



**International Sugar Organization**

1 Canada Square  
Canary Wharf  
London E14 5AA

**EXECUTIVE DIRECTOR**

**Press Release(22)43  
(English only)**

**20 October 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**

**INDONESIA: State-owned oil firm to start selling sugarcane-mixed biofuel**

PT Pertamina Persero, Indonesia’s state-owned oil and gas firm, plans to start selling biofuels made from a blend of sugarcane extract and oil next year, according to Bloomberg.

The company’s Chief Executive Officer (CEO) Nicke Widyawati said the plan is to start selling the A20 fuel (mix of 80% gasoline, 15% methanol derived from natural gas, and 5% ethanol derived from sugarcane) in 2023.

A recent surge in crude oil prices and Indonesia’s ambition for net-zero emissions by 2060 has prompted the company to invest in biofuel production.

**RUSSIA: Soft drinks producer announces cut in investments due to sugar tax**

Russian soft drinks maker Chernogolovka has announced it decided to cut investment next year due to the impacts of a proposed new sugar tax on drinks, according to Reuters.

The company also announced it would freeze hiring 1,000 new workers.

Chernogolovka said in a statement on Oct. 17 that its 2023 investment program will be reduced by RUB5 billion (US\$80.8 million) due to economic uncertainty created by the excise tax on non-alcoholic drinks.

**FoodNavigator.Com**

**Decoding sustainability claims: How much do consumers care about climate change and how is it influencing their purchase decisions?**



Sustainability may be a rising priority influencing consumer purchases, but optimistic projections that 2022 would be the year of the 'climatarian' appear to be a bit premature – giving brands and retailers more time to improve and finetune their positioning and marketing on topic.

<https://www.foodnavigator-usa.com/article/2022/10/17/decoding-sustainability-claims-how-much-do-consumers-care-about-climate-change-and-how-is-it-influencing-their-purchase-decisions>

### **PepsiCo puts 'tiny bubbles' into palette wrap, introduces cardboard for crisp multipacks**



PepsiCo-owned Walkers is removing 250 tonnes of virgin plastic from its supply chain annually thanks to two packaging innovations.

<https://www.foodnavigator.com/article/2022/10/17/pepsico-cuts-plastic-in-walkers-crisp-packaging>

### **Diet and sleep: How nutrition can help combat an 'epidemic of insufficient sleep'**



Research suggests what you eat impacts how well you sleep. Conversely, the quality of your sleep can influence dietary choices. FoodNavigator examines this complex relationship and probes the connection between sleep, diet, and health.

<https://www.foodnavigator.com/article/2022/10/12/diet-and-sleep-how-nutrition-can-help-combat-an-epidemic-of-insufficient-sleep>

### **Will 'carbon neutral' claims land brands in legal hot water? Danone sued over Evian eco claims**



-----

Could 'carbon neutral' claims land food & beverage brands in legal hot water, even where they are certified by a third party such as the Carbon Trust? FoodNavigator-USA asked attorneys to weigh in after Danone Waters America found itself at the receiving end of a lawsuit.

<https://www.foodnavigator-usa.com/article/2022/10/18/will-carbon-neutral-claims-land-brands-in-legal-hot-water-danone-sued-over-evian-eco-claims>

## Sugaronline – Ebriefing

### **SOUTH AFRICA: Tongaat Hulett gets board approval for restructuring plan**

The board of directors of Tongaat Hulett approved a proposed restructured plan for the company on Oct. 14, according to News 24. The company now plans to start talks to get approvals from various stakeholders.

Tongaat didn't provide details about the plan. The company had previously said it considered options, including a capital injection by some or all of its strategic partners or disposal of some or all of its operations outside South Africa.

### **BRAZIL: Revenue from Cachaça exports rises 54% in the first nine months of 2022**

Brazil's exports of the Cachaça liquor, produced from sugarcane, rose by 53.87% in the first nine months of 2022 to US\$14.47 million, and the industry expects a recovery to pre-pandemic levels this year, reports Sugaronline.

IBRAC, the association representing Brazilian Cachaça producers, said on Oct. 14 that revenues from exports in the first nine months of 2022 almost reached the total export revenue for the 12 months of 2021 of US\$14.6 million.

Export volumes increased by 22%.

"The estimate is that, by the end of 2022, we will reach exports in line or above the pre-pandemic level," IBRAC executive director Carlos Lima. The number of Cachaças registered at Brazil's Ministry of Agriculture, Livestock and Supply in 2021 increased by 40% from 2020 to 4,969 products. The total number of Cachaça production units in Brazil in 2021 was 936, compared to 955 in 2020. In 2021, 98 new production units were registered, and 117 cancelled their registration.

### **GERMANY: Südzucker's revenues rise 29% in 1H 2022**

Südzucker's revenues rose by 28.6% to EUR4.62 billion (US\$4.47 billion) in the first half of the 2022/23 fiscal year, amid strong operating results for its sugar segment despite cost increases, the company said on Oct. 13, reports Sugaronline.

The company's EBITDA (earnings before interest, taxes, depreciation, and amortization) was up by 67.3% to EUR465 million (US\$449.61 million).

The consolidated operating result reached EUR316 million (US\$305.54 million), compared to EUR134 million (US\$129.56 million) in the first half of the previous year.

The sugar segment's revenues were up by 17.3% to EUR1.44 billion (US\$1.39 billion) in the first half of the year. "Sugar sales revenues improved significantly with higher volumes overall," the company said in its earnings report.

The operating result from the sugar segment rose EUR16 million (US\$15.47 million) from a negative result of EUR18 million (US\$17.4 million) in the first half of the previous year. "Significantly higher revenues were offset by an also significant increase in raw material, energy and packaging costs," according to Südzucker.

The company expects beet yields to be below average due to the persistent, widespread drought in almost all of Europe. "However, the above-average sugar content due to the many hours of sunshine will not fully compensate for this; only Belgium is expected to have an above-average harvest."

Südzucker's beet campaign started on Sept. 5 at its Wabern factory. All Südzucker Group factories have started processing beets since mid-October. Südzucker expects consolidated group revenues of EUR9.4 billion-9.8 billion (US\$9.09 billion-9.48 billion) for the 2022/23 fiscal year. "The company continues to anticipate a significant increase in revenues in the sugar, special products, and starch segments."

The range for consolidated operating results of between EUR450 million (US\$435.1 million) and EUR550 million (US\$531.79 million) was confirmed, with the sugar segment's operating result expected in the range of EUR0-100 million (US\$0-96.69 million).

**NICARAGUA: Sugar mills expect higher production costs after impacts of hurricane Julia**

Nicaragua's National Commission of Sugar Producers (CNPA) expects the sugar industry to report higher production costs following the impacts of Hurricane Julia, according to Vos TV.

Sugar mills San Antonio, Monte Rosa, Casur and Montelimar reported partial damage from Hurricane Julia that should impact costs, but not significantly, said CNPA's general manager Mario Amador on Oct. 10.

Part of the sugarcane on fields bent by the winds was expected to return to the vertical position in the following days.

---