

# Examining Import Restrictions: The Cases of Sugar, Catfish and Crawfish

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# U.S. Sugar Policy

- ▶ The U.S. sugar program uses price supports, domestic marketing allotments, and tariff-rate quotas (TRQs) to influence the amount of sugar available to the U.S. market
- ▶ Raw cane sugar, refined sugar, sugar syrups and specialty sugars enter the U.S. under two tariff-rate quotas (TRQs) as defined under HTS Chapter 17
  - U.S. importers pay either a nominal or zero duty
  - Sugar entering under a proscribed Free Trade Agreement enter at a zero duty

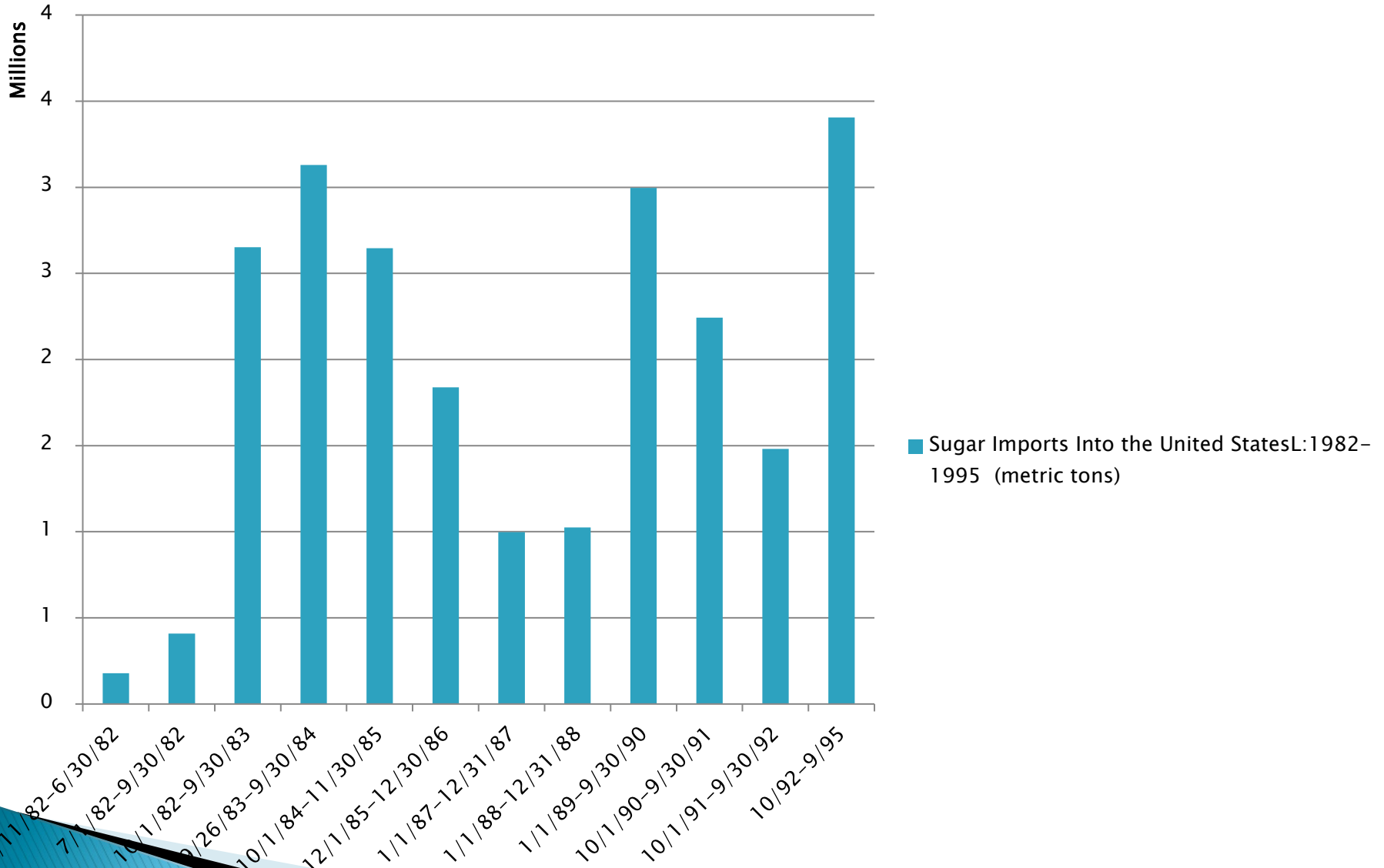
# U.S. Sugar Policy Cont'd

- ▶ HTS Ch. 17 establishes a minimum TRQ for raw cane sugar of 1,117,195 metric tons and a minimum TRQ for refined sugar of 22,000 metric tons
- ▶ The U.S. Trade Representative (USTR) allocates the raw cane sugar TRQ for supplying countries utilizing a formula based on 1975–1981 exports to the U.S.
- ▶ The USTR establishes the TRQs for raw cane sugar in August or September for the upcoming U.S. fiscal year (Oct. 1)

