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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

Louis Dreyfus Scoops Up 1.5 Million Tons of Sugar in May Expiry – Bloomberg - Commodities trader Louis Dreyfus Co. bought roughly 1.5 million tons of raw sugar in a delivery to settle expiring May futures in New York, according to people with knowledge of the matter. Cofco and Sucden were the main sellers, delivering 600,330 tons and 311,570 tons, the people said Wilmar delivered 121,722 tons. The delivery against 29,170 contracts was smaller than the one seen in the prior year . The largest delivery ever seen for a May contract happened in 2020, when almost 2.3 million tons were delivered.

Sugaronline Ebriefing

INDIA: Government approves 4.4% increase in fair and remunerative price of sugarcane
India's Cabinet Committee on Economic Affairs (CCEA) chaired by Prime Minister Shri Narendra Modi has approved the fair and remunerative price (FRP) for sugarcane of INR355 (US$4.20) per quintal for the coming 2025/26 season starting in October, 4.4% higher than the price for 2024/25, reports Sugaronline.

This FRP is valid for sugarcane with a basic recovery rate of 10.25%. A premium of INR3.46/qtl (US$0.04) will be provided for each 0.1% increase in recovery rate over and above 10.25%. For every 0.1% decrease in recovery, there will be a reduction in FRP of INR3.46/quintal , according to a statement released by the government on April 30.

The government has also decided that there shall not be any deduction in case of sugar mills where recovery is below 9.5%. In this case, farmers will get INR329.05/quintal (US$3.89) for sugarcane.

The new FRP considers a cost of production of sugarcane of INR173/quintal (US$2.05).

The FRP is the price that sugar mills should pay farmers for their sugarcane in each season.

"The sugar sector is an important agro-based sector that impacts the livelihood of about 5 crore (50 million) sugarcane farmers and their dependents and around 5 lakh (500,000) workers directly employed in sugar mills, apart from those employed in various ancillary activities including farm labour and transportation," the Cabinet said in a statement.

BRAZIL: São Paulo development agency and BTG announce fund for biofuel sector

Desenvolve SP, the development agency of the São Paulo state government, has announced a new credit rights investment fund (FIDC) in partnership with investment bank BTG Asset focused on the biofuels sector, reports Sugaronline.

The fund will have an estimated value of between BRL120 million (US$21.3 million) and BRL150 million (US$26.6 million) and will prioritise innovative projects in São Paulo state's sugarcane sector, with a special focus on irrigation systems and the production of bio inputs.

The fund will acquire credit rights to sugarcane producer ACP Bioenergia, which has irrigated production centres and a factory for bio inputs in the state, as well as commitments to sustainable agriculture initiatives linked to the United Nations.

"ACP Bioenergia is an important player in the operation, connecting investors to projects with a proven track record of sustainability, productivity and environmental responsibility," Desenvolve SP said in a statement.

PHILIPPINES: Cane farmers in Tarlac test experimental irrigation system

Sugarcane growers in Tarlac are testing an experimental irrigation system funded by the Department of Science and Technology (DoST), which is expected to increase cane height, according to Business Word Online.

The irrigation system coupled with biofertiliser application has increased average cane height to 362.53 cm from an average of 327.87 cm during tests.

Sugarcane yields in the Philippines could possibly be increased to 120 tonnes of sugarcane per hectare from 54 tonnes currently, according to the DoST.

BRAZIL: Slovakian firm buys 50% of sugarcane mill in Minas Gerais

Slovakian investment company AZC Orbis Invest has purchased a 50% stake in Agropeú, a sugar and ethanol mill in Brazil's Minas Gerais state, according to Globo Rural.

The companies did not disclose the value of the transaction.

Agropéu has the capacity to crush 1.5 million metric tonnes of sugarcane per season, and produce 15,000 bags of sugar and 500 million litres of ethanol per day. The company also has the capacity to generate 40 megawatt-hours (MWh) of electricity from sugarcane bagasse.

UK: Think tank says sugar tax should be repealed, not expanded

The head of Lifestyle Economics at the UK's Institute of Economic Affairs (IEA) said on April 28 that the government should scrap the sugar tax rather than extend it to more products, reports Sugaronline.

"The sugar tax has been such a dramatic failure that it should be repealed, not expanded. It has been costing consumers GBP300 million a year while childhood obesity rates have continued to rise," Christopher Snowdon said in a statement released to the press, responding to the government's consultation on the soft drinks industry levy.

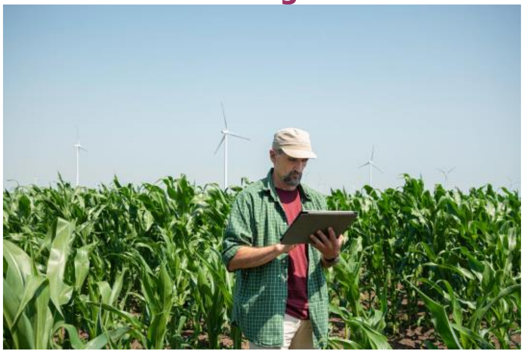
"To justify a further expansion of this regressive tax on the basis that it will hypothetically reduce children's energy intake by one calorie a day is absurd. Sugar taxes have never worked anywhere. What happened to Starmer's promise to not raise taxes on working people?"

