (isoglucose) 0.3 (inulyn syrup)
= from 2009/10	= 14.0	13.3 (sugar) 0.7 (isoglucose)

Sugar Stocks (EU27)



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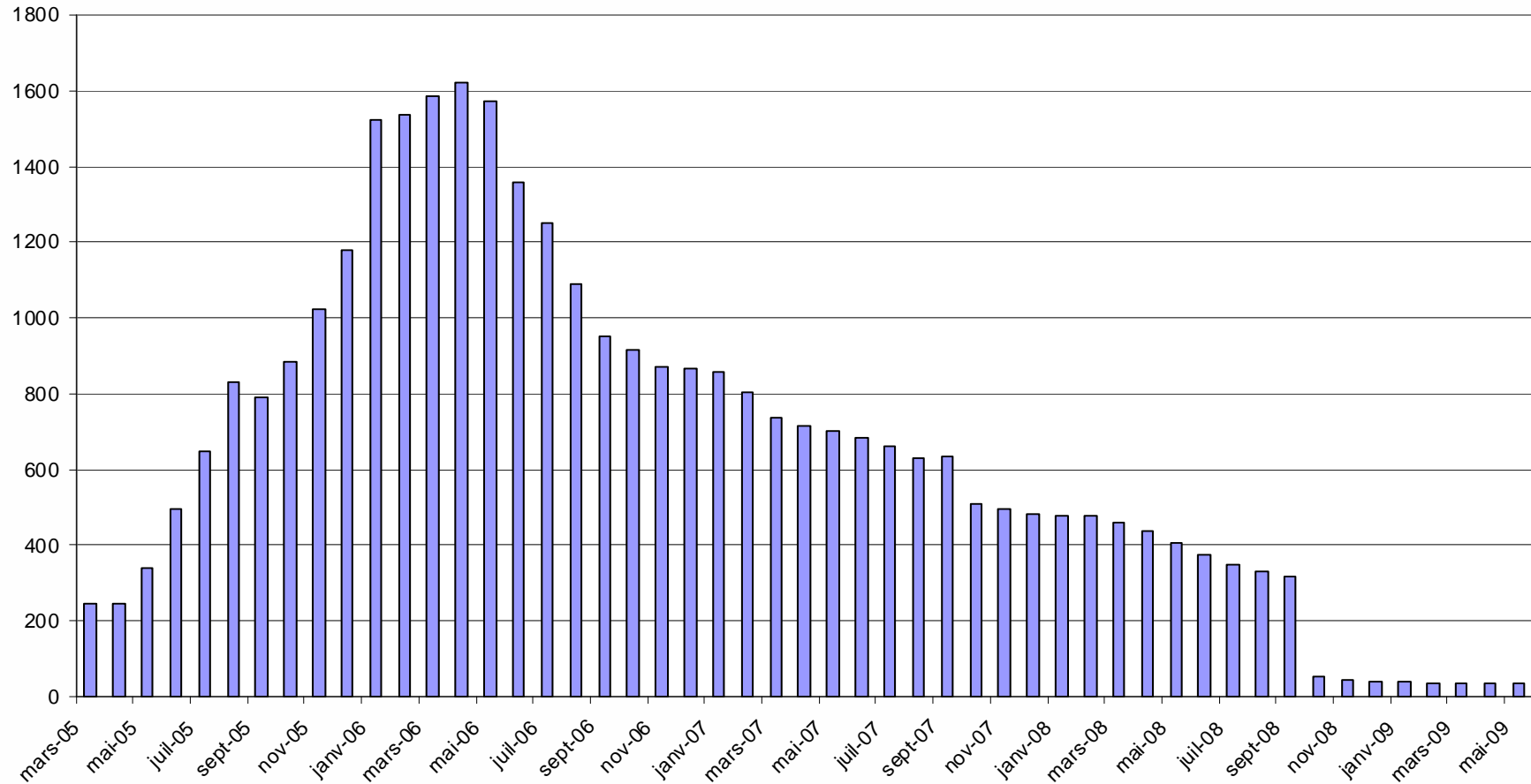
Intervention



