ARGENTINA (5/6/16):

Ethanol gas requirement;

"The new government has increased the bioethanol mandate from 10 percent to 12 percent, with the additional 2 percentage points having to be supplied exclusively by the local sugar industry. Therefore, more cane will be needed in this crop season to produce an additional 160 million liters of bioethanol. At current prices, ethanol is a much better business than sugar. New investment in expanding bioethanol production capacity is expected in the near future.'

"With the harvest expected to begin in a few weeks, the price of sugar for the export market increased 130 percent in peso terms from last year thanks to a combination of higher world sugar prices, and to policies implemented in December 2015 by the new government which devalued the peso by 45 percent and eliminated the 5 percent export tax on sugar."

AUSTRALIA (4/22/16):

Ethanol gas requirement

"However, in December 2015, the Queensland Parliament passed legislation requiring fuel sellers to meet targets for the sale of ethanol-blended petrol and biobased diesel. The Liquid Fuel Supply (Ethanol and Other Biofuels Mandate) Amendment Act 2015 is designed to increase the use of clean energy and grow the biofuels sector. A report on the potential for biofuels in Queensland is available here. It notes that in Queensland, potential feedstocks include sugarcane bagasse, sorghum, forestry residue and some types of green waste.

The Queensland legislation includes an initial three percent ethanol mandate for petrol and a half a percent biodiesel mandate, with both due to start on January 1, 2017. The mandate will require E10 to make up to 30 percent of regular petrol sales in Queensland in 2017. Regular unleaded petrol will still be available as an alternative to E10 fuels. A fuel seller's register will be established to allow the government to track sales of biofuels. It is still unclear what impact this policy development will have on the sugar industry"

BRAZIL (4/15/16):

Ethanol blend requirement

"In 2015, ethanol production was encouraged by the increased ethanol-use mandate in March (27 percent of anhydrous ethanol blended with gasoline), improved competitiveness of hydrous ethanol compared to gasoline at the pump during the peak of the sugarcane crushing season, and as a result of the bump of taxes for gasoline. The reduction of the Tax for Circulation of Goods and Services (ICMS) in the state of Minas Gerais, coupled with an increase of the ICMS on gasoline for the states of Minas Gerais, Parana, and Bahia also encouraged ethanol production."

CHINA

(5/18/16):

Production subsidies; Import controls;

"According to news reports, in first quarter 2016 the Guangxi local government started providing sugarcane farmers subsidies of RMB 400 per mu ($375 per acre) for seeds, farm machinery, mulching film, and fertilizer. Additional subsidies and low interest rate loans will be provided to strengthen production in Guangxi and Yunnan."

"Sugar imports in recent market years have greatly exceeded the 1.95 MMT annual tariff rate quota, as high domestic prices make imported sugar price competitive even with an out-of-quota tariff rate of 50 percent. In addition, multiple sources report that sugar smuggling is still widespread. Estimated MY 2015/16 official and unofficial sugar imports are raised 1.2 MMT to 6.7 MMT million tons. China imported over 1.5 MMT of sugar in the first four months of MY 2015/16 according to exporter data. China continues implementing automatic import licensing (AIL) on out-of-quota sugar imports in 2016. Should imports increase too rapidly, the government could slow or even halt the issuance of AILs."

9/30/16:

"In order to try and halt the decline in sugar production, according to the national five-year plan, in 2016 local governments have started providing sugar cane farmers subsidies for seeds, farm machinery, mulching film and fertilizers."

"Although there are no longer government mandated minimum purchases prices, sugar cane processors have still agreed to voluntarily honor and implement minimum prices set by local sugar industry associations. These prices are set after conducting research on local area sugar cane production costs."

COLOMBIA (4/15/16):

Price stabilization; Price band

"Sugar Price Stabilization Fund (PSF)
Colombia is a net exporter of sugar with production satisfying both domestic sugar demand and raw cane for ethanol distilling. The PSF mechanism was established in 2001 to avoid oversupply and low prices in the domestic sugar market. Given thin margins for sugar mills, low prices would create an economic burden to milling operations. The PSF provides incentives for sugar exports by hedging against domestic and international market price differentials, setting a market weighted average price (MWAP). Historically, domestic sugar prices are higher than export prices (except for U.S. export prices under quota). Milling operations that sell sugar at prices above the MWAP, or typically the domestic market, will contribute the difference to the PSF. Those that sell sugar at prices below the MWAP, on the other hand, will receive the difference in compensation from the PSF.

