

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

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EU-27

Sugar Annual

Report

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Report Highlights:

For MY 2012/13, EU sugar production is forecast at 15.5 million MT on a raw sugar basis, dropping 10 percent back to 2010/11 levels. Sugar imports in MY 2012/13 are forecast to drop slightly to 3.3 million MT, while exports are forecast at 1.5 M MT, falling 40 percent from this year but remaining above 2010/11 levels.

EU sugar production for MY 2011/12 is estimated to be 17.2 million MT, around 12 percent more than in MY 2010/11. This record crop comes just two years after the 2009 record and resulted in the longest EU beet processing campaign in history. The EU authorized the release of 650,000 MT of out-of-quota production on the EU food market. Exports are expected to reach 2.5 million MT, while imports are

estimated to be 3.4 million MT due to additional measures taken by the EU.

Executive Summary:

The 2007 EU [Sugar Reform](#) [1] turned the EU from a major sugar exporter into a major sugar importer, changing the dynamics of the EU sugar market significantly. High international sugar prices have been undercutting the EU's attractiveness as a favored export destination, while the increased productivity resulting from the reform has led to record EU sugar production beyond quota. The European Commission introduced exceptional market measures to remediate the resulting sugar supply problems. EU sugar beet production is estimated to be 17.2 million MT raw sugar equivalents (RSE) in MY 2011/12, compared to 15.4 million MT in MY 2010/11. This is the result of a 2 percent increase in acreage over last year, combined with a long and favorable beet growing season. This record crop made for the longest beet processing campaign ever, lasting until late January or even February 2012 in some MS. Because this production is well beyond EU sugar production quota amounts, the EU approved export licenses for 2.05 million MT of refined sugar and released 650,000 MT of out-of-quota sugar to the domestic market to rebuild stocks. Additionally, sugar imports were below anticipated levels, which prompted the EU to also take exceptional measures to increase raw sugar imports through a series of tenders. Total EU sugar imports in MY 2011/12 are projected to reach 3.4 million MT, while EU sugar exports are expected to reach 2.5 million MT.

For MY 2012/13, a small increase in the beet acreage is anticipated, as beet acreage in Italy is expected to rebound after a drop in 2011. Based on the average sugar yield per hectare, EU sugar production is forecast at 15.5 million MT. MY 2012/13 EU sugar imports are forecast at 3.3 million MT and exports at 1.5 million MT.

^[1] http://ec.europa.eu/agriculture/capreform/sugar/index_en.htm

Commodities:

Sugar, Centrifugal

Production:

For MY 2012/13, EU sugar production is forecast at 15.5 million MT, based on average per hectare sugar yields which are about 10 percent below the 2011 record yield and on par with MY 2010/11 levels. EU sugar processors, who contract with farmers for their beet supply, encouraged farmers to maintain acreages. Early indications of beet planting intentions suggest that total EU beet acreage may increase further as Italian beet planting is expected to recover following a drop in 2011 due to a wet spring and lower beet contract prices.

EU sugar production for MY 2011/12 is estimated at 17.2 million MT in raw sugar equivalent (RSE). EU farmers increased beet planting for MY 2011/12 by 3-5 percent in several Member States (MS) in response to EU sugar processor requests and in anticipation that the EU would continue allowing sugar produced out-of-quota to be used in food processing, instead of only for industrial use as is normally the

case. Beet growing conditions, especially during the autumn, allowed for all-time record yields in many MS. In order to process this record beet crop, many sugar processors operated one of the longest beet processing campaigns ever, in many cases 120-130 days into late January or February 2012. Frost, like what destroyed several million MT of sugar beet in the United Kingdom the previous year, did not occur until after the processing campaign.

MY 2010/2011 sugar production in the PS&D was increased from 14.8 million MT to 15.3 million MT due to the Commission's decision in 2011 to allow the sale of 500,000 MT of out-of-quota production into the food market.

