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Report Highlights:

Estimates for EU sugar production in the 2004/05 campaign are revised upwards by 2 MMT to 21.3 MMT from 19.4 MMT (EU beet sugar, raw equivalent), exports and stocks (notably including EU intervention purchases) are both revised upwards. This is due to very favorable conditions during Fall 2004 encouraging higher sugar yields. Preliminary estimates of 2005/06 EU-25 sugar production are 20.445 MMT, with 16.927 MMT in the EU-15 and 3.518 MMT in the 10 New Member States (NMS).

Includes PSD Changes: No
Includes Trade Matrix: No
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Note

All figures are given in raw sugar equivalents unless otherwise mentioned.

This report provides a PSD data and information for the EU-25 for marketing year (MY) 2004/05. Unofficial estimates for the New Member States 10 (NMS) and EU-25 are provided for Marketing Years (MY) 02/03 to 03/04 for informational purposes. However, intra-EU-25 trade has not been netted out of the trade estimates (trade between, for example, Germany and Poland which would disappear from EU-25 extra-EU trade estimates) and the footnotes to the EU-25 PSDs should be referred to.

Following EU enlargement on May 1, 2004, FAS has switched to reporting an EU-25 number, however USEU Brussels will continue in the meanwhile to provide EU-15, NMS-10 and EU-25 balances for comparison purposes.

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Executive Summary

Estimates for EU sugar production in the 2004/05 campaign are revised upwards by 2 MMT to 21.3 MMT from 19.4 MMT (EU beet sugar, raw equivalent). This is due to very favorable conditions during Fall 2004 encouraging higher sugar yields, with earlier estimates of 8.97 MT/hectare across the EU-25 revised up to 9.93 MT/ha. post harvest.

This increased availability leads to higher estimated exports and ending stocks. Over quota production (known as 'C sugar') has to be exported by the end of the calendar year following the marketing year it was produced. In addition, Marketing Year (MY) 04/05 has seen the first offering of sugar into intervention for nearly twenty years. Just under 250,000 MT of sugar has already been accepted into intervention so far during MY 04/05. This is reportedly due to surplus availability of sugar (which also helped to depress domestic prices) coupled with apparent decreased consumption in the New Member States as well as EU export refunds being lower than expected by the trade. It is expected that the Commission will eventually export the sugar with export refunds (and reduce future quota allocations accordingly).

Preliminary estimates of 2005/06 EU-25 sugar production are 20.445 MMT, with 16.927 MMT in the EU-15 and 3.518 MMT in the 10 New Member States (NMS). PSD estimates are based on solid export performance from the EU, with exports of 5.3 MMT to the rest of the world and a reduction in ending stocks by the end of 2005/06 from the high level at the end of 2004/05. It is also assumed that there will be no disruption from either the anticipated end of the current sugar reform in June 2006, nor from the WTO Panel.

With the current sugar regime ending in June 2006, formal reform proposals are expected by July of this year. These are likely to involve price cuts of around one third, coupled with quota cuts partially compensated by direct payments to beet farmers. Areas of controversy include quota transfer between different Member States, though the Commission maybe preparing to water down, or perhaps sweeten, this point of the reform.

Results are expected at the end of April from the EU's appeal against a WTO Panel ruling that aspects of its sugar export regime were not compatible with WTO rules. The original ruling in September 2004 set out that the EU was exporting sugar considerably beyond its WTO limitations. A likely timeframe for compliance is difficult to establish at the moment.

PSD Table – EU-15: 2003/04

| EU-15 | | |
|------------------------|---------------------|---------------------|
| Sugar, Centrifugal | | |
| | 03/04 Revised | |
| | USDA Official [Old] | Post Estimate [New] |
| Market Year Begin | 7/2003 | |
| Beginning Stocks | 3581 | 3864 |
| Beet Sugar Production | 16856 | 16211 |
| Cane Sugar Production | 276 | 295 |
| TOTAL Sugar Production | 17132 | 16506 |
| Raw Imports | 1750 | 1742 |
| Refined Imp(Raw Val) | 150 | 250 |
| TOTAL Imports | 1900 | 1992 |
| TOTAL SUPPLY | 22613 | 22362 |
| Raw Exports | 5 | 15 |
| Refined Exp.(Raw Val) | 4895 | 4700 |
| TOTAL EXPORTS | 4900 | 4715 |
| Human Dom. Consumption | 14247 | 14380 |
| Other Disappearance | 11 | 11 |
| Total Disappearance | 14358 | 14391 |
| Ending Stocks | 3355 | 3256 |
| TOTAL DISTRIBUTION | 22613 | 22362 |

