


International Sugar Organization

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EXECUTIVE DIRECTOR

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Various sugar related articles

The Executive Director would like to draw your attention to the articles below all of which are relevant to the sugar sector.

ED & F Man Research

Indian govt to review ethanol policy, mandate at risk - Chini Mandi - Local media reported that the government is planning to meet to review ethanol production from cane juice and B heavy molasses. Crisil argued that the government's decision to restrict the use of sugarcane to make ethanol will lower the blend below 10% in 2023/24, compared to 12% in 2022/23, as overall production should fall by 20%. The country will take time to increase corn ethanol output, as 65% of ethanol currently comes from B heavy molasses, followed by 25% from cane juice, compared to 4% for rice and corn.

FoodNavigator.com
Counting the cost of biodiversity loss


Can you put a price on biodiversity loss? That's the question being posed by economists at Wageningen Economic Research as they seek to understand and communicate the full impact that biodiversity loss will have on our ability to produce food in the future.

<https://www.foodnavigator.com/article/2024/02/21/counting-the-cost-of-biodiversity-loss-and-its-impact-on-food-production>

Explaining the urgency behind regenerative agriculture expansion
Sustainability minded consumers are driving efforts to expand regenerative agriculture globally.

ADM's purpose is to unlock the power of nature to enrich the quality of life, and as a leading global agricultural supply chain manager and nutrition provider, it is uniquely positioned to advance that important work by protecting our planet, our communities and our people.

One way ADM is achieving its purpose is through its leadership role in powering the adoption of regenerative agriculture practices around the globe. ADM defines regenerative agriculture as a system of practices that sequester carbon in the soil and intentionally improve soil health, biodiversity, water quality and air quality while ensuring the viability of farm production.

Based on Indigenous ways of land management and adaptive to local physical conditions and culture, regenerative agriculture revolves around five guiding principles: minimising soil disturbance; maintaining living roots in soil; continuously covering bare soil; maximising diversity with an emphasis on crops, soil microbes, and pollinators; and responsibly managing inputs, including nutrients and pesticides.

Consumers understand the value of this work. Industry-wide, revenue from regenerative agriculture is expected to grow from \$8.7 billion in 2022 to \$32.29 billion by 2032, and ADM is expanding its efforts around the globe as it advances toward its goal of four million regenerative acres by 2025.

Why regenerative agriculture – and why now?

Regenerative agriculture is not just a buzzword – ADM knows this because it asked consumers and consumer product and retail organizations about it. In November 2023, ADM published a comprehensive report, based on survey data from both consumers and consumer product and retail decision-makers obtained via its Outside VoiceSM consumer insights platform. The research showed that regenerative agriculture not only meets increasing consumer demand for sustainably sourced products, but also builds business resilience for the companies that meet those needs.



According to ADM’s survey, 73% of consumers agreed they would be more likely to trust retailers and brands that implement regenerative agriculture programs, while 72% agreed they would be more likely to purchase from those retailers and brands. And on the other side of the store aisle, of the retailers and CPGs who don’t currently have programs in place, 65% said their company plans to adopt a program in the next half decade – or sooner.

In other words, consumers and the companies that serve them understand the importance and urgency of regenerative agriculture, and will continue to power its growth, facilitated by partners across the supply chain – a process that ADM is proud to lead.

Expanding its regenerative agriculture program to Europe

ADM is now offering UK- and Poland-based farmers financial and technical support for the implementation of regenerative agriculture practices, such as conservation tillage, cover crops and companion cropping. In the UK, farmers who grow milling wheat and oilseed rapeseed and enroll in the program will receive incentive payments for each hectare farmed using regenerative practices.



ADM has also partnered with Ceres Rural, a UK-based regenerative agriculture advisory company, to offer one-to-one support for growers throughout the growing season. ADM and partners like Map of Agriculture Ltd., will utilise remote data collection and satellite technology to provide crucial insights into carbon footprints and sustainability performance of the crops of participating growers.

In Poland, producers across ADM’s supply chain can enroll their rapeseed and wheat crops and receive incentives per hectare for implementing regenerative agriculture practices. Like in the UK,

these growers will receive guidance starting with on-field assessments, including field visits, and individualised development plans tailored to each specific farm.

Here, soil sampling – which can measure key indicators of success, such as soil health and crop yields – will provide data that ADM reports back to growers to help inform their decision-making processes.

What's next in Latin America

A similar expansion is underway in Latin America. ADM launched its regenerative agriculture program in Brazil in 2023, engaging 20 soy farmers encompassing 20,000 hectares in Minas Gerais and Mato Grosso do Sul. That program will serve as the launchpad for its work to reach 300,000 regenerative acres in Brazil by 2027.

