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CONGRESSMAN DANNY K. DAVIS PRAISES SUGAR IMPORT QUOTA INCREASE

SAYS MARKET REMAINS TIGHT

For Immediate Release

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Washington, DC -- Sugar shortages throughout the U.S. market should be somewhat alleviated by the U.S. Department of Agriculture's decision to allow more imports, a leader of the Congressional Sugar Reform Caucus said today.

Reps. Danny K. Davis (D-IL) praised Secretary of Agriculture Tom Vilsack's decision to increase sugar import quotas by 300,000 tons, as well as U.S. Trade Representative Ron Kirk's subsequent action to assign the quotas to a number of mostly developing countries that have sugar available for sale.

"Consumer sugar prices have set all-time records this spring, and small confectioners in Chicago that depend on regular sugar deliveries have been stressed," said Davis. "Even with the Administration's actions to make more supplies available, markets remain tight. But the announcement of higher quotas is definitely good news for small- and mid-sized food and beverage companies and their workers."

In announcing the quota increase, USDA stated that "further adjustments" might be needed. Both retail and wholesale sugar prices are at or near all-time highs because of extremely tight supply conditions.

Unlike most products, sugar imports are restricted by quotas. These import quotas are announced each year by the Agriculture Department, with the Office of the U.S. Trade Representative then dividing the quotas among 39 sugar-exporting countries.