COALITION FOR
SUGAR REFORM

Sweet Facts

September 11, 2014

New OECD Report Highlights Protectionist Nature of U.S. Sugar Policy

Last week, the OECD released a new report, titled "Agricultural Policy Monitoring and Evaluation 2014," which calls on the governments of OECD member countries to further eliminate market-distorting farm support programs, like the protectionist U.S. sugar program.

> ***"While actions taken by the Commodity Credit Corporation in 2013 to address the sugar surplus in the US market have been successful in avoiding forfeitures, they accentuate economic distortions and shelter domestic sugar producers from international competition," reads the OECD report.***

If you're wondering why the sugar program is to blame, here's some context:

- The surplus sugar in the U.S. market referenced in the OECD report was the direct result of market-distorting changes made to the sugar program in the 2008 farm bill.
- These changes caused U.S. sugar prices to skyrocket above the world price from 2009 to 2012, which incentivized *both* Mexican and U.S. producers to increase production.
- To manage the surplus, the federal government was forced to spend nearly $300 million in taxpayer dollars in FY 2013.
- What's worse, the Congressional Budget Office expects costs to continue for taxpayers through 2024, forecasting the cost at $629 million between FY 2014 and FY 2024.

Read the full report here.

Congress, Reform the U.S. Sugar Program.

Learn more about the need to reform U.S. sugar policy at www.sugarreform.org.
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The Coalition for Sugar Reform is an alliance of consumers, food and beverage manufacturers, trade advocates, environmental groups, taxpayer watchdog organizations, responsible government advocates, think tanks and other interests. Our objective is to reform the federal government's intrusive, inefficient, restrictive and outdated sugar program – a decades-old subsidy that has repeatedly failed to provide adequate supplies of sugar to the U.S. market.