Figures in 1,000 MT of raw sugar equivalent

From 2004/05, sugar PSDs are reported for the EU-25 following the enlargement of the European Union in May 2004.

Notes: When converting from white to raw sugar, a conversion factor of 1.087 is used. Sugar produced in French Overseas Departments are included in production data and excluded from trade data. Sugar-containing products are excluded from trade data. Therefore, domestic consumption includes an additional 0.354 MMT to account for net trade in sugar-containing products (0.25 MMT is used for MY 03/04).

Please see Annex One for unofficial FAS/USEU Centrifugal Sugar and Sugar Beet PSD estimates for the New Member States-10 and EU-25 for 03/04, 04/05 and 05/06.

PSD Table – EU-25: 2004/05 – 2005/06

| EU-25 | | | | | | |
|------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Sugar, Centrifugal | | | (1000 MT) | | | |
| | 03/04 Revised | | 04/05 Estimate | | 05/06 Forecast | |
| | USDA Official [Old] | Post Estimate [New] | USDA Official [Old] | Post Estimate [New] | USDA Official [Old] | Post Estimate [New] |
| Market Year Begin | | | 7/2004 | | 7/2005 | |
| Beginning Stocks | | | 4699 | 4699 | 0 | 5339 |
| Beet Sugar Production | | | 19396 | 21311 | 0 | 20157 |
| Cane Sugar Production | | | 288 | 300 | 0 | 288 |
| TOTAL Sugar Production | | | 19684 | 21611 | 0 | 20445 |
| Raw Imports | | | 1820 | 1757 | 0 | 1757 |
| Refined Imp(Raw Val) | | | 550 | 500 | 0 | 500 |
| TOTAL Imports | | | 2370 | 2257 | 0 | 2257 |
| TOTAL SUPPLY | | | 26753 | 28567 | 0 | 28041 |
| Raw Exports | | | 3 | 3 | 0 | 3 |
| Refined Exp.(Raw Val) | | | 4371 | 5500 | 0 | 5360 |
| TOTAL EXPORTS | | | 4374 | 5503 | 0 | 5363 |
| Human Dom. Consumption | | | 17635 | 17701 | 0 | 17765 |
| Other Disappearance | | | 27 | 24 | 0 | 24 |
| Total Disappearance | | | 17662 | 17725 | 0 | 17789 |
| Ending Stocks | | | 4717 | 5339 | 0 | 4889 |
| TOTAL DISTRIBUTION | | | 26753 | 28567 | 0 | 28041 |

Note: For both MYs 04/05 and 05/06, domestic consumption includes an additional 0.370 MMT to account for net trade in sugar-containing products

EU-25 Production

Preliminary estimates of 2005/06 EU-25 sugar production are 20.445 MMT, with 16.927 MMT in the EU-15 and 3.518 MMT in the 10 New Member States (NMS).

Estimates of sugar production (beet, cane and sugar from molasses) in the EU-25 for MY 04/05 are revised upwards from 19.684 MMT (18.108 MMT in white sugar equivalent) to 21.611 MMT. This is due to optimal conditions during the fall of 2004 which lead to much higher sugar yields – 9.93 MT/hectare in the EU-25 for 2004/05, compared to 8.97 MT/ha. estimated back in September 2004.

