



BILLING CODE 3390-F3

OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE

[Docket Number USTR-2023-0002]

Definition of Specialty Sugar in the Rules Concerning Allocation of the U.S. Refined Sugar Tariff-Rate Quota

AGENCY: Office of the United States Trade Representative.

ACTION: Request for comments.

SUMMARY: The Office of the United States Trade Representative (USTR) is requesting public comments on specific eligibility criteria in the definition of the term ‘specialty sugar’ in the regulations concerning issuance of specialty sugar certificates for the tariff-rate quota (TRQ) on imports of sugars, syrups, and molasses provided in the Harmonized Tariff Schedule of the United States (HTSUS) that was most recently amended by a final rule in 1996, and an interim final rule in 1990.

DATES: USTR must receive your written comments on or before [INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

ADDRESSES: You should submit written comments through the Federal eRulemaking Portal: <http://www.regulations.gov>. The docket number for this rulemaking is USTR-2023-0002. Upon completion of processing, USTR will publicly post comments without change and will include any personal information you provide, such as your name, mailing address, email address, and telephone number. You can view copies of all

comments by entering the docket number USTR-2023-0002 in the search field at regulations.gov.

FOR FURTHER INFORMATION CONTACT: Erin Nicholson, Office of Agricultural Affairs, at 202-395-9419, or Erin.H.Nicholson@ustr.eop.gov.

SUPPLEMENTARY INFORMATION:

I. Background

The U.S. Department of Agriculture establishes the aggregate levels of the World Trade Organization (WTO) TRQ for refined sugars each fiscal year and may reserve a quantity for specialty sugar imports. This specialty sugar TRQ is administered globally on a first-come, first-served basis.

Pursuant to 19 U.S.C. 3601 and Presidential Proclamation 6763, USTR has the authority to promulgate regulations to administer the TRQs relating to certain agricultural products, including the sugar TRQs as defined in additional U.S. Note 5 to Chapter 17 of the HTSUS. USTR issued rules, codified at 15 CFR part 2011, subpart B, setting forth the terms and conditions under which certificates will be issued to U.S. importers for importing specialty sugars from source countries. For the purposes of subpart B, the term ‘specialty sugar’ is defined in section 2011.202(i).

The interim final rule published on October 4, 1990 (55 FR 40646), included in the last subparagraph of the definition of ‘specialty sugar’ (section 2011.202(j)(3)) the criterion that specialty sugar “[r]equire no further refining, processing, or other preparation prior to consumption, other than incorporation as an ingredient in human food.” In the final rule published on May 29, 1996 (61 FR 26783), USTR addressed certain amendments to the definition of ‘specialty sugar,’ including the addition of

specific products to the list of eligible sugars and a provision for “other sugars, as determined by the United States Trade Representative, that would be considered specialty sugar products within the normal commerce of the United States”. The final rule also made conforming changes to reflect updates to the HTSUS and redesignated the definition from section 2011.202(j) to section 2011.202(i) (61 FR at 26783-26784). The final rule did not clearly indicate whether the criterion in the last subparagraph was maintained or had been eliminated. However, this criterion was not reflected in the amended definition published in the CFR.

II. Input Requested

Some stakeholders have suggested that USTR amend the definition of specialty sugar at 15 CFR part 2011 to reflect the criterion that specialty sugar “[r]equire no further refining, processing, or other preparation prior to consumption, other than incorporation as an ingredient in human food.” In this regard, USTR seeks information from stakeholders on the following questions:

1. Please indicate whether you would support amending the specialty sugar definition to reflect this criterion as part of the definition of specialty sugar. Please explain the rationale for your position.
2. Are there current circumstances, including with respect to market dynamics, that would support USTR amending the specialty sugar definition to reflect this criterion? Please explain your answer.
3. How could the U.S. Government best enforce compliance with this criterion?
4. How would this criterion improve or harm the operation of the specialty sugar TRQ? Please explain your views.

5. How would this criterion impact U.S. imports of sugar, including any impacts on trade from particular supplying countries?
6. How would this criterion impact U.S. sugar prices, including prices for conventional sugars, organic sugars, raw sugars, refined sugars, or other sugar-containing products?

Greta Peisch,

General Counsel,

Office of the United States Trade Representative.

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