The initial focus of the pilot will be on three practices: fertiliser use efficiency and increased use of biological inputs; no-till farming; and covered soil and cover crops. Through the pilot, ADM will gather info on current practices and their impacts, including calculating carbon footprints, while providing farmers with technical assistance, training sessions and soil organic matter and carbon sequestration measurements.

Greenhouse gas emissions will be calculated with a tool designed and developed by Bayer S.A. in partnership with Embrapa – quantifying field emissions, land-use change emissions, carbon footprint of inputs applied in the field, and carbon footprint of transportation, and providing ADM, Bayer, and other participants with valuable insights as the program expands.

This is part of ADM's purpose

Regenerative agriculture can enhance soil health, support biodiversity, lower carbon emissions and provide better outcomes for growers – and there's a growing appetite from consumers for products that are sourced sustainably. That's why ADM is working around the globe to scale its regenerative agriculture program, enrolling new acres and providing growers with the financial and technical support necessary for success.

ADM is proud to be a global leader in this important effort and intends to continue increasing awareness of the benefits of regenerative agriculture, so that partners up and down the value chain understand its holistic benefits and can join ADM in advocating for and implementing these sustainable practices.

[Importance of regenerative agriculture practices for sustainability \(foodnavigator.com\)](https://www.foodnavigator.com/Importance-of-regenerative-agriculture-practices-for-sustainability)

How can alcohol brands ensure their marketing doesn't appeal to children?



Should beer brands use cartoon characters? Will bright colors appeal to children? What about celebrity tie-ups or sweet-flavored spirits? 2023 saw a rise in the number of alcohol brands that found themselves in hot water with advertising authorities over cues that could appeal to children. What can brands do to steer clear of such issues?

<https://www.foodnavigator.com/article/2024/02/20/how-can-alcohol-brands-ensure-their-marketing-doesn-t-appeal-to-children>

Are red nets an eco-friendly alternative to pesticides?



A recent study has found that red nets are more effective than black or white nets in preventing onion thrips from damaging crops. So, could red nets be the solution environmentalists have been searching for to help reduce agricultural reliance on the use of chemical pesticides in food production?

<https://www.foodnavigator.com/article/2024/02/20/are-red-nets-an-eco-friendly-alternative-to-pesticides>

International Sugar Journal

EU Commissioner: "Mirror" clauses not possible

In an address to the European Parliament's Agriculture Committee, EU Trade Commissioner Valdis Dombrovskis explained that imports of agricultural products from third countries cannot simply be subjected to European production standards. Despite resistance from EU agricultural producers, the introduction of the so called "mirror clauses" is significantly limited by the World Trade Organization (WTO), the Commissioner also explained, underlining that such measures would have to be justified by an improvement in global environmental protection or by serious ethical concerns. Dombrovskis also confirmed that negotiations aimed at a free trade agreement (FTA) between the EU and Mercosur are continuing.

Sugaronline – Ebriefing

ZIMBABWE: Hippo Valley Estates posts 68% rise in exports

Hippo Valley Estates exported 67,527 metric tonnes of sugar in the nine months to Dec. 31, 2023, 68% more than in the same period in 2022, reports Sugaronline.

Sugar exports increased as the company directed the displaced local market volume to the export markets in order to generate working capital to sustain operations, according to a statement released by the company.

Sugar output at the end of the third quarter, which marked the end of the crushing season, reached 194,684 tonnes, down 6% year on year due to reduced yields and unfavourable weather conditions.

"Availability of critical spares (mainly due to cashflow constraints on account of the impact of cheap imports of sugar) resulted in unscheduled mill stoppages and (lost time available – a measure of plant reliability – increased to 17.8% from 14.6% recorded same period prior year), that affected production performance leading to carryover cane amounting to 652 ha," the company said.

Cane quality measured as estimated recoverable crystals in sugarcane (ERC), and cane to sugar ratio reached 12.10% and 8.27, respectively, both above prior year realisations of 11.64% and 8.39.

FRANCE: Cristal Union concludes beet campaign

Cristal Union said its beet campaign continued to face difficult weather conditions at the end of the season, but that average agricultural yield remained within the five-year average, reports Sugaronline.

The company said in a statement on Feb. 9 that it had concluded the beet campaign, with agricultural yield at more than 86 tonnes of beets per hectare.

Cristal Union's eight sugar mills and two distilleries produced more than 1.3 million metric tonnes of sugar and more than 1.6 million hectolitres of alcohol and bioethanol from beets. A total of 13 million tonnes of beets were harvested and processed at the company's units, with an average sugar content close to 17%.