EU sugar beet production									
	Area, thousands of Hectares			Sugar beet yield in MT per Hectare			Sugar content in percentage		
	2010/11	2011/12	2012/13f	2010/11	2011/12	2012/13f	2010/11	2011/12	2012/13f
Austria	44.9	46.4	48.5	69.8	72.1	70.0	17.25	17.80	17.50
Belgium	59.5	64.4	65.0	73.2	81.2	77.0	17.14	17.80	17.50
Denmark	39.2	39.8	40.0	60.1	60.0	60.0	17.80	18.00	18.00
Finland	14.6	14.1	14.0	38.2	38.0	38.0	16.90	16.50	16.50
France	381.0	391.0	390.0	80.3	88.0	83.0	18.10	18.50	18.50
Germany	362.0	394.3	400.0	65.9	71.6	67.0	17.27	18.00	18.00
Greece	13.4	10.0	13.0	67.8	67.8	65.0	13.28	13.50	13.50
Italy	62.2	47.1	60.0	57.1	53.1	55.0	14.96	16.61	16.00
Netherlands	70.5	73.0	73.0	72.6	79.9	76.0	16.80	17.00	17.00
Portugal	0.3	0.3	0.3	26.1	28.2	27.7	17.64	15.16	15.16
Spain	44.9	51.7	52.7	79.6	72.4	71.5	17.78	18.02	17.76
Sweden	37.9	39.6	40.0	55.0	55.0	55.0	17.10	17.50	17.50
U.K.	121.7	112.5	113.0	55.5	68.0	66.0	16.90	17.70	17.70
Czech R.	57.4	57.7	58.0	59.3	71.0	59.0	16.65	17.50	17.30
Hungary	13.8	14.0	14.0	58.0	55.0	55.0	15.04	16.00	16.00
Lithuania	15.0	17.6	17.0	46.3	47.0	45.0	16.40	17.50	17.50
Poland	197.0	196.0	195.0	49.1	59.0	55.0	16.40	17.50	17.10
Slovak R.	17.7	17.7	18.0	50.9	54.1	52.0	16.00	16.90	16.90
Romania	22.0	18.2	20.0	38.1	43.0	38.0	17.50	17.10	17.10
Total EU-15	1252.1	1284.2	1309.5	n.a.	n.a	n.a	17.41	n.a	n.a
Total NMS	322.9	321.2	322.0	n.a	n.a	n.a	17.30	n.a	n.a
Total EU-27	1575.0	1605.4	1631.5	n.a	n.a	n.a	17.40	n.a	n.a

f: forecast; n.a: not available

Source: FAS estimates

Additional sugar production for other uses

The EU sugar market is heavily regulated. EU domestic sugar production for food purposes is limited by a production quota set for each MS. The 2007 Sugar Reform limited total EU production quotas to 13.3 million MT white sugar equivalent or 14.5 million MT RSE. Additional production is considered "out-of-quota." EU sugar processors have four options to market sugar produced out-of-quota:

1. Exports: pending availability of EU export licenses, which are limited to the EU WTO sugar export ceiling of 1.35 million MT (of refined sugar).

2. Release on the EU domestic market: this option carries a levy of €500 per MT, unless the EU decides to waive all or part of the levy through exceptional sugar market management measures.
3. Disposal on the EU market for industrial purposes: for example, for fermentation by the biochemical industry or for bio-ethanol production.
4. Carry-over into the following production year: counts towards the quota production for that year.

Total production by MS during MY 2011/12 that fell within the assigned quota amounts totaled 13.1 million MT of white sugar equivalent or 14.2 million MT RSE. Those MS that exceeded their quota produced a total of 6.3 million MT of out-of-quota sugar. The large out-of-quota supply prompted the EU to take exceptional measures by releasing 400,000 MT of out-of-quota production for food in December 2011 and another 250,000 MT beginning in May.

The MY 2011/12 measures were mandated by the same regulation [1] that mandated measures during MY 2010/11, when limited supplies prompted the EU to release 500,000 MT of out-of-quota production on the EU food market without the €500/MT levy. Supplies were limited because of lower than anticipated imports for the current and previous marketing year.