Sugar (beet, cane and molasses) Production in the EU (in 1,000 MT raw value)

| | 2003/04 | 2004/05 | 2005/06 |
|----------------------|----------------|----------------|----------------|
| Austria | 420 | 527 | 515 |
| Belgium | 1118 | 1077 | 1028 |
| Denmark | 535 | 512 | 522 |
| Finland | 148 | 161 | 158 |
| France - beet | 4601 | 4908 | 4653 |
| Germany | 4079 | 4700 | 4227 |
| Greece | 223 | 284 | 251 |
| Ireland | 243 | 232 | 236 |
| Italy | 978 | 1258 | 1174 |
| Netherlands | 1166 | 1127 | 1076 |
| Portugal | 65 | 77 | 78 |
| Spain - beet | 994 | 1177 | 1125 |
| Sweden | 452 | 407 | 417 |
| UK | 1484 | 1511 | 1467 |
| Total EU- 15 | 16506 | 17957 | 16927 |
| | 03/04 | 04/05 | 05/06 |
| Czech R. | 554 | 602 | 529 |
| Estonia | 0 | 0 | 0 |
| Cyprus | 0 | 0 | 0 |
| Latvia | 72 | 75 | 75 |
| Lithuania | 119 | 147 | 136 |
| Hungary | 274 | 532 | 510 |
| Malta | 0 | 0 | 0 |
| Poland | 2011 | 2000 | 2000 |
| Slovenia | 22 | 41 | 39 |
| Slovak R. | 192 | 257 | 228 |
| Total NMS- 10 | 3244 | 3654 | 3518 |
| Total EU-25 | 19750 | 21611 | 20445 |

EU Sugar from beet, crop area and yields

| | Area (1000's hectares) | | | Yield (MT raw beet sugar/hectare) | | |
|---------------------|----------------------------------|----------------|----------------|---|----------------|----------------|
| | 2003/04 | 2004/05 | 2005/06 | 2003/04 | 2004/05 | 2005/06 |
| Austria | 43 | 45 | 45 | 9.2 | 11.1 | 10.9 |
| Belgium | 92 | 91 | 86 | 12.0 | 11.8 | 12.0 |
| Denmark | 50 | 48 | 48 | 10.8 | 10.7 | 10.9 |
| Finland | 30 | 31 | 29 | 5.0 | 5.2 | 5.4 |
| France | 367 | 347 | 335 | 11.8 | 13.3 | 13.0 |
| Germany | 445 | 438 | 430 | 9.2 | 10.7 | 9.8 |
| Greece | 41 | 33 | 33 | 5.4 | 8.6 | 7.6 |
| Ireland | 31 | 31 | 31 | 7.8 | 7.5 | 7.6 |
| Italy | 215 | 180 | 180 | 4.6 | 7.0 | 6.5 |
| Netherlands | 106 | 99 | 99 | 11.1 | 11.4 | 10.9 |
| Portugal | 7 | 8 | 8 | 8.7 | 9.6 | 9.8 |
| Spain | 100 | 110 | 103 | 9.9 | 10.7 | 10.9 |
| Sweden | 50 | 48 | 48 | 9.0 | 8.5 | 8.7 |
| U.K. | 140 | 136 | 135 | 10.6 | 11.1 | 10.9 |
| Total EU-15 | 1717 | 1645 | 1610 | 9.4 | 10.7 | 10.3 |
| | 2003/04 | 2004/05 | 2005/06 | 2003/04 | 2004/05 | 2005/06 |
| Czech R. | 76 | 70 | 70 | 7.3 | 8.7 | 7.6 |
| Latvia | 14 | 14 | 14 | 5.1 | 5.4 | 5.4 |
| Lithuania | 26 | 25 | 25 | 4.6 | 5.9 | 5.4 |
| Hungary | 49 | 67 | 67 | 5.6 | 7.9 | 7.6 |
| Poland | 286 | 298 | 298 | 7.0 | 7.3 | 7.1 |
| Slovenia | 5 | 6 | 6 | 4.4 | 6.8 | 6.5 |
| Slovak R. | 32 | 35 | 35 | 6.0 | 7.3 | 6.5 |
| Total NMS-10 | 488.3 | 515 | 515 | 6.8 | 7.4 | 7.0 |
| Total EU-25 | 2205 | 2160 | 2125 | 8.8 | 9.9 | 9.5 |

Note: Area does not include sugar beet grown for other purposes than for sugar, for example, alcohol, but this production is included in the Sugar Beet PSD.

