

Press Release  
U.S. Sugar Industry Group

## **Sugar Representative Tells USTR: Address Sugar Subsidies in WTO, Not in Thailand FTA**

Tuesday March 30, 1:29 pm ET

WASHINGTON, March 30 /PRNewswire/ -- A representative of the U.S. sugar industry warned USTR today that a proposed free trade agreement (FTA) with Thailand, the world's third largest exporter of sugar, could further jeopardize American farmers, who are threatened by a host of bilateral and regional trade agreements sought by the Administration.

Jack Roney, Director of Economics and Policy Analysis for the U.S. Sugar Industry Group, testified that "global sugar subsidies must be addressed in the global format of the World Trade Organization. The U.S.-Australia FTA, which excludes sugar -- and not the CAFTA, which includes sugar -- must be the template for the U.S.-Thailand FTA. Do not expose the U.S. sugar market unfairly to subsidized exports in bilateral agreements, such as the U.S.- Thailand FTA."

The U.S. sugar industry maintains that the only way to address the global problems in the world sugar market is through the WTO, and not piecemeal in the regional and bilateral trade agreements being pursued.

Roney said, "This is the third time in three weeks that we have testified on a proposed U.S. FTA with a sugar-exporting country or region -- last week Panama; the previous week, the Andean countries. Thailand is, by far, the greatest threat of the three. It is the world's third largest sugar exporter. Like all major sugar exporters, the Thai sugar industry has achieved this status with considerable help from government programs and subsidies."

Roney outlined a variety of direct and indirect support programs the Thai government provides for its sugar industry, including import tariffs, domestic and export sales quotas, and direct payments and debt relief for producers.

"None of these programs," Roney said, "nor counterpart programs in other important sugar exporting countries, can effectively be addressed in a U.S.- Thailand FTA. All could be addressed in a comprehensive WTO negotiating round."

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Source: U.S. Sugar Industry Group