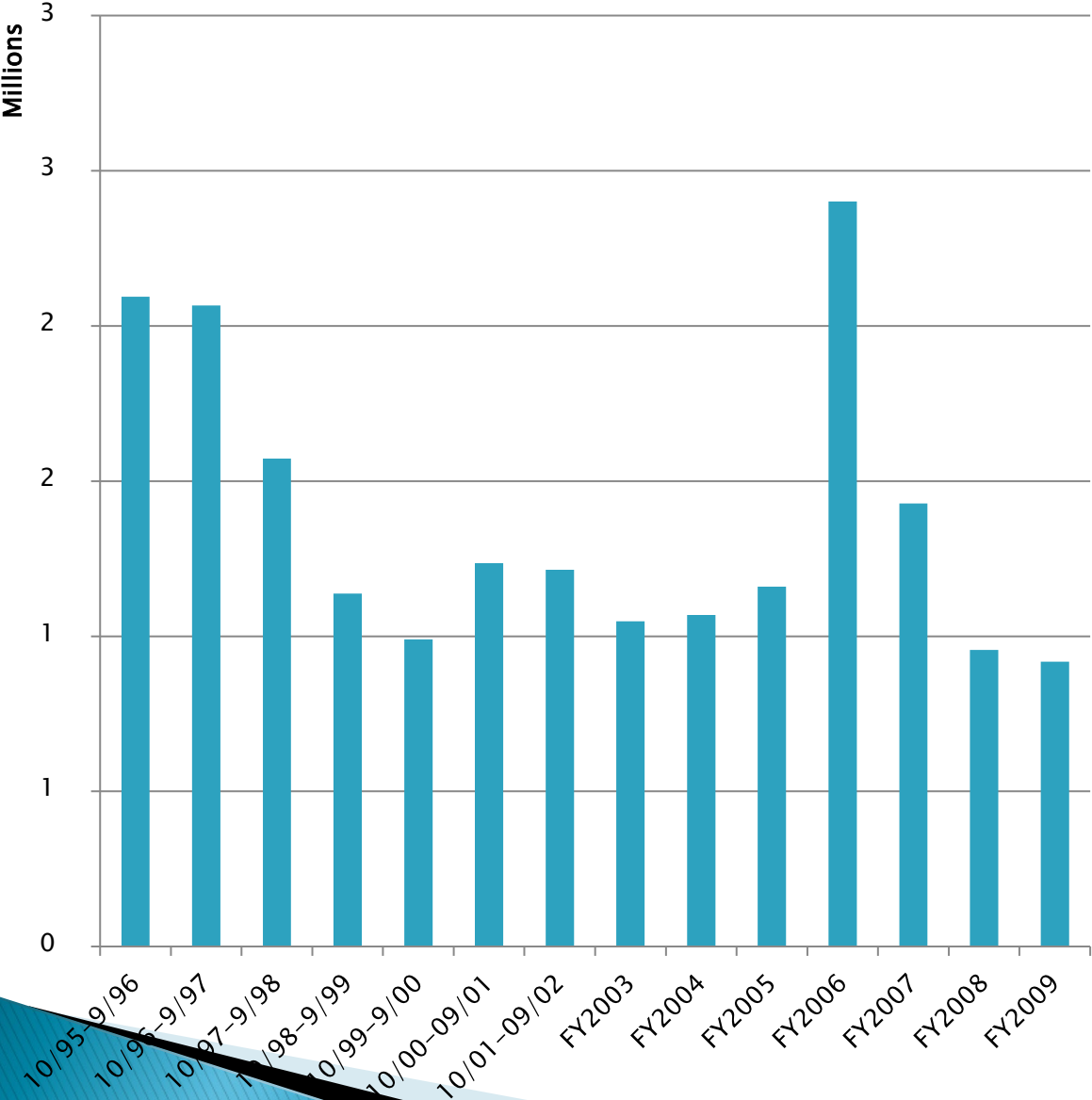
# U.S. Sugar Policy Cont'd

- ▶ Current U.S. sugar policy established by 2008 Farm Bill (*the Food, Conservation, and Energy Act of 2008*) covers 2009–2013
- ▶ The loan rate for raw cane sugar is:
  - 18 cents per pound in FY 2009,
  - 18.25 cents per pound in FY 2010,
  - 18.50 cents per pound in FY 2011, and
  - 18.75 cents per pound in FY 2012–13.
- ▶ The loan rate for refined beet sugar is:
  - 22.9 cents per pound in FY 2009 and
  - 128.5 percent of the loan rate for raw cane sugar in FY 2010–13.
- ▶ The 2008 Farm Act allows processors to obtain loans for in-process sugar and syrups at 80 percent of the loan rate.