New Member States Production

| 000's MT | NMS-10 | | |
|------------------------|--------|-------|-------|
| | 03/04 | 04/05 | 05/06 |
| Beginning Stocks | 1501 | 1443 | 1414 |
| Beet Sugar Production | 3305 | 3654 | 3518 |
| Cane Sugar Production | 0 | 0 | 0 |
| TOTAL Sugar Production | 3305 | 3654 | 3518 |
| Raw Imports | 82 | 7 | 7 |
| Refined Imp. (Raw Val) | 600 | 250 | 250 |
| TOTAL Imports | 682 | 257 | 257 |
| TOTAL SUPPLY | 5488 | 5354 | 5189 |
| Raw Exports | 19 | 0 | 0 |
| Refined Exp. (Raw Val) | 460 | 725 | 660 |
| TOTAL EXPORTS | 479 | 725 | 660 |
| Human Dom. Consumption | 3550 | 3200 | 3264 |
| Other Disappearance | 16 | 15 | 16 |
| Total Disappearance | 3566 | 3215 | 3280 |
| Ending Stocks | 1443 | 1414 | 1249 |
| TOTAL DISTRIBUTION | 5488 | 5354 | 5189 |

Source: FAS/USEU and FAS/NMS Posts estimates.

Note: NMS trade includes trade between different acceding EU countries.

Consumption

No significant changes to consumption are forecast for MY 2005/06, with EU-25 sugar consumption estimated at 17.77 MMT for MY 05/06, virtually unchanged from 17.70 MMT in MY 04/05. These numbers hide two offsetting effects from MY 03/04 to MY 04/05 – firstly, the EU's net export of sugar containing products, included in total domestic consumption is assumed to have risen from 250,000 MT of raw sugar in 2003/04 to 370,000 MT in 2004/05. Secondly, there appears to be a decline in consumption on the 10 New Member States, falling from 3.550 MT in 03/04 to 3.215 MMT on 04/05. This drop is probably more due to a decline in sugar purchases as consumers use up stocks of sugar they purchased prior to EU accession. It is assumed that this lower level of consumption will continue into MY 05/06.

Stocks

While EU sugar policy has a system for producers to sell their in-quota output to the EU at a guaranteed minimum price – so called intervention purchases – until recently, it has hardly ever been used since the EU sugar regime was set up in the late 1960's. The last intervention purchase dated back to 1986.

However, in early 2005, the first quantities of EU sugar have been accepted into intervention. In early April, 250,000 MT of sugar has been offered into intervention across the EU. This figure could rise further during the remaining couple of months to June, the end of the 04/05 marketing year, with trade estimates of a stock overhang of between 500,000 MT and 800,000 MT.

Intervention is reportedly being driven by a combination of a higher than expected output in MY 04/05, apparently lower consumption in the New Member States, as well as the restart of preferential imports from the former Yugoslavia. In addition, trade sources have highlighted that the level of export subsidies being paid out this year is lower than what they would have otherwise expected, meaning that profits would be higher by putting sugar into intervention.

It is not clear how the Commission will respond, given that they now find themselves in the unusual position of controlling a substantial quantity of sugar. It is likely that the sugar will eventually be exported with subsidies, using the first part of the export subsidy allocations that would normally have gone to quota sugar. This would lead to reduced quota being available in the next sugar campaign, known as declassification. With the expectation of lower quotas in 2005/06 due to the intervention stocks, it would be logical for there to be reduced beet plantings. However, intervention may have occurred too late into the planting season, with farmers having already made their area allocation decisions, to have much practical impact on area sown to sugar beets in the forthcoming campaign.

EU Sugar Intervention to April 2005

| MT | | Total | France | Belgium | Slovenia | Sweden |
|----|-----------------|---------|---------|---------|----------|--------|
| | Volume Rejected | 51,000 | 3,000 | 38,000 | 10,000 | 0 |
| | Volume Accepted | 247,348 | 136,340 | 52,000 | | 59,038 |

Source: [DG Agriculture](#), European Commission. Amounts are for white sugar except the Swedish quantity which is raw sugar.

