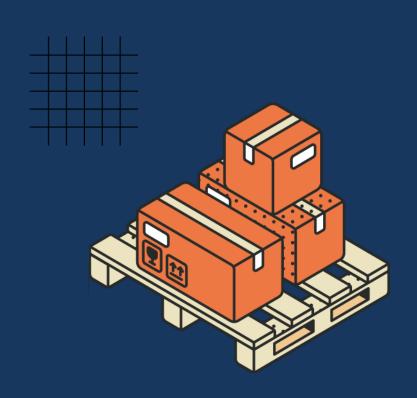
# Navigating U.S. Sugar Imports A Practical Guide for Buyers



# From Brazil to U.S.A: CIF, DDP & OTG Explained

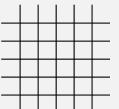


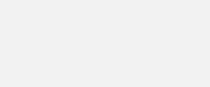


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### INTRODUCTION

### Why This Gui<mark>de Exists</mark>

Importing sugar into the United States is not a simple transaction — it's a regulated, quota-bound, and documentation-heavy process. For buyers, especially those new to international procurement, the learning curve can be steep.

This guide was created to eliminate that uncertainty. It explains, in plain terms, how sugar moves from Brazilian mills to U.S. warehouses, what legal and logistical frameworks govern that movement, and how different delivery terms (CIF, DDP, OTG) affect your responsibilities, costs, and risks.

#### Who This Is For

This guide is for:

- U.S.-based sugar buyers seeking clarity on import procedures.
- Procurement teams evaluating CIF vs. DDP vs. OTG delivery models.
- Compliance officers needing a reference on U.S. sugar import laws.
- Anyone looking to understand how to buy sugar from Brazil with confidence.







### INTRODUCTION

### Why This Gui<mark>de Exists</mark>

Whether you're sourcing your first container or scaling up annual contracts, this guide will help you make informed decisions and avoid costly missteps.

#### What You'll Learn

- How U.S. sugar import quotas and tariffs work and how they affect your landed cost.
- What each Incoterm (CIF, DDP, OTG) means in practice, not just in theory.
- What documents, licenses, and inspections are required at each stage.
- How to evaluate supplier offers and payment terms with legal and financial clarity.
- What to expect from your seller and what they expect from you.

#### **How to Use This Guide**

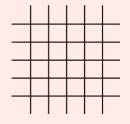
Each chapter is modular. You can read it front to back or jump to the section that matches your current stage in the buying process. Key terms are defined in the glossary.

This is not a marketing brochure. It's a working reference.









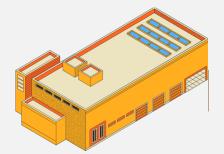
For U.S. buyers, understanding Brazil's production strengths and export logic is key to securing high-quality.

### **Top Producer**









Brazil remains the world's top sugar producer and exporter.

For U.S. buyers, understanding Brazil's production strengths and export logic is key to securing high-quality sugar reliably and in compliance with regulatory standards.

### **Types of Sugar Commonly Exported**

Brazilian mills offer a variety of sugar types, each suited for specific end uses:

ICUMSA 45: The most refined and globally traded white sugar, used for direct consumption and food manufacturing. Consistent quality, high polarization, and low ash content.

**ICUMSA 150:** A semi-refined white sugar with slightly higher color and ash — often more cost-effective for buyers not requiring premium-grade 45.

**VHP (Very High Pol):** Raw sugar primarily exported in bulk. Used for further refining; often the product of choice for refineries in importing countries.





### **Product Quality and Certifications**

Brazilian sugar typically adheres to global food safety and religious compliance standards.

#### Most export-grade sugar comes with:

- Polarization levels of 99.80% and above
- Moisture content around 0.04% max
- Ash content under 0.04%
- Certifications including Kosher, Halal, Non-GMO, and ISO standards

Products are inspected prior to shipment, often by SGS or Intertek, for consistency and export readiness.