The table below shows the total EU beet sugar production for MY11/12 as 20.5 MMT. This figure includes 17.2 MMT for the EU regulated sugar market production (same as in the PS&D table) and 3.3 MMT of unregulated over quota production for industrial uses. The 17.2 MMT includes around 2.3 MMT of out of quota production for exports and approximately 700,000 out of quota production for the food market. The same calculations were made for the other marketing years.

EU Beet Sugar Production (RSE value)			
In million MT	2010/11	2011/12 e	2012/13 f
EU Regulated Sugar Market (in PS&D)*	15.4	17.2	15.5
Unregulated Over-Quota Production for Industrial Uses**	1.5	3.3	3.5
Total EU Beet Sugar Production	16.8	20.5	19.0

* includes within-quota production and out-of-quota production released to the EU food market, plus out-of-quota production that is exported

**includes remaining out-of quota production

e: estimate; f: forecast

FAS estimates

[1] [Commission Regulation \(EU\) No 222/2011](http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2011:060:0006:0009:EN:PDF) - <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2011:060:0006:0009:EN:PDF>

Consumption:

EU domestic sugar consumption for food increased to 17.8 million MT, up from 17.5 million MT in MY2009/2010. More sugar is used in food processing, which accounts for over 70 percent of EU consumption. In the past, EU food processors could only compete in export markets with the support of export subsidies that compensated for the higher sugar prices processors paid for domestic sugar.

Processors also had the option of using an inward processing customs regime, where processors could import sugar duty free to manufacture products for export. However, due to changes to the EU sugar program in 2007, the EU eliminated sugar export subsidies. The increase in sugar prices on the world market in late 2010 greatly diminished the price gap between EU and international market sugar prices. As a result, EU processed products are more competitive on the international market when processors

use domestic sugar and the incentive for using sugar imported under the inward processing program has diminished. This has led to an increase in EU domestic sugar consumption for producing EU processed food for export, as well as decreasing use of the EU inward processing scheme.

During MY 2010/11, contracts with processors were concluded when prices were lower, so EU food processors benefited from the relatively lower price. During MY 2011/12, the situation changed. Long-term supply contracts for the new marketing year were at substantially higher prices than the year before and were closer to international market prices. Some sugar users in the EU food industry reportedly refused to conclude supply contracts at a higher price, since they speculate that increased sugar supplies will eventually drive sugar prices down.

Out-of-quota sugar disposal

Current high world market prices and the release of out-of-quota production for food use make sales to industrial users the least appealing for processors. In addition, sugar for industrial uses competes directly with corn and other cereals. Because of the drop in grain prices in MY 2011/12, sugar is a less competitive option in these outlets. As a result, little or no growth in the use of sugar for industrial uses is anticipated in MY 2011/12. This is reflected in the absence of any new investments for bio-ethanol production from sugar beet in 2011 and 2012. Processors typically consider carry-over to the following production year the option of last resort because of considerable storage costs and because the carry-over counts toward the quota in the next production year. Despite the large MY 2011/12 out-of-quota production, processors appear to be speculating that the EU may approve further exceptional measures later in the year, rather than choosing to sell production to industrial users. This appears to be happening despite the risk that they may be required to carry over supply if it does not sell before the end of the marketing year.

Trade:

Imports

EU MY 2012/13 sugar imports are forecast at 3.3 million MT, based on continued import trends from traditional suppliers and EU TRQs. This is few percent less than in MY 2011/12 as it does not assume further EU exceptional measures.

High world market prices for sugar continue to have a negative effect on EU sugar imports in MY 2011/12, even after the EU approved a set of exceptional measures to facilitate sugar imports.

Increasing world sugar demand and resulting high prices made the EU a less attractive market so exports to the EU from traditional suppliers decreased. These suppliers are mostly developing ACP [1] countries that concluded European Partnership Agreements [2] (EPA) after the expiration of the Cotonou Agreement. Other least-developed countries that gained duty-free access to the EU market under the Everything But Arms Agreement [3] (EBA) are not shipping adequate sugar amounts to the EU either, continuing a trend that began in MY 2009/10 when the Cotonou agreement ended and expected increases from the EBA did not materialize.