New Member States 'excessive stocks'

In the run up to EU accession on May 1 2004, the EU passed a series of legislation designed to prevent traders in the New Member States stocking up on commodities with high prices in the EU. These so-called 'surplus stocks' would then eventually be taxed at the level of the EU import tariff (circa EUR 500/MT), if they had not been exported, converted (for example into biofuel) or destroyed within a year of EU enlargement. The Commission has assessed that in five NMS – Estonia, Cyprus, Latvia, Slovakia and Malta – there have been 'excessive' stocks amounting to some 180,000 MT, of which around half this volume is in Estonia. There has been considerable political discussion over these fines, the Estonian fine was reported initially to be over 2% of Estonian GDP. The Estonian government had countered that the large volume of sugar was needed by Estonians who are keen jam-makers! The Commission has not yet finalized what action it will take, though the Commission could impose fines of up to EUR 90 million on the five countries. It has however pushed back the deadline for elimination of these stocks from April 2005 to November 2005.

Trade

The European Commission have introduced Tariff Rate Quotas (TRQs) for sugar exports from Serbia and Montenegro (180,000 MT), Bosnia and Herzegovina (12,000 MT) and Albania (1,000 MT)¹. This follows the 2003 suspension of preferential imports from Serbia due to fraud concerns. It had been expected that the Commission would only grant a 150,000 MT TRQ to Serbia.

¹ Council Regulation 374/2005 of February 28 2005, published in Official Journal L59/2005.

Policy

Reform of the Sugar Regime

In November, Mariann Fisher Boel replaced Franz Fischler as the European Agriculture Commissioner. She has continued to push strongly for reform of the sugar regime along the same lines as the Fischler's reform proposals in July 2004. This would involve price cuts of around one third and quota cuts (2.8 MMT) partially compensated by direct income transfers. In addition, sugar quotas could be transferred from one Member State to another. However, this idea has caused considerable controversy as it would likely lead to the end of sugar beet growing and sugar production in the least competitive Member States. Fisher Boel has recently stated that the Commission would review this proposal, so the quota transfer proposals may get watered down or changed in some form, possibly leaving some degree of control over quota transfers in the hands of Member State interests, maybe backed with compensation funds. Other changes to the reform proposals that the Commissioner has flagged are a delay in the start of the reform to the beginning of the 2006/07 marketing year, as well as dropping the requirement for a review of the sugar reform in 2008. This 2008 review could have led to a deepening of the sugar reform.

The October 2004 GAIN Report E34087, [EU Sugar Semi-Annual](#), provides an overview of the key points of the Commission's [proposals](#) to reform the EU sugar regime. Further information on the sugar reform proposals as well as links to the Commission background documents can be found on the sugar pages of the FAS/USEU website: <http://www.useu.be/AGRI/sugar.html>

The Commission currently aims to complete Council approval of sugar reform by the November 2005 EU Agriculture Council. This is partly in order to try to prevent the issue of EU sugar policy dominating the forthcoming WTO Ministerial Meeting in Hong Kong in December. However, November is considered as an ambitious (i.e. optimistic) timetable by some commentators.

Formal reform proposals are currently expected 'before the summer', likely to mean June or July 2005. However, the Commission will not be in a position to finalize its proposals until the results of the EU's appeal against the WTO Panel on EU Sugar Export Subsidies are published at the end of April.

It should also be noted that there is still considerable opposition to the Commission's current reform proposals, from many beet farmers and sugar processors, as well as 10 Member State governments who wrote to the Commission in November, 2004, opposing reform proposals².

WTO Panel on EU sugar export subsidies

Final results from the appeal by the EU against the findings of the Appellate Body are due to be published on April 28th 2005.

In September 2004, a [WTO Panel](#) requested by Brazil, Australia and Thailand concerning EU export subsidies for sugar found against the EU³. The Panel focused on two issues – ACP/India re-exports and C sugar (over quota production that must be exported). The WTO

² The ten countries were Italy, Spain, Greece, Ireland, Latvia, Portugal, Finland, Hungary, Lithuania and Slovenia.

