

**ANNOUNCEMENT KCCQE2, INVITATION NO. 1
EXCHANGE OF COMMODITY CREDIT CORPORATION-OWNED SUGAR
FOR CERTIFICATES OF QUOTA ELIGIBILITY**

On June 25, 2013, the Commodity Credit Corporation (CCC) announced in a Federal Register Notice its intention to purchase sugar in exchange for Certificates of Quota Eligibility (CQE) granted by the United States-Colombia Trade Promotion Agreement (U.S.-Colombia TPA) and the United States-Panama Trade Promotion Agreement (U.S.-Panama TPA).

CCC invites offers, subject to the terms and conditions of this Announcement and Invitation, from traders to exchange CQEs granted under the U.S.-Colombia TPA and the U.S.-Panama TPA for sugar which CCC intends to purchase from processors. Offerors must tender valid CQEs permitting sugar to be imported under these TPA commitments. Validation and recognition of the original CQE will be at the sole discretion of CCC.

Quality of exchanged raw cane sugar will be based on the IntercontinentalExchange (ICE) Number 16 quality standard for polarity at 96 degrees and refined sugar quality will be based on the International Commission for Uniform Methods of Sugar Analysis (ICUMSA) quality standard for polarity at 99.9 degrees. Warehouse operator (processor) can reduce the quantity of raw cane sugar delivered if the polarity is greater than 96 degrees, with such adjustment based on the ICE Number 16 contract. Offerors (holders of the CQEs) are encouraged to contact warehouse operators in advance of bidding to discuss the quality of sugar to be delivered, a delivery schedule, and to prearrange a schedule for premiums and discounts. CCC does not warrant any contract disputes and will not be responsible for the quantity or quality of sugar delivered out of the storage facility, nor will CCC be responsible for any storage or handling charges, including loadout.

A minimum bid of CQEs representing 2.5 metric tons to 1 metric ton of bulk sugar is required. Offers may be submitted with a ratio up to five decimal places. CCC acceptance criteria will combine:

- raw sugar offers and CQE exchange offers for ranking using the following formula: $\text{Exchange ratio/standardized cost}$, where $\text{standardized cost} = (\text{offer/offer cap}) \times \413.36674
- refined sugar offers and CQE exchange offers for ranking using the following formula: $\text{Exchange ratio/standardized cost}$, where $\text{standardized cost} = (\text{offer/offer cap}) \times \531.17626

A catalog listing with all offered quantities will be available at 1:30 pm Central Time (CT) on July 2, 2013 at: <http://www.fsa.usda.gov/FSA/webapp?area=home&subject=coop&topic=landing>

CCC will not purchase sugar for which the price offer equals or exceeds the price offer cap. Participants are encouraged to make offers on all catalog items. CCC will only award up to the maximum CQEs each participant is willing to exchange for CCC-owned sugar. No offer on any one catalog item number will be contingent upon the acceptance of another catalog item number.

CCC reserves the right to accept or reject any or all offers, or portions thereof.

Offers and any modifications or withdrawal of offers must be received in the Kansas City Commodity Office by 1:30 p.m. (CT), July 8, 2013.

Successful offerors will be notified of acceptance by telephone not later than 1:30 p.m. (CT), July 9, 2013, followed by written confirmation. Title of sugar intended for exchange will transfer to the CQE holder immediately after CCC receives title.

Following this action, the Foreign Agricultural Service (FAS) will notify appropriate officials of the import quantities represented on all CQEs which have been accepted in this exchange, and that those CQEs will no longer be valid for import entry into the United States.

The envelope containing offers must be plainly marked "DO NOT OPEN UNTIL PRESCRIBED TIME UNDER ANNOUNCEMENT KCCQE2, INVITATION NO. 1. Offerors are responsible for the timely receipt of offers and any modifications, or withdrawal of offers.

SUBMISSION OF OFFERS

A. How to Submit Offers

- (1) Offers, modifications, withdrawals, and cancellations shall be submitted by one of the following methods. Submission via fax is at the Offeror's risk.
 - (a) Express or regular mail, and/or hand delivered. Place clearly the notation "Offer under Announcement Invitation KCCQE2" on the envelope.
 - (b) Facsimile (FAX) to (816) 926-6795. Place in the subject line "Offer under Announcement Invitation KCCQE2".
- (2) Offer forms must be signed. Reproductions of the offer form are acceptable.
- (3) CCC will not be responsible for any failure attributed to the transmission or receipt of faxes including, but not limited to, the following:
 - (a) Receipts garbled or incomplete;
 - (b) Availability or condition of the receiving fax equipment;
 - (c) Incompatibility between the sending and receiving equipment;
 - (d) Failure of the Offeror to properly identify the information;

- (e) Illegibility of the information; and
 - (f) Security of data.
- (4) Envelopes containing the offers are to be sealed and marked with the name and address of the offeror. Offers submitted by express mail must be sealed inside a second envelope. All envelopes must be plainly marked with the following statement, **“DO NOT OPEN UNTIL PRESCRIBED TIME UNDER ANNOUNCEMENT KCCQE2, INVITATION (Enter Appropriate Invitation Number).”** If overnight/express service is utilized, this statement must be printed clearly on the outer express envelope, not on the mailing label.
- (5) Changes by facsimile must contain the required signatures.