The company said its industrial sites were able to adapt activities to challenging weather conditions during the season, which lasted from mid-September 2023 to early February 2024.

GERMANY: Nordzucker concludes 2023/24 campaign

Nordzucker concluded on Feb. 14 its 2023/24 campaign after an average 135 days of operations, one of the longest and most challenging in recent years, the company said on Feb. 20, reports Sugaronline.

Nordzucker produced sugar, animal feed, fertiliser and energy from sugarbeet and sugarcane at 16 plants in seven European countries and Australia this season.

The company faced continuous rain, floods, flooded fields and roads, frost, limited clearing and logistics, and more complex processing at its European factories. In Australia, where the crushing season ended at Christmas, there was also prolonged rainfall this season.

Considerable rain in Europe resulted in high beet yields in many growing regions, with the average yield in the seven European countries at 75 tonnes per hectare. Beets also absorbed a lot of water, which, in combination with little sunshine, led to low sugar content.

Nordzucker said sugar yield per hectare is in line with the five-year average in Europe. In Australia, the sugarcane harvest produced an average yield with below-average sugar content.

"This campaign was unique and very successful, considering the difficult circumstances. The good cooperation of all those involved made it possible for us to jointly bring an extraordinarily high volume of beet from the fields to the factory and process it under these challenging conditions. We would like to thank everyone involved for their great commitment," chief executive officer (CEO) at Nordzucker, Lars Gorissen, said in a statement.

The executive said sugarbeet remains attractive for growers, both economically and in terms of arable farming.

"A reliable partnership with our growers is important to us. That's why we provided financial support to farmers who were unable to harvest beet in this extraordinary year due to the weather conditions," he said.

The more complex processing methods and financial support for growers led to higher costs.

"Thanks to continued high sugar prices, we nevertheless expect a good group result for 2023/2024," said chief financial officer (CFO) Alexander Bott.

Chief operational officer (COO) Alexander Godow said the 2023/24 campaign ran at a very good and stable processing level at Nordzucker's plants.

"Nordzucker had already processed two-thirds of the beet volume when the declining quality of the sugarbeet made processing more difficult in some factories after Christmas. But our teams also mastered well," he said.

"Particularly in the final days of the campaign, it was important to maintain the performance of the factories. We are proud that our employees processed so much beet during this exceptionally

challenging and long campaign.”

INDIA: Balrampur Chini to invest in bioplastic production

Balrampur Chini Mills Limited (BCML) announced on Feb. 19 that it will invest in an industrial bioplastic plant that will use sugar as a raw material, a project aimed at helping the country achieve net zero emissions, according to Press Trust of India (PTI).

The company’s executive director, Avantika Saraogi, said the Polylactic Acid (PLA) manufacturing venture is expected to be completed within 30 months, the first industrial bioplastic plant in India.

The PLA factory will have the capacity to produce 75,000 tonnes per year.

SOUTH AFRICA: Canegrowers say rise in sugar tax will impact small-growers

The South African sugarcane growers association SA Canegrowers said in a statement on Feb. 20 that a proposed increase in the Health Promotion Levy (sugar tax) would be “destructive and unjustifiable”, affecting small-scale producers and all the production chain, reports Sugaronline.

“The brunt of these pressures is felt by small-scale local growers who are the first to close up shop as costs spiral out of control. But the implications also extend to the one million South Africans who rely on the industry as millers, large-scale growers and other industry stakeholders struggle with the same issues,” SA Canegrowers chairman Andrew Russell said in a statement.

“SA Canegrowers therefore urges the National Treasury to carefully considers this economic context when making decisions regarding taxes such as the Health Promotions Levy.”

The association said the South African sugar industry has been suffering under the combined effects of loadshedding, high input cost inflation, natural disasters and deteriorating logistics infrastructure, in addition to facing challenges posed by the ongoing business rescue proceedings at Tongaat Hulett and Gledhow sugar mills.

“As Finance Minister Enoch Godongwana presents his 2024 Budget Speech to Parliament this week, SA Canegrowers is calling on National Treasury to prioritise measures to aid economic recovery and job retention,” Russell said.

According to SA Canegrowers, independent research, and modelling by the Bureau for Food and Agricultural Policy (BFAP) showed that an increase or expansion of the sugar tax would cost the sugar industry thousands of jobs and jeopardise the businesses of nearly 3,000 small-scale growers.

“This would be over and above the thousands of jobs and billions of rands in lost revenue already caused by the sugar tax since 2018,” the association said.

“Few sugarcane growers can keep absorbing such extra costs and still stay in business. This is over and above a skyrocketing of the costs ordinarily involved in cane growing including the input costs like fuel and fertiliser as well as increases in the national minimum wage.”