# Sugar Imports Into the United States:1982–1995 (metric tons)

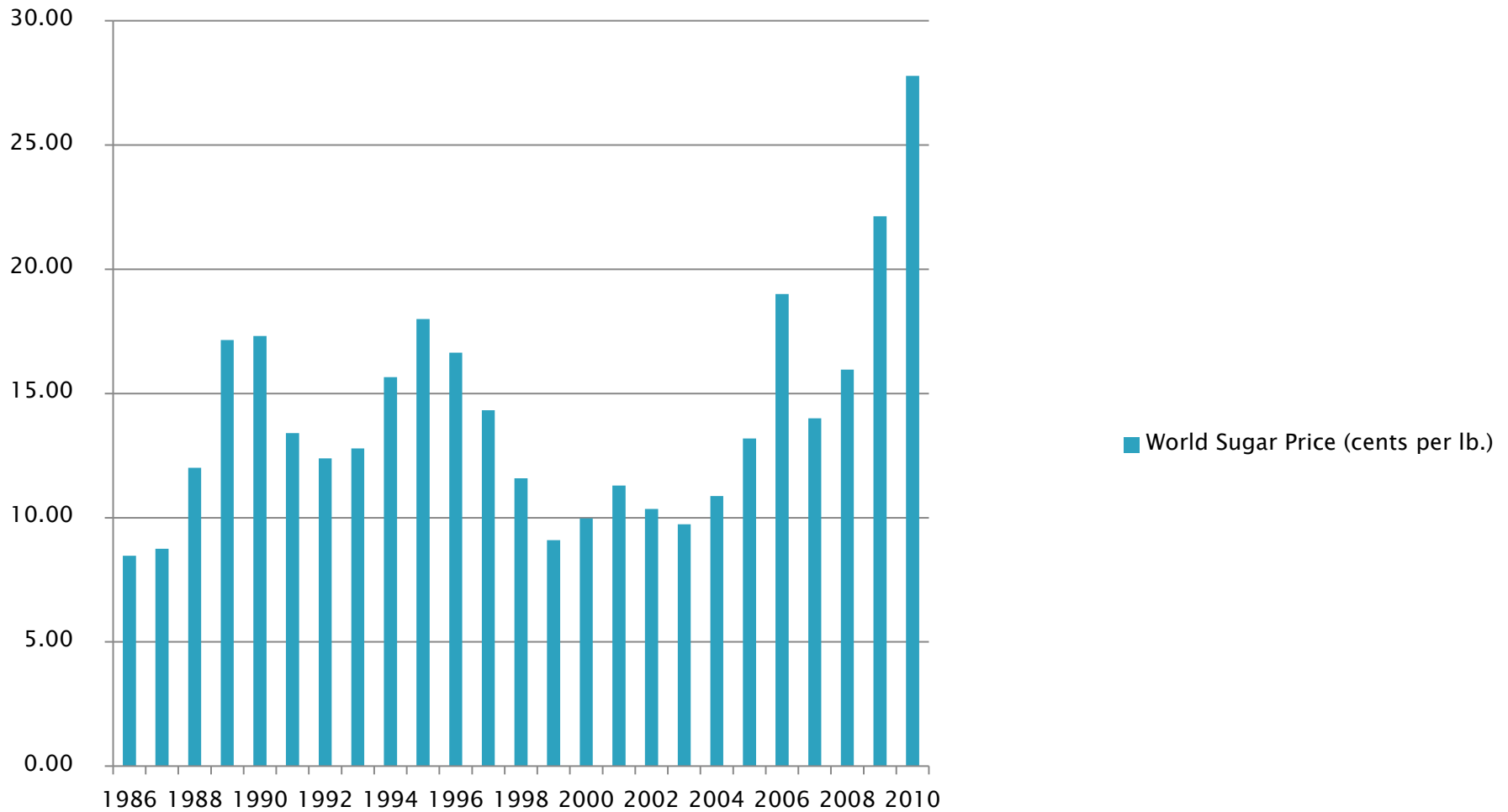


# Sugar Imports Into the United States:1996–2009 (metric tons)



■ Sugar Imports Into the United States:1996–2009 (metric tons)