### **Export** and Logistics Infrastructure

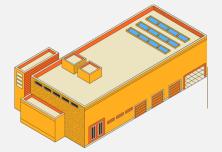
Brazil's advantage lies in scale and logistics:

- Multiple deep-water ports capable of handling bulk and container shipments (e.g., Santos, Paranaguá, Suape).
- A dense network of railways and highways moving cane from fields to mills, and sugar from mills to terminals.
- Integrated operations, reducing bottlenecks and downtime.









### Supply Volatility and Ethanol Link

Brazil's sugar output competes with ethanol production. Mills allocate sugarcane based on relative returns between sugar and fuel ethanol.

#### Key influences on supply include:

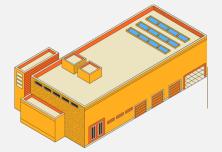
- Domestic fuel policies in Brazil
- Global crude oil prices
- Seasonal rainfall affecting cane harvests

These factors can shift available volumes for export and affect lead times and pricing.









### **U.S. Import Considerations**

Although Brazil produces massive volumes, U.S. sugar imports from Brazil are governed by quotas under the WTO.

Brazil typically receives an in-quota allocation of approximately 156,000 metric tons per year.

Anything beyond this is subject to an out-of-quota tariff of 81.2%, rendering it economically unfeasible unless through reexport or refined sugar exceptions.

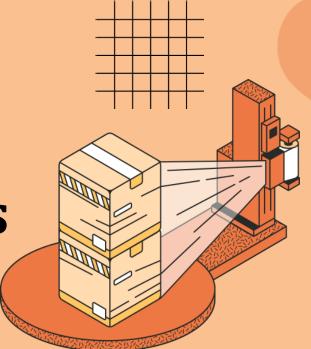
The quota system makes it critical to contract with sellers who have access to U.S. quota allocations or who manage duty-paid supply chains via DDP or OTG.







### U.S. Sugar Import Regulations



Buying sugar from Brazil means navigating a web of U.S. import controls, quotas, and agency requirements.

This chapter breaks down exactly what governs sugar entering the U.S. — and how it impacts your costs, timelines, and paperwork.





### The Tariff-Rate Quota (TRQ) System

The U.S. doesn't allow unlimited sugar imports. Instead, it uses a tariff-rate quota (TRQ) system.

#### Here's how it works:

- In-quota sugar enters with a significantly reduced or zero duty
- Out-of-quota sugar is hit with a prohibitive duty of 81.2%, making it uneconomical in most cases

Each year, the U.S. government establishes a global quota for imported raw and refined sugar, then allocates specific amounts to various countries. Brazil's share is roughly 156,000 metric tons, in-quota, per year.

#### If your supplier doesn't have quota access, they must either:

Participate in the USDA's re-export program

#### OR

Structure delivery as DDP or OTG, where duty is paid or managed on your behalf





### **Key U.S. Agencies Involved**

Multiple regulatory bodies oversee the sugar import process:

**U.S. Customs and Border Protection (CBP):** Enforces tariffs, quota status, documentation, and admissibility

**U.S. Department of Agriculture (USDA):** Administers TRQs, monitors quantity by origin, and handles re-export licensing **Office of the U.S. Trade Representative (USTR):** Assigns the country-specific quota allocations

**Food and Drug Administration (FDA):** Ensures sugar is safe for human consumption under food import regulations **Animal and Plant Health Inspection Service (APHIS):** Verifies that shipments pose no plant or pest risk

### What Documentation is Required

For a sugar shipment to clear U.S. customs, buyers and their brokers must present:

- CBP Entry Summary (Form 7501)
- Bill of Lading (B/L)
- Commercial Invoice
- Packing List







## What Documentation is Required Cont.

- Quota Eligibility or Allocation Certificate (if in-quota)
- FDA Prior Notice and Compliance Documentation
- APHIS declarations, if required
- Certificate of Origin (especially for DDP shipments)
- Quality Inspection Report (SGS or equivalent)

All paperwork must be consistent and submitted on time, typically via a licensed customs broker acting on behalf of the buyer or the DDP seller.

#### **Other Legal Considerations**

Sugar that exceeds Brazil's quota allocation cannot enter duty-free, even under DDP, unless covered by a re-export license or bonded warehouse mechanism.

