

**International Sugar Organization**

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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.

Sugaronline Ebriefing**BRAZIL: CBIOS add to ethanol's increased profitability over sugar**

The decarbonization credits (CBIOS) have had a relevant share in the millers' profitability from ethanol sales, compared to their earnings from sugar sales, according to Valor Econômico.

The average C BIO price at the São Paulo exchange B3 surpassed BRL100 (US\$19.8) last week. The price of a C BIO is already equivalent to US\$ 0.0065 per pound in sugar prices on the New York Stock Exchange, considering current prices, according to consultancy StoneX.

The consulting firm estimates that the C BIO is responsible for 40% of the ethanol price advantage over sugar at mills in Ribeirão Preto, São Paulo state.

UKRAINE: Astarta concludes sugar sowing for 2022

Ukraine's sugar producer Astarta has completed sugar beet sowing for 2022 at 33,000 hectares (ha), the company announced on May 16, reports Sugaronline.

"Despite all the difficulties caused by the Russian military aggression, Astarta prepared all inputs for the spring planting season and completed the full range of field works on its entire land bank within the optimal time," the company said in a statement. "We are convinced that we should not reduce agricultural production during the war, on the contrary, its current scale must be preserved. All available land bank must be cultivated."

Astarta's director for Agricultural Production and Storage, Vadym Skrypnyk, said the company uses 100% of the land it operates and, after demining, planted even on lands in the Chernihiv region, which were under temporary occupation until early April.

In addition to sugar beet, the company concluded sowing of corn (38,000 ha), soybeans (40,000 ha), winter wheat (55,000 ha), sunflowers (30,000 ha), winter rapeseeds (6,000 ha), organic crops (2,000 ha), fodder crops (8,000 ha).

"Currently, the main tasks of the Astarta's team are to harvest on its entire land bank and ensure the storage and processing of the crops," the company said.

Coca-Cola: 'Recycling rates aren't dramatically shifting'



Even though 59% of Americans have access to curbside recycling, only 27% of plastic bottles are currently recycled – a grim statistic that is not only bad for the environment but also bad for CPG businesses, such as The Coca-Cola Co., that are striving to incorporate more recycled material in their packaging.

<https://www.foodnavigator-usa.com/article/2022/05/17/the-coca-cola-co.-is-counting-on-consumers-to-boost-limited-supply-of-recycled-food-grade-plastics-reduce-single-use-packaging-but-will-they-come-through>

ED & F Man Research

Brazil mills cancel sugar export contracts, shift output to ethanol - Reuters - Brazilian sugar cane mills are cancelling some sugar export contracts and diverting production to ethanol to cash in on high energy prices, according to people with direct knowledge of the deals, raising concerns of a sugar shortage. Nearly every company involved in sugar trading in Brazil has seen cancellations, a trader at a large international commodities merchant told Reuters on the sidelines of Sugar Week in New York last week. He estimated total cancellations so far at 200,000 to 400,000 tonnes of raw sugar. "It is happening because of the production mix change and also because of the crop delay," the trader said. A second trader, also working for a large international food merchant, confirmed the cancellations - known in the industry as washouts - and said most traders are trying to be flexible when negotiating. "These are take-or-pay contracts, there is a fee, so sometimes the cost could be high for the mill," he said.

Sugaronline Ebriefing

US: Delay in beet planting could lower sugar supply

The delay in the US beet planting this year due to high rainfall and low temperature could result in lower production, according to Czarnikow, **reports Sugaronline.**

"So far, planting has been later than the five-year average in Michigan, Minnesota, and North Dakota," analyst Stephanie Rodriguez wrote in a report released May 17.

By delaying planting, farmers face the potential risk of harvesting the beet before it is fully developed, sacrificing yields, or leaving it longer in the ground with the risk of frost damage and losing the crop entirely.

"With acreage and yields potentially taking a hit from the weather, sugar production might also fall. This would mean that the US would have to increase tariff-rate quota (TRQ) allocations and sugar imports from Mexico," said Rodriguez.

BRAZIL: CTC net profit rises 23.6% to a record high in 2021/22

Brazil's Centro de Tecnologia Canavieira (CTC) reported a 23.6% rise in its net profit for the 2021/22 season to BRL134 million (US\$27.10), a record high for the company, reports Sugaronline.

Net revenue reached BRL421.4 million (US\$85.21), up 24.7% year on year, due to higher royalties from an increase in the total area of sugarcane planted using its varieties, an improvement in the variety mix and recognition of revenue from defaulting clients.

The EBITDA (earnings before interest, taxes, depreciation and amortization) increased by 21.9% to BRL217.4 million (US\$43.96).

CTC invested BRL168 million (US\$33.97) in research and development in 2021/22, up 15% from the previous season, reflecting the resumption of normal activities after the COVID-19 restrictions and a rise in inflation.

"In the 21/22 harvest, we continued to expand our premium varieties, growing genetically modified products, in addition to ensuring progress in the development of our technological platforms, aiming at the future launch of elite and genetically modified varieties," the company said in its earnings report released May 16.

ALGERIA: Cevital trying to unblock sugar exports

Algeria's Cevital has been working to resume sugar exports this month and avoid closing one of its two refineries in Bejaia, according to Africa Intelligence.

The company sells about US\$300 million in sugar shipments annually.

Algeria's government announced in mid-March a ban on exports of some food items including sugar, pasta, oil and semolina. The government said exporters would face legal action in case of infringement.

Cevital Food Industry is one of the top producers of sugar and vegetal oil in Africa and the Mediterranean Basin, according to information on the company website.