



International Sugar Organization

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EXECUTIVE DIRECTOR

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(English only)**

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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.

Latin Trade Weekly Digest

Brazil Invests US\$1 Billion to Lead in Sustainable Aviation Fuel



The Brazilian government, through the National Bank for Economic and Social Development (BNDES) and the Financier of Studies and Projects (FINEP), has announced a R\$6 billion (US\$1.09 billion) investment to establish Brazil as a major global player in the Sustainable Aviation Fuel (SAF) sector. "We have countless opportunities, a tremendous potential to assist with decarbonization, create jobs, and strengthen Brazilian industry," said Geraldo Alckmin, Vice President and Minister of Development, Industry, Commerce, and Services, Brazil, [Mexico Business News](#) reports.

FoodNavigator.com

Consumers prefer sweet over salty snacks, as healthy options ripe for innovation, IFIC finds



Consumers largely prefer sweet and salty snacks – in that order – as many shoppers use snacking to satisfy hunger in between meals and provide an indulgent moment, the International Food Information Council (IFIC) shared in a recent report.

<https://www.foodnavigator-usa.com/Article/2024/08/19/consumers-prefer-sweet-over-salty-snacks-as-healthy-options-ripe-for-innovation-ific-finds>

ADM and Coca-Cola among Fortune 500 companies citing AI risks



Artificial intelligence is deemed a risk by near 60% of the Fortune 500 consumer-packaged goods companies, a new report has found.

<https://www.foodnavigator-usa.com/Article/2024/08/19/How-risky-is-AI-to-food-and-drink-manufacture>

Sweeteners and their function in food and drink manufacture



The use of sweeteners to reduce calorie content in food and drink is sometimes controversial, but vital to F&B manufacture. What sweeteners are used and what do they do?

<https://www.foodnavigator.com/Article/2024/08/23/Sweeteners-and-their-function-in-food-and-drink-manufacture>

Who is Nestlé's new CEO and how will he change the business?



Mark Schneider has stepped down as Chief Executive Officer of Nestlé. So, who's next to take the reins of the Swiss multinational?

<https://www.foodnavigator.com/Article/2024/08/23/Who-is-Nestle-s-new-CEO-Laurent-Freixe-and-where-did-he-work>

From polluter to nurturer: How food and drink could save the planet



Food and drink manufacture contributes 30% of global greenhouse gas emissions and has a significant yet negative impact on biodiversity. So how can food and drink be more sustainable? <https://www.foodnavigator.com/Article/2024/08/22/why-biodiversity-matters-in-food-and-drink-supply-chains>

Sugaronline Ebriefing

INDIA: 20% ethanol blending target will require more sugarcane – Crisil Ratings

Crisil Ratings estimates that India will need to use both grains and sugarcane feedstock to increase supply for ethanol production and achieve the 20% ethanol blending target by 2025, reports Sugaronline.

India's annual ethanol production from grains is expected to increase to around 6 billion litres by next season, compared to 3.8 billion litres expected for this season. "The balance will have to be produced by processing ethanol from sugarcane, which is viable given the substantial capacity in place," Crisil said in a recent report.

"This, in turn, can help optimise sugar inventory, particularly considering the high carry-over stock expected at the end of the current season owing to the government restriction on diversion for ethanol production and exports."

India's ethanol production from sugarcane is expected to be restricted to 2.5 billion litres this season, equivalent to 2.5 million tonnes of sugar.

"Ethanol blending could still improve to 14% in the 2024 ethanol supply year (ESY) as extraction from grains has significantly risen due to 40% capacity expansion. That will compensate for the reduced output from sugarcane," said Poonam Upadhyay, director at Crisil Ratings.

"However, to reach the 20% blending target by ESY 2025, allocating sugarcane required to produce around 4 million tonnes of sugar can be considered for ethanol production, similar to the season 2023."

In the upcoming season, Crisil expects India's gross sugar production to reach 33.5 million tonnes, with consumption at around 29.5 million tonnes. Sugar inventories are projected to be "healthy" by the end of this season.