³ http://www.wto.org/english/tratop_e/dispu_e/265r_e.pdf

Panel found that the 1.6 MMT of ACP sugar that the EU imports per year and exports a corresponding level with subsidies should be counted against its export subsidy commitments. On C sugar, the Panel found that this benefits from a cross subsidization from A and B quota sugar, so that it is effectively a form of export subsidy.

In January 2005, the EU appealed the WTO Panel's decision, reportedly challenging broadly nearly all of the Panel's findings. Brazil is also reported to have cross-appealed. The appeal results are expected at the end of April 2005.

Danish Minister of Agriculture Criticizes beet farmers double subsidies

The Danish Minister of Agriculture, Hans Christian Schmidt, has been vocal in criticizing windfall subsidy payments due to Danish beet farmers. On January 1, 2005, new direct payments were introduced under the CAP reform of 2003 (see GAIN Report E34044, 'Deconstructing Decoupling' for more details). Denmark opted to pay its farmers under a regional model whereby each hectare would be eligible for a payment. This new system includes Danish sugar beet farmers, who as well as continuing to receive the benefits of the EU sugar regime, will also now in addition receive a reported 113 million Danish Kroner per year (USD 20 m), according to Schmidt.

EU Action Plan for ACP Sugar Protocol Countries

In February 2005, the European Commission published an Action Plan to provide assistance to the ACP Sugar Protocol countries⁴ who will be negatively impacted by the EU sugar reform. Currently, the ACP countries are granted EU import quotas for up to 1.6 MMT of raw sugar annually at a guaranteed minimum price of over EUR 500 (USD 650). Post reform, this price is likely to drop by over a third to EUR 329/MT (USD 430). The Guyanese President, Bharrat Jagdeo, who is responsible for agriculture in CARICOM, said that the value of this reduction would mean USD 90 million less per year for the ACP sugar countries of the Caribbean: Guyana, Jamaica, Barbados, St Kitts & Nevis and Trinidad & Tobago.

Reform of the EU's Common Agricultural Policy impacts on much more than just the EU. Developing countries in the ACP group currently benefit from an income transfer of around USD 500m/year from EU sugar import preferences. Reform of the EU sugar policy will reduce this by lowering the guaranteed minimum prices that ACP sugar exporters receive in the EU. The EU is launching a financial assistance package to help the sugar producing ACP countries adjust to changes in the CAP.

In total, sixteen developing countries will benefit from the EU's financial aid due to EU sugar reform. Though the amount has not yet been set out, it could be tens of millions of Euros over the life of the eight year program. These efforts should also be seen in the context of the EU's efforts to garner developing country support for its Doha agenda. Several have already received high profile visits from the EU's Trade Commissioner Peter Mandelson, with further high-level outreach efforts likely during the course of the year. ACP Ambassadors as well as the Mauritius Minister of Agriculture have been given the opportunity to address the EU's Agriculture Council and EU Member State Ministers of Agriculture.

The compensation package will likely tailor assistance for diversification to the least efficient producers and investment aid to those ACPs who could be efficient producers in the long run.

⁴ The ACP is composed of developing countries that were former British, French and Portuguese colonies. The ACP Sugar Protocol countries are: Barbados, Belize, Guyana, Jamaica, Trinidad and Tobago, St Kitts and Nevis, Fiji, Republic of Congo, Cote D'Ivoire, Kenya, Madagascar, Swaziland, Tanzania, Zambia and Zimbabwe.