Buyers must ensure all sellers are FDA-registered and their facilities are compliant.

Any delay or error in customs clearance can trigger storage fees, rerouting costs, or penalties





## What Documentation is Required Cont.

- Quota Eligibility or Allocation Certificate (if in-quota)
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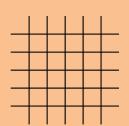








# Incoterms in Practice:



CIF, DDP, OTG





### **Incoterms in Practice**

#### CIF, DDP, OTG

In international sugar trade, understanding Incoterms isn't just academic, it determines who owns the risk, handles the paperwork, and pays for what.

Each term affects your cost, customs exposure, and legal responsibility.

### CIF – Cost, Insurance, and Freight Under CIF terms:

- The SELLER arranges and pays for international shipping and marine insurance to the port of destination.
- Risk transfers to the buyer once the cargo passes the ship's rail at the Brazilian port.
- The buyer manages U.S. import clearance, duties, FDA filings, and quota requirements.

#### **Best for:**

- Buyers with customs experience
- Buyers holding U.S. sugar quota allocations
- Those managing their own brokers or bonded re-export logistics



# Incoterms in Practice CIF, DDP, OTG

### DDP – Delivered Duty Paid Under DDP, the SELLER handles everything:

- Shipping, insurance, customs clearance, FDA/APHIS filings, and duty payment.
- Delivery to the buyer's chosen U.S. destination.

#### **Best for:**

- Buyers with no import infrastructure
- Buyers without TRQ access
- Those seeking turnkey service with defined landed cost





# Incoterms in Practice CIF, DDP, OTG

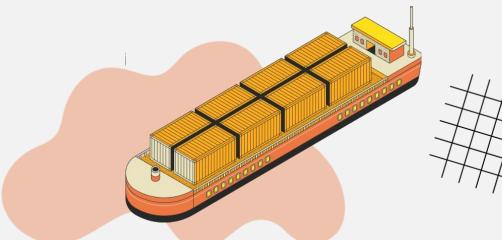
### OTG - On-the-Ground (Domestic Delivery)

OTG means the sugar is already cleared through U.S. customs and stored in domestic warehouses.

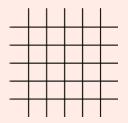
- Buyers take delivery from a U.S. warehouse
- Duties and compliance are already handled by the SELLER
- · Can accommodate split loads or fast dispatch

#### Ideal for:

- · Retailers or processors needing fast turnaround
- Buyers with smaller, regional or recurring needs
- Anyone avoiding TRQ/duty risks or port delays



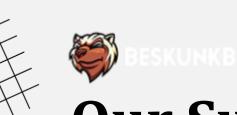




Here's our supplier, the kind you should be aiming to partner with.

CIF, DDP, OTG





### Certified, Scalable, and Built for U.S. Delivery

This supplier is a vertically integrated logistics and compliance partner with the infrastructure, certifications, and operational discipline to deliver refined and specialty sugars across the U.S. market under CIF, DDP, and OTG terms.

### **Company Footprint & Reach**

Founded in 2008 with offices in New York, New Orleans, Atlanta, San Francisco, and Jacksonville.

Serves North America, Europe, Asia, the Middle East, and Africa Nationwide distribution across the East Coast, Midwest, and West Coast.

Fills U.S. orders within 7–10 business days on average.

### **Ware**housing & Logistics

- 30,000+ square feet of food-grade space.
- 20+ overhead doors and racking systems.
- Dispatches containerized and palletized loads from U.S. warehouses.
- Supports both OTG and DDP delivery models.





### Sugar Portfolio & Product Specs

#### Sourced from Brazil, Colombia, and Mexico

**ICUMSA 45:** 99.80% polarization, ≤0.04% ash and moisture, sparkling white, fine crystal

**Organic Sugar:** Compliant with USDA Organic and Fair Trade standards

All SKUs certified pathogen-free and SGS-inspected

#### **Certifications**

- HACCP, AIB International, MSDS
- Kosher, Halal, Organic, and Fair Trade
- COA and FDA-registered origin facilities

All certifications available upon request





#### **Contracts & Payments**

Supports CIF, DDP, and OTG delivery

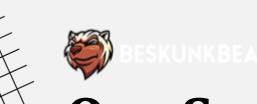
Accepts SBLCs (preferred), LCs/DLCs from top 50 global banks.

