



July 28<sup>th</sup>, 2025

Michelle Bekkering  
Deputy Under Secretary for Trade and Foreign Agricultural Affairs  
U.S. Department of Agriculture

**Re: Specialty Sugar Quota**

Dear Deputy Under Secretary Bekkering,

We are writing to raise concerns with USDA's decision to block additional imports under the Specialty Sugar Quota. This decision disrupts the supply of organic sugar and undermines a part of the food sector that depends on it.

Organic sugar is not the same as conventional sugar. USDA regulations require certified organic products to use organic sugar, there are no substitutes when supply runs short. More than 90 percent of the organic sugar used in U.S. food manufacturing is imported. There is only one domestic producer, and while it's growing, it still supplies less than 10 percent of the market. The rest must come from abroad. That's why, for nearly 30 years, the government has treated organic sugar as a specialty product, eligible for additional quota access.

USDA has said that sugar imports are rising while domestic mills are closing. That may be true for conventional sugar. But organic sugar tells a different story. USDA's own data shows organic imports have only doubled over the past 20 years, while domestic organic production has grown sevenfold. Still, it covers just a fraction of the demand. We're not aware of any USDA programs to support new organic sugar production or help convert conventional mills. And even if that started now, it would take three years just to transition land to organic status under USDA rules. Blocking imports today doesn't create new production tomorrow.

This change in policy cuts off a supply line without offering an alternative. It adds \$85 million in new tariffs separate from those set to go into effect on August 1st, raising costs for businesses and consumers. When sugar costs rise, it drives up prices across the grocery store and puts pressure on the many U.S. farmers who supply other ingredients in these foods. It risks reducing demand for U.S.-grown ingredients like organic milk, wheat, and eggs. We're concerned this could discourage growth in organic production and hurt American farms.

We'd like to request a meeting with you to talk about what this means for organic businesses and American farmers and we ask that USDA reinstate the Specialty Sugar Quota for organic sugar in line with actual and legitimate market needs. We believe there are ways to support domestic agriculture and trade goals without creating avoidable shocks to a functioning and growing part of American agriculture.

Thank you for your attention to this matter.

Sincerely,

Tom Chapman  
Co-CEO

Matthew Dillon  
Co-CEO

cc: Riley Pagett, Chief of Staff, Trade and Foreign Agricultural Affairs  
Jason Hafemeister, Trade Counsel and Associate Administrator  
Dylan Daniels, CCS, Senior Policy Advisor