# World Refined Sugar Price (cents/lb.)

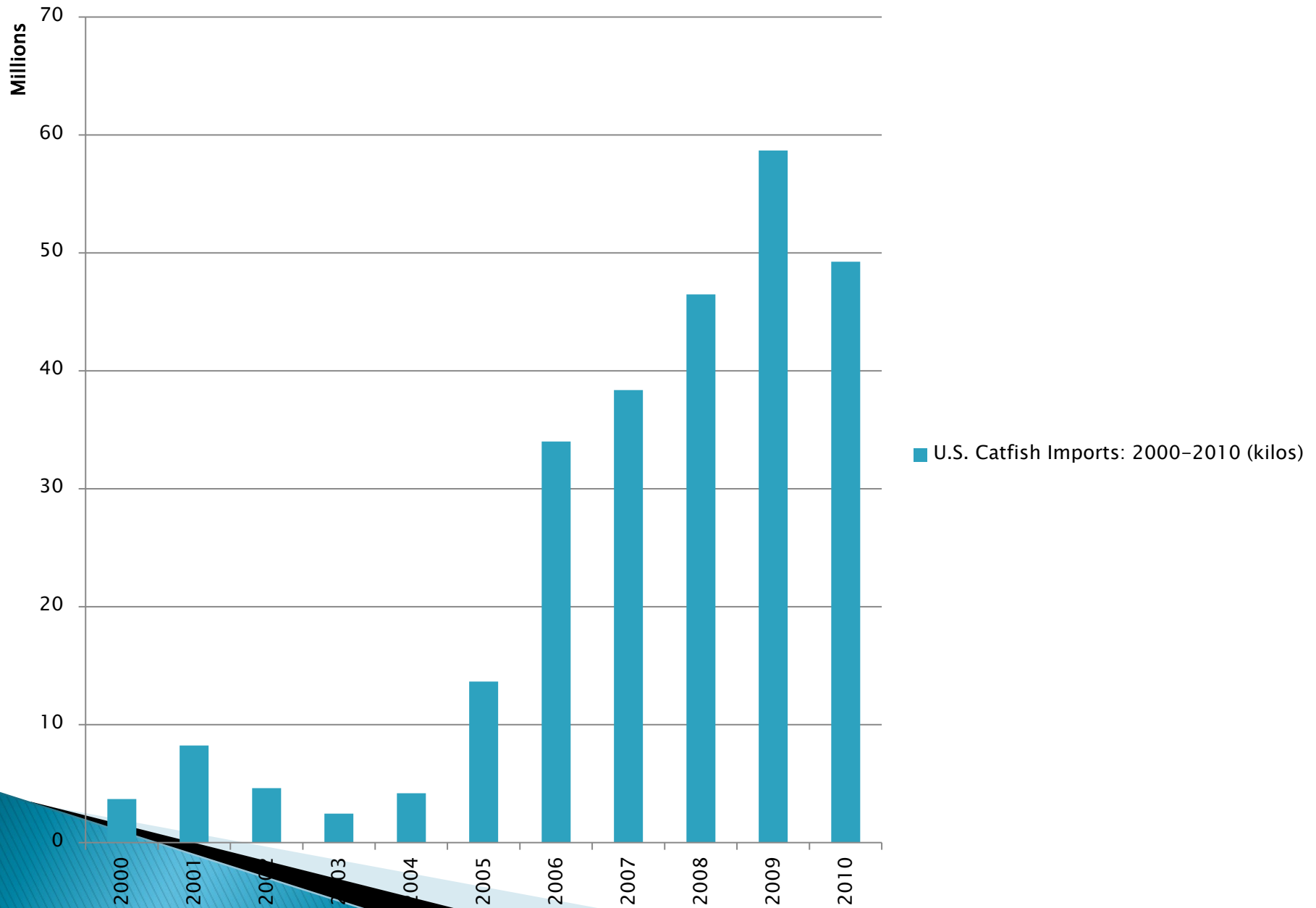


# Catfish

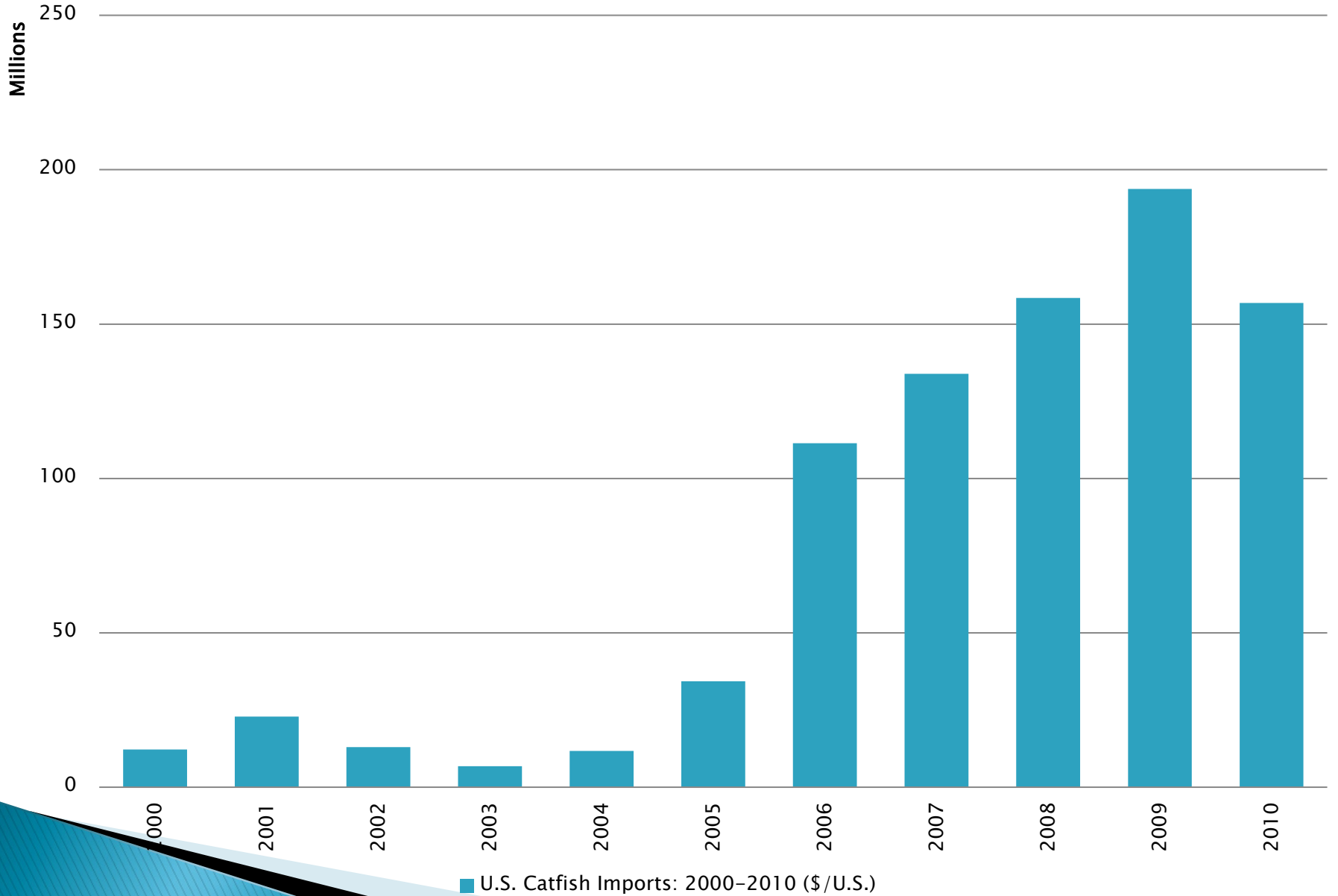
- ▶ In 2002, US catfish farmers filed an allegation of dumping against Vietnamese exporters
- ▶ The DOC found most Vietnamese firms were dumping, and imposed anti-dumping tariffs and imposed preliminary tariff rates as high as 64%
- ▶ In their 2003 review, the USITC confirmed the dumping of basa and tra fish and antidumping tax rates were affixed
- ▶ In its 5 year review (2008) (Investigation No. 731-TA-1012 (Review)), the USITC concluded “...that revocation of the antidumping duty order on certain frozen fish fillets from Vietnam would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.”



