

Inward processing arrangements for raw cane sugar

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EU suspends use of inward processing customs procedure for raw cane sugar imports

Commission Implementing Regulation (EU) [2026/1124](#) of 26 May 2026 on the suspension of inward processing arrangements for raw cane sugar to obtain white sugar

Update

The European Union (EU) has suspended the use of the inward processing customs procedure for imports of raw cane sugar intended for refining into white sugar. Inward processing is a special customs procedure that allows importers not to pay tariffs on imported raw materials, provided they export an equivalent quantity of processed products containing those materials. The suspension applies to raw cane sugar classified under CN codes 1701 13 90 and 1701 14 90 used to produce white sugar under CN code 1701 99 10. This may provide a competitive advantage to those non-EU countries that have a preferential trade arrangement with the EU (reduced tariffs on raw cane sugar).

Impacted products

Raw cane sugar

What is changing?

The EU has suspended the inward processing customs procedure for imports of raw cane sugar classified under CN codes 1701 13 90 and 1701 14 90, when used to produce white sugar under CN code 1701 99 10.

Why?

The suspension of import duties for raw cane sugar under the inward processing arrangements has contributed to a reduction in the production of sugar beet and white sugar in the EU, causing disturbance to the EU sugar market.

Raw cane sugar imports under the inward processing procedure rose from 393,371 tonnes in the 2022/23 marketing year to 587,472 tonnes in 2024/25. In the first 3 months of 2025/26, imports

reached 257,405 tonnes of raw sugar. The EU average sugar price fell from a peak of €856 per tonne in December 2023 to €516 per tonne in January 2025, a decline of almost 40%.

Timeline

The inward processing arrangements are suspended from **27 May 2026**. The suspension will be reviewed in November 2026.

What are the major implications for exporting countries?

Exporters of raw cane sugar that previously supplied EU refiners under inward processing arrangements may face reduced demand, as imports of raw cane sugar will no longer be duty-free. However, exporters supplying sugar under preferential trade arrangements such as the GSP (see [New generalised scheme of tariff preferences](#)) may find their competitive position improved with an increased demand for raw cane sugar.

Background

Inward processing is a special customs procedure laid down in Regulation [952/2013](#) (Art. 256). It allows non-EU raw materials to be brought into the EU and used for processing without paying import duties, provided an equivalent quantity of the product in processed form is exported. EU companies must apply for authorisation to use this procedure under EU customs rules.

In theory, importing and exporting equivalent quantities should not disturb the EU market. However, in practice, raw materials can be imported into one EU Member State and exported by another operator in another Member State, with impacts on the EU market.

The suspension of inward processing for raw cane sugar will be reviewed after 6 months, but based on market estimates for the 2025/26 and 2026/27 marketing years, it is likely to continue for the next 12 months.

Resources

Regulation (EU) No [952/2013](#) laying down the Union Customs Code

Sources

Commission Implementing Regulation (EU) [2026/1124](#) on the suspension of inward processing arrangements for raw cane sugar to obtain white sugar

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