INTERNATIONAL SUGAR TRADE COALITION, INC.

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September 11, 2026

Hon. Stephen A. Vaden
Deputy Secretary
U.S. Department of Agriculture
1400 Independence Avenue, S.W.
Washington, D.C. 20250

Re: Raw Sugar Tariff Rate Quota Shortfall Reallocation

Dear Deputy Secretary Vaden:

The September edition of the World Agricultural Supply and Demand Estimates (WASDE) report, which was published on September 11, 2026, predicts that U.S. domestic production of beet and cane sugar in 2026-27 will be 8.839 million short tons (ST). This represents a drop of 426,000 ST from 2025-26 and 558,000 lower than 2024-25 due to drought and insect issues. Unless USDA takes prompt action to increase sugar imports from the traditional suppliers under the raw sugar tariff rate quota (TRQ), this gap in sugar supplies will be filled by unregulated second-tier or over-quota imports. During your remarks at the American Sugar Alliance International Sweetener Symposium in Vail, Colorado on August 3, 2026, you identified such over-quota imports as one of the most serious threats that are undermining USDA's ability to manage the U.S. sugar program.

USDA can discourage surging second-tier imports by promptly implementing reallocation of the shortfall under the raw sugar TRQ. Announcing TRQ shortfall reallocation before the 2026-27 TRQ takes effect on October 1, 2026, will comply with the requirements of the 2025 Farm Bill that were enacted as part of the One Big Beautiful Bill, which provide in relevant part:

> (c) Reallocation.—
> (1) Initial reallocation.—Subject to paragraph (3), following the establishment of the tariff-rate quotas under subsection (a) for a quota year, the Secretary shall
> (A) determine which countries do not intend to fulfill their allocation for the quota year; and
> (B) reallocate any forecasted shortfall in the fulfillment of the tariff-rate quotas as soon as practicable.

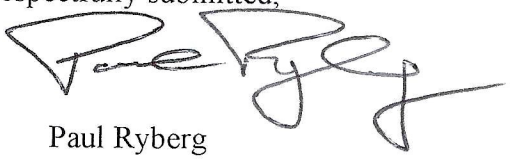
39 Stat. 97-98, 7 U.S.C. 1359kk.

The International Sugar Trade Coalition (ISTC) is an association of sugar industries in countries that hold allocations under the U.S. raw sugar TRQ. ISTC's members come from Africa, Asia, the Caribbean, Central and South Africa and the Pacific, and represent about half of the TRQ: Barbados, Belize, the Dominican Republic, Eswatini, Fiji, Guyana, Jamaica, Malawi, Mauritius, Panama, the Philippines, and Zimbabwe.

Implementation of TRQ shortfall reallocation before October 1, 2026, will enable the quota holders to include such additional volumes in their shipments throughout the course of the quota year. By contrast, it becomes very difficult as a practical matter to arrange shipment of shortfall reallocation made later in the quota year. By implementing TRQ shortfall reallocation now, USDA can add nearly 100,000 ST of sugar supplies for U.S. consumers, which will keep the U.S. sugar market within USDA's supply-demand equilibrium target range, while maintaining USDA's control over the sugar program and discouraging unregulated over-quota imports.

We appreciate your consideration of our views on this important issue. Please let us know if we can provide additional information or otherwise be of assistance.

Respectfully submitted,



Paul Ryberg
President

cc: Hon. Luke J. Lindberg
Hon. Richard Fordyce
Mr. Jason Hafemeister
Mr. Dylan Daniels