Table of Contents

# Agric. Econ. – Czech

M. Bož ḱk, T. Izakovič

# Reform of the sugar sector and its impacts on the Slovak sugar market

Agric. Econ. – Czech, 50 (2004): 502-508

A full liberalisation of the sugar market is hardly acceptable for Slovakia, because it would significantly affect not only the economic performance and employment across different sectors, but also their production structures, particularly in the farming-intensive regions. We nonetheless believe that the reform is necessary as the sugar sector remains the last unreformed CAP sector in the EU, which puts it in a better position vis-ŕ-vis other producers and farms. On the other hand, the justified claims of producers for the compensation of losses, similarly as the claims laid during the 1992 CAP reform, would disrupt the EAGGF budgetary framework through 2013, because only the claims of Slovak sugar beet producers would amount to some € 200 million during 2010–2015. We believe that the solution and consensus lies in the combination of reforms based on the scenarios of fixed quotas and falling prices, and/or the application of the “Midway situation” after 2011. The alternative setting of quotas, based the administratively assessed production efficiency levels for the individual EU countries, would also be unacceptable for Slovakia. In the recent past, the volume of investments in the Slovak sugar industry has been considerable and the most viable sugar refineries have already emerged from the selection process. The situation in the sugar beet sector is similar and the results of the “Fall in Prices” scenario until 2011 are largely similar to the situation before the accession to the EU.

**Keywords:**

price, sugar, impacts, intervention quota, liberalisation AGRO-3 model, reform, simulations, Common Agricultural Policy

[ fulltext ]