

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.

Sugaronline Ebriefing

NIGERIA: NSDC says country needs to reduce dependence on imported sugar

The executive secretary and chief executive officer (CEO) of the National Sugar Development Council (NSDC), Kamar Bakrin, has said Nigeria needs to reduce its dependence on imported sugar and strengthen domestic production, according to the Nigerian Tribune.

He said the country's sugar industry is valued at \$2 billion and heavily dependent on refining imported raw sugar.

Bakrin added that the NSDC was preparing to launch plans focused on commercial sugar farming and an out-growers program next year.

AUSTRALIA: Canegrowers group welcomes Queensland state election results

Australian sugarcane farmers' group Canegrowers on Oct. 27 welcomed the victory of the Liberal National Party (LNP) and Premier David Crisafulli on the Queensland state elections, expecting he will work on measures to advance the sugarcane sector, reports Sugaronline.

Canegrowers chief executive officer (CEO) Dan Galligan said Premier Crisafulli, who grew up in a cane farming family in Ingham, understands the challenges and opportunities facing Queensland's sugarcane industry, and will have growers' best interests at heart, according to a statement released by the association.

"Congratulations to David and the LNP team. We're excited to work closely with the new Premier to advance the sugarcane sector, an industry I know is close to his heart," said Galligan.

The Canegrowers group has been urging officials to work on measures to cut input costs, including water and electricity prices, reducing regulations, and developing a domestic biofuels industry, among key issues for the development of the sector.

"We have had a very close working relationship with Mr Crisafulli and his team while in opposition and we are eager to work with them in government to deliver on their election commitments of a AUD30 million industry innovation fund, a AUD50 million increase in biosecurity funding, and a AUD12 million package to support the Mossman sugarcane industry in particular," Galligan said.

<u>INDIA:</u> Food ministry expects 2024/25 sugar output to reach 33 million T — news report

India's Food Ministry expects the 2024/25 sugar production to total 33 million metric tonnes, which would be enough to supply local demand and ethanol production, according to The

Financial Express.

This year's sugar production prospects are much better than initially estimated due to adequate monsoon rainfall, according to the news report, citing an unnamed official.

Cane sowing in the current kharif season totaled 5.76 million hectares, higher than the previous year.

SOUTH AFRICA: Sugar industry calls for moratorium on sugar tax

Six associations representing South Africa's sugar sector and industrial consumers released an <u>open letter</u> on Oct. 27 urging the government to scrap the sugar tax or extend the moratorium on any increases or broadening of the reach of the tax until it promotes consultations on the impact of the levy, reports Sugaronline.

The associations said minister of Finance Enoch Godongwana made a public commitment in his 2023 budget that consultations would be initiated with affected and interested parties as the National Treasury considers adjustments to the Health Promotion Levy (HPL), including the proposed lowering of the 4 grams threshold and the extension of the levy to fruit juices.

"These consultations are essential for affected and interested parties to provide factual information and data on the potential unintended consequences of the HPL, which will help guide the National Treasury decision-making process," the associations said.

"We are deeply concerned that the HPL led to the loss of 16,000 jobs in the first year of the tax alone, according to a study by Nedlac, and if increased, it would lead to the loss of further jobs including in impoverished rural cane growing provinces that need employment the most."

The HPL was implemented in April 2018 as one of the measures by the Department of Health to address obesity and non-communicable diseases (NCDs) in South Africa. According to the sugar industry stakeholders, studies have not been conducted or provided to show if the tax has led to health outcomes such as reduced diabetes or obesity.

The sugar industry said the tax has added to economic instability, cut jobs, and could lead to a 10% decline in sugarcane cultivation by 2030.

"Any increase (in the tax) will further decimate the land under cultivation and force thousands of small-scale growers into abject poverty. An increased tax on sugar threatens the one million livelihoods the sugar industry supports and undermines both food security and economic stability in the provinces of Mpumalanga and KwaZulu-Natal where sugarcane is grown," they said.

The open letter was signed by the SA Canegrowers, the South African Sugar Association (SASA), the South African Sugar Millers' Association (SASMA), the South African Farmers Development Association (SAFDA), Consumer Goods Council of South Africa (CGCSA), and the South African Sugar Converters Association (SASCA).

MALAYSIA: Sugar tax rise to impact food and beverage sector

Malaysia's association of small and medium enterprises (SME) expects the rise in the levy on sugar-sweetened drinks announced from Jan. 1, 2025, to affect costs for businesses in the food and beverage sector, according to The Malaysian Reserve.

The secretary-general of the association, Chin Chee Seong, said industries related to sugar will be particularly affected by the implementation of the higher sugar tax, which is estimated to increase by 40 sen per litre from 2025.

The tax increase was announced in the government's 2025 Budget.

AUSTRIA: Agrana announces new CEO for sugar division

Agrana announced on Oct. 25 that Martina Steinberger-Voracek will take over the position of chief executive officer (CEO) at its sugar division Agrana Zucker GmbH, effective from Nov. 1, 2024, reports Sugaronline.

Martina Steinberger-Voracek began her professional career at Henkel AG, where she held various top positions in marketing, sales and management, including Sales director Austria, general manager Austria, vice president Sales and CEE manager, and Corporate vice president Global Sales.

She then embarked on an entrepreneurial career as a start-up founder and also worked as a business consultant focusing on innovation, sales and trading strategy.

