

INTERNATIONAL SUGAR TRADE COALITION, INC.

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September 22, 2020

Ambassador Gregory Doud
Chief Agricultural Negotiator
Office of the U.S. Trade Representative
600 Seventeenth Street, N.W.
Washington, D.C. 20508

Dear Ambassador Doud:

We are writing to express the very serious concerns of our members regarding the recently-announced allocation of the 90,718 metric ton (MT) increase in the U.S. tariff rate quota (TRQ) on raw sugar only to Australia and Brazil. 85 Fed.Reg. 59586 (September 22, 2020). Our members are sugar industries in developing countries in Africa, Asia, the Caribbean, Central America and South America that hold allocations under the U.S. tariff rate quota (TRQ) on raw sugar.

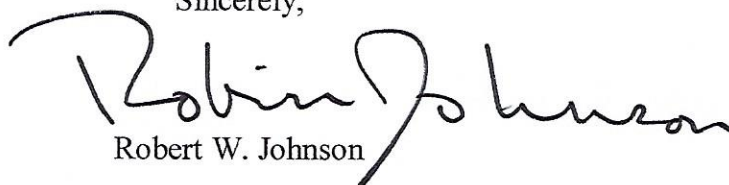
Access to the U.S. sugar market is governed by WTO rules, with which the United States has heretofore complied. GATT Article XIII, which is titled "Non-discriminatory Administration of Quantitative Restrictions," requires that access under TRQs must be provided on a nondiscriminatory basis. Until now, it has been the consistent practice of the United States to allocate any quota increase among the quota holders able to supply additional sugar on a *pro rata* basis.

Several of our members advise that they have additional sugar available and would have shipped if they had been assigned allocations under the TRQ increase. But as best we have been able to determine, the Administration did not even poll the quota holders to determine whether they would be able to supply additional sugar under the TRQ increase.

The announcement by the Office of the U.S. Trade Representative that the 90,718 MT TRQ increase will be allocated only to Australia and Brazil, represents a dramatic departure from consistent past practice. It is also a clear violation of the obligations of the United States under GATT Article XIII.

For these reasons, we respectfully urge the Administration to reconsider this decision and, consistent with the requirements of GATT Article XIII, allocate the 90,718 MT TRQ increase *pro rata* among all quota holders able to supply additional sugar.

Sincerely,



Robert W. Johnson

cc: USDA Under Secretary Ted McKinney