

INTERNATIONAL SUGAR TRADE COALITION, INC.

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March 4, 2016

The Honorable Alexis Taylor
Under Secretary for Farm and Foreign Agricultural Services
U.S. Department of Agriculture
1400 Independence Avenue, S.W.
Washington, D.C. 20250

Dear Ms. Taylor:

The International Sugar Trade Coalition (ISTC) represents sugar industries in developing countries from Africa, Asia, the Caribbean, Central and South America, and the Pacific that are traditional suppliers of sugar to the U.S. market under the raw sugar tariff rate quota (TRQ). Members of ISTC supply roughly half of the raw cane sugar imported into the United States under the quota.

We are writing in support of the request of the American Sugar Alliance (ASA) for an increase in the TRQ. Our members' access to the U.S. market is being harmed in two ways by the increase in imports from Mexico. First, although now controlled by the suspension agreements (SA) in the antidumping and countervailing duty cases, the dramatic increase in imports from Mexico over the past few years has *de facto* reduced TRQ imports to the bound minimum level in all but exceptional circumstances. Second, Mexico is now disregarding the raw-refined split under the SA, which is depriving the U.S. refineries of throughput. The refineries are our customers. If they are driven out of business by Mexico, we lose our access to the U.S. market.

The Farm Bill requires that deficits in marketing allotments to U.S. beet and cane sugar producers be reassigned in the first place to "imports of raw cane sugar," not to refined sugar from Mexico. Given Mexico's clear intention to supply primarily refined and direct consumption sugar, the only way to increase imports of raw cane sugar is via a TRQ increase before the March WASDE report is issued.

The quota holders are reliable suppliers of raw cane sugar, well known in the trade, with established relationships with their American customers. The quota holders welcome an opportunity to supply any additional U.S. needs. We would be pleased to supply any additional information you might find useful in considering this request.

Sincerely,

A handwritten signature in black ink, appearing to read "Paul Ryberg". The signature is fluid and cursive, with the first name "Paul" and the last name "Ryberg" clearly distinguishable.

Paul Ryberg
President

cc: Acting Deputy Secretary Michael Scuse
Ambassador Darci Vetter
Ms. Sharon Bomer Lauritsen