

ATTACHMENT 6 FOR OMB FORM 83-1 TO SUPPORT RENEWED AUTHORITY TO ISSUE CERTIFICATES FOR QUOTA ELIGIBILITY

USDA ESTABLISHES FISCAL YEAR 2010 TARIFF-RATE QUOTAS FOR RAW, REFINED, AND SPECIALTY SUGAR AND THE DOMESTIC SUGAR OVERALL ALLOTMENT QUANTITY

WASHINGTON, Sept. 25, 2009 – The U.S. Department of Agriculture today announces the establishment of the raw and refined and specialty sugar import tariff-rate quotas (TRQs) and the domestic sugar overall allotment quantity (OAQ) for fiscal year 2010.

The fiscal year 2010 import TRQ for raw sugar will be established at 1,231,497 short tons raw value (STRV), the minimum amount to which the United States is committed under the World Trade Organization (WTO) Uruguay Round Agreements. The fiscal year 2010 refined and specialty sugar TRQ will be established at 99,251 STRV. This amount includes the WTO minimum amount of 24,251 STRV, 1,825 STRV of which is reserved for specialty sugar, as well as an additional 75,000 STRV for specialty sugar to accommodate a rapidly expanding organic food sector. The refined and specialty sugar TRQ is reserved for sugar whose content of sucrose by weight, in the dry state, corresponds to a polarimeter reading of 99.5 degrees or more. The TRQs will be established in the *Federal Register*. This announcement does not include quantities of sugar that may enter the United States under applicable market access provisions of free trade agreements.

USDA will administer the fiscal year 2010 specialty sugar portion of the refined and specialty sugar TRQ (76,825 STRV) in five tranches. Because this portion of the TRQ will be administered on a first-come, first-served basis, tranches are needed to allow for orderly marketing throughout the year. The first tranche, totaling 1,825 STRV, will open on Oct. 20, 2009. All specialty sugars are eligible for entry under this tranche. The second tranche will open on Nov. 10, 2009, and be equal to 27,558 STRV. The remaining three tranches each will be equal to 15,814 STRV, with the third tranche opening on Jan. 12, 2010; the fourth, on May 17, 2010; and the fifth, on Aug. 24, 2010. The second, third, fourth, and fifth tranches will be reserved for organic sugar and other specialty sugars not currently produced commercially in the United States or reasonably available from domestic sources.

The authority for establishing these TRQs under the WTO is the Harmonized Tariff Schedule of the United States, Chapter 17, Additional U.S. Note 5. The Office of the U.S. Trade Representative will subsequently announce the country allocations of these TRQs.

The department's domestic sugar overall allotment quantity (OAQ) for fiscal year 2010 is established at 9,235,250 STRV. As required by the Agricultural Adjustment Act of 1938, as amended by the 2008 Farm Bill, domestic sugar marketing allotments are in effect for fiscal year 2010. Using the most recent available data, the announced OAQ level is expected to permit domestic sugarcane and sugar beet processors to market all of their fiscal year 2010 sugar production.

Moreover, cane sugar production is expected to fall significantly short of its allotment, requiring reassignment to imports later in fiscal year 2010. Proportionate shares will not be required in Louisiana for this same time period as the state's allotment is expected to be greater than their sugar production. The OAQ is allocated to the beet and cane sectors as: beet sugar: 5,019,358 STRV, and cane sugar: 4,215,892 STRV. The fiscal year 2010 cane state allotments, sugarcane, and sugar beet processor allocations are listed in the table located at: http://www.fsa.usda.gov/Internet/FSA_File/fy10_initial_oaq.pdf

USDA believes the domestic market will require additional supplies of sugar during fiscal year 2010 and will closely monitor stocks, consumption, imports, and all sugar market and program variables on an ongoing basis. During the year, appropriate adjustments will be made to sugar program parameters to ensure an adequate supply of sugar for the domestic market.

For further information on imports, contact Angel Gonzalez of USDA's Foreign Agricultural Service by e-mail: Angel.F.Gonzalez@fas.usda.gov or by tele.: (202) 720-2916. For information on the domestic sugar program, contact Dan Colacicco of USDA's Farm Service Agency by e-mail: Daniel.Colacicco@wdc.usda.gov or by telephone: (202) 720-3451.