MT103 wire used for final release after document presentation.

### What to Look for in a Supplier

- Import Experience
- Customs fluency, FDA registration, TRQ navigation
- Proven CIF/DDP/OTG track record
- Quota Access or DDP Capability
- Can deliver duty-paid without relying on buyer-held TRQ
- Offers OTG inventory from U.S. stock
- Product Transparency
- Verifiable ICUMSA, moisture, polarization specs
- Pre-shipment inspection by SGS or similar
- Certifications and Safety Systems
- HACCP, AIB, ISO, Kosher, Organic, Halal
- COA and lab reports on every lot





#### What to Look for in a Supplier CONT.

- Warehousing Footprint
- Food-grade U.S. storage with scalable fulfillment
- Supports EXW and delivered OTG dispatch
- Flexible Payment Instruments
- SBLCs, LCs, DLCs, and secure banking practices
- Clear documentation and timelines

#### **Red Flags to Avoid**

- Vague specs or missing quality certificates
- Sellers asking for upfront deposits before contracts or instruments
- No clarity on shipping windows or payment timelines
- No FDA registration or customs familiarity
- No documentation of quota strategy

#### After the Sale: What Good Sellers Still Do

- Provide regular updates and tracking during shipments
- Assist with customs or warehouse coordination (when applicable)
- Respond quickly to re-testing, credit notes, or replacement needs
- Continue to educate buyers on changes in TRQ or logistics



### Purchase Workflows



### CIF - Cost, Insurance, and Freight

Step-By-Step breakdown of the purchase workflows for **CIF** sugar purchases in and to USA.



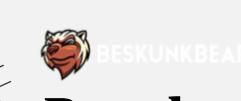
### **Purchase Work Flow**

### CIF – Cost, Insurance, and Freight Under CIF terms:

CIF (Cost, Insurance, and Freight) places shipping and insurance on the SELLER, but puts customs risk and legal responsibility on the buyer.

#### **Step-by-Step CIF Process:**

- Buyer Issues ICPO Includes KYC, company ID, product specs, target port, Incoterm (CIF), and buyer contact.
- SELLER Issues FCO A detailed Full Corporate Offer with specs, pricing, and procedures.
- Buyer Signs FCO and Request Contract Confirmation triggers contract drafting.
- Contract Signed by Both Parties Terms locked in pricing, Incoterm, shipping window, payment mode.
- Buyer Issues LC (Letter of Credit) A documentary LC via MT700, irrevocable and transferable, aligned with CIF scope.
- SELLER Arranges Shipping and Insurance Books vessel, arranges marine insurance (110% of CIF value), and loads cargo.



### **Purchase Work Flow**

### CIF – Cost, Insurance, and Freight Under CIF terms:

CIF (Cost, Insurance, and Freight) places shipping and insurance on the SELLER, but puts customs risk and legal responsibility on the buyer.

### Step-by-Step CIF Process Cont.:

Third-Party Inspection SGS or Intertek inspects sugar quality and quantity pre-shipment.

#### **SELLER Sends Shipping Documents Includes:**

- Clean Bill of Lading
- Commercial Invoice
- Packing List
- Certificate of Origin
- SGS Certificate
- Insurance Certificate
- Buyer Clears U.S. Customs Buyer manages CBP filings, FDA Prior Notice, USDA/APHIS as needed, and arranges domestic transport post-clearance.
- LC Releases Funds to SELLER Upon verification of documents by buyer's bank, payment is made.



### Purchase Workflows



### **DDP Sugar Purchase Workflow**

Step-By-Step breakdown of the purchase workflows for **Delivered Duty Paid** (**DDP**) in and to USA.