On April 29, the UK government opened a consultation with proposals aimed at incentivising soft drinks producers to reduce sugar content. The proposals include removing the sugar tax exemption on milk-based drinks and milk substitute beverages with added sugars.

The government has also proposed reducing the minimum sugar content at which applies to qualifying drinks from 5g to 4g. Therefore, the standard rate would apply from 4g to 7.9g total sugar per 100ml instead of 5g to 7.9g total sugar per 100ml currently.

FoodNavigator.com

AI critical to cutting food and drink labour costs



Cutting labour costs from supply chains can only be done well enough if industry ramps up AI incorporation
https://www.foodnavigator.com/Article/2025/04/30/ai-is-a-vital-to-cutting-food-and-drink-manufacture-costs/

Making green affordable: Tackling the true cost of sustainable food packaging

Sustainable packaging is no longer a niche idea but making it affordable at scale remains a massive challenge. How will the Rethinking Materials Summit 2025 help turn breakthrough innovations in biochemicals and biomaterials into real-world solutions?
https://www.foodnavigator.com/Article/2025/04/29/tackling-the-true-cost-of-sustainable-food-packaging/

Premiumisation trend captivates food and beverage

The premiumisation trend shows no signs of slowing down, in fact it's speeding up. So what's the secret to its success?
https://www.foodnavigator.com/Article/2025/04/29/premiumisation-trend-growing-across-food-and-beverage/

Rebounding retail sales may not be good news for grocery stores and national food brands

A recent rebound in retail sales did not extent to grocery items but rather concentrated on high ticket categories likely to be disproportionately impacted by tariffs, which suggests the better-than-expected uptick reported by the US Census Department of Commerce may be rooted in consumer uncertainty rather than confidence about the economy, suggest experts
https://www.foodnavigator-usa.com/Article/2025/04/23/grocery-stores-do-not-share-windfall-of-rebounding-retail-sales/

Bubbles burst

Coca-Cola hit by boycotts over Trump

Coca-Cola bottles are spending more time on the shelves in Denmark and other countries targeted by Donald Trump — Francis Joseph Dean/Imago/Alamy

Consumers in Denmark and Mexico, as well as some in the US, are drinking less Coca-Cola as a result of President Donald Trump's hardline foreign policies and stance on immigration.

Danish consumers are boycotting Coca-Cola amid anger at Trump's threats to take the Danish territory of Greenland. Meanwhile, Coca-Cola attributed a slowdown in consumption in Mexico partly to geopolitical tensions while Hispanic customers in the US also bought less as the White House threatens mass deportations.

Carlsberg, which bottles Coca-Cola in Denmark, said yesterday that volumes of the American soft drink were "slightly down" in the country. "There is a level of consumer boycott around US brands . . . and it's the only market where we're seeing that to a large extent," chief executive Jacob Aarup-Andersen told investors yesterday.

Vice-president JD Vance has accused Denmark of not being "a good ally", despite Danish forces having fought alongside US troops in Afghanistan and elsewhere. "Danes are pissed off. They remember those Danish soldiers' bodies coming home, and now they feel disrespected. You can see why calls for a boycott [of US goods] would be popular," one Danish official told the Financial Times last month.

Aarup-Andersen said smaller local brands were gaining share as a result of the boycott, but that the impact on overall sales was "not dramatic".

Sales of local brand Jolly Cola have risen sharply as Danes rejected the US fizzy drink in favour of a homegrown option. Supermarket chain Rema said year-on-year sales of the brand had increased 13-fold in March.

Similar brand nationalism has swept Canada, where consumers furious with Trump's threats to annex the country and impose punitive tariffs have led to boycotts of some US goods.

Inside the US, Coca-Cola was among the brands to lose sales from Hispanic consumers amid worries about Trump's deportations of immigrants and consumer boycotts.

James Quincey, Coca-Cola's chief executive, pointed to the effects of viral videos, many of which used AI-generated footage to show that Coca-Cola had allegedly reported undocumented workers to immigration authorities. He called the videos "completely false" but said it had an impact on the business.

Sales of Coca-Cola also slumped in majority Muslim countries following the outbreak of the war in Gaza, as consumers railed against US brands in the wake of the Israel-Hamas conflict.

Coca-Cola's unit case volumes rose 2 per cent globally in the first quarter, the company said yesterday. Sales in Mexico were hit by diminished consumer sentiment, which the company attributed to trade-related tensions.

Last week, Mexico-based bottler Coca-Cola FEMSA reported that volumes declined by 5.4 per cent in the country during the quarter, citing "a deceleration in economic activity, geopolitical tensions that affected consumer sentiment and more challenging weather".

Last month Trump hit Mexico and Canada with 25 per cent tariffs, but he subsequently exempted imports that complied with a 2020 North American trade agreement. Coca-Cola said costs from the trade war would be "manageable".

Quincey told analysts that the pullback was especially concentrated close to the US border in northern Mexico, which hosts export-oriented manufacturing plants exposed to Trump's tariffs.

"I think some of the geopolitical tension was just causing people to be a little more cautious with their spend, a little less going out, a little more keeping the money in the pocket," Quincey told analysts.

Gregory Meyer in New York, Madeleine Speed in London and Richard Milne in Oslo