Price Band
Sugar imports from Andean Community of Nations (CAN) countries are allowed duty-free entry into Colombia. Imports from outside the CAN are subject to a variable duty under the price band system. The basic duty rate on imports of raw and refined sugar from non-CAN countries is 15 percent. The CAN revises the price band, both ceiling and floor, every April. The duty adjustment is made based on whether a reference price is above, below or within the ceiling and floor price. The reference price is adjusted every two weeks. If the reference price falls within the floor and ceiling price band, the sugar import duty is set at a 15 percent of the invoice value. When the reference price falls below the

floor price, a variable surcharge based upon the difference between the floor price and the reference price is assessed. When the reference price exceeds the ceiling price, however, a reduction is made to the applied duty rate based upon the difference between the reference and the ceiling price.***”***

DOMINICAN REPUBLIC (5/3/16)

Government minimum price to farmers; Government controls marketing, TRQ assignment, and price schedules

“Several laws regulate the sugar sector in the Dominican Republic. Law 491 controls the relationship between private cane producers and millers and sets prices for raw cane based on sugar content. Similarly, Law 619 assigns regulatory functions to Dominion Sugar Institute and also governs marketing (domestic and export), TRQ assignment, price schedules and statistics.”

ECUADOR (4/13/16):

Government minimum price to farmers; Preferential loans; Import tariff (45%); Export to US TRQ guaranteed deal

“Sources indicate that a government-set minimum price for cut sugarcane drives up prices. Neither farmers, nor mills receive domestic or export subsidies. Sugarcane farmers, like other farmers, are eligible for agricultural loans from BanEcuador and from the National Finance Corporation at preferential rates.

Sugar imports from the Andean Community (i.e., Bolivia, Colombia, and Peru) benefit from duty-free treatment. Andean Community sugar imports nonetheless require prior government authorization. Non-Andean Community-origin raw and refined sugar imports are assessed a 15 percent base tariff in addition to the Andean Price Band System (APBS) variable levy. The levy for raw and refined sugar is set at 30 percent. Sugar imports have a World Trade Organization (WTO) approved bound tariff rate of 45 percent, which includes price band-related duties.

Sources inform that Ecuador’s sugarcane mills have an agreement with the government to supply the U.S. market in order to safeguard the sugar allocation quota. These exports normally occur between June and September. Ecuador in 2016 however exported its quota in January.”

EGYPT

Income and price support; Government ownership; Import tariffs; Export tariffs; Price control; Supply management

(4/14/16):

“Post believes that sugarcane area will not drop further unless the government eliminates its price support policy for farmers.”

“The government is likely to continue its supply or procurement price policy by providing a subsidized price for sugarcane farmers through the state-run Sugar and Integrated Industries Company (SIIC), belonging to the Holding Company for Food Industries (HCFI), and the Ministry of Supply and Internal Trade (MoSIT). This price aims to support farmers’ incomes, while at the same time reducing the price for local sugar production, in order to increase its competitiveness against imported sugar.”

“SIIC is the main buyer of the cane crop, and also responsible for supplying sugar for the domestic food assistance programs administered by MoSIT. All nine sugarcane refineries (Hawamdeya, Abu Qorkas, Gerga, Naga Hamady, Deshna, Kous, Edfo, Armant and Kom Ombo) belong to SIIC and are located in Upper Egypt throughout the cane producing areas. There are six companies that refine beets. Out of the six, four - Delta, Dakahlia, Fayoum and Noubaria - are state-run companies established under the Egyptian Law of Investment, in which SIIC has taken a majority stake Sugar Annual GAIN Report 2015."

(5/24/16):

"Egypt's Minister of Industry and Trade (MoIT) has temporarily imposed barriers on sugar exports through an export tax while reducing those for raw sugar imports by removing its 20 percent tariff. According to Ministerial Decree number (455/2016), published in the Egyptian Gazette on May 18, 2016, Egypt's sugar exports are now subject to an export tax of EGP 900 ($101.35) per metric ton. The decree is effective from the date of publication in the Egyptian Gazette until December 31, 2016."