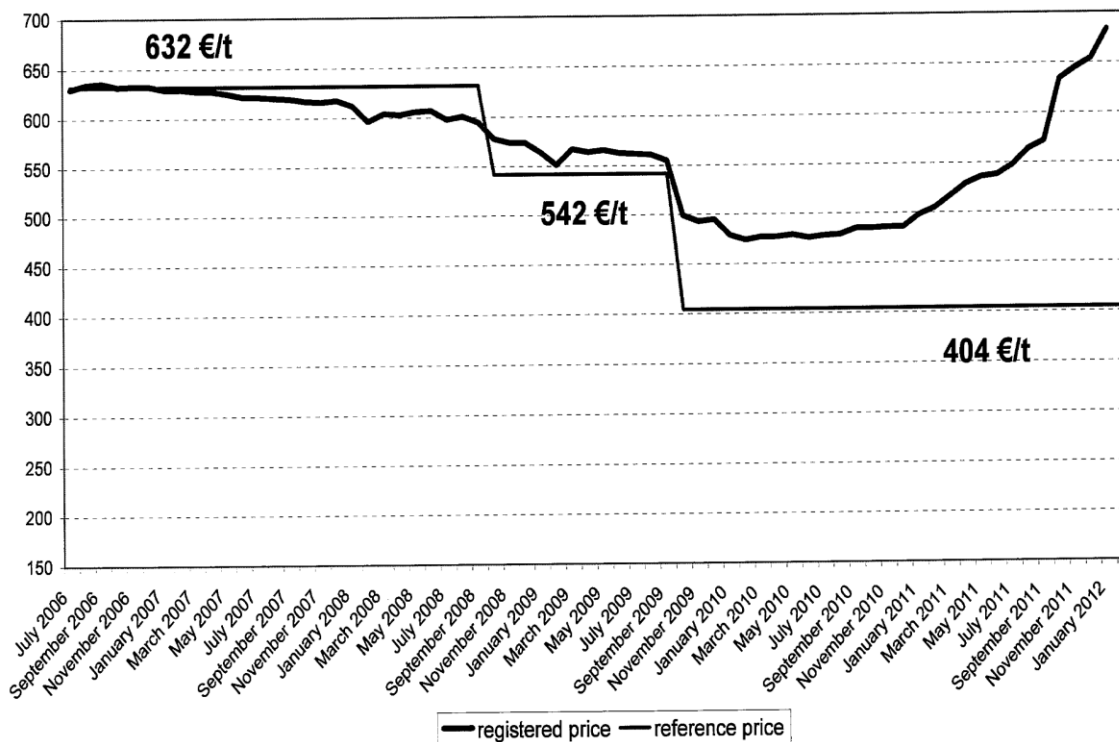
At the beginning of MY2011/12, sugar imports from ACP and EBA countries strengthened. If the trend continues, imports from ACP and EBA countries could reach 2 million MT, compared to 1.9 million

MT the previous year. Imports under the EU's so-called CXL [4] and the Balkan TRQ are also estimated to reach 1.1 million MT RSE. At the beginning of MY 2011/12, the EU launched four import tenders totaling 191,000 MT of raw sugar imports at reduced duties of €252.5 to €270.16, compared to the full duty of €339/MT. While the EU suspended two more tenders planned for February 2012, it still has three tenders planned in May and early June. As a result, total EU MY 2011/12 sugar imports are estimated at 3.4 million MT.

In MY 2010/11, the EU's exceptional measures eventually resulted in sugar imports totaling 3.75 million MT, of which more than 1.2 million MT were refined sugar imports, doubling EU refined sugar imports compared to previous years.

