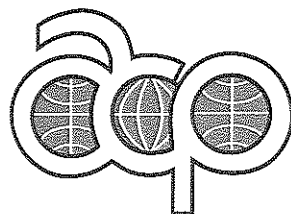


Groupe des Etats d'Afrique
des Caraïbes et du Pacifique
(Groupe ACP)



African, Caribbean and
Pacific Group of States
(ACP Group)

Avenue Georges Henri 451
1200 Bruxelles

Téléphone : +32-2-743 06 00
Fax : +32-2-735 55 73 - +32-2-732 94 70
E-mail : info@acp.int
Website : www.acp.int

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Brussels, 15th February 2013

Mr. Dacian Cioloș
Commissioner for Agriculture and Rural Development
Member of the European Commission
1049 Brussels
Belgium

Dear Commissioner,

In view of the current state of discussions on a future EU Sugar Regime, on behalf of the ACP and LDC sugar suppliers to the EU, I wish to once again reiterate the exact position and desires of ACP countries and LDCs whose sugar industries enjoy preferential access to the EU market under the Cotonou Agreement, Economic Partnership Agreements (EPAs) and Everything But Arms (EBA) initiative.

The ACP and LDCs firmly believe that the EU sugar quota system is a key factor upholding the value of agreed preferences. The quota allows for a managed market which, in turn, provides the required predictable financial conditions to continue with current restructuring plans and upon which our sugar industries can prepare for future challenges. This, they are doing with the welcome impetus of the EU's Accompanying Measures of Support currently being implemented. The extension of the quota system to at least 2020 is accordingly, absolutely necessary to allow our reform plans to succeed fully.

We are concerned by potential oversupply and the consequent adverse implications for the managed market. We therefore oppose the creation of a guaranteed quantum of imports alongside the domestic quota. Market imbalances which may appear, should be addressed on the one hand, by temporary withdrawal of quota production and, on the other, by temporary additional imports or by temporary releases of out-of-quota domestic sugar. Further, additional supplies must always be subject to duties or levies which preserve the value of preferences negotiated with ACP countries and LDCs.

As long-standing suppliers of sugar to the EU, however, we support a multiple choice of sustainable trading partners including, notably, traditional refiners and thus would support an equitable access by the latter to temporary additional sugar as and when market conditions so require.

We submit that beyond the specific rationale of the next EU Sugar Regime, the need for coherence between EU trade, development and agriculture policies, notably with respect to free trade agreements is absolutely imperative. These may contain tariff rate quotas likely to bring about market disturbance and erosion of our preferences. The need for prior consultation on such trade initiatives is a key component of both the ACP-EU Cotonou Partnership Agreement and the EPAs.


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We stand ready and would welcome an opportunity to meet with you and justify our views in more detail.

Please accept, Dear Commissioner, the assurances of my highest consideration.


P.I. Gomes
Ambassador of Guyana
Chairman ACP Subcommittee on Sugar

