INDICATE COLLECT CHARGE TO

Amembassy TEGUCIGALPA

E.O. 11652.

12065: N/A

CN: 307

TAGS: SUBJECT: ETRD, EAGR, EPAP

HONDUPAN SUGAR - GSP

ACTION:

SECSTATE WASHDC IMMEDIATE

IMFO:

Amembassy GUATEMALA Amembassy LOHDON USDA WASHDC

\* TEGUCIGALPA

307

EB/CALINGAERT FROM NEGROPONTE

DEPT ALSO PASS STR

GUATEMALA FOR AGAIT

Delegation from Honduran sugar industry, led by locally prominent businessman Gilberto Golástein, called on Ambassacor afternoon January 13 to appeal decision apparently made denying Honduran sugar GSP eligibility for 1982.

AME DCII ECON COMCL POL AID

According to Honduran delegation, USG decision based on erroneous calculation that Honduras exported \$46.1 million of sugar to U.S. during first ten months of 1931, in excess of \$45.6 million allocation. Bonduran sugar reps presented data showing that adcording to their figures, which they are prepared to have examined in full detail, Honduras

DRAFTED BY: AME: JDNegroponte: kjl DRAFTING DATE 1-13-82

TEL. EXT. 211

CONTENTS AND CLASSIFICATION APPROVED BY: A)E: JDMegroponte

CLEARANCES:



OPTIONAL FORM 153 (Formarly FS -413) January 1975 Dept. of State

50153-101

Dept. of State, RPS/IPS, Margaret P. Grafeld, Dir. (V) Release ( ) Exgise ( ) Deny ( ) Declassify Exemption \_

Classification

only exported MAXX \$44.2 million worth of sugar during period in question.

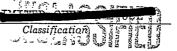
- 3. Honduran reps also offered to come to Washington to explain their position and added observation that it would have made absolutely no sense for them to exceed their allocation by a mere \$500,000 in the knowledge that this risked bringing penalty of what they calculated to NUMBER potentially amount to \$5.5 million in 1982. They are certain there is error in Department of NITE Agriculture calculations and in any event NITE ensure that they have every opportunity to appeal decision.
- 4. ACTION REQUESTED: We would appreciate Department reviewing this matter on urgent basis and advising MM us on what we may tell local sugar reps. Would point out that sugar industry is in very dire straits here and denial of GSP would be viewed as serious blow. While Embassy obviously cannot vouch for detailed figures submitted by industry reps, can assure you that group consisted of highly preminent and respected members Honduran business community.
- 5. Statistics provided by Honduran industry reps are as follows:



## BREAKDOWN OF SUGAR EXPORTS

## 1981

EXPORTS FROM THE NORTH  (A) CAHSA/AYSA/ACHSA/ACANSA	100 LBS. B/L	AVERAGE PRICE PER 100 LBS.	TOTAL
Vapor Tharros	112,000	\$32.5787	\$ 3.648.814.4
Ocean Prometer	69,440	32.5787	2.262.264.9
. Marissa Karr	90,160	32.5787	2.937.295.5
La Minera	137,690	32.3303	4.451.553.5
Nawesa	95,459	34.6795	3.310.470.9
Argo Challenge	40,320	35.5473	1.433.265.9
BreeHoeck	62,720	33.0128	2.070.563.0
Ocean Challenge	78,400	13.1843	1.033.648.4
Nawesa	95,200	15.4405	1.469.935.6
Ocean Prosperity	77,280	16.6072	1.283.403.0
Mount Felix	63,304	14.6267	969.811.5
	924,973	\$26.8884	\$24.871.026.9
(B) AZUNOSA	160,376	\$27.00	\$ 4.330.152.0
(C) ACHUMSA +	67,200	\$11.31	\$ 760.032.0
Sub-Total 1	,152,549	\$25.99	\$29,961.210.9
EXPORTS FROM THE SOUTH AD	JUSTMENTS	WITH DUTY	
Valtetsi 1	17,952,9	\$24.75	\$ 2.919.334.27
Holtesand No. 1	96,325,6	24.75	2.384.058.60
Perla	96,065,0	24.75	2.377.608.75
Heltesand No. 2	01,260,5	24.13	2.443.415.86
Balsa I.	16,813,2	16.79	1.961.125.72
Mobility <u>1</u>	46,136,8	14.87	2.173.054.21
Sub-Total 6	74,554.0	\$21.13	\$14.258.597.41
TOTAL 1,82	27,103	\$24.20	\$44.219.808.31



MRI

Classification

+Was shipped with pro-forma invaice of US\$0.14 per 1b. to be priced after arrival which was done with an average of 11.31 cents dollar per 1b.

NEGROPONTE

Classification

OPTIONAL FORM 153A (Formerly FS-413A) January 1975 Dept. of State

50153-201