EU sugar market prices

Reference price and market price for white sugar on the EU market

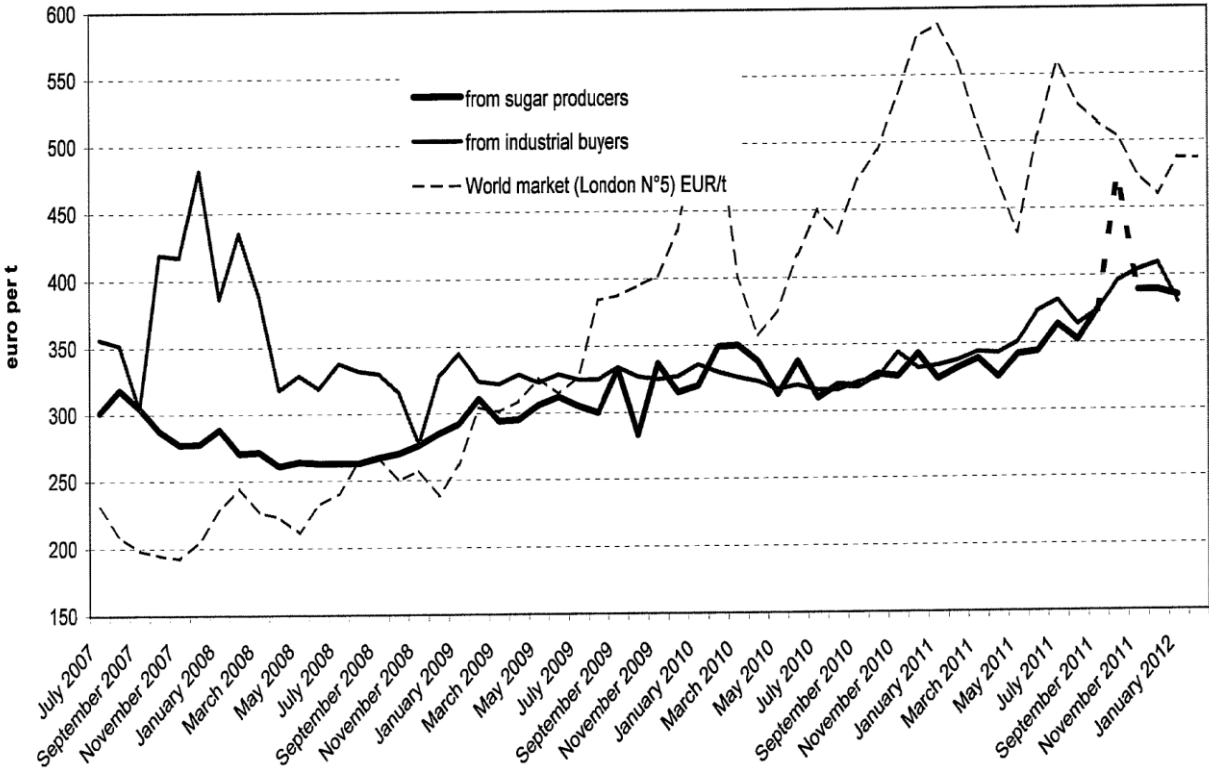


White sugar prices for the EU food market - Source: DGAgri

At the beginning of MY 2011/12, sugar prices on the EU market increased 30 percent compared to prices at the beginning of MY 2010/11. This increase lagged increases seen on the world sugar market because the majority of EU sugar users make long term supply contracts with sugar processors. The long-term contracts were practical when domestic sugar prices were fixed by the EU. The 2007 Sugar reform replaced EU guaranteed sugar prices with a reference price, which decreased to €404/MT in

2009. EU market prices did not decrease in line with the drop in the reference price as anticipated because of the increase in prices seen on the world market. For MY 2011/12, EU sugar processors were expecting the market price to decrease following the decrease in the reference price and negotiated the prices for their new supply contracts accordingly. Thus, processors were unable to take advantage of the price increase seen on the world market, benefitting the EU sugar users. For MY 2011/12, sugar processors offered new annual supply contracts at higher sales price, triggering the acceleration in the recorded EU sugar price for food purposes. For MY 2012/13, it is hard to make price forecasts as it is unclear how world prices will evolve.