Associate director of Crisil Ratings, Anil More, said a higher sugarcane usage for ethanol production would help optimise sugar inventory, which is estimated to rise to about 4 months of consumption (around 8 million tonnes) by the end of this season.

"Besides, it can positively impact the cash flows of sugar mills and help them pay cane dues to farmers on time."

KENYA: National Assembly calls for revival of sugar industry

Members of Kenya's National Assembly have urged the government to revive the country's sugar industry, amid concerns over a decline in sugarcane farming in Western Kenya, according to Nairobi Law Monthly.

Matungu Member of Parliament Peter Nabolindo expressed concerns over this decline that had forced local millers to operate below capacity and the country to rely on sugar imports. He presented a motion calling for the national government to review sugar development policies.

BRAZIL: Tereos makes its largest-ever sugar shipment on a single ship

Tereos carried out in July the largest shipment of VHP sugar on a single ship ever recorded by the company, according to Globo Rural.

The sugar shipment of 60,000 metric tonnes bound for Indonesia was loaded at the VLI's Luiz Antônio Mesquita Integrated Terminal (Tiplam), in the Santos, São Paulo.

The company said it plans to make other large VHP sugar shipments to Asia during the second half of this year.

GERMANY: KWS Saat attributes higher earnings to sugarbeet business

KWS Saat said on Aug. 16 that its sugarbeet segment helped boost sales and profits in the 2023/24 financial year, exceeding forecasts, reports Sugaronline.

KWS Saat manages the propagation and distribution of sugarbeet and corn seeds, along with other crops.

The company's revenue (based on preliminary, unaudited key figures) increased by around 12% year-on-year to around EUR1.7 billion (US\$1.9 billion) in 2023/24. EBIT rose by more than 50% to EUR300 million (US\$330.8 million).

"The significant increase in sales and EBIT is attributable in particular to the successful business performance in the Sugarbeet segment. In addition, EBIT includes a positive one-off earnings contribution (EUR28 million/US\$30.9 million) from the sale of the Chinese corn business (including licenses)," the company said [in statement](#).

KWS Saat plans to publish its annual report 2023/2024 on Sept. 26, 2024.

For 2024/25, KWS forecasts overall sales growth of 2-4%. "The lower growth momentum compared to previous years is attributable to the generally subdued agricultural environment and an expected significant decline in business in Russia as a result of import restrictions and efforts to localize seed production," the company said.

BRAZIL: Raízen and Vertoro sign partnership for the development of advanced biofuels

Raízen and Dutch biotechnology company Vertoro have signed a joint development agreement that will help support the development of advanced and sustainable biofuels for the aviation and maritime sectors, according [to a statement](#) released last week, reports Sugaronline.

The companies plan to transform lignin, a second-generation feedstock, into advanced, sustainable biofuels, chemicals, and materials.

Raízen generates large volumes of lignin as a by-product of its ethanol operations. The company estimates a lignin production capacity of 1.5 million metric tonnes, considering its two operating E2G ethanol plants and the other seven already announced.

Raízen and Vertoro will engage in three collaborative initiatives. The first involves developing a unique lignin blend with ethanol or methanol, utilising Vertoro's proprietary "Goldilocks" process, allowing lignin application in higher-value products. This blend is designed to be used as sustainable fuel in dual-fuel maritime engines, aiming to enhance both the efficiency and power output of biofuel production.

The partnership will also assess the feasibility of using this blend in oil refining processes to create Sustainable Aviation Fuel (SAF), sustainable marine fuel and other chemicals. Additionally, the companies will focus on developing pure, low molecular weight lignin that can be used in chemical and material applications.

The collaboration will initially focus on producing large-scale samples of Raízen's new lignin products at Vertoro's running Demo Plant. These samples will be distributed to selected producers in the fuel, chemical, and materials sectors for application testing. The ultimate goal is to secure offtake agreements for a commercial-scale production site, which will be integrated into Raízen's second-generation ethanol facilities.

According to the companies, initial testing will start in the summer of 2024.