B. Where to Submit Offers

- (1) Offers, modifications, withdrawals, and cancellations of offers shall be submitted to KCCO and must be received by the date and local time specified in the invitation for receipt of offers.

By Mail: USDA-FSA-DACO-KCCO
Beacon Facility – Mailstop 8698
P. O. Box 419205
Kansas City, MO 64141-6205

Hand delivered: Kansas City Commodity Office
USDA-CCC-FSA - Mailstop 8698
6501 Beacon Drive
Kansas City, MO 64133-4676

By Fax: 816-926-6795

- (2) If an offer is sent by fax, the recorded date and time per incoming facsimile will serve as proof of receipt for CCC. OFFERORS ARE RESPONSIBLE FOR THE TIMELY RECEIPT OF OFFERS AND AMENDMENTS. No offers, modifications, or withdrawals will be accepted by telephone.
- (3) If an offer is sent by express or regular mail and/or hand delivered, the date and time of receipt will be recorded by the Kansas City Administrative Office’s date and time stamp.

C. What to submit

- (1) Each Offeror shall submit a completed CCC-331-C, Offer Form (attached) of the Announcement/Invitation. Reproduction of the form is permissible.

(2) Copies of CQEs issued by the U.S.-Colombia TPA and/or the U.S.-Panama TPA.

D. Basis of Offer

The content of an offer will include:

- (1) Announcement KCCQE2, Invitation 1;
- (2) Company name, address, contact name, telephone and facsimile numbers, email address;
- (3) The offeror's maximum quantity of CQEs to be considered for this Invitation;
- (4) A bid ratio for each applicable catalog item number, with the metric tons of CQEs offered at a minimum of 2.5 metric tons to 1 metric ton of CCC-owned sugar (2.5:1 ratio or higher); and
- (5) A copy of CQE issued under the U.S.-Colombia TPA and/or the U.S.-Panama TPA.

PROVISIONS OF CONTRACT

The contract will consist of:

- (1) Contractor's offer;
- (2) CCC's Acceptance of offer; and
- (3) This Announcement/Invitation.

TRANSFER OF TITLE

Transfer of title to successful offeror will occur upon CCC's receipt of title for sugar procured under Announcement KCPBS2.

SUBMISSION OF ORIGINAL CQEs

Successful offerors must submit original CQEs by express mail or courier, which must be received at the following address within five business days after the date of award:

Ron Lord
Director, Import Policies and Export Reporting Division
United States Department of Agriculture/Foreign Agriculture Service/Office of Trade Programs
Room 5526-S, AG STOP 2012
1400 Independence Avenue, SW
Washington, D.C. 20250-1021

Further information on this announcement/ invitation for offers may be obtained by contacting:

Kansas City Commodity Office
Commodity Management Division
Telephone (816) 926-3816

Emails: martha.mitchell@kcc.usda.gov
kenneth.knosp@kcc.usda.gov

Martha Mitchell
Kansas City Commodity Office

Attachment

CCC-331C (Sugar) (06-17-13)	U.S. DEPARTMENT OF AGRICULTURE Farm Service Agency	1. ANNOUNCEMENT: KCCQE2 INVITATION NO. _____ If amended, Amendment No. ____
CERTIFICATE OF QUOTA ELIGIBILITY OFFER FORM		

In accordance with **Announcement KCCQE2**, Invitation No. __, Dated _____, the undersigned offers to exchange Certificates for Quota Eligibility (CQEs) for the following quantities of bulk sugar.

2A. FIRM NAME	2B. ADDRESS	
2C. CONTACT NAME	2D. TELEPHONE NO. (Include Area Code)	2E. FAX NO. (Include Area Code)
	2F. EMAIL ADDRESS	

3. MAXIMUM CQEs WILLING TO EXCHANGE FOR COMMODITY CREDIT CORPORATION (CCC) SUGAR (Metric Tons):

4A. CATALOG ITEM NO.	4B. CQE NO.	4C. LOCATION OF SUGAR (City, State)	4D. CQE QUANTITY OFFERED (Metric Tons)	4E. INSTORE BID QUANTITY (Metric Tons)	4F. RATIO (Item 4D divided by Item 4E)	4G. EXPORTING COUNTRY

5A. SIGNATURE OF OFFICER/EMPLOYEE RESPONSIBLE FOR THE OFFER	5B. NAME OF OFFICER/EMPLOYEE RESPONSIBLE FOR THE OFFER	5C. DATE SIGNED (MM-DD-YYYY)
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NOTE: The following statement is made in accordance with the Privacy Act of 1974 (5 USC 552a - as amended). The authority for requesting the information identified on this form is 7 CFR Part 1402, 7 CFR Part 1435, and the Commodity Credit Corporation Charter Act (15 U.S.C. 714 et seq.). The information will be used to evaluate offers submitted by an offeror to exchange CQEs for bulk sugar. The information collected on this form may be disclosed to other Federal, State, Local government agencies, Tribal agencies, and nongovernmental entities that have been authorized access to the information by statute or regulation and/or as described in applicable Routine Uses identified in the System of Records Notice for USDA/FSA-3, Consultants File. Providing the requested information is voluntary. However, failure to furnish the requested information will result in a determination that the offer to exchange CQEs for bulk sugar cannot be accepted/processed.

