


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 Daily News

Suedzucker's annual profit jumps nearly 40% on strong sugar, bioethanol performance - Reuters - Europe's largest sugar producer Suedzucker on Monday posted a rise of almost 40% in full year operating profit as improved sugar and bioethanol markets boosted earnings. Group operating profit in the full financial year 2021/22 to the end of February rose to 330 million euros from 236 million euros in the previous year. It had previously forecast full-year group operating profit of between 320 million and 380 million euros. "The results have benefited from a good performance by the sugar sector and also from bioethanol," a Suedzucker spokesman said. "Sugar demand in the EU remains stable and prices have improved since last year, but in our view are still not satisfactory." "We also continue to see benefits from our recent corporate restructuring and cost-cutting programme." Suedzucker unit CropEnergies, which produces the green fuel bioethanol, also posted improved results. "In the current energy crisis we hope that more attention will be given to bioethanol as an environmentally friendly and sustainable energy source to reduce Europe's dependency on crude oil," the spokesman added. Suedzucker group sales for the year rose about 13.4% to about 7.6 billion euros.

Fertilizer Price Surges 43% to Fresh Record as Supplies Tighten – Bloomberg - Fertilizer prices continue to spike to records as Russia's invasion of Ukraine puts a massive portion of the world's fertilizer supply at risk, adding to concerns over soaring global food inflation. A gauge of prices for the nitrogen fertilizer ammonia in Tampa surged 43% to \$1,625 per metric ton Friday, a record for the 29-year-old index. Production outages and tight global supply are driving the jump, according to a note from Bloomberg Intelligence. The war is pushing up the cost of natural gas, the main input for most nitrogen fertilizer, forcing some producers in Europe to cut output. Markets also worry that potential sanctions on Russia, a big low-cost shipper of every major kind of crop nutrient, could disrupt global trade. The country accounted for almost a fifth of 2021 fertilizer exports, according to Trade Data Monitor and Bloomberg's Green Markets. Russia has urged domestic fertilizer producers to reduce exports, further stoking fears of shortages. At the same time, prices for staple crops like wheat, corn and soybeans are soaring, with war in one of the world's breadbaskets threatening to push millions more into hunger. Rising costs for farm inputs like fertilizer could further send the price of food skyrocketing.

Mass Dismissals at Sudan's Kenana Sugar Company - All Africa Global Media - The Kenana Sugar Company in Sudan has issued letters of dismissal against more than 700 employees of the company without giving reasons, while sources within the company predict that up to 1,000 people - half of the company workforce -are slated for dismissal. Jalal Ali Abdallah, a former supervisor in the company, said in an interview with the Sudan Today programme on Radio Dabanga, that the letters of dismissal are issued sequentially and almost daily. They include all the company's departments and extend to various job grades. Abdalla says that the dismissals

include "an entire agricultural village", asserting that "this is due to the active participation in the Kenana strike in August 2020 in White Nile state. He explained that the dismissal targeted those relatively few or medium years of service (up to 10 years) but excluded those approaching retirement age.

Sugaronline EBriefing

MEXICO: Panuco mill set to break sugarcane crushing record

The Mexican mill Panuco is expected to crush a record of 3 million metric tonnes of cane this season, according to El Sol de Tampico. That compares with under 2 million tonnes crushed in the 2020/21 crop season. The current season started in November and will finish by the end of May.

To date, roughly 30% more than same period last year was already crushed, according to National Confederation of Rural Producers. That also indicates that more than 14,000 tonnes have been crushed daily, compared with 9,000-10,000 tonnes previously. The yield has also increased to more than 78 tonnes per hectare from 64 tonnes in other seasons.

COLOMBIA: Providencia increases organic sugar exports

Providencia mill increased organic sugar exports by 17% in 2021, from 2016, according to La Republica. The company produced 34,000 metric tonnes of organic sugar in 2021, equivalent to 30% of its total sugar output, consolidating its position as Colombia's top organic sugar producer.

Providencia exports almost 95% of the total organic sugar it produces to 17 countries including the United States, Japan, Germany, Italy, Spain, Canada, Ecuador, Aruba, Curazao, Mexico, Singapore, France and Netherlands.

UK: Health secretary under pressure over sugar reduction programme

UK Health Secretary Sajid Javid is under pressure from 40 health organisations to release the voluntary industry report on the sugar reduction programme, according to The Grocer. The report should have been published a year ago, despite being touted as an important strategy in the fight against childhood obesity.

Following the Soft Drinks Industry Tax launched six years ago, consumption fell by 48,000 metric tonnes of sugar per year from 2015 to 2019.

The entities allege that the industry volunteer programme does not work and ask the secretary to change to mandatory targets as well as introduce taxes on sugar in other categories, such as chocolate and confectionery. It is speculated that the government will publish the report after the National Food Strategy to avoid demanding more taxes.