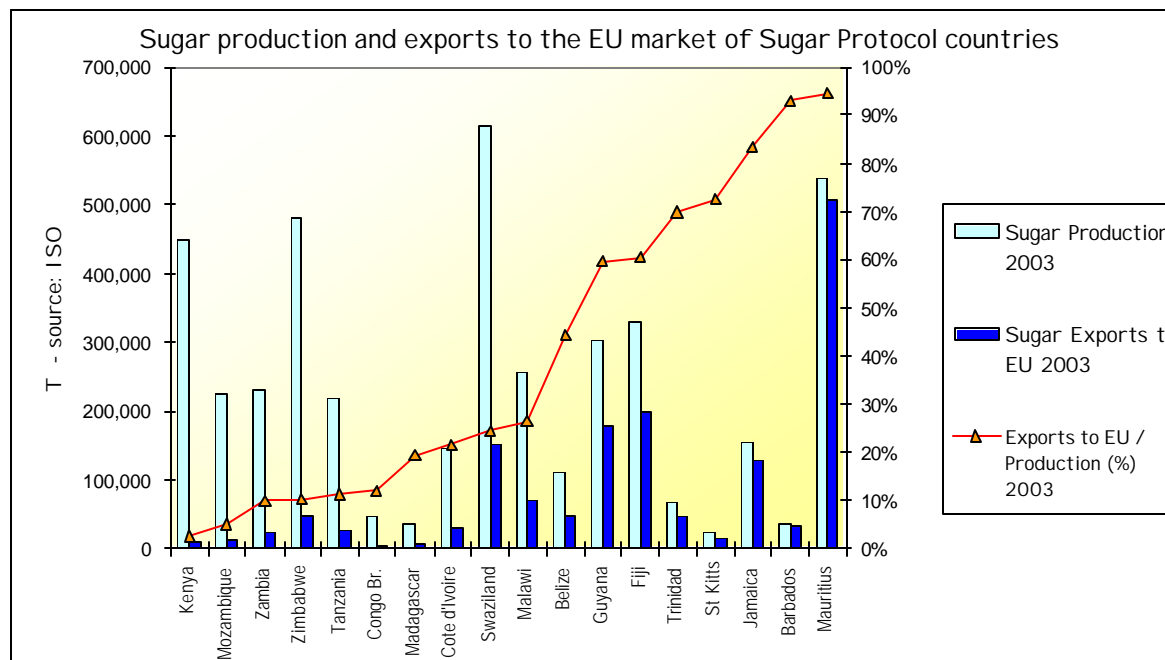
The Commission plans for the aid to be split among the ACP sugar producers based on whether sugar production will be viable post EU reform. For the highest cost sugar producers such as Barbados, Jamaica, St Kitts and Trinidad that may be unlikely, so EU assistance will likely be tailored towards restructuring aid, shifting resources away from sugar production. For other countries, such as Mauritius, Fiji and Guyana, assistance could be a mix of investment aid in the sugar sector as well as other restructuring assistance.

The EU will negotiate with each ACP sugar producer individually to try and get the package best suited to each country's needs. The Trade Commissioner, Peter Mandelson, has said that he would like to see plans in place for how the assistance would be spent by the time of the Hong Kong WTO Ministerial meeting in December 2005.

Over the medium term, production destined to fill EU preferential quotas is likely to switch from some Caribbean ACP countries to those ACP members who are best able to reform their sugar sectors. Several ACP countries have already announced ambitious reform projects in the sugar sector, with for example, Mauritius targeting a reduction in production costs from 20 US cents/lb to 10-12 cts/lb and Guyana from 16 cts/lb to 8-10 cts/lb. It remains to be seen how effectively this later group will be able to benefit from EU assistance.

Background

Some 41% of sugar production in these 18 countries is exported to the EU, providing 71% of the revenue to the sugar sector due to the high guaranteed EU prices they receive. The loss of export earnings for these countries due to the proposed price cuts could be as much as EUR 275m/year.