The provisions of appropriate criminal and civil fraud, privacy, and other statutes may be applicable to the information provided. **RETURN THIS COMPLETED FORM TO THE USDA-FSA-DACO-KCCO, Beacon Facility - MAILSTOP 8698, P.O. BOX 419205, KANSAS CITY, MO 64141-6205.**

As specified in the Paperwork Reduction Act (5 CFR 1320.3), the information collection for the Sugar Program, including the Feedstock Flexibility Program, does not require OMB approval, because FSA estimates that fewer than 10 participants will participate by exchanging CQEs for bulk sugar owned by CCC.

The U.S. Department of Agriculture (USDA) prohibits discrimination against its customers, employees, and applicants for employment on the bases of race, color, national origin, age, disability, sex, gender identity, religion, reprisal, and where applicable, political beliefs, marital status, familial or parental status, sexual orientation, or all or part of an individual's income is derived from any public assistance program, or protected genetic information in employment or in any program or activity conducted or funded by the Department. (Not all prohibited bases will apply to all programs and/or employment activities.)

If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form, found online at http://www.ascr.usda.gov/complaint_filing_cust.html, or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, by fax (202) 690-7442 or e-mail at program.intake@usda.gov.

Individuals who are deaf, hard of hearing, or have speech disabilities and wish to file either an EEO or program complaint, please contact USDA through the Federal Relay Service at (800) 877-8339 or (800) 845-6136 (in Spanish). Persons with disabilities, who wish to file a program complaint, please see information above on how to contact us by mail directly or by email. If you require alternative means of communication for program information (e.g., Braille, large print, audiotope, etc.) please contact USDA's TARGET Center at (202) 720-2600 (voice and TDD).

1. ANNOUNCEMENT: **KCCQE2**
INVITATION NO. _____

If amended, Amendment No. _____

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Instructions For CCC-331C (Sugar)

CERTIFICATE OF QUOTA ELIGIBILITY OFFER FORM

This form is used by participants offering to exchange CQEs for CCC-owned sugar, and the information gathered is used to evaluate bids offered to CCC for the exchange of CQEs for CCC-owned sugar.

Submit the original of this completed form to the USDA-FSA-DACO-KCCO, Beacon Facility – Mailstop 8698, P.O. Box 419205, Kansas City, MO 64141-6205.

Participants offering to exchange CQEs for CCC-owned sugar must complete Items 1 through 5C of this form.

Items 1 - 5C

Fld Name / Item No.	Instructions
1 Invitation No.	Please enter Invitation No. under Announcement KCCQE2. Acknowledge any amendment(s) by entering the Amendment No. In the block directly below, re-enter Invitation No. and date of Invitation.
2A Firm Name	Enter offering firm's name.
2B Address	Enter address of offering firm.
2C Contact Name	Enter appropriate contact name.
2D Phone No.	Enter phone number of offering firm (including Area code).
2E FAX No.	Enter fax number of offering firm (including Area code).
2F Email Address	Enter email address of offering firm.
3 Maximum CQEs Willing to Exchange for CCC Sugar	Enter the maximum CQEs that you are willing to exchange for CCC- owned sugar in metric tons.
4A Catalog Item No.	Enter Catalog Item No. or Nos. from the catalog listing of CCC-owned sugar that you are interested in exchanging for CQEs. If more space for offers is needed, please continue input on Continuation Sheet, page 2.
4B CQE No.	Enter the CQE No. that you are offering in exchange for CCC-owned sugar.
4C Storage Location	Enter the storage location shown in the Catalog Listing of sugar (City/State).

Fld Name / Item No.	Instructions
4D CQE Quantity Offered	Enter the quantity of CQEs being offered in metric tons.
4E In-store Bid Quantity	Enter the quantity in metric tons of in-store sugar shown in the Catalog Listing.
4F Ratio	Calculate and enter the ratio of CQEs to Sugar by dividing 4D by 4E.
4G Exporting Country	Enter the name of the exporting Country associate with the CQE.
5A Signature of Officer/ Employee Responsible for the Offer	Person signing as officer or employee responsible for the offer shall sign.
5B Name of Officer/ Employee Responsible for the Offer	Enter the printed name of the Officer/Employee responsible for the offer.
5C Date Signed	Enter the date (MM-DD-YYYY) that Offer Form is signed.