This chapter outlines the full DDP process, including the SBLC-based payment structure.





### **Purchase Work Flow**

### **Delivered Duty Paid (DDP) Under DDP terms:**

Delivered Duty Paid (DDP) is the most turnkey option for U.S. sugar buyers. Under this term, the SELLER assumes full responsibility for shipping, insurance, customs clearance, and delivery, including payment of all duties and taxes.

The buyer receives the sugar cleared and delivered, typically paying only after documentation is verified.

#### **Step-by-Step DDP Process:**

- Buyer Submits ICPO and KYC ICPO includes product requirements, terms, corporate ID/passport, and bank references.
- SELLER Issues Full Corporate Offer (FCO) Confirms availability, specs, pricing, delivery, and procedural steps.
- Buyer Accepts and Signs FCO Signals commitment and triggers contract issuance. Mutual Contract Signing Executed via email in PDF. Includes scope, payment, timeline, and documentary terms.
- Buyer Provides SBLC Draft Within 5 business days, buyer's bank prepares transferable SBLC draft referencing contract terms.



### **Purchase Work Flow**

### **Delivered Duty Paid (DDP) Under DDP terms:**

#### **Step-by-Step DDP Process:**

- SBLC Issued and Confirmed SBLC is:
- Transferable, irrevocable, divisible
- Issued via SWIFT MT760
- From a top 50 global bank
- SELLER Issues Proof of Product Within 5 days, proof is delivered via bank-to-bank communication (e.g., notarized quota rights, proforma invoice).
- Shipment and Inspection Initiated Booked within 35–45 days.
   Marine insurance, SGS inspection, and port clearance handled by SELLER.
- U.S. Import Clearance & Delivery SELLER files with CBP, FDA, and APHIS. Duties paid and cargo delivered duty-paid to buyer's warehouse or port.
- Documents Presented and Payment Released Buyer pays via MT103 (wire) upon receiving shipping and inspection documentation.
- Ongoing Monthly Deliveries (if applicable) Repeat scheduling under contract until volume is completed.



### Purchase Workflows



### **OTG Sugar Purchase Workflow**

Step-By-Step breakdown of the purchase workflows for **On-the-Ground Delivery from U.S. Warehouses** in the USA.

This chapter outlines the full OTG - Onthe-Ground Delivery from U.S. Warehouses process.





### **Purchase Work Flow**

### OTG: On-the-Ground Delivery (OTG)

OTG delivery provides buyers with the fastest, lowest-friction method of acquiring sugar.

It involves duty-paid sugar already imported and stored in U.S. warehouses, ready to dispatch on demand.

### **Key Benefits of OTG**

- Domestic availability: Sugar is already in the U.S. and cleared
- **Split or full loads:** Flexible volumes
- Speed: Shipment in 3–5 business days from order confirmation
- Compliance: Duty, FDA, USDA, and APHIS already handled
- No TRQ required: Eliminates tariff risk





### **Purchase Work Flow**

OTG: On-the-Ground Delivery (OTG)

#### How OTG Works CONT.

- SELLER imports under CIF/DDP and nationalizes the cargo
- Inventory is stored at approved U.S. food-grade warehouses.

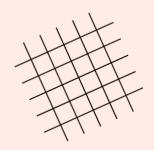
#### Buyers place an order and take delivery:

- · EXW from warehouse, or
- Delivered via truck/rail based on quote

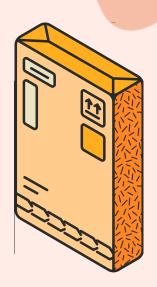
#### **Best Fit For**

- Buyers without customs capability
- Smaller orders or recurring local supply
- Speed-sensitive customers (retailers, co-packers, processors

OUR supplier maintains multiple U.S. warehouse locations, with 7–10 day fulfillment windows, ensuring OTG is always an option for prepared buyers.



### Sugar Quality, Specifications & Packaging



Understanding sugar specs is critical to ensuring you receive what you contracted for.





# Sugar Quality, Specifications & Packaging

Understanding sugar specs is critical to ensuring you receive what you contracted for.