DOMINICAN REPUBLIC: Government working to revive state-run sugar industry

The Dominican government is working to revive the state-run sugar industry, which includes revamping the Porvenir sugar mill, according to El Nuevo Diario.

The director of National Assets and honorary executive of the State Sugar Council (CEA), Rafael Burgos Gómez, has expressed optimism regarding the efforts of President Luis Abinader to revive the state-run sugar industry, according to the news report.

He said the government would install new boilers and other improvements at the Porvenir sugar mill to replace old equipment.

US: Beverage industry increases focus on low-sugar claims

Beverage companies have increased their focus on reducing sugar and calories as more consumers become mindful of the ingredients in their food and drinks, according to Food Business News.

Data and insights company GlobalData said in a recent report that low and no calorie product innovation is rapidly becoming a core focus for the non-alcoholic beverages industry, with sugar reduction claims as the most popular benefit among the non-alcoholic beverage launches over the 12-month period ended in May 2024.

GERMANY: Nordzucker expects above-average yields in 2024/25 campaign

Nordzucker plans to start its 2024/25 beet campaign at its European factories at the end of August, expecting an above-average sugarbeet harvest, reports Sugaronline.

"Overall, we are expecting above-average yields across the group for this year's campaign. The trial harvests last week are a clear indication of this," said chief executive officer (CEO) Lars Gorissen in a statement on Aug. 21.

Nordzucker's beet processing season is expected to last until at least the end of January 2025. Sugarbeet initially grew slowly in the spring due to cold, wet weather and longer sowing times in some regions but has developed well in recent weeks. "This was due to the persistent mix of rainfall, sunshine and summer temperatures," the company said.

Nordzucker's Opalenica factory in Poland will start operations on Aug. 27. A few days later, the factories in Germany, Denmark, Finland, Lithuania, Sweden and Slovakia will join the campaign. As in previous years, the factories in Schladen (Germany), Nykøbing (Denmark) and Kėdainiai (Lithuania) start by processing organic beet.

The company said it has invested in maintenance and improvement measures to optimise its production processes and reduce its energy consumption.

Nordzucker is inaugurating new, state-of-the-art production facilities at the factory in Örtofta, Sweden.

“We have brought together the best of the two Swedish factories in one location to make production in Örtofta more efficient and future-proof. Among other things, we have modernised the sugar house and expanded the site to include state-of-the-art liquid sugar production and a new Service Center,” said chief operating officer (COO) Alexander Godow.

Nordzucker is also commissioning a new sugar silo at the Nordstemmen site, which has a storage capacity of 80,000 metric tonnes of sugar, which is expected to save transport routes and storage costs in the future, as some of the sugar will no longer have to be stored temporarily in external silos.

An additional extraction tower at the Uelzen factory will allow more sugar to be extracted from beets and save around 10,000 tonnes of CO2 per year.

The company is also reducing energy consumption at its Nakskov factory in Denmark by installing new evaporators. The water is extracted from the thin juice in the evaporation station with less pressure and, therefore, less energy.

BRAZIL: Cocal’s units awarded certification to supply ethanol for SAF production

Cocal, a sugarcane processor located in São Paulo state, said on Aug. 21 that its units located in Paraguaçu Paulista and Narandiba were awarded the ISCC CORSIA Plus certification, which allows them to supply ethanol for the production of sustainable aviation fuel (SAF), according to Udop.

Chief executive officer (CEO) Luiz Scartezini said the company plans to continue to invest in bioenergy sources to support the production of advanced biofuels in the coming years.

The company’s plans are not limited to the use of ethanol for SAF production. Scartezini said the company is also how to access other markets, with different production routes, using ethanol and biomethane.

SOUTH AFRICA: Dry weather may shorten sugarcane crushing season

Dry weather over the last months in sugarcane growing areas in South Africa will likely shorten this year’s crushing season by up to a month, according to sugarcane farmers’ association SA Canegrowers on Aug. 23, reports Sugaronline.

Sugarcane crops in KwaZulu-Natal and Mpumalanga have been facing “extremely” dry weather this season, with some mills expecting to end production as soon as early November, one month ahead of normal closure, according to the association.