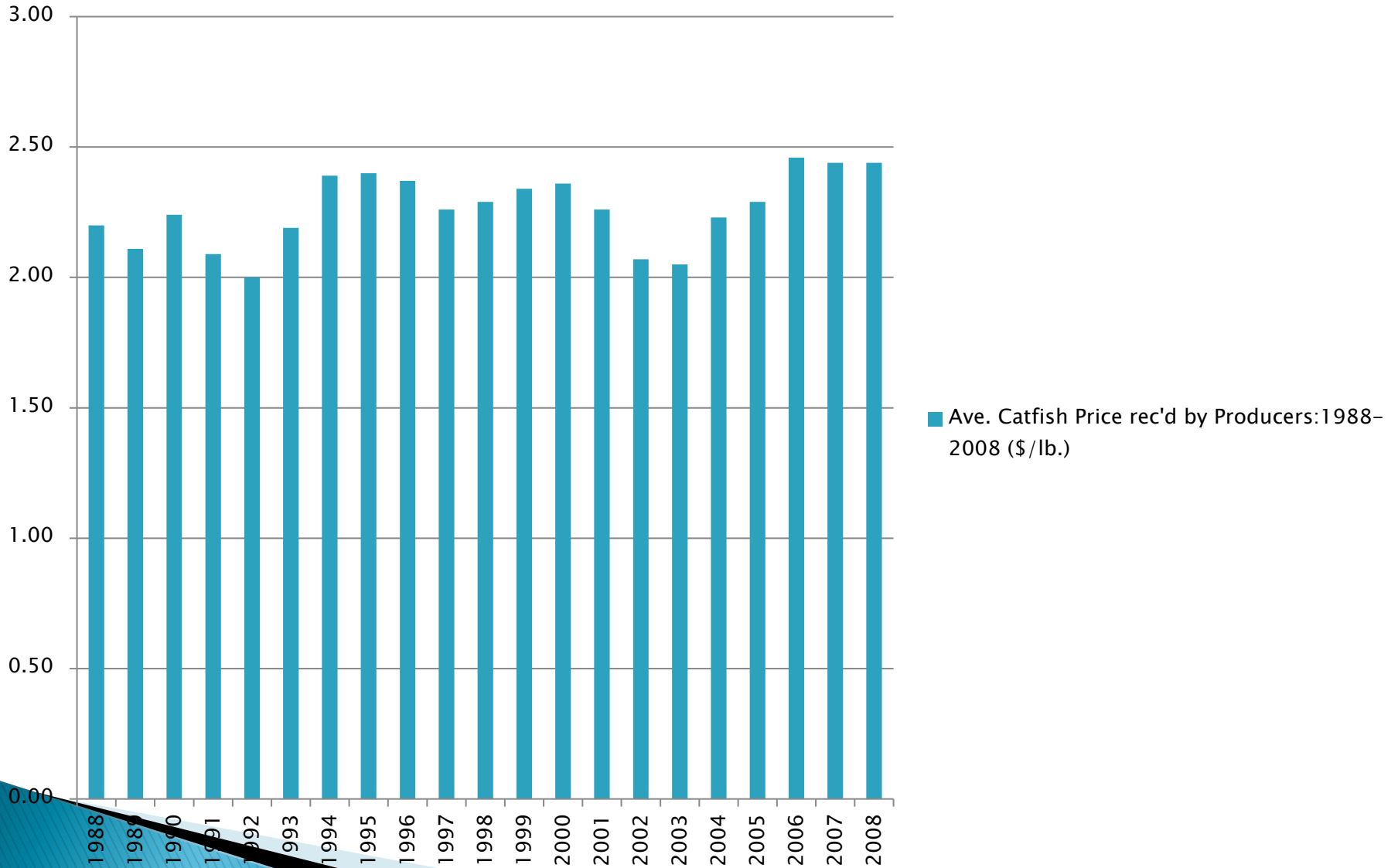
# U.S. Catfish Imports: 2000–2010 (kilos)



# U.S. Catfish Imports: 2000–2010 (\$/U.S.)



## Ave. Catfish Price rec'd by Producers:1988-2008 (\$/lb.)



# Crawfish

- ▶ China began exporting crawfish tail meat to the U.S. in 1991
- ▶ The ITC (1997) reported that in 1994 imports totaled 1,700 MT
- ▶ Imports increased by 130% in 1995
- ▶ By 1996, Chinese crawfish commanded anywhere between 70%–80% of the domestic market
- ▶ In August 1997, the ITC found in favor of domestic producers and imposed tariffs ranging from 91–200%

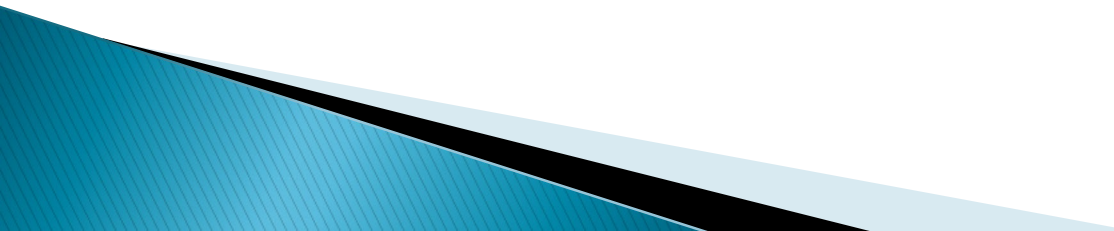
# Crawfish and The Byrd Amendment

- ▶ The Continued Dumping and Subsidy Offset Act of 2000 (CDSOA) a.k.a. 'The Byrd Amendment' was enacted by the U.S. Congress in 2000
  - The Byrd Amendment changed the way funds were handled arising from the collection of duties on imports the U.S. government deemed were subsidized or otherwise unfairly priced
    - Funds collected were distributed directly to companies that filed complaints claiming they had received material injury from low cost imports
    - Previously, funds collected were allocated to the U.S. Treasury