Here's what buyers should look for when evaluating quality.

### **ICUMSA Rating:**

ICUMSA 45: Ultra-refined, sparkling white

ICUMSA 150: Light-colored, semi-refined

**VHP:** Raw, ICUMSA 600–1200

Polarization: ≥ 99.80° for ICUMSA 45.

- Moisture: ≤ 0.04% to prevent clumping and spoilage.
- Ash Content: ≤ 0.04% to ensure chemical purity.
- Solubility & Grain Size: Free-flowing, uniform granules.

All specs should be validated by independent inspection prior to shipment.





# Sugar Quality, Specifications & Packaging CONT.

### **Certifications & Safety Compliance**

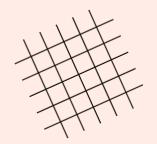
#### Standard certifications include:

- SGS or Intertek lab reports
- Kosher and Halal
- HACCP, ISO, and AIB Certification
- Non-GMO or Organic (if applicable)
- FDA-registered facilities for food-grade imports

#### **Packaging Formats**

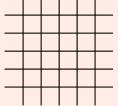
50 kg Polypropylene Bags: UV-treated with liners, heat-sealed/
1-MT Jumbo Bags: For bulk buyers and industrial users
Bulk Containers: Lined container loads for volume buyers
Repacked/retail OTG Options: Available for some buyers with smaller batch needs.

All labels must indicate origin, lot number, spec sheet reference, and net weight per FDA/USDA rules.



## **FAQ**





Frequently asked questions and answers, regarding our seller and their procedures.



#### General FAQ - About the Seller

- 1. Who is the Seller? A U.S.-based sugar trading company founded in 2008, with offices in New York, New Orleans, Atlanta, San Francisco, and Jacksonville. They source from Brazil, Colombia, and Mexico and distribute globally.
- 2. What sugar varieties are offered? They supply Extra Fine Granulated Sugar (ICUMSA 45) and Organic Cane Sugar, available in bulk and packaged formats.
- 3. What certifications support The Seller's sugar? All products are HACCP, MSDS, AIB, and Kosher Certified. Organic products also carry USDA Organic, IBD, ORGÂNICO BRASIL, and Fair Trade certifications.
- 4. Where is the sugar warehoused? Across the East Coast, Midwest, and West Coast U.S., with over 30,000 sq. ft. of racked warehouse space and 20 overhead loading doors.
- 5. What is the typical U.S. delivery window? Orders are fulfilled within 7–10 days, depending on location and volume.



6. What quality and safety parameters are ensured?

ICUMSA: 45

Polarization: ≥ 99.8%

Moisture:  $\leq 0.04\%$ 

Solubility: 100%

Ash:  $\leq 0.04\%$ 

Lead (Pb): ≤ 2 PPM

Appearance: Sparkling white (refined), yellowish crystal (organic)

- 7. Can documentation be requested for verification? Yes. Available documents include COAs, Organic Certificates, SGS Inspection Reports, and all listed certifications.
- 8. Who can buyers contact for more information? Robert Taylor or visit https://beskunkbear.com



### CIF (Cost, Insurance & Freight) Sugar Purchase - FAQ

- 1. What documents are required to initiate a CIF deal? Buyers must send an ICPO and a Bank Commitment Letter (BCL).
- 2. What follows the ICPO submission? The seller sends an FCO. The buyer responds with a signed FCO and RWA via MT799 within 5 business days.
- 3. Is there a formal contract and signing process? Yes, via a Sales and Purchase Agreement (SPA) signed through DocuSign.
- 4. When is Proof of Product (POP) issued? After SPA is signed, POP is delivered with a validation certificate.
- 5. What payment method is used? A Standby Letter of Credit (SBLC), issued within 15 working days of contract finalization.
- 6. Is performance assurance included? Yes. The seller issues a 2% Performance Bond after instrument verification.
- 7. When does shipping begin? Packaging, inspection, and loading commence within 20–30 working days.





