



## **CRA 2007 Farm Bill Position**

**August 2007**

The Corn Refiners Association (CRA) has no higher priority than the long-term resolution of the decade-long high fructose corn syrup (HFCS) dispute with Mexico. Toward that end, the CRA has concluded that the long-term resolution of this dispute rests on two-way, free trade in sweeteners between the United States and Mexico, as envisioned by the North American Free Trade Agreement (NAFTA) in January of 2008.

The CRA is neutral on the House-passed version of the Farm Bill sugar program, which allows for unfettered trade in sweeteners between the United States and Mexico. As stipulated in the House bill, USDA will make excess sugar available via competitive bid from ethanol manufacturers and will only allow publicly available data for U.S. and Mexican high fructose corn syrup to be used in determining the USDA supply and demand estimates for sugar.

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- The corn refining industry has an enormous economic stake in fully resolving the Mexico HFCS dispute, and has suffered through a decade of failed sweetener trade. It is important that two-way trade in sweeteners ultimately results in significant corn sweetener sales to that market, as envisioned under the NAFTA.
- The marketing allotment is a barrier to sweetener trade with Mexico. If maintained in the next Farm Bill, it should not stand in the way of, or act as a limit to, full implementation of two-way trade in sweeteners with Mexico consistent with the NAFTA.
- The CRA will not be in a position to support the U.S. sugar program for the next Farm Bill if marketing allotments or any aspect of the sugar program jeopardizes full implementation of free trade in sweeteners under the NAFTA.