USDA Announces No Actions Under Feedstock Flexibility Program

News Release | | August 25, 2026

(Washington, D.C., Aug. 25, 2026) - The U.S. Department of Agriculture (USDA) Commodity Credit Corporation (CCC) announced today that it does not expect to purchase and sell sugar under the Feedstock Flexibility Program for crop year 2026, which runs from Oct. 1, 2026, to Sept. 30, 2027.

The CCC is required by law to quarterly announce estimates of sugar to be purchased and sold under the Feedstock Flexibility Program based on crop and consumption forecasts.

Federal law allows sugar processors to obtain loans from USDA with maturities of up to nine months when the sugarcane or sugar beet harvests begin. On loan maturity, the sugar processor may repay the loan in full or forfeit the collateral (sugar) to USDA to satisfy the loan.

The Feedstock Flexibility Program, initially authorized in the 2008 Farm Bill, was reauthorized by Congress in the Continuing Appropriations, Agriculture, Legislative Branch, Military Construction and Veterans Affairs, and Extensions Act, 2025, as an option to avoid sugar forfeitures. Under the Feedstock Flexibility Program, if USDA is faced with the likelihood of loan forfeitures, it is required to purchase surplus sugar and sell it to bioenergy producers to reduce the surplus in the food use market and support sugar prices. USDA's Aug. 12, 2026, World Agricultural Supply and Demand Estimates report (www.usda.gov/oce/commodity/wasde) projects that crop year 2026 (fiscal year 2027) U.S. ending sugar stocks are unlikely to lead to forfeitures. Therefore, USDA does not currently expect to purchase and sell sugar under the Feedstock Flexibility Program for crop year 2026.

USDA will closely monitor domestic sugar stocks, consumption, imports and other sugar market variables on an ongoing basis and will continue to administer the sugar program as transparently as possible using the latest available data. The next quarterly estimate regarding the Feedstock Flexibility Program will occur on or before Jan. 1, 2027.

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