



## **PRESS RELEASE**

### **Fate of ACP sugar supplying states in hands of EU Agriculture Ministers**

Brussels 21 November 2005: The fate of African, Caribbean and Pacific (ACP) sugar supplying states lies in the hands of EU Agriculture Ministers in the final discussions on the reform of the EU sugar regime taking place in Brussels on 22-24 November. The 18 ACP countries who supply sugar to the EU under the ACP-EU Protocol would stand to lose up to €300 million a year in direct export earnings alone under proposals to cut sugar prices by 39% over four years. However, they will have no say in the final decisions on the level and timeframe of reform.

The ACP sugar group, in tandem with the Least Developed Country (LDC) sugar group, has engaged closely with the European decision makers over recent months in order to ensure that the concerns of the most vulnerable stakeholders are taken into account (see below link to Joint ACP-LDC Sugar Groups Platform). In addition, the Group has recently communicated a detailed ACP common position to the EU Member States and the European Commission in which it calls for a compromise price cut of 19% (see ACP sugar group press release 11 November 2005).

*“Our fate is now the hands of the Agriculture Ministers now. Our future economic prosperity and social stability rests largely on decisions that will be taken in the Council of Ministers in the coming days,”* said Arvin Boolell, Agriculture Minister of Mauritius and Chairman of the ACP Sugar Group. *We welcome the many assurances we have received from our European counterparts that they will take our concerns fully into account. We trust that they will stand by their stated commitment to the developing world.”*

Although EU Ministers are expected to come to an agreement on the future of the EU sugar regime this week, ACP countries will continue in their efforts to secure adequate and timely financial assistance to anticipate as well as cushion the impact of this reform - an issue that remains unresolved. With discussions on the EU budget ongoing, even the initial €40 million in accompanying measures for the ACP proposed by the European Commission for 2006 is now uncertain. This compares with the €5.7 billion in compensation already promised for European beet growers and beet sugar producers in 2006 with several billion euro more to follow over the proceeding eight years.

*“We will continue to fight to ensure we get a fair deal. It is certainly not fair that the weakest stakeholders are hit the hardest,”* said Minister Boolell.

This issue is likely to be raised at a meeting of Caribbean Heads of Government with EU President Tony Blair on 22 November in London, on their way to the Commonwealth Heads of Government Meeting in Malta on 25-27 November, where it will no doubt figure again. It is also quite probable that sugar concerns will influence the position taken by ACP and LDC states at the WTO Ministerial meeting in Hong Kong in December.

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For further information please see links below to the ACP website

*“ACP sugar group urges compromise on price cuts in EU sugar reform”* 11 November 2005 ([click here](#))

*“ACPs, LDCs, Oxfam and WWF on EU reform: Fair EU sugar reform could revitalise WTO talks”* 10 November 2005 ([click here](#))

*“African, Caribbean and Pacific (ACP) countries express extreme dissatisfaction with EU sugar reform proposals and accompanying measures”* 22 June 2005 ([click here](#))

*ACP sugar facts and figures* ([click here](#))

*Joint ACP-LDC Sugar Groups Platform*, 15 September 2005 ([click here](#))

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