White sugar PRICES on the EU market for industrial purposes



White sugar prices on the EU industrial sugar market - Source: DGAgri

EU sugar prices for industrial purposes are lower than sugar prices for the domestic food market. This sugar is valued lower because of the limited disposal options that exist for out-of-quota sugar due to the EU sugar regime and EU WTO limitations for sugar exports. The high volume of EU out-of-quota sugar production in MY 2011/12 forces EU sugar prices down. As a result, the large price gap with world sugar prices is making such imports economically unviable and few sugar imports for industrial

purposes occur, even by industrial sugar users who traditionally import raw sugar into the quota for industrial use. Depending on the level of world sugar prices, this may be the case again in MY 2012/13.

Exports

The MY 2012/13 EU sugar export forecast is 1.5 million MT and assumes that the EU will remain within its WTO export limits. This is only 60 percent of MY 2011/12 exports, but still 25 percent higher than in MY 2010/11.

Due to the MY 2011/12 record crop, the EU opened export quotas for out-of-quota sugar production up to the EU WTO export limit of 1.35 million MT for CY 2012. In an earlier decision, the EU made the remaining 700,000 MT of sugar exports under the CY 2011 WTO ceiling available for sugar exports in the first quarter of MY 2011/12. As a result, total EU sugar exports in MY 2011/12 are estimated at 2.5 million MT RSE, almost all of which are white sugar.

During MY 2010/11, the EU exported 1.1 million MT of white sugar, largely to traditional customers in the Middle East.

^[1] Former colonies in Africa, the Caribbean and Pacific used to have preferential market access to the EU under the Cotonou Agreement.

^[2] <http://ec.europa.eu/trade/creating-opportunities/bilateral-relations/regions/africa-caribbean-pacific/>

^[3] EBA: Everything-But-Arms agreement, giving least-developed countries duty free and quota free access to the EU.

^[4] The CXL quota replaced Finland's preferential sugar import quota when it acceded the EU in 1995.

Stocks:

During MY 2012/13, sugar ending stocks are forecast to decrease about 10 percent again to pipeline needs. EU sugar imports from EPA and EBA countries are not expected to significantly increase during this time.

MY 2011/12 ending stocks are estimated to be 2.5 million MT because the record production is estimated helping replenishing pipeline stocks. This is more than 25 percent over MY 2010/11 ending stocks, even as the EU's exceptional measures releasing 500,000 MT of out-of-quota sugar for food allowed some easing on the tight EU sugar stocks situation.

Policy:

EU taking further exceptional measures to manage volatility on the EU sugar market

Local and temporary sugar supply constraints continue to be featured in the media, despite the 2011 record sugar beet crop. Complaints about supply problems and price volatility usually come from smaller food processors, which may find it more difficult to secure long term supply contracts or sugar imports. In September 2011, the European Sugar Users Association (CIUS) published a position paper [1] to expose these problems. The refining industry has also been vocal about problems to secure access to low or zero-duty raw sugar imports for operating their refineries.

Release of 650,000 MT of out-of-quota sugar for MY 2011/12

On March 3, 2011, the EU published [Commission Regulation \(EU\) No 222/2011](#) [2], which allowed for the release of 500,000 MT of out-of-quota sugar onto the EU food market during MY 2010/11 and 400,000 MT during December 2011. Because the regulation does not expire until June 30, 2012, EU farmers were confidently increasing their sugar beet acreage during the 2011 production season. Reportedly during the April 12, 2012 Management Committee meeting, the Commission decided to release another 250,000 MT of out-of-quota production at a reduced levy of €211 per MT starting in May. The normal levy that processors must pay for selling out-of-quota sugar for food on the EU market is €500 per MT.