10/23/16:

"In September 2016, the government responded by limiting the distribution of sugar to MoSIT's Holding Company for Food Industries (HCFI), leaving out hundreds of traders and packaging factories. The government stated that the decision was intended to control prices as well as the market and to limit stockpiling. However, this resulted in sugar shortages as HCFI was not able to cover all areas and distribute sugar in areas that are typically covered by small traders and packaging factories."

"Currently, the government is obligating HCFI's consumer complexes and shops to provide sugar for all citizens at EGP 6 per kilogram and at EGP 5 for ration card holders. The government also announced that it will import sugar from the international marketplace to address the shortage."

ETHIOPIA (5/13/16):

Production support; Price control; Government supply control

"The government of Ethiopia has invested significant sums to build the country's sugar production capacity with the underlying goal of becoming one of the ten largest global producers by 2023. New land has been cleared and planted in sugar cane. Some cotton fields have even been converted to sugar. There are more than ten new sugar factories in various stages of development."

"While the government recently raised the price of sugar from $0.75/kg to $.090/kg, this increase is not expected to noticeably depress consumption because consumer demand remains so strong."

"Of this forecasted amount, 210,000 metric tons will likely be purchased by the government. The remaining sugar is imported outside government channels"

EUROPEAN UNION (4/25/16):

Import tariffs; Import quotas; Direct or coupled payments

"Member States (MS) can decide on maintaining some level of direct payments [1] coupled to specific production, as well as shift some funding between the two pillars. Through these MS specific programs, 10 MS out of the 19 sugar producing MS decided to maintain coupled payments for sugar production (See slide 20 of the presentation [2] on MS implementation of the new CAP). From the old EU-15 MS, Finland, Greece, Italy and Spain maintained coupled payments for sugar production in order to secure national sugar production after the end of the quota system. These MS feared that they could not compete with sugar processors in Northwestern Europe. Six of the new MS that acceded the EU after 2004, Poland, Czech Republic, Slovak Republic, Hungary, Romania and Croatia, decided to maintain coupled payments, albeit at a lower level. This compensation was added to their Single Area Payment Scheme (SAPS) for decreasing sugar production as a result of the 2007 Sugar Reform. The level of coupled payments for sugar production varies widely between the 10 MS with payments amounting from around €50/ ha in Italy to over €500/ha in Spain."

"Lately, refiners argue that the end of the EU sugar production quotas will liberalize all elements of the EU sugar market except for them as the EU will continue to be shielded by high tariff walls and relatively small import quota, most of which still carry a prohibitive within-quota tariff. This issue can be expected to become even more important as imports are likely to decline even further with lower prices for EU domestic sugar."

GUATEMALA (4/14/16):

Vitamin A enrichment requirement; Minimum price; Guarantee of US TRQ fill via allocation process; Approves all exports

"The Sugar Board of Guatemala, which includes representatives from the Ministry of Economy, sugar cane producers, and sugar mills, establishes production goals, sets sugarcane prices, and allocates the U.S. sugar quota to the different sugar mills. The allocation to each mill is based on past production performance, previous quotas, and milling capacity. According to the law, all sugar sold domestically must be enriched with vitamin A."

"To insure local demand will be supplied, exports are monitored by the Sugar Producers' Association and a representative from the Ministry of Economy, which approves all exports."

HONDURAS (4/15/16):

State trading enterprise; Vitamin A enrichment requirement

"In Honduras, the production, commerce, and distribution of sugar are controlled by the private sector."

"The sugar industry is represented by the Honduran Sugar Producers Association (APAH), established in 1976. All seven sugar mills are members of APAH. These mills sell their production to the Sugar Miller's Central (CISA), which is owned by APAH. CISA guarantees the domestic market's sugar supply for the entire year and guarantees a sugar standard price for the country."

"By law, quality restrictions require Vitamin A to be added to sugar for human consumption, which is done by the Honduran sugar industry."

INDONESIA (4/21/16):

Government ownership; Import restrictions

"On December 23, 2015, the Indonesian Minister of Trade issued regulation 117/2015 on sugar imports. The regulation classified sugar into three categories:

1. Raw sugar with HS Code. 1701.12.00.00, ex. 1701.13.00.00, and ex. 1701.14.00.00 with a minimum ICUMSA (International Commission for Uniform Methods of Sugar Analysis) of 1200 IU (International Unit).

