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

**UK: Government allows emergency neonicotinoid use authorisation for 2024 beet crop**

The UK government has authorised the use of neonicotinoid pesticides on the 2024 sugarbeet crop in England if there is a danger of virus incidence of 65% or more, reports Sugaronline.

Emergency authorizations for pesticides are granted for a limited period of time, when the government recognises that there is a danger that cannot be contained by any other reasonable means.

“We recognise the damaging impact that an outbreak of beet yellow virus could have on farmer livelihoods. We therefore regard issuing an emergency authorisation as a necessary and proportionate measure,” Farming minister Mark Spencer said in a statement released by the Department for Environment, Food and Rural Affairs on Jan. 18.

The use of pesticide Cruiser SB will be permitted if levels of yellow virus are predicted by an independent model to exceed a particular threshold. If this threshold is not met, use of the product will not be permitted.

This year’s threshold for use is at the highest level it has ever been set, according to the government. Even if the threshold is passed, further conditions will be applied to minimise the risk to the environment.

“This includes restrictions on the crops which farmers can plant in subsequent years in any field where treated seed has been used, and compliance with the stewardship scheme to treat and use seed correctly and to monitor the level of neonicotinoids in the environment.”

The government reaffirmed its committed to moving away from pesticide use and said it is supporting innovative methods to help land farmers effectively manage pests.

“Even if Cruiser SB were to be used on every sugarbeet field in England, the amount of active substance would still be over 90% lower than the quantity of neonicotinoids applied to crops in each of the years 2012 to 2016,” it said.

Sugarbeet seedlings and young plants are vulnerable to feeding by aphids which transmit viruses leading to reduced beet size and lower sugar content. The viruses can reduce yields up to 50%, impacting individual growers, domestic sugar production and an industry which sustains almost 10,000 jobs across the country.
“The UK’s approach to emergency authorisations has not changed following our departure from the EU and the overall ban on the use of neonicotinoid pesticides remains in place,” according to the statement.

**UKRAINE: Sugar production in Vinnytsia region hit highest volume in 5 years**

Sugar factories in Ukraine’s Vinnytsia region produced 442,000 metric tonnes of sugar in the current season, 23% more than in the previous cycle and the highest volume in the last five years, according to a statement released by the Ukrainian Parliamentary Committee on Agrarian and Land Policy, reports Sugaronline.

All five sugar factories in the region have completed the production season by Jan. 12.

Sugarbeet sowing in Ukraine is expected to expand by 10-20%, with sugar production increasing to 2 million tonnes, according to the parliamentary committee, citing experts. “Currently, Ukraine already produces about 1.8 million tonnes of sugar, while domestic consumption is 900,000 tonnes.”

The committee said Ukraine is actively exporting sugar to the European Union and will continue to do so next season to cover the deficit in some EU countries. “In addition, Ukrainian sugar is also interesting for the global market, where experts predict an increase in the deficit balance of this product,” it said.

**KENYA: Government starts process to lease 5 sugar millers**

Kenya’s government has started the process to lease five sugar factories in the country to private investors for 20 years, according to Business Daily Africa.

The companies Nzoia Sugar Company, South Nyanza Sugar Company, Chemelil Sugar Company, Muhoroni Sugar Company, and Miwani Sugar Company will be leased through the bidding process.

These companies have a 30% market share in Kenya’s sugar industry, of 1 million metric tonnes of sugar per year, according to the Ministry of Agriculture and Crops Development.

**BRAZIL: Cane productivity in CS is 10 T above the average of past 15 seasons**

Sugarcane technology company CTC has said sugarcane productivity in Brazil’s centre-south region averaged 87.6 metric tonnes per hectare from April to December 2023, 10 tonnes above the average of the past 15 seasons, of 77.2 t/h, according to Broadcast Agro.

The rise in productivity is due to favorable weather conditions, with above-average and well-distributed rains.

In December, sugarcane productivity in the centre-south reached 81 t/h, compared with 69.8 t/h in the same period of the previous season.

**IEA says global biofuels demand to rise to 200 billion litres by 2028**

The International Energy Agency (IEA) estimates the global biofuel demand will increase 23% to 200 billion litres by 2028, with renewable diesel and ethanol accounting for two thirds of this growth, reports Sugaronline.

The global biofuel expansion is set to grow 30% faster than over the last five years, supported by robust biofuel policies, increasing transport fuel demand, and abundant feedstock potential, especially in emerging economies.

“Emerging economies, led by Brazil and India, are expected to drive 70% of global demand over the next five years as biofuels start to show their true potential in hard-to-abate sectors such as
air travel and as a replacement for highly polluting fuels like diesel,” IEA said in its recent report Renewables 2023.

Ethanol and biodiesel demand is expected to expand by 13% over the forecast period, with growth in emerging economies offsetting declines in advanced ones.

Over 60% of global biofuel demand and production growth over the forecast period takes place in Brazil, Indonesia, India and Malaysia. Across these countries, ethanol use should increase by 13 billion litres and biodiesel by 8 billion litres, accounting for almost all expansion in emerging economies.