Source: [European Commission](#)⁵

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<http://europa.eu.int/rapid/pressReleasesAction.do?reference=IP/05/85&format=HTML&aged=0&language=EN&guiLanguage=en>

Annex One - Balance Sheets for EU-15, NMS-10 and EU-25

Centrifugal Sugar Balance Sheets for EU-15, NMS-10 and EU-25

| 000's MT | EU-15 | | | NMS-10 | | | EU-25 | | |
|-----------------------|-------|-------|-------|--------|-------|-------|-------|-------|-------|
| | 02/03 | 03/04 | 04/05 | 02/03 | 03/04 | 04/05 | 02/03 | 03/04 | 04/05 |
| Beginning Stocks | 3864 | 3256 | 3925 | 1501 | 1443 | 1414 | 5365 | 4699 | 5339 |
| Beet Sugar Production | 16211 | 17657 | 16639 | 3305 | 3654 | 3518 | 19516 | 21311 | 20157 |
| Cane Sugar Production | 295 | 300 | 288 | 0 | 0 | 0 | 295 | 300 | 288 |
| TOTAL Sugar Product'n | 16506 | 17957 | 16927 | 3305 | 3654 | 3518 | 19811 | 21611 | 20445 |
| Raw Imports | 1742 | 1750 | 1750 | 82 | 7 | 7 | 1824 | 1757 | 1757 |
| Refined Imp.(Raw Val) | 250 | 250 | 250 | 600 | 250 | 250 | 850 | 500 | 500 |
| TOTAL Imports | 1992 | 2000 | 2000 | 682 | 257 | 257 | 2674 | 2257 | 2257 |
| TOTAL SUPPLY | 22362 | 23213 | 22852 | 5488 | 5354 | 5189 | 27850 | 28567 | 28041 |
| Raw Exports | 15 | 3 | 3 | 19 | 0 | 0 | 34 | 3 | 3 |
| Refined Exp.(Raw Val) | 4700 | 4775 | 4700 | 460 | 725 | 660 | 5160 | 5500 | 5360 |
| TOTAL EXPORTS | 4715 | 4778 | 4703 | 479 | 725 | 660 | 5194 | 5503 | 5363 |
| Human Dom. Cons'n | 14380 | 14501 | 14501 | 3550 | 3200 | 3264 | 17930 | 17701 | 17765 |
| Other Disappearance | 11 | 9 | 8 | 16 | 15 | 16 | 27 | 24 | 24 |
| Total Disappearance | 14391 | 14510 | 14509 | 3566 | 3215 | 3280 | 17957 | 17725 | 17789 |
| Ending Stocks | 3256 | 3925 | 3640 | 1443 | 1414 | 1249 | 4699 | 5339 | 4889 |
| TOTAL DISTRIBUTION | 22362 | 23213 | 22852 | 5488 | 5354 | 5189 | 27850 | 28567 | 28041 |

Note: For 2003/04, NMS trade includes trade among different acceding EU countries, as well as trade between the EU-15 and the NMS for the EU-25. For 2004/05, trade between the EU-25 and the rest of the world has been allocated to the EU-15. It is also assumed that all EU-15 and NMS-10 occurs with third countries, i.e., there is no intra-EU trade recorded in the above estimates.

Sugar Beet Balance Sheets for EU-15, NMS-10 and EU-25

| 000's MT, 000's ha. | EU-15 | | | NMS-10 | | | EU-25 | | |
|-----------------------|--------|--------|--------|--------|-------|-------|--------|--------|--------|
| | 02/03 | 03/04 | 04/05 | 02/03 | 03/04 | 04/05 | 02/03 | 03/04 | 04/05 |
| Area Planted | 1779 | 1668 | 1660 | 489 | 497 | 515 | 2268 | 2165 | 2175 |
| Area Harvested | 1779 | 1668 | 1660 | 489 | 497 | 515 | 2268 | 2165 | 2175 |
| Production | 100790 | 101818 | 100442 | 19751 | 21684 | 22489 | 120541 | 123502 | 122931 |
| TOTAL SUPPLY | 100790 | 101818 | 100442 | 19751 | 21684 | 22489 | 120541 | 123502 | 122931 |
| Utilization for Sugar | 96792 | 97948 | 96572 | 19751 | 21684 | 22489 | 116543 | 119632 | 119061 |
| Utilizatr for Alcohol | 3998 | 3869 | 3869 | 0 | 0 | 0 | 3998 | 3869 | 3869 |
| TOTAL UTILIZATION | 100790 | 101818 | 100442 | 19751 | 21684 | 22489 | 120541 | 123502 | 122931 |

Source: FAS/USEU Estimates