2. Refined sugar with HS Code. 1701.19.11.00 and 1701.99.19.00 with maximum ICUMSA of 45 IU.

3. Plantation white sugar with HS Code. 1701.91.00.00 and 1701.99.90.00 with ICUMSA ranges from 70 IU to 200 IU. MOT 117/2015 states that the volume of sugar imports will be based on domestic demand, to be determined during an inter-ministerial meeting.

It further mentions that imports of plantation white sugar will only be conducted to maintain the availability and stability of plantation white sugar prices in the domestic market. The regulation states:

1. Raw sugar and refined sugar can be imported by private importers possessing a producers importers identification number (API-P, Angka Pengenal Importer-Produsen), after obtaining import approval from the Minister of Trade. Prior to applying for an import approval, private importers must obtain an import recommendation from Director General for Agro Industry of the Ministry of Industry. Once an import approval is granted, it will be valid in accordance with the validity of the import recommendation, starting from the issuance date of the import approval. The imported raw sugar and refined sugar must only be used as food ingredients for further production and must not be traded or transferred to other parties. Refined sugar produced from imported raw sugar must only be sold to food and beverage manufacturers and is prohibited to be sold in domestic retail market. Any company located within a bonded zone or possessing a dedicated export facility may get an import approval from the Ministry of Trade to import raw sugar or refined sugar for further processing without having any import recommendation from the Ministry of Industry. In order to do so, the company must provide an official letter stating they will not sell the imported raw sugar or refined sugar on the domestic retail market, and will only use imported raw sugar or refined sugar as ingredients.

2. Plantation white sugar can only be imported by state owned companies possessing a general importer identification number (API-U, Angka Pengenal Importir Umum) after obtaining an import approval from the Minister of Trade. To obtain an import approval, a state owned company must submit an electronic application to MOT's Director General for Foreign Trade. Once MOT grants an import approval, it will be valid for one year starting from the issuance date of the import approval.

Regulation 117/2015 restricts sugar imports one month prior to, during, and two months after the milling season. This is intended to simplify sugar import procedures and to improve the competitiveness of Indonesia's sugar industry. MOT regulation 19/M-DAG/PER/5/2008 is revoked and declared invalid."

INIDA

Production subsidy; Ethanol gas requirement; Export subsidy; Import tariff; Government minimum export quotas; Minimum support price; Export duties; Re-export program

(1/5/16):

"On November 18, 2015, the CCEA approved a production subsidy of INR 4.50 per quintal for sugarcane crushed in MY 2015/16 to be paid directly to the farmers on behalf of millers. Subsidy payouts would be adjusted against the cane prices fixed under the Fair and Remunerative Price (FRP) program and include debts owed by sugar millers to farmers for crop sold during the previous year."

"Recently the GOI also scaled up its ethanol blending target from five to 10 percent, as well as established the Targeted Ethanol Blending Program (TEBP). TEBP is based on a national roster of sugarcane millers with the capacity to produce and provide ethanol to Indian parastatal petroleum companies."

4/26/16:

"On April 29, 2015, the Union Cabinet approved to increase the duty on sugar imports under the OGL from 25 to 40 percent. The objective of increasing the tariff was to discourage imports, prevent excessive inventory, and support local sugar prices. On August 21, 2014, the Government of India (GOI) raised its tariff for refined and raw sugar from 15 to 25 percent."

"On September 18, 2015, GOI introduced the minimum indicative export quota (MIEQ) for selling 4 MMT of sugar (raw, white/refined) in MY 2015/16. The export quota has been prorated among sugar factories by considering their average sugar production in last three marketing years. The program seeks to revive sugar exports, inject cash flows and offset surplus sugar in MY 2015/16. However, given the water shortages (for irrigation and drinking) in parts of Maharashtra and Karnataka, many sugar mills will find difficult to meet the prescribed sugar export quota. As a result, mills expect their quotas to be reallocated or relaxed."

"The GOI establishes a minimum support price (MSP) for sugarcane based on recommendations from the Commission for Agricultural Costs and Prices (CACP), consultations with state governments, and sugar industry and cane growers' associations."

