

**International Sugar Organization**

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EXECUTIVE DIRECTOR

**Press Release(22)38
(English only)**

14 September 2022

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**GERMANY: Sugar producers will cooperate in case of gas shortage**

Germany's federal cartel office has authorized four sugar companies in the country to cooperate in case of gas supply shortages, according to a statement released by the office Bundeskartellamt on Sept. 6, **reports Sugaronline**.

Nordzucker, Südzucker, Pfeifer & Langen and Cosun Beet plan to work together in order to ensure the processing of sugar beets, making production capacities available to each other in the event of gas supply cut-offs. The German sugar industry association Verein der Zuckerindustrie is also included in the cooperation.

"We support crisis management initiatives within the framework of competition law. In these difficult times, the cooperation between sugar producers is intended to mitigate the effects of possible gas shortages on production," said the president of the Bundeskartellamt, Andreas Mundt.

"A number of sugar factories are currently powered by natural gas. A lack of gas would lead to production stoppages with serious consequences as large parts of the beet harvest would then be likely to rot. This scenario must also be avoided in the interest of consumers since excessive peaks in prices for the base product sugar affect the entire value chain."

According to the agreement, the companies must first use all free production capacities available to them at their own factories in Germany and Europe and try to process the sugar beets at one of their other factories not powered by gas, provided that this is economically feasible due to transport costs.

The cooperation is temporary and limited to the upcoming sugar beet campaign and the subsequent settlement period until June 2023. The campaign for the processing of sugar beets is expected to last from the beginning of September 2022 until the first quarter of 2023.

Bundeskartellamt said sugar companies had made considerable efforts to switch from natural gas to other fuels, such as heating oil and coal, to power their sugar factories. For some factories, this was not possible due to the short time remaining until the upcoming harvest.

The 18 sugar factories of the four companies intending to work together are for the most part powered by natural gas, according to the cartel office.

BRAZIL: Raízen signs cooperation agreement to develop renewable H2 from ethanol

Sugarcane processor Raízen announced last week that it will work in the development of renewable hydrogen (H2) from ethanol in cooperation with Shell Brasil, energy technology company Hytron, the University of São Paulo (USP) and vocational school SENAI CETIQT, **reports Sugaronline.**

The companies signed an agreement to work in validating the technology through the construction of two production plants with the capacity to produce 5 kg/hour of hydrogen and, later, build a plant able to produce 44.5 kg/h of H2.

The agreement also includes the development of a hydrogen refueling station on the campus of USP in the city of São Paulo. One of the buses used by students and visitors on the campus will use hydrogen produced from ethanol and fuel cells.

The project should be implemented in 2023.

The renewable H2 will be produced from ethanol supplied by Raízen. The technology to produce hydrogen will be developed and built by Hytron, a company owned by Germany's Neuman & Esser Group (NEA Group), with the support of the SENAI Institute for Innovation in Biosynthetic and Fibers of SENAI CETIQT. Shell Brasil will provide funding for the project.

"Local, decentralized, low-investment production of renewable hydrogen through ethanol is an interesting alternative for sectors such as heavy transport, which have a significant growth perspective in the use of this solution, whose availability and scalability are essential," said Raízen's director for Energy Transition and Investments, Mateus Lopes, in a statement.

"In addition to heavy transport, we are currently looking for partners who are interested in applying this technology for the decarbonization of other sectors."

BARBADOS: New sugar mill set to be built

A new sugar mill and aging bond are expected to be built by Mount Gay Distillery's St Lucy plant, according to Loop News.

The company reaffirmed its commitment to the investment during a recent tour of the facilities with local authorities.

Managing Director Raphael Grisoni said the company would invest BBD40 million (US\$20 million) in the project, which will be focused primarily on the production of molasses and "high-value" products rather than the extraction of sugar from the sugarcane.