US: Sucro announces plans to build cane sugar refinery in Chicago

Sucro Limited announced on Feb. 20 plans to build a new cane sugar refinery in the Greater Chicago Area to address the US sugar market, with the start of operations estimated in 2026, reports Sugaronline.

The new refinery will have a similar scale to the company’s Lackawanna facility in Western New York, with value-added specialty sugar capabilities, including large grain crystals used in specialty foods and confectionery, an integrated brown sugar line, specialty liquid production and organic sugar refining capabilities.

The Chicago refinery will leverage Sucro’s existing property and sugar processing infrastructure at University Park, Illinois.

The location represents the most inland cane sugar refinery in the US, with the capability to serve food processors and manufacturers in the Midwest with a more efficient supply of refined cane sugar and specialty sugars.

Sucro Limited plans to fund the equity portion of the facility's construction costs using internally generated cashflows.

"The U.S. sugar market is chronically short of supply, and demand is growing. This is particularly true in specialty value-added segments like large-grain crystals. Our new Chicago refinery will add much-needed domestic refinery capacity to address the demand for refined sugar and reduce the market's reliance on imports. The refinery's primary focus will be higher value specialty sugar products which are in high demand from U.S. food processors and manufacturers," said Jonathan Taylor, chief executive officer (CEO) of Sucro.

The Chicago refinery will be Sucro's third new facility in the past five years.

"Once the new Chicago refinery and the recently announced refinery in Hamilton are complete, we believe Sucro will be responsible for adding more new capacity to the North American market than all other sugar refiners combined," said Taylor.

The new refinery will be closely integrated with the company's existing production assets in Western New York and Southern Ontario, and designed to supply competitively priced refined cane sugar for Sucro's blue-chip customer base of multi-national food manufacturers in the Midwest.

The Chicago asset will have a fully integrated logistics infrastructure, including inbound and outbound rail and on-road transport capabilities, according to Sucro.

The new refinery is expected to have 75 full-time equivalent manufacturing and administration positions once completed.

INDIA: ISMA welcomes rise in fair and remunerative price for sugarcane

Indian sugar industry association ISMA has welcomed the government's decision to [increase the fair](#) and remunerative price for sugarcane in 2024/25 to INR340 per quintal and urged the government to raise the minimum support price (MSP) of sugar, according to ChiniMandi.

ISMA president Mandava Prabhakar Rao said that the rise in the FRP will help the farmers meet the increasing expenditure for growing sugarcane and retain sugarcane competitiveness in relation to other crops.

Rao said the MSP of sugar should be around INR3,900 per quintal based on the FRP of INR340 per quintal of sugarcane.

AUSTRALIA: Canegrowers urge government to save Mossman cane industry

Sugarcane growers association Canegrowers has urged the state government to act and save the Mossman sugarcane industry, following recommendations that would see the Mossman Mill, the region's largest employer shut down, reports Sugaronline.

"With the community still reeling from the devastating impacts of ex-Tropical Cyclone Jasper, local leaders are calling on the government to look to the future by stepping in to underpin the immediate survival of Mossman's sugarcane industry," the group said in a statement on Feb. 21.

"Without action, the Mossman Bio Precinct Group will cease operating, leaving up to a third of the town's population without jobs."

The administrator has recommended to creditors that the company be "wound up", according to Canegrowers. This recommendation will go to a vote at a creditors' meeting on Feb. 29.

"The sugarcane industry and bio precinct are responsible for so much employment in the area that if they go, the town's economy will be devastated," Canegrowers Mossman chairman Matt Watson said in a statement.

"We're asking Minister Furner and the Cabinet to take decisive action to save our town. If the government turns its back on us now, there is a very bleak future ahead for our region."

Canegrowers said that, alongside the Australian Cane Farmers Association (ACFA), has been working closely with community, industry, and government stakeholders to find a solution that will secure the future of the region's sugarcane industry and the community.

ACFA representative Jack Murday said growers in the region have already invested heavily in the 2024 crop, spending more than AUD14 million (US\$9.2 million) this year alone. "And we're willing to invest more. We just need a partner with the means and the vision to realise the potential we have here in Mossman."

THAILAND: Cabinet approves sugarcane prices

The Cabinet approved on Feb. 21 the final sugarcane price for 2022/23 and the initial sugarcane price for 2023/24, according to Bangkok Post.

The final 2022/23 sugarcane price was set at THB1,197 (US\$164.2) per tonne, a rise of THB117 (US\$16.05) from the initial price. Sugar mills will have now to pay the difference in the cane price to growers.

The approved initial price for 2023/24 is THB1,420 (US\$194.80) per tonne.