"Following the deregulation of sale of sugar in India in 2013, the GOI continued to subsidize sugar for consumers by allowing state governments to procure sugar from the market through open tenders. The gap between open market prices and public distribution system (PDS) sale prices/retail issue price is covered by the GOI. The new system has been adopted by 30 states/Union Territories (UTs). After two years of its implementation, the GOI reviewed the 'decontrol of sugar marketing' in 2015 and allowed states/UTs to either absorb the additional cost, if any, on account of handling, transportation and dealer's commission or pass it on to consumers by including it in the retail issue price (INR 13.50 per kg). The GOI provided INR 45 billion to subsidize the additional cost borne by States/UTs. Industry sources expect that the sugar industry will continue to be subject to production controls by state governments, including sugar industry licensing, specified cane procurement areas for sugar mills, and cane pricing."

6/23/16:

On June 16, 2016, GOI announced a 20-percent export tax on raw and white sugar. The timing is noteworthy, given that world sugar prices are stronger and Indian sugar exports could be more economically viable.

10/3/16:

"Sugar exports in the out-year are estimated at 1.5 MMT. Most of these sales will be refined sugar reexported under the Advance License Scheme (ALS). Under the ALS, local sugar millers are allowed to import raw sugar duty-free against a future export commitment."

"India's sugar import duty remains unchanged at 40 percent as of the date of publication."

MEXICO (4/15/16):

Reference price; Government ownership

"As announced by the Secretariat of Economy (SE) on October 30, 2015, the standard sugar reference price to calculate sugarcane payments for the MY 2015/16 crop is $8,130.65 pesos per MT ($486.86 dollars/MT at $16.70 pesos per dollar exchange rate at that time). This price is slightly higher in peso terms than prices announced for the past MY 2014/15 of $7,099.83 pesos per MT

($517.10 dollars/MT at $13.73 pesos per dollar exchange rate). Recent reference prices and payment levels are listed below in Table 3. The following reference prices are the initial ones announced at the beginning of each marketing year."

"In September 2015, a public tender was published to sell the last five state-owned sugar mills that were administered by FEESA. In December 2015, three mills out of the five were sold. The two mills that could not be sold were El Potrero and San Miguelito, both in Veracruz."

NICARAGUA (4/20/16):

Vitamin A enrichment requirements

"Sugar for national consumption is fortified with vitamin A and packaged in bags of 0.4, 0.8 and 2kg."

NIGERIA (5/9/16):

Government subsidization

"The National Sugar Master Plan (NSMP) is a backward integration program with projections for the development of local sugarcane plantation and sugar production over a 10-year period. Sources note that the National Sugar Development Council Act was amended in June 2015 to further support the Nigeria Sugar Master Plan. The effectiveness of those amendments are still being monitored as the Government of Nigeria has reportedly not provided adequate funds to support to the development of Nigeria's sugar industry."

PAKISTAN

(4/27/16):

Minimum prices; Government supported R&D, training and transference of new technology to growers; Import tariff; Export subsidy

"The provincial governments set procurement prices for sugarcane in consultation with representatives of both the sugar industry and farmers' organizations, based on recommendations from the Ministry of National Food Security and Research and the provincial ministries of agriculture, food, and industry. During the MY 2015/16 crushing season, the provincial governments of Punjab and KPK) announced the minimum support price (MSP) of Rs. 180 per 40 Kg ($43/ton), whereas, Sindh announced a price of Rs. 182 per 40 Kg ($44/ton). Mills are typically bound to pay farmers the MSP, however, buyer and seller will occasionally work out sales at below-MSP rates if both parties agree. The steady rise in sugarcane procurement prices (See Table 2) has made it difficult for mills to profitably produce sugar at current market rates. The industry is currently protected by a 40 percent import tariff designed to boost domestic sugar prices and protect millers from imports.

The provincial governments support research, development, training of farmers and transfer of new technologies to growers in its endeavor to raise cane yields and sugar recovery rates."

"In an effort to move stocks off of the domestic market, generate additional revenue for the millers, and speed payments to growers, during December 2015, the Government of Pakistan established a sugar export subsidy of $124 per metric ton to cover exports of up to 500,000 metric tons through March 31, 2016. Trade data shows that just 275,000 MT were exported. PSMA may seek government approval to extend the subsidy period through June of 2016 (the end of the current fiscal year)."

9/30/16:

“Pakistan has announced sugar export quotas and subsidies for each of the past two marketing years. It is too early to tell if a subsidy will be announced for this year, but record sugar production is expected to lead to large sugar stocks.”