Additional reduced tariff imports tenders

On November 2011, the EU issued [Commission Implementing Regulation \(EU\) No 1239/2011](#) [3] providing six sugar import tenders during December 2011-February 2012 and three import tenders during June-July 2012. The last two planned tenders in February 2012 were suspended when it became clear that MY 2011/12 production was record-setting. Reportedly during the April 12, 2012, Management Committee meeting, the Commission decided to advance the dates of the remaining three tenders planned for June/July into May/June.

Additional sugar TRQs as part of FTAs with Colombia and Peru, and six Central American countries

In February 2010, the EU concluded bilateral free trade agreements (FTAs) with Colombia and Peru. In May 2010, the EU concluded FTAs with six Central American countries (Panama, Guatemala, Costa Rica, El Salvador, Honduras and Nicaragua). Once implemented, these FTAs will grant additional duty-free TRQs for sugar totaling 264,000 MT RSE, with annual increases of 3 percent. These FTAs are in the process of being ratified by EU member states and are unlikely to be implemented before the MY 2012/13. However, after ratification, these agreements may lead to increased EU sugar imports in MY 2012/13.

Croatia to accede to the EU in July 2013

On December 9, 2011, Croatia signed its Treaty of Accession to become the twenty-eighth member of the EU. If the MS ratification procedures evolve as planned, Croatia will accede to the EU on July 1, 2013. Once Croatia accedes, it is expected that the Croatia sugar TRQ of 180,000 MT under the EU Balkan agreements will cease to operate and that Croatia will be allowed to operate its own 40,000 MT sugar import quota at a reduced import duty of €98 per MT for three years.

The future of the EU sugar quota regime in the CAP after 2013

The 2008 CAP Mid-Term review sets the expiration date of the EU sugar quota regime at the end of MY 2014/15. The EU's [proposal for the CAP after 2013](#) [4] published October 12, 2011, includes no proposal to continue the quota production regime. As the debate on the new CAP continues until its conclusion in 2013, EU sugar industry sectors are taking positions in favor of abolishing the quota as well as requesting an extension to the quota regime.

The European Sugar Users Association (CIUS) supports the end of the quota system in its press release “[European sugar users welcome European Commission announcement on EU sugar market liberalization.](#)” [5] It argues that the EU sugar quota system hampers the functioning of the EU sugar market by restricting sugar supplies, making it particularly difficult for the numerous small food processors to source sugar. Because EU within-quota sugar production covers less than 85 percent of EU needs for food, processors can not satisfy all demand and prefer to conclude sales contracts with the largest users. The European Association of Sugar Traders (ASSUC) and the European Sugar Refiners' Association (ESRA) have not announced their positions as their main interest lies in further sugar trade liberalization. The EU sugar market is protected by high import tariffs and preferential import agreements, such as TRQs and duty-free imports from ACP and EBA countries. Access to these lower cost sources is strictly regulated and limited to EU eligible importers.

The International Federation of European Beet Growers (CIBE) favors the continuation of the EU quota regime in its position paper “[The EU Beet Growers’ Proposal For A Sustainable Post-2015 EU Sugar Beet Sector](#) [6]”, as do the European Committee of Sugar Manufacturers (CEFS) in its updated paper “[Why should the current EU Sugar CMO be extended until 2020?](#) [7]” Both groups favor the stability of the strictly regulated EU market, arguing that there can only be losers from the volatility that a liberalized sugar market would entail. They argue that farmers would no longer be guaranteed beet prices, which would undercut the secured beet supply to sugar processors. They believe that this would jeopardize research and investments for further increasing productivity and competitiveness of EU beet sugar production, from the farm input sector to the sugar processors. They further argue that the resulting increased volatility on the EU sugar market would lead to higher sugar sourcing costs, at the expense of the EU food industry and consumers. A majority of sugar producing MS are also lobbying the EU to extend the sugar production quota system for up to five years in order to provide farmers and processors an orderly transition period.