8. What are key shipping documents provided?

Bills of Lading

Commercial Invoice

SGS Certificates

Certificate of Origin (Brazil)

Insurance (110% CIF)

Fumigation, Hatch Cleanliness, Phytosanitary Certificates

Packing List, Beneficiary Certificate

Declaration of vessel condition and age





### **INCOTERMS 2020 compliance statements**

- 9. How is payment completed? Via SWIFT MT103 within 48 hours of receiving documents. Product ownership transfers upon confirmation.
- 10. What about CIF spot orders? Buyers pay 30% upfront, then 70% after documents are received post-loading.
- DDP (Delivered Duty Paid) Sugar Purchase FAQ
- 1. What is needed to begin a DDP transaction? An ICPO with seller procedures, bank reference, ID, and CIS/KYC.
- 2. What is the contract and payment flow?

FCO is issued, followed by a signed contract

Buyer issues a confirmable SBLC

Seller verifies and shipping begins in 35–45 days

3. What bank communications are involved?

MT799 (RWA)

MT760 (SBLC issuance)



- 4. When does the seller issue POP? Within 5 business days post-SBLC confirmation.
- 5. How is cargo shipped and insured? From Brazil to any safe world port with SGS inspection; 110% CIF insurance coverage.
- 6. Who handles customs clearance? The buyer is responsible for clearance and nationalization at the U.S. port.
- 7. What happens after shipment? The seller's bank sends:

Bill of Lading

Commercial Invoice

SGS Certificate

Full customs documentation



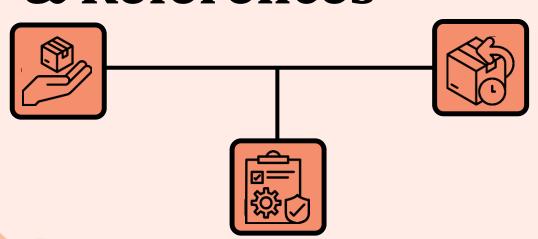


- 8. How and when is payment finalized? Via MT103 within 48–72 hours after document receipt at the port of entry.
- 9. Is monthly shipment supported? Yes, under annual contracts or mutually agreed volume schedules.
- OTG (On the Ground) Sugar Purchase FAQ
- 1. What is OTG? Sugar already warehoused in the U.S. and ready for immediate dispatch post-payment.
- 2. Where is the OTG inventory located? In the Seller's U.S. warehouse network spanning three coasts.
- 3. How fast is delivery for OTG orders? Within 7–10 businessdays.
- 4. What documents and payment terms apply? A Purchase Order (PO) and KYC. Upfront payment or escrow terms apply—no SBLC required.
- 5. What sugar types are available? ICUMSA 45 and Organic Sugar in 50 kg bags.
- 6. Can buyers inspect OTG stock? Yes—onsite inspections are available by appointment.
- 7 Are OTC shipments incured? Vest under standard demostis





## Glossary of Terms & References



List of terms and references for the sugar trade, to assist in understanding when they appear in documents and conversation..







# **Glossary of Terms**

**AIB International** – Food safety certification body ensuring safe warehousing and handling practices.

**APHIS** – U.S. agency overseeing plant and pest safety in imports (part of USDA).

**Ash Content** – Indicator of sugar purity; lower = cleaner product.

**B/L (Bill of Lading)** – Shipping document proving cargo was loaded; essential for customs.

**CBP (Customs and Border Protection)** – Enforces import laws, tariffs, and admissibility in the U.S.

**CIF** – Incoterm where seller handles freight and insurance; buyer handles clearance and risk at U.S. port.

**COA** – Certificate of Analysis verifying quality and specs of sugar shipment.

**DDP** – Incoterm where seller delivers product fully cleared, duties paid.

**DLC - Documentary Letter of Credit**; used in CIF deals for secure payment tied to documents.

**FDA** – U.S. food regulatory body reviewing imported food products, including sugar.



# **Glossary of Terms**

**ICPO** – Buyer document initiating the offer process with key purchase details.

ICUMSA – Global standard rating for sugar purity and color.

KYC – Legal documents verifying a buyer's identity and business legitimacy.