FRANCE: Tereos appoints new CEO

French sugar producer Tereos said on April 5 that its supervisory board appointed Ludwig de Mot as its new chief executive officer (CEO), reports Sugaronline. De Mot replaces Philippe de Raynal, who left the company in February.

The new CEO has held for more than 25 years the roles of chairman and member of the executive committee of several large groups such as McBride, from 2019 to 2020, Lhoist, from 2006 to 2018, and SCA Packaging, from 1996 to 2006.

"His industrial experience and expertise in transformation are assets that will enable Tereos to deploy a progress plan at its various production sites and thus accelerate its return to sustainable profitability," Tereos said in a statement.

"His strong personality and natural leadership will help energize teams in the ongoing quest for operational excellence on which Tereos intends to base its future."

Tereos also said that Gwenaël Elies will now be responsible, as a member of the Board of Directors, for finance, information systems, legal, tax, compliance and human resources.

CUBA: Government struggles to save sugar industry

The sugarcane industry in Cuba has been disintegrating over the years and the government recently passed measures to revive the industry, but it hasn't been enough, according to AFP News Agency.

In a country where almost everything is state-owned, the government doubled the amount paid to field labours, authorized the free hiring and firing of employees and gave the mills more decision-making autonomy. Even with these measures, the sector has faced problems with a lack of investment and the sanctions applied by the US government since the Trump presidency.

In the season that started in December, although there is raw material available, there are many problems with the harvesters and trucks, and the lack of fertilizers and pesticides.

There are reports of a mill that was only able to crush 65% of its capacity. Consultants say that the way out would be to expand the industry to other derivatives, such as ethanol, that have a higher profit.

Rabobank forecasts 2.5 MT global sugar surplus in 2022/23

Rabobank forecasts a global sugar surplus of 2.5 million metric tonnes (raw value) for the 2022/23 season, driven by production increases, particularly from Asia, reports Sugaronline.

The global sugar production is expected to increase by 2.2% in 2022/23 season, primarily due to higher output in Asia, Brazil and the European Union. "We are also factoring in a 50% reduction in Ukraine plantings based on official reports," Rabobank said in a report released to the media on April 8.

Global consumption should rise by 0.8% in the coming season. "Global consumption is showing little growth, as the impact of Covid-19 on consumption has already been minimized since last year, and consumption is expected to return to normal trends," according to the bank.

Rabobank preliminary forecasts for Brazil's centre-south is that 560 million tonnes of sugarcane will be crushed in the 2022/23 season, with 45% of the raw material diverted to produce 33.6 million metric tonnes of sugar.

"At present, there is more uncertainty than usual about the evolution of the sugar/ethanol arbitrage in the coming months, given the ongoing invasion of Ukraine by Russia and its consequences for oil prices. There are also questions about Petrobras's fuel price policy and possible intervention in prices in Brazil," said Rabobank.

India's sugar production for 2021/22 has been revised upward to 35.7 million tonnes.

In the EU, if growing conditions are favorable and yields return to normal average levels, Rabobank expects sugar production to increase by 2.6%, reaching 17.7 million tonnes.

Rabobank expects support for sugar prices, with the ICE #11 contract trading between 19.3 cents/lb to 20.1 cents/lb through 2022. "The market appears to have taken the prospect of higher Indian exports in its stride. Meanwhile, with energy prices likely to be kept firm by the Russia/Ukraine war, Brazil's mix has room to move if higher world fuel prices are fully passed on to local pump prices."

US: Trial over US Sugar acquisition of Imperial Sugar set to start

A trial to decide on the acquisition of Imperial Sugar by US Sugar is set to start on April 18, in Delaware, according to AG Week.

US Sugar announced in late March 2021 that it had reached an agreement with Louis Dreyfus Company to acquire Imperial Sugar Company.

In November, the US Department of Justice filed a civil antitrust lawsuit to stop the deal, claiming that the transaction would leave an overwhelming majority of refined sugar sales across the southeast in the hands of only two producers.

US Sugar has said in response that the acquisition will improve consumer access to sugar.

BARBADOS: BAMC to resume operations

The Barbados Agricultural Management Company (BAMC) said on April 11 that the country's only sugar mill located in Portvale, St James, would resume operations on April 16, about two weeks after it unexpectedly shut down, according to Barbados Today.

The state-run company attributed the temporary halt in harvesting and milling, three weeks into a 13-week crop, to mechanical problems.

CEO Orlando Atherley said the company and three unions had reached an agreement on a proposed plan to move forward with the harvest.

FoodNavigator.com

Tate & Lyle expands allulose production amid 'exponential' growth for sweetener with 'temporal profile almost identical to sucrose'



Tate & Lyle has expanded production of allulose in a bid to meet surging demand for the rare sugar, which has exploded in popularity following the FDA's decision to exclude it from the total and added sugars declarations on the Nutrition Facts panel.

<https://www.foodnavigator.com/article/2022/04/13/tate-lyle-expands-allulose-production-amid-exponential-growth-for-sweetener-with-temporal-profile-almost-identical-to-sucrose>