In Brazil, the share of ethanol production derived from sugarcane is expected to remain near 50% despite significant growth. In India, ethanol demand as a share of sugarcane production expands to 7% by 2028 from 5% in 2022. Existing and planned biofuel production capacity in all four countries is sufficient to support domestic demand, according to the IEA.

The agency said electric vehicles (EVs) and biofuels are proving to be a powerful complementary combination for reducing oil demand. Globally, biofuels and renewable electricity used in EVs are forecast to offset 4 million barrels of oil-equivalent per day by 2028, which is more than 7% of forecast oil demand for transport.

UGANDA: Sugar producers demand halt on issuance of sugar licenses

The Uganda Sugar Manufacturers Association (USMA) is demanding an amendment to the Sugar Act 2020, halting the issuance of sugar licenses, amid concerns that some licenses were illegally issued, neither complying with the 2010 Sugar Policy nor the 2020 Sugar Act, according to the Parliament of Uganda.

The licenses are currently issued by the Ministry of Tourism, Trade and Industry, pending the establishment of the Uganda Stakeholder Sugar Council.

The chairman of the association, Jim Kabeho, said the group agrees that the minister would continue to issue licenses but with recommendations from the Council.

DOMINICAN REPUBLIC: Sugar industry opposes zero import tax

Dominican Republic’s sugar industry has opposed a proposal to zero import taxes on sugar, adding that local producers can meet domestic demand and international commitments, according to Dominican Today, citing an interview of the president of the sugarcane industry association UNAZUCAR, Cesar Heredia, to Frente al Mundo.

Heredia said the government already has mechanisms to adjust tariffs in crisis situations. He said rising sugar prices in the country were due to market speculators and hoarders, and called on authorities to find solutions to prevent hoarding and ensure sugar reaches consumers at fair prices.

INDIA: Government imposes 50% export duty on molasses

India's government has announced a 50% export duty on molasses, effective from Jan. 18, a measure to help increase availability for ethanol output following recent limitations on biofuel production using cane juice, according to Live Mint.

This decision was announced in a notification issued late on Jan. 15. According to the report, sugar industry associations in India have sought export restrictions on molasses.
EGYPT: ESIIC halts production at Abu Qurqas Sugar Factories

The Egyptian Sugar and Integrated Industries Company (ESIIC) has announced that it would halt production at the Abu Qurqas Sugar Factories after 155 years of operations due to low volumes of sugarcane supply, according to Egypt Independent.

The chief executive officer and managing director of ESIIC, Essam al-Bedewy, has said the factory received 90,000 metric tonnes of sugarcane in 2023, compared to 750,000 tonnes in 2020, leading to losses EGP112 million (US$6.2 million) in losses.

BELIZE: Santander Sugar says it could supply refined sugar to local market at lower prices

The chief executive officer of Santander Sugar Factory, Jose Rodriguez, has said the company can supply refined sugar to the local market at a lower price than that of the white sugar imported by Belize Sugar Industries (BSI), according to The Reporter Newspaper.

He said Santander produces white sugar locally and is able to supply the market if needed. Santander is not allowed to sell sugar on Belize’s domestic market due to an agreement signed with a previous government, but Rodriguez said the company was never contacted by authorities to check if a new deal could have been established.

ED & F Man Daily Research

USDA lowers 2023/24 Mexico output, hikes imports - Zafranet - The USDA lowered its 2023/24 Mexican sugar production forecast by 267,000mt to 5.02 million mt due to the drought. Sugar production stood at 744,000mt as of the first week of January, much lower than previously anticipated, according to Conadesuca data. A mill in Quintana Roo, meanwhile, reported that a cold front had hurt cane development and that, combined with a labour shortage, it might not meet its production target even though it will have to extend the season. Conadesuca data showed that sweetener supply in the Oct-Dec period was down 2% on year at 1.99 million mt, including 411,000mt of imports, but that sugar stocks as of the end of December stood at 546,000mt, unchanged from the previous year. The USDA, meanwhile, hiked its import estimate for 2023/24 by 225,000mt to 511,000mt.
Brew Dr. taps into low-sugar demand with Sipjoy release, aims ‘to drive more of the core in 2024’

Kombucha brand Brew Dr. launches a low-sugar probiotic seltzer, Sipjoy, as the company continues to focus on its core business of fermented-tea beverages, at a time of increased consumer demand for gut health-focused products, brand CEO Dan Stangler told FoodNavigator-USA.


Pepsi rolls out rebrand globally: with new look that’s ‘unapologetically current and undeniably Pepsi’

Having unveiled a new logo and visual identity system in the US last year, Pepsi is now rolling out its new look globally in a bid to appeal to younger consumers and help ‘shake up the cola category’.


COP28: Was food high enough on the agenda? And what’s on the menu for COP29?

Just over one month has passed since COP28 closed its doors in Dubai, UAE, giving members of the Food4Climate Pavilion time to reflect on the climate change conference. Was food high enough on the agenda? And what’s on the menu for COP29?