“Barring a significant increase in world sugar prices that would make Pakistani exports price competitive, millers are expected to face the difficult situation of purchasing the record supply of cane at a high public support price (see Table 2) while sugar sales are limited to the domestic market. With the aid of a 40 percent import tariff, sugar in Pakistan is priced well above the international market. While domestic sales may be remunerative (see Table 3), unless the government announces another export subsidy, mills may face the cost of carrying large stocks of unsold sugar, a prospect that could inhibit their ability to pay farmers for their cane.”

“In 2014/15 the Government set a subsidy of $100 per MT that led to a fully subscribed quota of 500,000 MT; in 2015/16 it set a subsidy of $124 per MT as exports of 270,000 MT fell below the 500,000 MT quota….The export quota could be as high as 1.0 MMT.”

PERU (4/5/16):

Government ownership; Price band

“However, there still are two mills, Pomalca and Tuman, where the government has shares. The mills have not found investment partners to finance improvements in efficiency and profits. In an effort to encourage investment in these companies, the government is auctioning its shares to interested private sector companies. Government owned shares were the result of a conversion of unpaid taxes.”

“The government of Peru published on March 28, 2016, Supreme Decree 055-2016-EF amending the methodology to determine the Peruvian Price Band (PPB) and establishing new tables to calculate the actual surcharge assessed under the PPB. This regulation effectively reduces the additional duty assessed to sugar. The floor price of the band has fallen from $648 to $518 while the ceiling price has dropped from $778 to $644. Currently the additional duty is $93 per MT a significant reduction from $223 assessed under the previous methodology.”

RUSSIA (4/14/16):

Interest rate subsidies; Investment credits

“In addition, reportedly some local provinces are planning to support their producers through interest rate subsidies. They are also reportedly considering a long-range investment in the domestic production of sugar beet seeds. However, industry analysts are skeptical that government support will be sufficient to cover all these increasing costs.”

“Our source also noted an improved mechanism in subsidy payments, specifically on investment credits. However, the same source mentioned that there were delays in receiving subsidies for short term credits for purchasing raw material.”

South Africa

(4/15/16):

Reference prices; Sugar tax; *Export to US TRQ guaranteed deal*

"The domestic Dollar Based Reference Price (DBRP) mechanism is designed to ensure that, inclusive of the duty, the DBRP (currently US$566 per ton), is the lowest price that an importer will pay for imported sugar. In the event that the import prices are lower than the DBRP, an import duty is applicable, while an import price higher than the DBRP would result in no import duties payable. The DBRP and the depreciating Rand are the main reasons for the decreases in imports from Brazil in the 2014/15 MY."

"On February 24, 2016, the South Africa Finance Minister announced during the Budget Speech that South Africa would be introducing a tax on sugar-sweetened beverages with effect from April 1, 2017. Post contacts indicated that the purpose of the sugar tax is to reduce excessive sugar intake as it is linked with conditions such as obesity and diabetes. Although the specific tax amount has not been published it is believed that it will be around 20%. There are still mixed views on the potential impact of this tax."

9/30/16:

"On July 8, 2016, the South African National Treasury published the policy document recommending that a tax on sugar sweetened beverages based on sugar content be implemented, which would result in a tax of about R2.29 per liter. In addition, sweetened beverages that do not apply nutritional labelling would be liable to a relatively higher fixed gram of added (free) sugar of 151.52 grams per liter. Click here to download the policy document. The comments period for this policy document closed on 22 Aug 2016, and it is expected that stakeholder workshops would be held in November 2016, and thereafter the final implementation policy will be published. The proposed sugar tax has come under heavy criticism from the South Africa Beverages Association, Coca Cola and the sugar industry, who have cited that it would be largely ineffective in addressing obesity and other related health issues, as well as its potential to result in massive job losses."

"South Africa is a beneficiary of the United States Tariff Rate Quota (TRQ) allocation, which allows it to export sugar duty free to the United States. South Africa fully utilized the allocated 24,220 MTRV quota for the 2016 FY. South Africa confirmed that it has the capacity to export the 24,220 MTRV that it has been allocated for the 2017 FY."

THAILAND

(4/12/16):

Price support; Direct payments

"The Thai Government set the MY2015/16 sugarcane price supports at 808 baht per metric ton, a decline of 10-percent from the MY2014/15 support prices."

