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Cote d'Ivoire

Sugar

Sugar Import Ban

2004

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Report Highlights:

The Government of Cote d'Ivoire has banned sugar imports effective from August 12, 2004 until December 31, 2006 to protect the local sugar industry. The government action aims at suspending duty-free import privileges granted to certain firms and importers. Cote d'Ivoire sugar production is estimated at 145,000 MT and domestic consumption is between 140,000 MT and 150,000 MT in 2004. Informal sugar imports into Cote d'Ivoire will persist as long as the country remains divided.

Includes PSD Changes: No
Includes Trade Matrix: No
Unscheduled Report
Abidjan [IV1]
[IV]

Summary

Cote d'Ivoire has banned sugar imports effective August 12, 2004 until December 31, 2006. This decision was taken to protect the local sugar industry. The government action aims at suspending duty free imports granted to certain manufacturing firms and importers. To ensure a continuous sugar supply to certain firms that use sugar in their end products, the government grants duty-free import privileges to supplement uncertain local supplies. Similarly, the government allows duty-free sugar imports during holiday periods such as Christmas and Ramadan. These imports are usually unaccounted for officially and present extreme competition to domestic producers.

Cote d'Ivoire has four sugar processing plants owned by two private companies, SUCRIVOIRE and SUCAFRIQUE, of French and Mauritian partners. The two companies' total sugar production in 2002 was 170,000 MT. However, production fell to 75,000 MT in 2003 and is estimated at 145,000 MT in 2004 due to the unstable political situation. Domestic consumption is estimated at between 140,000 and 150,000 MT. Currently, the local processing firms claim to have 70,000 MT in unsold stocks.

Cote d'Ivoire sugar imports in 2002 and 2003 were 54,588 MT and 34,147 MT respectively, according to government statistics. Other numbers published in the press range up to almost 70,000 MT. For the first six months in 2004, imports were only 9,272 MT.

Unofficial sugar imports into Cote d'Ivoire are expected to persist as long as the country remains divided. Cote d'Ivoire's ports serve as transit for imports -- from EU and other countries-- to landlocked countries such as Burkina Faso, Mali and Niger. Imports into Cote d'Ivoire for transit to the landlocked countries usually enter Cote d'Ivoire duty-free. Once the transit shipments reach rebel-held territory in the North of Cote d'Ivoire, they may often be diverted. In addition, Burkina Faso and Mali are sugar producers and their products find their way easily to the Ivorian market through the rebel-held territory.