**LC** – Letter of Credit used as a secure bank instrument in global trade.

**MT103** – Swift message for one-time wire transfers (often final payment).

**MT760** – Swift message for issuing an SBLC (bank guarantee).

**OTG – On-the-Ground;** sugar already cleared and stored in U.S. warehouses.

**Polarization** – Sugar purity measurement based on sucrose percentage.

SBLC - Standby Letter of Credit; a payment guarantee used in DDP deals.

**SGS** – Leading inspection agency verifying product quality and pre-shipment standards.

TRQ – Annual quota for importing sugar at low or zero duty.

**USDA** – U.S. agricultural body regulating sugar imports and managing TRQ allocations.

**USTR** – Office assigning international quota shares like Brazil's sugar allocation.



# References

### **U.S. Government Links**

#### **USDA Sugar TRQ Programs**

https://www.fas.usda.gov/programs/sugar-tariff-rate-quotas

**CBP - Basic Import Procedures** 

https://www.cbp.gov/trade/basic-import-export

FDA - Food Import Guidelines

https://www.fda.gov/food/importing-food-products-unitedstates

FDA Prior Notice System https://www.access.fda.gov

**APHIS Import Guidelines** https://www.aphis.usda.gov

USTR - Sugar Quota Allocations https://ustr.gov

### **Trade & Financial Instruments**

SWIFT Reference Library https://www.swift.com

ICC Incoterms Overview https://iccwbo.org/resources-for-

business/incoterms-rules

UCP 600 - LC Best Practices (ICC) https://iccwbo.org

### **Certifications & Safety Standards**

ICUMSA Methods http://www.icumsa.org

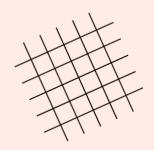
HACCP Overview https://www.fda.gov/food/hazard-analysis-

critical-control-point-haccp

AIB International https://www.aibinternational.com

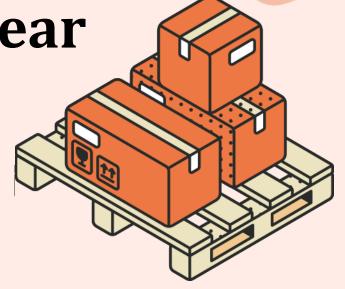






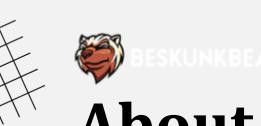
Beskunkbear

**Robert Taylor** 



We connect bulk physical commodity importers with reliable suppliers from around the world.





## **About Me**

### **About the Author & Company**

This guide was developed by Robert Michael Taylor, a trade sourcing specialist and founder of Beskunkbear, a sourcing agency dedicated to connecting verified suppliers with qualified buyers.

Currently based in the Dominican Republic, Robert works at the intersection of origin and destination — close to Latin American producers and fully aligned with U.S. import regulations.

Through Beskunkbear, Robert helps buyers navigate the complexities of CIF, DDP, and OTG transactions with clarity, compliance, and confidence.

His mission is simple: eliminate confusion, reduce risk, and ensure that every sugar deal is built on transparency and trust.

To learn more, visit beskunkbear.com or connect with Robert on LinkedIn.

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# **Next Steps**

Now that you're equipped with a complete view of the sugar trade process — from Brazil's mills to U.S. warehouses — it's time to act.

Gather your documentation, define your preferred terms, and reach out to our seller.

### You now have the blueprint.

Please note that all sugar pricing is influenced by four primary variables:

- **Order Quantity** Larger volumes may reduce per-metric-ton cost due to shipping efficiencies and packaging consolidation.
- Delivery Destination Port proximity, warehouse zone, and inland freight impact final delivered cost.
- Selected Incoterm CIF, DDP, and OTG each assign different cost responsibilities, duties, and risk to buyer and seller.
- Banking Instrument Transferable SBLCs, LCs, or MT103 wires carry different banking costs and execution timelines, which affect seller exposure and final offer terms.

Pricing is always quoted with these factors in mind to ensure clarity, legality, and mutual value.