“This could potentially leave some growers vulnerable with lower yields across the full season as they could have delivered less cane in total by the end of the season,” the group said in [a statement](#).

By Aug. 17, 10.6 million metric tonnes of sugarcane had been delivered for crushing at South African sugar mills, compared to 10.59 million tonnes in the same period one year earlier. The quality of the sugarcane delivered increased by 2% compared to last year.

“This means that South Africa’s sugar industry will be more efficient as less cane is required for sugar production. It also means that despite the crop dropping, the industry will continue to supply locally produced sugar to commercial, industrial, and household consumers,” SA Canegrowers said in a statement.

The association said dry weather conditions are especially concerning for growers in Mpumalanga and northern KwaZulu-Natal where crops need extensive irrigation. About 30% of the total sugar production comes from irrigated areas.

SA Canegrowers said that electricity price increases proposed for 2025 and beyond are concerning and could lead to the increased financial burden farmers face.

"Small-scale growers who rely on irrigation are especially vulnerable to outrageously high electricity tariff increases. They already operate on thin margins as it is, and as such, price shocks could push many of them out of business," said the chairman of SA Canegrowers, Higgins Mdluli. SA Canegrowers calls on the government to help safeguard local jobs through "a well-developed and coherent strategy for the sugarcane value chain," including scrapping the sugar tax and for consumers to support locally produced sugar.

INDIA: Government releases proposal to revamp sugar sector regulations

India's government has released a draft order proposing a revamp in the regulations of the country's sugar sector and will receive comments about the proposal until Sept. 23, reports Sugaronline.

The government said that due to the technological advancements in the production process, "there are multiple changes in the sugar sector which necessitates the revamping of the existing Sugar (Control) Order, 1966."

The [Draft Sugar Control Order 2024](#) sets the rules for the government's power to regulate sugar production, issue directions about the movement of sugar and by-products, and regulate the quality and prices of sugar, among other aspects of the sugar industry.

BRAZIL: Sugar industry association estimates 3.5% rise in Pernambuco's cane crush

Pernambuco's sugar industry association Sindaçúcar-PE expects sugar mills in the state to crush 14.5 million metric tonnes of sugarcane in 2024/25, up 3.5% from 2023/24, according to Movimento Econômico.

The president of the association, Renato Cunha, said that this season should be similar to the previous one in Brazil's north-northeast. He said more precise estimates for 2024/25 should be released by September.

There are 13 sugar mills crushing sugarcane in Pernambuco this season.

ED & F Man Daily Research

Sugar

Global 2024/25 surplus seen on average at 780,000mt but large disparities remain -

A Reuters survey showed that market participants expect NY sugar futures to end the year around USD 20c/lb, assuming an average global surplus of 780,000mt. The survey noted, however, that there was a wide disparity between those who expect a global deficit and those who expect a surplus. Czarnikow, meanwhile, lowered its estimate by 2.9 million mt to a 5.9 million mt global surplus, after downgrading the crops in Brazil and Russia. Czarnikow added, however, that Guatemala, along with other Central American countries, would have more sugar to export to the world market as Mexico, which has been importing a large part of their surplus, will have a bigger crop.

Drink makers focus on low sugar drinks - Food Business News - Around 35% of claims on new drink products launched last year concerned sugar reduction, while 12% were about low or zero calories, according to a report by GlobalData. The agency noted that consumers were aiming to lower sugar consumption, but were still averse to artificial sweeteners and looking for natural ingredients.

HFCS gains market share in Mexico – Zafranet - Mexico imported 189,000mt of sugar and high fructose corn syrup (HFCS) in July, including 45,000mt of sugar and 144,000mt of HFCS, bringing imports in the Oct-Jul period 1.56 million mt, including 651,000mt of sugar and 907,000mt of HFCS, according to Conadesuca. It noted that HFCS imports were up 25% on year, and that there was a 16% increase in HFCS consumption in Oct-Jul to 1.3 million mt. Mexico exported 434,000mt of sugar in the period, down 54% on year.