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SUGAR : Intervention stocks

in '000 tonnes

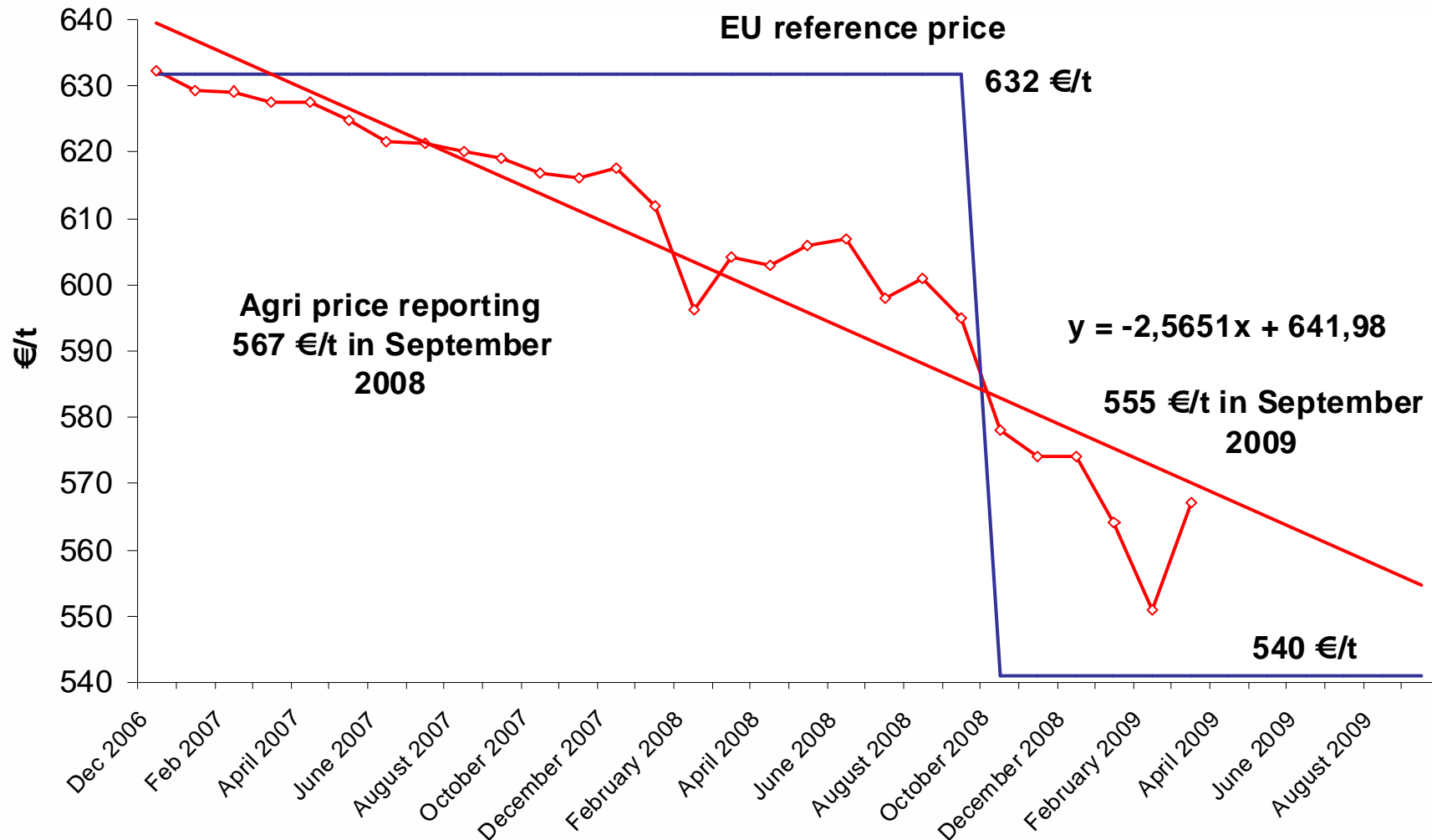


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EU Sugar price



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Eu balance sheets



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Mio tonnes	2006/07 Definitive		2007/08 Definitive		2008/09 Forecast		2009/10 Forecast	
	<i>quota</i>	<i>out-of-quota</i>	<i>quota</i>	<i>out-of-quota</i>	<i>quota</i>	<i>out-of-quota</i>	<i>quota</i>	<i>out-of-quota</i>
1 Beginning stocks <i>1-July</i>	5,9	0,2	2,5	0,5	2,1	0,6	1,8	0,5
2 Production	16,2	2,1	15,2	3,2	13,7	3,0	13,9	3,0
3 Imports	4,0	0,2	3,2		3,3	0,3	3,9	0,2
4 Total available <i>4=1+2+3</i>	26,0	2,3	20,9	3,6	19,1	3,9	19,5	3,7
5 Consumption	20,3	1,3	16,4	2,4	16,5	2,4	16,6	2,7
6 Exports	3,2		2,4		0,8	0,4	0,7	0,4
7 Ending Stocks <i>30-sept</i>	2,6	0,9	2,1	1,3	1,8	1,1	2,2	0,6
8 Total outlets <i>8=5+6+7</i>	26,0	2,3	20,9	3,6	19,1	3,9	19,5	3,7



Imports Industrial sugar

- Limit set by Regulation (EC) No 901/2008
400 000 tonnes
- Situation on 5 June 2009
Licences issued : 173 473 t (~43%)

- WTO limits EU-25
Maximum quantities : 1 374 400 tonnes
Budget expenditure : 513 million €
- Out-of-quota exports
Limit set by Regulation (EC) No 924/2008
650 000 tonnes sucre
50 000 isoglucose
- Out-of-quota exports on 5 June 2009
equals t (Licences issued) of which :
 - Sugar 544 757 t (~85%)
 - Isoglucose 17 328 t (~35%)



Imports (2008/2009)

- ACP/India Protocol (ends on 30/9/2009)
- EBA TRQ (204 735 t)
- EBA 2nd stream (20% import duty until 30/9/2009)
- EPA transitional 2008/09 TRQ (230 000 t)
- CXL (art XXIV(6) BU & RO 550.000tonnes to be included)
