

**From:** GALLINA Sandra (TRADE)  
**Sent:** vendredi 9 novembre 2018 14:36  
**To:** 'ESRA'  
**Cc:** Art. 4(1)(b)  
**Subject:** RE: A message from ESRA in advance of EU-Mercosur talks

Dear Art. 4(1)(b)  
thank you for this message and for the information you share.  
Let's hope that Mercosur partners do also understand that this is a once-in-a-generation opportunity.  
Best,  
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**From:** ESRA [ Art. 4(1)(b)]  
**Sent:** Friday, November 09, 2018 2:13 PM  
**To:** GALLINA Sandra (TRADE)  
**Subject:** A message from ESRA in advance of EU-Mercosur talks

Dear Ms Gallina,

On behalf of the European Sugar Refineries Association (ESRA), I wanted to get in touch to wish you and your team the best of luck with the negotiations taking place next week.

As we are sure you'll agree, it is imperative that the EU seizes this once-in-a-generation opportunity to achieve a deal. More than perhaps any other industry, our members are looking to the Commission to achieve a result here that is fair, balanced, and respectful of the institution's political obligations towards all citizens and stakeholders. For our part, we call upon you to secure a TRQ for raw sugar that is both meaningful in terms of volume and is duty-free. Like everyone in the sugar sector, we are working hard to adjust to a Europe of low white sugar prices. It is a huge challenge for all concerned, but unlike our beet sugar competitors, we cannot look to massively increased volumes of (lower-priced) raw materials to bridge this abyss. In fact, it has meant that we are now effectively excluded from the Brazilian market, as almost all of the ca. 700,000tn of European access to the country's raw sugar comes with a €98/tn duty attached, so our industry has been even worse effected than our competitors. Our only hope lies in EU trade policy, and the granting of duty-free access to the world's largest market – for us, this is a question of survival.

We have communicated these messages to you on many occasions in the past, but we also wanted to complement it with some interesting insights which we heard this week on the Brazilian sugarcane industry. Sustainability is a topic we have not discussed in much detail, but the record of the Brazilian sugarcane industry is impressive – long-standing carbon emissions reductions (90%) from the use of ethanol in the transport sector is now being bolstered by the exploration of second-generation biofuels in the country; already, almost 5% of Brazil's electricity needs are being met through sugar-produced bioelectricity; moreover, sugarcane is produced thousands of kilometres from the delicate and globally-important ecosystems of the Amazon rainforest. In short, the Brazilian sugarcane industry is a sustainability leader. These are the kind of suppliers we want to buy raw sugar from – we want to be able to promise our customers that they have made sustainable food choices, and this is virtually impossible for us without access to Brazilian imports, as over half of the world's certified sustainable sugar producers (through the [Bonsucro](#) scheme) are located in Brazil.

All in all, a meaningful raw sugar TRQ in this deal is a win-win: it allows us to reach the highest global standards of sustainability, it helps our industry – and its thousands of jobs – to survive,

and it ensures a competitive, dynamic EU sugar sector. There is absolutely no evidence that it will lead to even lower EU white sugar prices – much as our competitors will try to argue otherwise.

Therefore, we ask you to do everything in your power to fight our corner in this deal, and to secure a meaningful, duty-free TRQ for raw sugar.

Best regards,

Art. 4(1)(b)

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**European Sugar Refineries Association**  
A Rue Paul Emile Janson 6 1000, Brussels, Belgium

Art. 4(1)(b)

W [sugarefineries.eu](http://sugarefineries.eu)