

(English version)

**Question for written answer E-001797/24
to the Commission**

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(24 September 2024)

Subject: Implications of the abolition of sugar quotas

On 30 September 2017, the European Union had the Member States abolish the sugar quota system.

This has had negative consequences for overseas producers, who have had to face up to fierce global competition, leading to a general decline in prices.

For the ‘largest’ overseas producers, this decision has been beneficial, with some having seamlessly managed to integrate into the world market.

However, it has led to small- and medium-sized producers, which make up the overwhelming majority of farms, either collapsing or struggling to make a decent income, despite the few support schemes set up by the EU.

1. What action will the Commission take to further protect these small- and medium-sized farms?
2. What does it think about potentially reintroducing the sugar quotas?

Submitted: 24.9.2024

Answer given by Mr Wojciechowski on behalf of the European Commission
(5 November 2024)

The EU sugar sector has demonstrated its resilience after the end of the quota system by adapting to challenges and uncertainties and becoming a competitive and market driven sector.

The Commission is aware of the constraints faced by the Outermost Regions (OR) as recognised by the Treaty ⁽¹⁾. The EU provides support for the cane sugar-rum sector under the first and second pillars of Common Agricultural Policy (CAP) ⁽²⁾. There are also state aids for this sector.

The POSEI scheme ⁽³⁾, with its high level of support and degree of subsidiarity, continues to be an efficient instrument to strengthen local production.

In 2023, France allocated EUR 74.86 million to the cane sugar-rum sector of the French OR. Portugal supported the sugarcane processing in Madeira with EUR 2.1 million.

Through the respective CAP Strategic Plans, although not exclusive to sugarcane, producers can benefit from area-based support for organic farming or integrated production.

In addition, there is aid for investments in the agricultural holdings, including those targeting young farmers, and in the processing and marketing of agricultural products.

Risk management tools will continue to be available for farmers, as will the specific support for areas facing natural constraints to agricultural production, comprising mountain areas.

One of the key objectives of the 2023-27 CAP is to enhance the market orientation of the agricultural sector in the EU. This approach aims to foster competitiveness, sustainability and innovation, ensuring that European agriculture remains resilient in a globalised market.

⁽¹⁾ Article 349 of the Treaty on the Functioning of the European Union (TFEU).

⁽²⁾ For example, in the French CAP Strategic Plan, an agri-environment-climate measure is dedicated to the sugarcane sector in the French ORs. Its objective is to encourage sugarcane farmers to implement agricultural practices beneficial to natural resources, and in particular water and biodiversity. Beneficiaries receive between EUR 441 and EUR 845 per hectare per year over a period of five years.

⁽³⁾ Programme of Specific Options Relating to the Remoteness and Insularity (first pillar of the CAP financed by the European Agricultural Guarantee Fund (EAGF)) replacing the direct payments granted under the first pillar of the CAP in all other EU regions. https://agriculture.ec.europa.eu/common-agricultural-policy/market-measures/outermost-regions-and-small-aegean-islands/posei_en

The Commission does not consider reintroducing sugar quotas to be a suitable policy option to achieve the above-mentioned CAP objectives.