- Balkans
- Industrial sugar TRQ (400 000 tonnes)
- Moldova (18 000 tonnes)
- Complementary Quantity
(Mancomm of 11 June 2009; Approx 135 000 t)



ACP Imports: new trade regime in EPAs

- Sugar Protocol until 30/09/2009
- Transition phase 2009/2015: Duty Free Quota Free with automatic safeguard clause on volume (double trigger: 1,6 mio t (in 2011) / 3,5 mio t)
- Full liberalisation with special safeguard after 2015
- Minimum price for ACP exporters 2009-2012
- Discussions ongoing with MS and stakeholders

LDC import forecasts



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source: ISO study Oct 2008

	Production		Exports to the EU	
	2008/09	2014/15	2008/09	2014/15
Bangladesh	161	169	10	11
Benin	9	10	6	11
Burkina Faso	37	39	0	11
Cambodia	18	97	7	69
Chad	32	34	8	11
Congo, Dem Rep of	55	58	14	18
Ethiopia	331	469	19	22
Laos	9	51	6	46
Madagascar	18	23	14	18
Malawi	258	322	51	74
Mozambique	285	488	51	202
Nepal	129	135	11	14
Senegal	87	92	8	9
Sierra Leone	6	11	10	11
Sudan	846	1702	25	538
Tanzania	327	483	23	69
Togo	6	9	6	9
Uganda	179	235	0	0
Zambia	240	405	51	207
LDCs	3035	4831	321	1351

ACP NON-LDC import forecasts



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source: ISO study Oct 2008

	Production		Exports to the EU	
	2008/09	2014/15	2008/09	2014/15
Barbados	32	57	32	52
Belize	101	107	60	64
Congo	51	53	12	14
Cote d'Ivoire	133	140	12	14
Dominican Republic	455	488	28	34
Guyana	244	331	196	271
Fiji	285	322	218	235
Jamaica	147	83	143	83
Kenya	501	527	13	18
Mauritius	474	557	469	552
St Kitts and Nevis	0	0	0	0
Suriname	6	6	0	0
Swaziland	598	667	163	221
Trinidad and Tobago	0	46	51	64
Zimbabwe	363	520	62	202
ACP non LDCs	3391	3904	1457	1824