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BACKING AMERICA'S BEET AND CANE FARMERS

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U.S. Sugar Producers Respond to DOC's Sugar Deal with Mexico

WASHINGTON—The U.S. Department of Commerce (DOC) today announced an agreement in principle meant to bring Mexico's subsidized sugar industry into compliance with America's trade laws. Phillip Hayes, a spokesman for the American Sugar Alliance, released the following statement about today's announced agreement modifications:

Secretary Ross should be commended for the progress he achieved in the negotiations with Mexico.

U.S. sugar farmers and producers are concerned that the agreement in principle contains a major loophole in the section dealing with additional U.S. needs. Mexico could exploit this loophole to continue to dump subsidized sugar into the U.S. market and short U.S. refineries of raw sugar inputs. This loophole takes away the existing power of the U.S. government to determine the type and polarity of any additional sugar that needs to be imported and cedes that power to the Mexican government.

We will work with Secretary Ross in the coming days to see if that loophole can be effectively closed so that the basic provisions of the agreement are not undermined and USDA can effectively manage the sugar program.

It is important to note that the U.S. sugar industry has made substantial compromises throughout the negotiations. That includes giving Mexico 100 percent of additional U.S. needs on the condition that the U.S. government retains its authority to regulate additional imports into the U.S. market.

Mexico's unfair trade practices have already cost U.S. sugar farmers and producers more than \$4 billion in losses and are jeopardizing the 142,000 jobs in 22 states.