



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.

FoodNavigator.Com

Manufacturers focus on sugar reduction and taste retention



As calls to lower sugar levels in food and beverages louden, formulators and brands centre their efforts on improving taste, testing and technology in sugar-reduced products.

<https://www.foodnavigator.com/article/2022/09/21/manufacturers-focus-on-sugar-reduction-and-taste-retention>

Sugaronline – Ebriefing

AUSTRALIA: Sugar Research Australia invites applications for R&I funding

Sugar Research Australia (SRA) is inviting research and innovation funding applications that address specific industry challenges to improve the productivity and profitability of the Australian sugarcane industry, reports Sugaronline.

The research centre is looking for applications to address challenges that have been co-designed with the industry to achieve the objectives of the SRA strategic plan and research missions.

“We’ve analyzed our portfolio of research and problems facing the industry, and this funding call seeks applications that address the most pressing challenges and issues facing the industry,” said the head of Research Investment, Jane Trindall.

“Working hand in hand we can deliver benefits by solving challenges quicker than before, for all industry participants.”

Eight pressing industry challenges are targeted in the funding round: technology application for a step change; biosecurity surveillance, preparedness and response; optimizing disease, weed

and pest management; climate resilience and mitigation; new products and value chains; soil health – balanced nutrient management; understanding the customer; and data-driven agronomic decisions.

“All applications are to be collaborative, with more than one partner and we encourage researchers, small-to-medium enterprises, start-ups, corporates, growers, millers and venture capitalists to work together and submit proposals so we can create real benefit and impact for the industry,” Trindall said.

“Strong applications will make a significant contribution to address industry challenges, present a high-quality approach with a multi-disciplinary team, provide access to cutting edge technologies, and a credible pathway to adoption to benefit Australian sugarcane growers and millers and the industry broadly.

“We hope to attract collaborations with the best and the brightest from Queensland and across the world to shape the future prosperity of the Australian sugarcane industry and regional communities through innovation and ingenuity.”

The funding round is supported by the Department of Agriculture and Fisheries (DAF) which co-invests with SRA in research, development and extension projects that improve the prosperity and sustainability of the sugarcane industry. DAF provides AUD2.85 million to SRA annually for sugarcane research, development and extension.

Applications close at 5 pm, November 5, 2022. They can be submitted by emailing contracts@sugarresearch.com.au

SRA expects to advise applicants whether they have been successful or unsuccessful by the end of December and to contract new projects in February 2023.

US: Agriculture department announces sugar loan rates for 2023 fiscal year

The U.S. Department of Agriculture’s (USDA) Commodity Credit Corporation (CCC) announced on Sept. 29 the sugar loan rates for the 2022 crop year (2023 fiscal year), reports Sugaronline.

CCC also announced an overall sugar marketing allotment for the domestic sugar program at 10,646,250 short tons, raw value (STRV), 85% of the estimated domestic human consumption for the crop year, according to a statement.

USDA offers commodity loans to processors of sugar beets and domestically grown sugarcane to provide interim financing to producers so that sugar can be stored after harvest when market prices are typically low and then sold later when price conditions are more favorable.

The 2018 Farm Bill increased the national average loan rate to 19.75 cents per pound for raw cane sugar and 25.38 cents per pound for refined beet sugar. These rates are adjusted regionally to reflect marketing cost differentials.

Loans are available beginning Oct. 1, 2022, and mature at the end of the nine-month period beginning the first day of the first month after the month in which the loan is made, or the end of the fiscal year in which the loan is made, whichever is earlier.

Producers have the option to deliver the pledged sugar collateral to CCC as full payment for the loan at maturity.

Sugar beet and sugarcane processors who receive CCC loans in the 2023 fiscal year are required to make minimum grower payments for all sugar beets and sugarcane received from growers.

Processors failing to meet the required minimum grower payment will be ineligible for loans.

BRAZIL: São Martinho investing to produce only sugar and anhydrous ethanol

Brazilian sugarcane processor São Martinho is investing in producing only sugar and anhydrous ethanol at its units in São Paulo state from next year as it tries to avoid adversities related to the hydrous ethanol market, according to Reuters.

Chief financial officer (CFO) Felipe Vicchiato said during a conference promoted by BTG Pactual last week that the company's production mix will depend on market conditions.

The current scenario favors anhydrous ethanol production, which is blended with gasoline at a 27% proportion, since the fossil fuel has been more competitive than hydrous ethanol in most of Brazil's fuel stations.

BRAZIL: Czarnikow expects sugar industry's debt to fall this season

The total debt of Brazilian mills should fall to BRL66 billion (US\$12.2 billion) at the end of the 2022/23 season, from above BRL70 billion (US\$12.9 billion) for almost a decade, according to Czarnikow, reports Sugaronline.

"Mills have accelerated their deleveraging in the past four years, so that we think total debt will be BRL 66 billion at the end of the 2022/23 season," analyst Ana Zancaner wrote in a report released on Sept. 29.

"While this is a positive trend, lenders look at the sector on a debt per tonne of cane basis and believe that anything above BRL110/mt cane is unhealthy. We think this season will end with mills owing BRL123/mt cane; better than in the past but still not good."

Zancaner said it is important for the industry to reach the BRL110/mt (US\$20.32) level to ensure cheaper financing, making it easier for mills to invest in existing assets or acquire new ones.

ED & F MAN Daily Research

Indonesian govt responds to request for sugar tax - Republika - An online petition called on the government to implement a tax on sugar-sweetened beverages. In response, the health minister said the government was already looking to lower sugar consumption, as he noted that food and drink makers had to include a warning message on certain products. He called on consumers and food makers to further reduce sugar use.