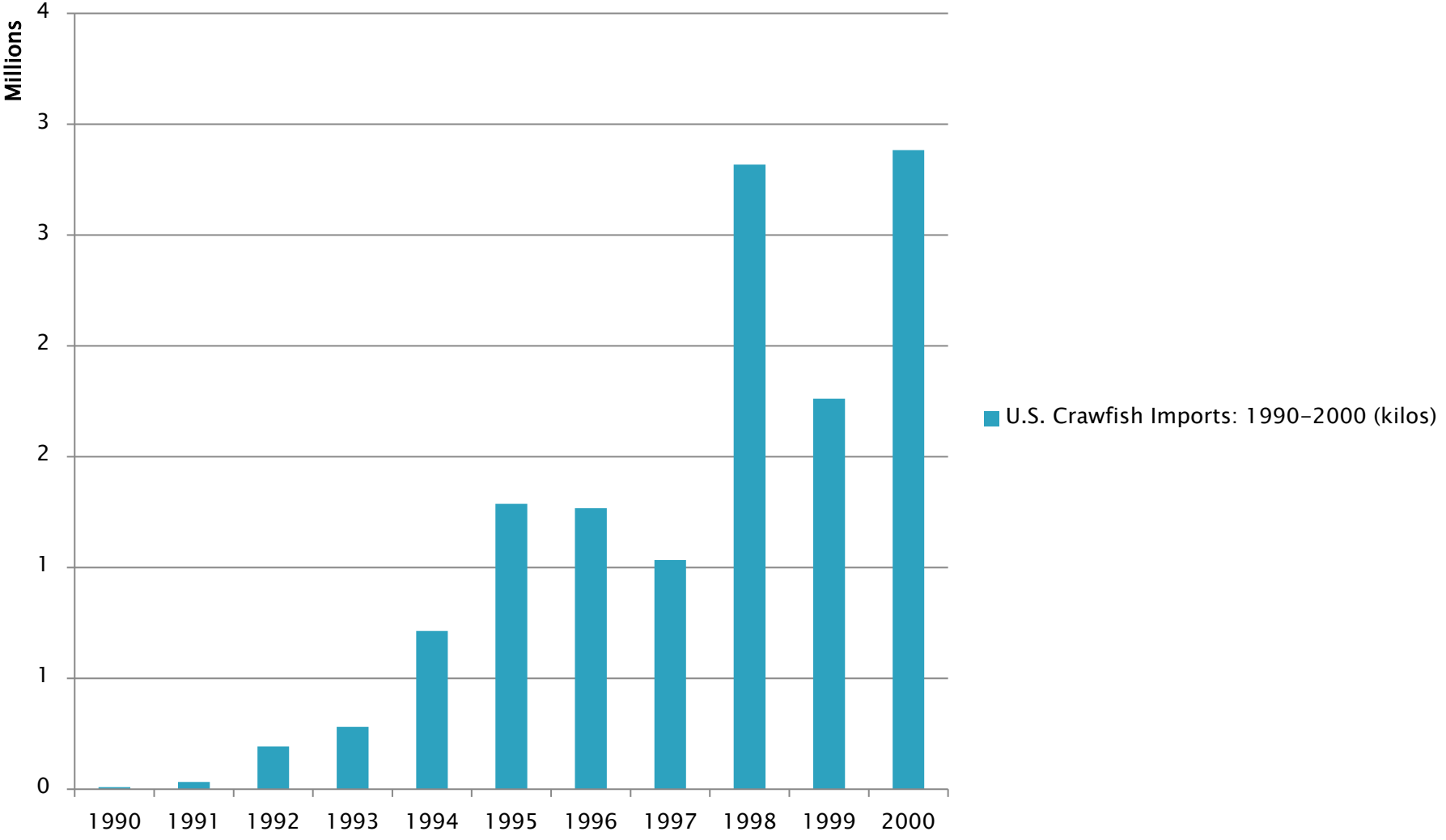
# The Byrd Amendment cont'd

- ▶ The WTO ruled in 2002 that the process of disposing funds violated international trade agreements
  - Retaliatory tariffs against certain U.S. imports in those countries totaled some \$114 million
- ▶ While the Byrd amendment provisions provided some relief for Louisiana crawfish producers, the limited scope of producers able to benefit was a matter of some controversy
  - Only 27 crawfish processors were eligible for payments
  - Crawfish farmers, fishermen, distributors and retailers were not eligible for payments
  - Around 100 crawfish processors that closed due to depressed prices before Byrd were also ineligible