UK: AB Sugar says 2022 revenue "substantially ahead" of last year

Associated British Foods announced last week that it expects revenue from its sugar business AB Sugar in the current financial year to be "substantially ahead of last year" driven by higher sugar and co-product prices, **reports Sugaronline.**

"The contribution from higher market prices and the continued focus on cost savings broadly offset the effects of significant input cost inflation, particularly energy, and some operational difficulties in Southern Africa," the company said in a statement on Sept. 8.

AB Sugar recorded recommissioning costs and start-up losses at the Vivergo bioethanol plant of GBP30 million (US\$34.8 million). "We are expecting operating profit to be ahead of last year," the company said.

"European sugar prices moved much higher this year. Looking ahead we expect European sugar demand to remain in excess of production in our next financial year. These stronger prices have been supported by higher world market sugar prices."

AB Sugar's UK sugar production reached 1.03 million tonnes, compared to 900,000 tonnes in the last campaign, with much-improved sugar yields as a result of good growing conditions.

"The factories performed well. Forward cover of gas costs mitigated much of the impact of very high energy prices in the year. We have benefitted from improved margins for electricity produced for export to the grid and from bioethanol derived from sugar beet. Recommissioning at Vivergo has progressed well," the company said.

The performance in Spain improved with higher prices, production and sales volumes. "Very high temperatures in the south of Spain have reduced beet crop yields and increased imports of cane raws for refining have mitigated the shortfall."

Illovo continued to deliver strong domestic and regional sales volumes and benefited from higher market prices.

The season saw disruption to production in Malawi, Eswatini and Mozambique following cyclones Ana and Eloise and high rainfall in South Africa.

"As a consequence Illovo's sugar production for the full year is expected to be 1.45 million tonnes compared to 1.58 million tonnes last year. We expect adjusted operating profit to be in line with the much-improved result last year."

INDIA: ISMA appoints new director general

The Indian Sugar Mills Association (ISMA) has appointed Sonjoy Mohonty as the new director general, according to Business Standard.

Mohonty replaces Abinash Verma, who stepped down a few months ago. He will start in the new role on Sept. 15.

Mohonty has been secretary general of the International Spirits and Wines Association of India, with more than 35 years experience in oil & gas, micro banking and other sectors.

FoodNavigator.com Do ecolabels drive sustainable choices?



Ecolabels, many hope, could offer consumers the information they need to promote the purchase of environmentally friendly foods. Oxford University researchers decided to put this theory to the test in an experimental field study.

https://www.foodnavigator.com/Article/2022/09/06/do-ecolabels-drive-sustainable-choices?utm_source=copyright&utm_medium=OnSite&utm_campaign=copyright

Coca-Cola confident 2 years after reorganization despite 'all the inflationary weirdness'



The Coca-Cola Co.'s decision early in the pandemic to dramatically restructure, including consolidating 17 business units into nine, laying off thousands of employees and discontinuing a slew of SKUs, may have appeared "slightly quick off the middle," but it was "a very conscious decision" that two years later is delivering on its goals, according to CEO James Quincey.

https://www.foodnavigator.com/Article/2022/09/13/Coca-Cola-confident-2-years-after-reorganization-despite-all-the-inflationary-weirdness?utm_source=copyright&utm_medium=OnSite&utm_campaign=copyright

Elo to commercialize new high-intensity plant-based sweetener in 2025 with sweeter, cleaner taste than monk fruit extracts



North Carolina based Elo Life Systems aims to commercialize a new natural high-intensity sweetener "inspired by monk fruit" in 2025 that boasts a "cleaner" taste profile, more affordable price tag, and a higher sweetness intensity than monk fruit extracts currently on the market.

https://www.foodnavigator-usa.com/Article/2022/09/09/Elo-to-commercialize-new-high-intensity-plant-based-sweetener-in-2025-with-sweeter-cleaner-taste-than-monk-fruit-extracts?utm_source=copyright&utm_medium=OnSite&utm_campaign=copyright