"The delay in approving the requested direct payments are due to the concerns of debt incurred by the state-run Cane and Sugar Fund (CSF), which is administered by the Bank for Agriculture and Agricultural Cooperatives (BAAC). The additional dilemma is that the CSF still has to secure funding to repay sugar mills under the MY2014/15 price support program as the market prices were lower than the intervention prices."

9/30/16:

"Although Brazil has filed a World Trade Organization (WTO) challenge of Thailand's domestic sugar supports and export subsidies, the sugarcane price supports are still expected to increase significantly in MY2016/17 due to the current surge in world market prices for sugar."

TURKEY (4/13/16):

Production quotas; Government ownership; Supply mechanisms; Indirect export subsidy; Ethanol gas requirement; tariff on imports (135%)

"Sugar production is regulated by a public institute called the Turkish Sugar Board, which announces and allocates annual production quotas to the existing producers, as per the Sugar Law of 2001."

"There are seven beet sugar producers in Turkey; six of which are private and one is public (Turkseker), which have been in the process of being privatized for eight years now"

"While private companies prefer to export their 'C' sugar directly, Turkseker has the largest share in providing 'C' sugar to exporting confectionary producers. The government has obliged Turkseker to do so in order to support exports. In the event that 'C' sugar does not meet the demands of exporters and exporting producers in a market year, Turkseker shifts some of its 'A' quota sugar to 'C' sugar and sells it at world prices, and bears the economic loss in order to meet that demand."

"Currently there is a three percent mixture rate of bio-ethanol into fuel as specified by the Energy Market Regulatory Authority (EPDK). This ratio is expected to increase to five percent in 2017, which will necessitate extra bioethanol production. The law requires this bio-ethanol to be obtained from only domestically grown agricultural products."

"Turkey levies a 135 percent import tax on sugar and sugar imports are limited to specialty sugar that is not domestically produced (aimed for medical, laboratory use, etc.)."

UKRAINE (4/18/16):

VAT; Price support; Production quotas

"Both wholesale and retail prices for sugar in the country are monitored by the Government with a minimal price boundary mandated in legislation that is reviewed each year."

"Ukrainian legislation uses a quota regime for domestic sugar production (A-quota), which is fixed annually by the Government of Ukraine. Over-quota production of sugar must be exported, stored, or processed into non-food uses. There are no farm-level quotas for sugar beet production."

"Since the beginning of 2016, the New Tax Code (in Ukrainian) came into force. According to the amended rules for valued added tax (VAT) administration, agricultural producers involved in production of sugar beets could accumulate only 50 percent of the positive balance between VAT payable and receivable on their accounts, while the other 50 percent of this sum should be paid back to the State Budget of Ukraine. It should be noted that in previous years agricultural producers were allowed to keep 100 percent of the abovementioned sum at their disposal. They are entitled to use these funds to cover their production costs, including purchase of inputs. This change would impact farmers' incomes and force them to apply additional cost-cutting measures intended to maintain their profitability and switch to more profitable crops."

VENEZUELA (4/15/16):

Government ownership; Price controls

"Price controls, land/farm expropriations, lack of foreign exchange, security concerns, lack of spare parts for agricultural inputs, machinery and packaging materials, and even labor problems, are all major issues negatively impacting the market for sugar production and consumption. It is evident to the private sector that the GBRV may rather import sugar than invest in areas to increase local production. Unfortunately, the GBRV finds itself with further dwindling foreign exchange available to purchase imported sugar. The economic situation is expected to worsen in 2016 and some government sugar mills may have to shut down operations."

Zimbabwe (4/26/16):

Import Tariffs; Customs duties; Import restrictions

"Tariffs on sugar imports introduced by the Zimbabwean government in 2014 to protect the domestic industry have resulted in the gradual decrease in sugar imports."

"In 2014, the Zimbabwe government passed a 10% customs duty and $100/ton surtax on all sugar imports from countries other than the Southern African Development Community (SADC) and the Common Market for Eastern and Sothern Africa (COMESA) in a bid to protect the local industry from an influx of sugar imports."

"In 2014, the government also confirmed that no raw sugar import permits would be issued from countries other than the Southern African Development Community (SADC) and the Common Market for Eastern and Sothern Africa (COMESA)."