# The Byrd Amendment cont'd

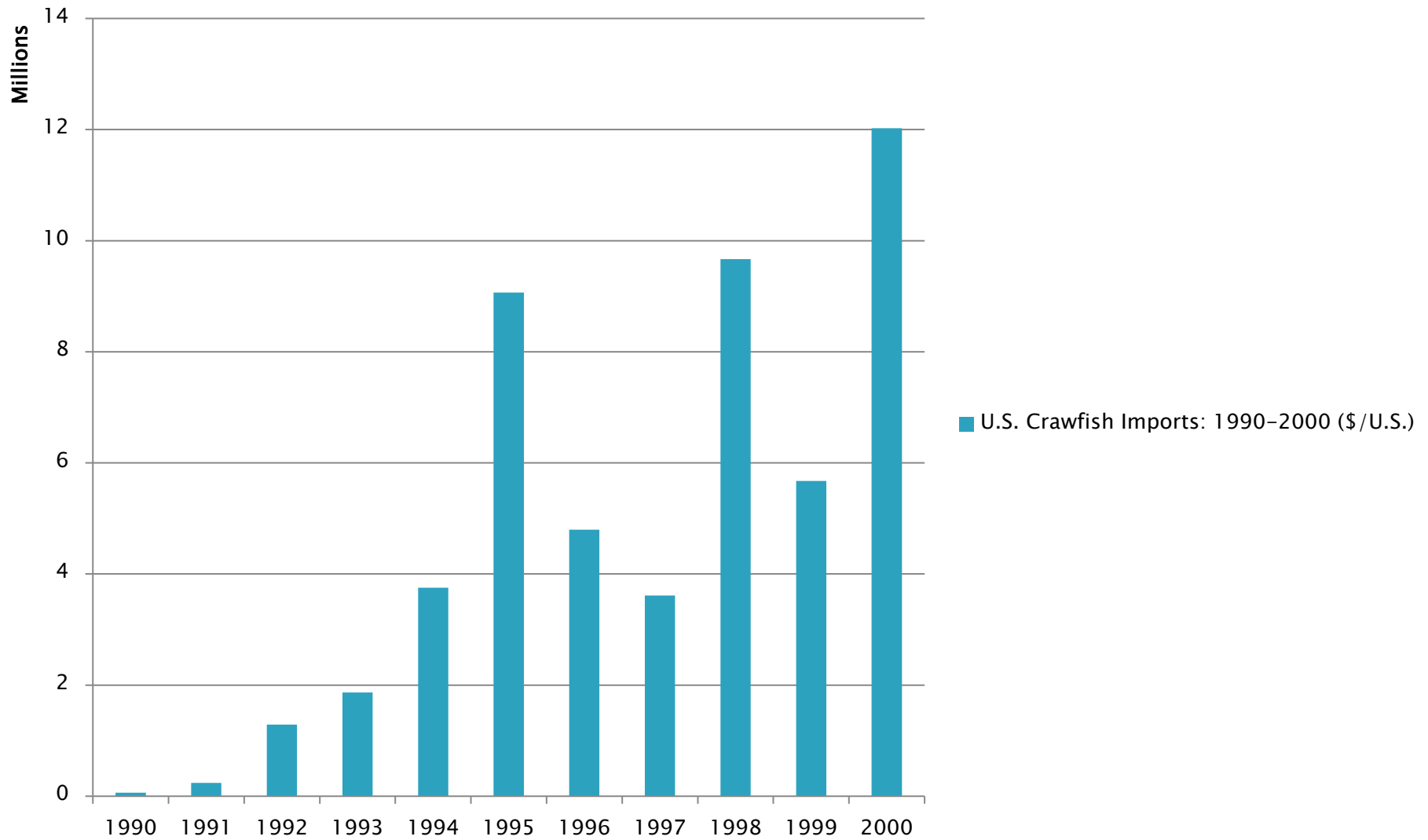
- ▶ After calls for its repeal, the U.S. Congress in January 2006 repealed the amendment
  - ▶ Even after its repeal in 2006, the Byrd Amendment's provisions stayed in effect until October 1, 2007, directing monies to appropriate entities
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# U.S. Crawfish Imports: 1990-2000 (kilos)