"We are delighted to have been able to attract Martina Steinberger-Voracek to our sugar division as CEO. With over 30 years of professional experience and an in-depth understanding of international sales management, go-to-market strategies and the management of

transformation processes, she brings considerable expertise to Agrana", said Stephan Büttner, CEO of Agrana Beteiligungs-AG.

BRAZIL: Raízen crushes 32.9 million T of sugarcane in 2Q 2024/25

Raízen crushed 32.9 million metric tonnes of sugarcane in the second quarter of the 2024/25 season (July-Sept), compared to 37.5 million in the same quarter of 2023/24 and 30.9 million tonnes in the first quarter of the current season, according to preliminary data released by the company on Oct. 24, reports Sugaronline.

Dry weather impacted productivity, which declined to 76 tonnes of sugarcane per hectare in the second quarter from 88 t/ha in the first three months of the current season and 91 t/ha in the second quarter of 2023/24.

Production of sugar equivalent is estimated to be between 4.6 million tonnes and 4.8 million tonnes in the second quarter of this season, below the 5.24 million one year earlier but above the 3.67 million tonnes in the first quarter of 2024/25.

Raízen diverted 52% of the raw material for sugar production in the second quarter of this season, down from 56% in the same period of 2023/24 and more than the 50% diverted in the first quarter this season.

Sugar sales totaled 5.02 million tonnes at an average price of BRL2,550-2,700 (US\$450.09-476.57) per tonne. In the same period in 2023/24, the company sold 3.27 million tonnes of sugar for BRL2,497/t (US\$440.74) on average.

Ethanol sales in the second quarter of this season reached 1.76 million cubic metres (m³) at an average price of BRL2,600-2,750 (US\$458.92-485.39) per m³, compared to 1.4 million m³ sold in the same period last year for an average price of BRL2,945/m³ (US\$519.81).

Raízen will release its complete earnings report for the second quarter of the 2024/25 season on Nov. 12.

POLAND: Sugar production expected to set new record this year

Sugar production in Poland is expected to reach a record volume of 2.6 million metric tonnes this year due to improved yields and increased sugarbeet acreage, according to Agrodigital.

The Polish sugarbeet growers association said the average sugarbeet yield is estimated at 68 t/ha this season, up 6% from the previous year. Total sugarbeet production is expected to be 19 million tonnes, according to the news report.

Poland's sugarbeet harvesting campaign started in mid-August.

BRAZIL: Camex rejects request to remove ethanol import tariff

The Tariff Changes Committee of Brazil's Chamber of Foreign Trade (Camex) on Oct. 17 rejected for the second time a request made by the Brazilian Association of Fuel Importers (Abicom) and the US Grains Council to remove the ethanol import tariff, according to the USDA Foreign Agricultural Service's post in Brasília, reports Sugaronline.

The 18% ethanol import tariff has been implemented in February 2023.

Abicom, with the support of the US Grains Council, had already requested the government in October 2023 to reduce the Common External Tariff (CET) on ethanol tariffs, arguing that a study from S&P Platts showed the tariff raised fuel costs for Brazilian consumers.

After a public comment period to consider reducing tariffs, Camex rejected Abicom's request for the first time in June 2024.

The most recent rejection occurred after Abicom submitted a new request on May 8 to include ethanol in Brazil's List of Exceptions to the Common External Tariff (LETEC).

After the first rejection in June, <u>US Grains Council</u> said it remained "extremely disappointed" and urged Camex and the Brazilian government to remove tariff barriers on US ethanol and use this as an opportunity to strengthen the bilateral agenda and stimulate trade cooperation between Brazil and the United States.

ED& F Man Daily

Sugarcane productivity remains below average for last harvest, says CTC – Novacana

- The Center-South region faced a severe water deficit from October 2023 to September 2024, impacting the development of sugarcane fields harvested in the current harvest. The scenario was analyzed by the Sugarcane Technology Center (CTC) in a monitoring bulletin. According to the data released this Wednesday, the 23rd, agricultural productivity in September was lower than that observed in the last harvest, with 69.7 t/ha in the current season compared to 83.4 t/ha in the previous one. When analyzing the accumulated data, the CTC observes that the Center-South reached a productivity of 83.2 t/ha until September 2024. The value is within the average of the last ten harvests, which is 79.7 t/ha, according to data from the CTC benchmarking program.

Descartes Labs Joins EarthDaily Analytics



We are excited to announce that Descartes Labs has officially joined EarthDaily Analytics as part of their family of companies. This is a significant milestone for us and opens up new possibilities to improve our Earth observation products and services.

EarthDaily Analytics Announces Acquisition of Descartes Labs

FoodNavigator.com

Growing functional food and beverage trend is an industry goldmine



Brands are reformulating to create functional foods and beverages, catering to everything from gut health to improved sleep. So, how is the sector evolving to meet consumer demand? https://www.foodnavigator.com/Article/2024/10/23/How-F-B-is-reformulating-for-functional-food-and-beverage-trend

Food Traceability Rule compliance threatened by too much tech, over-eager retailers



Food industry players across the value chain are frustrated by lingering questions about how to implement sweeping food safety changes that go into effect in little over a year, including fears of some stakeholders "going berserk" with new technology or asking for more than the law requires and before the national deadline.

https://www.foodnavigator-usa.com/Article/2024/10/22/over-eager-retailers-excessive-tech-threaten-food-traceability-rule-compliance