[1]

<https://docs.google.com/viewer?a=v&pid=sites&srcid=ZGVmYXVsdGRvbWFpbm9jaXVzc3VnYXJlc2Vyc29mZXVyb3BlfGd4OjQyMTNkYjA4NzhOTY0ZjU&pli=1>

[2] <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2011:060:0006:0009:EN:PDF>

[3] <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2011:318:0004:0008:EN:PDF>

[4] http://ec.europa.eu/agriculture/cap-post-2013/legal-proposals/index_en.htm

[5]

<https://docs.google.com/viewer?a=v&pid=sites&srcid=ZGVmYXVsdGRvbWFpbm9jaXVzc3VnYXJlc2Vyc29mZXVyb3BlfGd4OjY5ZGVhMDEBNTI5YWVWFkMWI>

[6] [http://www.cibe-](http://www.cibe-europe.eu/img/user/file/CIBE%20Response%20to%20Commission%20proposal%20on%20Single%20CMO%20November%202011.pdf)

[europe.eu/img/user/file/CIBE%20Response%20to%20Commission%20proposal%20on%20Single%20CMO%20November%202011.pdf](http://www.cibe-europe.eu/img/user/file/CIBE%20Response%20to%20Commission%20proposal%20on%20Single%20CMO%20November%202011.pdf)

[7]

<http://www.comitesucre.org/userfiles/file/Position%20of%20the%20European%20Sugar%20Producers%20on%20the%20Reform%20of%20the%20CMO%20for%20Sugar.pdf>

Production, Supply and Demand Data Statistics:

Sugar, Centrifugal EU-27	2010/2011		2011/2012		2012/2013	
	Market Year Begin: May 2010		Market Year Begin: May 2011		Market Year Begin: May 2012	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Beginning Stocks	1,433	1,433	1,814	1,939		2,495
Beet Sugar Production	14,800	15,392	16,450	17,170		15,500

Cane Sugar Production	290	275	290	291		290
Total Sugar Production	15,090	15,667	16,740	17,461		15,790
Raw Imports	2,900	2,522	2,500	2,650		2,600
Refined Imp.(Raw Val)	900	1,230	650	750		700
Total Imports	3,800	3,752	3,150	3,400		3,300
Total Supply	20,323	20,852	21,704	22,800		21,585
Raw Exports	9	4	10	5		5
Refined Exp.(Raw Val)	1,000	1,109	2,200	2,500		1,500
Total Exports	1,009	1,113	2,210	2,505		1,505
Human Dom. Consumption	17,500	17,800	17,600	17,800		17,800
Other Disappearance	0		0			
Total Use	17,500	17,800	17,600	17,800		17,800
Ending Stocks	1,814	1,939	1,894	2,495		2,280
Total Distribution	20,323	20,852	21,704	22,800		21,585
1000 MT						

Author Defined:

Notes to the reader:

- In this report, all sugar is in raw sugar equivalent unless otherwise noted.
- The PSD in this report only pertains to sugar as defined by HS 1701. It hence excludes sugar beet production destined for fermentation or other industrial purposes.
- Conversion factors and methods used in this report:
MY = marketing year; for sugar October- September
Raw cane sugar = 1.07 X Refined cane sugar
Raw beet sugar = 1.087 X White (refined) beet sugar

Sugar imports for EU inward processing purposes are excluded from this report's PSD as they are entirely re-exported as processed products. Inward processing is the EU program under which the import duties for dairy, sugar, and starch containing commodities for processing and subsequent re-export are suspended.

Related reports from FAS EU

SP1207	Spain Sugar Standing report	03/23/2012
PT1202	Portugal Sugar Standing report	03/23/2012
E60078	Post-Reform European Union Sugar: Prospects for the Future	12/21/2011
E60071	EU approves extra-ordinary market measures for sugar for MY 2011/12	12/01/2011
E60053	Sugar semi-annual	10/06/2011
E60033	Poland proposes increase to EU sugar production quota	05/18/2011
E60026	Industrial uses of sugar from sugar beet increasing in the EU	04/18/2011

E60021	Sugar Annual 2011	04/08/2011
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These reports can be accessed through the FAS website <http://gain.fas.usda.gov/Pages/Default.aspx>