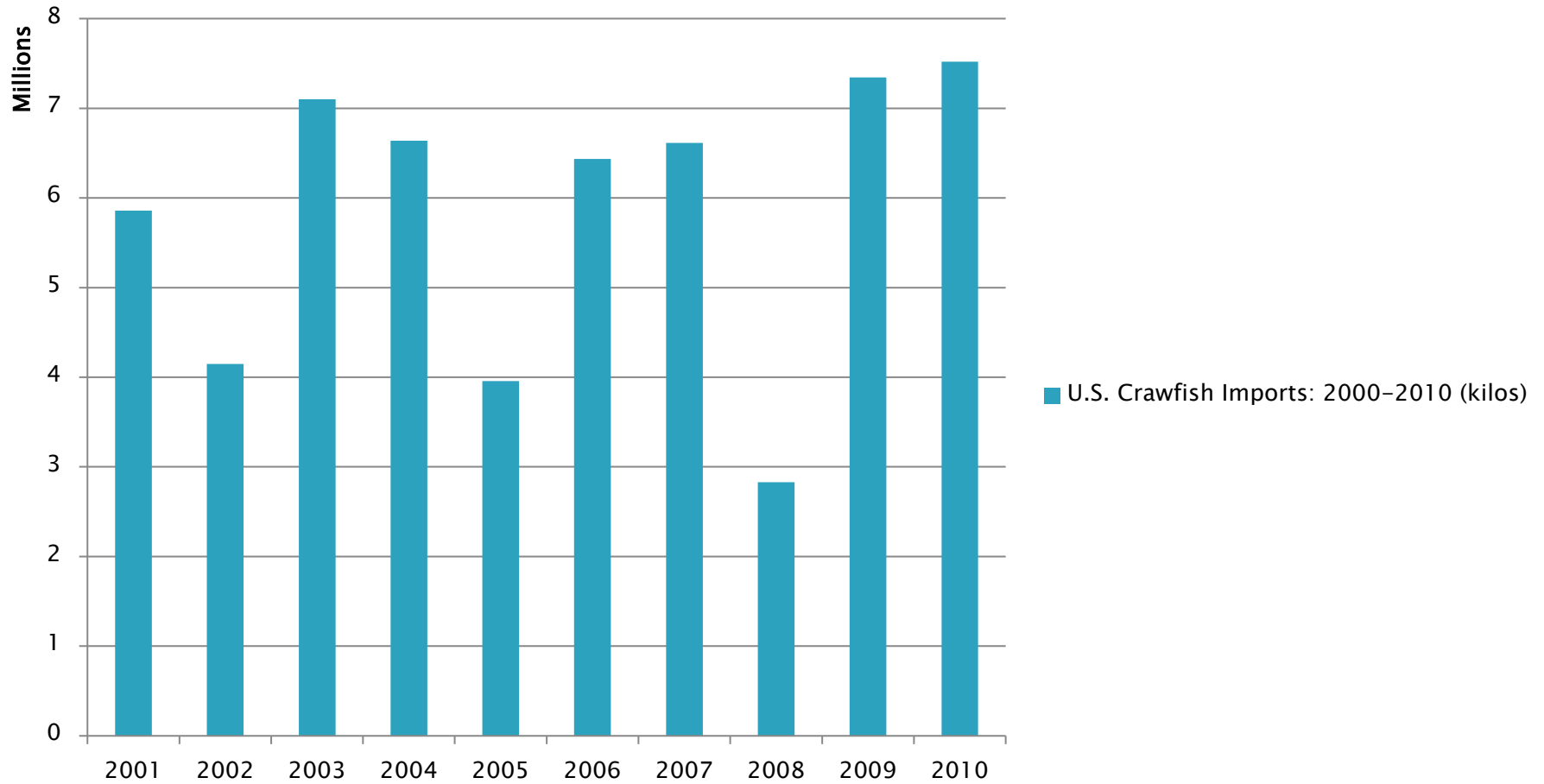




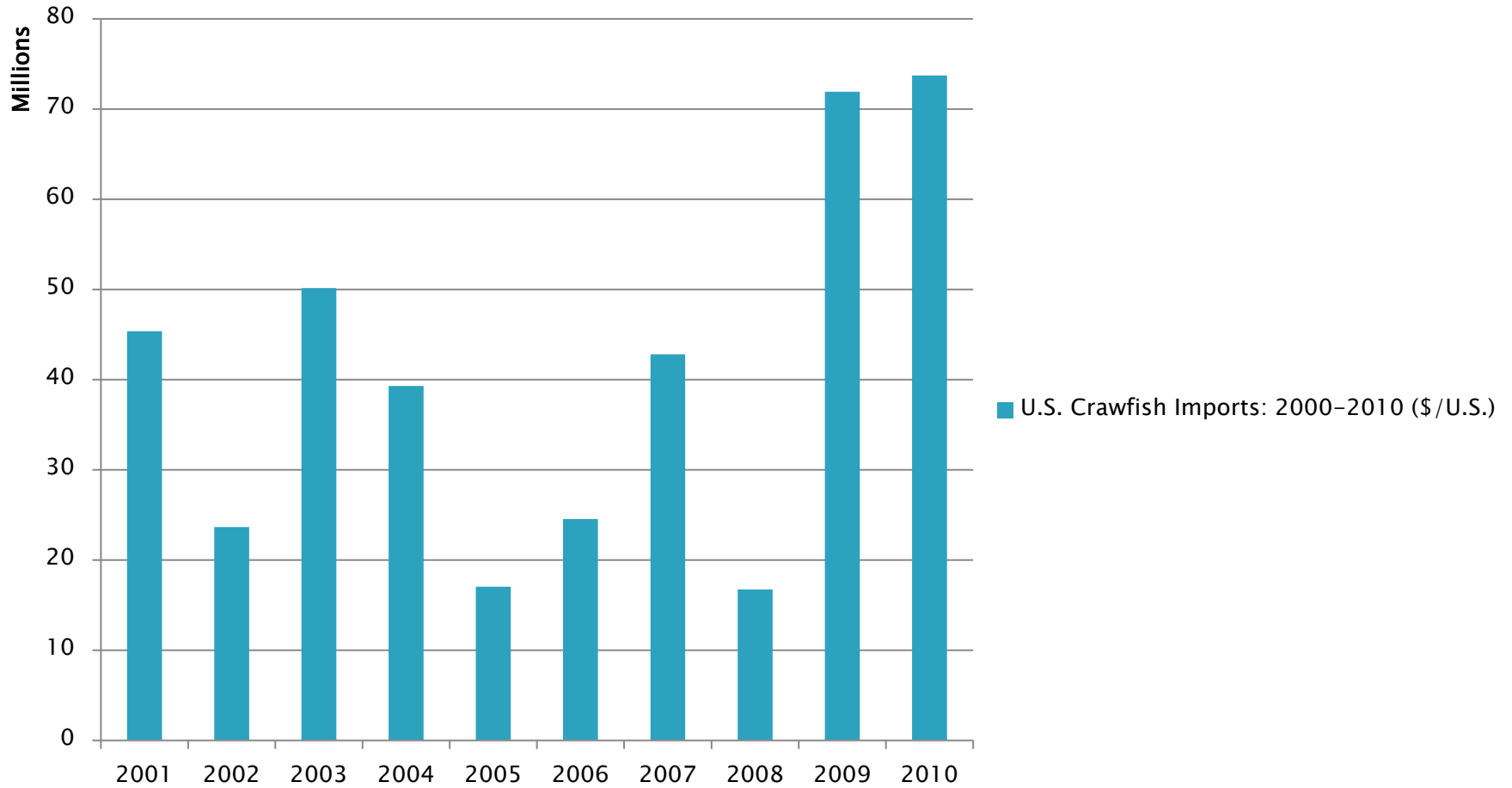
## U.S. Crawfish Imports: 1990–2000 (\$U.S.)



## U.S. Crawfish Imports: 2001–2010 (kilos)



## U.S. Crawfish Imports: 2001–2010 (\$U.S.)



# Processed Crawfish: 1989–2004

