Response to EU Proposals

a) It is not an inevitable conclusion of 2005 Reform . Renewals have long been a feature of EU regimes
b) Increased volatility is not compatible with EU objective of stable markets(enshrined in Treaty of Rome and repeated in Lisbon)
c) Sugar is different to other crops in its linked development and trade dimensions.
d) Although sugar often compared with milk it is completely different. Milk quotas are definitely production limiting . Sugar quotas are and always have been since 1968 a market management tool to determine how much enters the food market.(eg until 2005 Reform A&B quotas
e) The EU should heed the lessons since 2005 and not increase instability by premature and unnecessary removal of a critical tool to overcome market disruptions arising from unplanned upward or downward supply variations.(yield or weather or politics)
f) Commission proposal poses high risk to progress made since the 2005 Reform and contradicts thrust of Council statement in 2010/11 that quotas would be ended at some time in the future and in a non disruptive fashion .It is clearly not a fixed timeline

Common Objective of Beet and Cane suppliers

a) Stable and predictable market environment
b) Reasonably remunerative price as basis for further investment in long term efficiency.
c) Time required to complete changes begun since 2005 to prepare for long term competition in more liberalised international markets
d) An extension of only 3 years is not sufficient for cane industries .2020 is minimum period needed to recover long term investments which already delayed by international financial crisis and slow AMS disbursement

.Complementary Issues for EPA EBA

a) DFQF Access was welcome initiative but without market value is not worth having
b) Volatility is a certain outcome of beet quota removal and is enemy of investment
c) Cane Monoculture based on a perennial grass requires 7/10 year payback
d) Slow and late delivery of AMS frustrating efficiency drive(Programme 2007/13-to Jan 40% paid –small countries less than 18%) Completion of this programme is central to ACP/LDC plans to compete in more liberal markets
e) Diversification drive must be based on viable sugar enterprises–NB *“added “* value of ethanol and power
f) Must pay high marine freight to Europe
g) No de coupled payments :thus absolute market price value is crucial
h) CAP Reform extends beyond purely domestic issues. For ACP/LDC theAg/Trade and Devt policies are closely interlinked and Policy Coherence for Devt (key Lisbon commitment) must be honoured.

i) EPA’s based on commodities and remunerative access to replace loss of SP guaranteed price and purchase
j) EBA’s sugar was “jewel in crown “
k) EU has failed to honour commitments in EPA’s for prior consultation on matters affecting trade preferences. Current CAP policy shift has large consequences for Trade, Forex earning, purchasing power for imported foods ,employment and general fabric of rural societies of all EPA EBA suppliers