

JAN 14 14 07 '82

A107

TELEGRAM

INDICATE
 COLLECT
 CHARGE TO

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	FROM Amembassy TEGUCIGALPA	CLASSIFICATION SECRET
E.O. 11652X	12065: N/A	CN: 307
TAGS:	ETRD, EAGR, EPAP	
SUBJECT:	HONDURAN SUGAR - GSP	
ACTION:	SECSTATE WASHDC IMMEDIATE	
INFO:	Amembassy GUATEMALA	
	Amembassy LONDON	
	USDA WASHDC	
	SECRET TEGUCIGALPA 307	
	EB/CALINGAERT FROM NEGROPONTE	
	DEPT ALSO PASS STR	
	GUATEMALA FOR AGATT	
	<p>1. Delegation from Honduran sugar industry, led by locally prominent businessman Gilberto Goldstein, called on Ambassador afternoon January 13 to appeal decision apparently made denying Honduran sugar GSP eligibility for 1982.</p>	
AME DCH ECON COMCL POL AID	<p>2. 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 1981, in excess of \$45.6 million allocation. Honduran sugar reps presented data showing that according to their figures, which they are prepared to have examined in full detail, Honduras</p>	

DRAFTED BY: AME:JDNegroponte:kjl	DRAFTING DATE 1-13-82	TEL. EXT. 211	CONTENTS AND CLASSIFICATION APPROVED BY: AME:JDNegroponte
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CLEARANCES:

~~SECRET~~

CLASSIFICATION

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

50153-101

Dept. of State, RPS/IPS, Margaret P. Grafeld, Dir.
 Release () Exgise () Deny () Declassify
 Date 6/1/98 Exemption _____

[only exported ~~XXXX~~ \$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 ~~XXXXXXXX~~ potentially amount to \$5.5 million in 1982. They are certain there is error in Department of Agriculture calculations and in any event ~~with~~^{with}/~~to~~^{wish} ensure that they have every opportunity to appeal decision.

4. ACTION REQUESTED: We would appreciate Department reviewing this matter on urgent basis and advising ~~EE~~ 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 ~~prominent~~ and respected members Honduran business community.

5. Statistics provided by Honduran industry reps are as follows:

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BREAKDOWN OF SUGAR EXPORTS

1981

<u>EXPORTS FROM THE NORTH</u> <u>(A) CAHSA/AYSA/ACHSA/ACANSA</u>	<u>100 LBS.</u> <u>B/L</u>	<u>AVERAGE</u> <u>PRICE PER</u> <u>100 LBS.</u>	<u>TOTAL</u>
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) <u>AZUNOSA</u>	160,376	\$27.00	\$ 4.330.152.0
(C) <u>ACHUMSA +</u>	67,200	\$11.31	\$ 760.032.0
Sub-Total	1,152,549	\$25.99	\$29,961.210.9
<u>EXPORTS FROM THE SOUTH</u>	<u>ADJUSTMENTS</u>	<u>WITH</u> <u>DUTY</u>	
Valtetsi	117,952,9	\$24.75	\$ 2.919.334.27
Holteland No. 1	96,325,6	24.75	2.384.058.60
Perla	96,065,0	24.75	2.377.608.75
Holteland No. 2	101,260,5	24.13	2.443.415.86
Balsa I.	116,813,2	16.79	1.961.125.72
Mobility	146,136,8	14.87	2.173.054.21
Sub-Total	674,554.0	\$21.13	\$14.258.597.41
T O T A L	1,827,103	\$24.20	\$44,219.808.31

Classification

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

NEGROPONTE

~~UNCLASSIFIED~~
~~UNCLASSIFIED~~
~~UNCLASSIFIED~~
Classification: