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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**

**COP27 climate smart food initiative accused of greenwashing as partners pledge increased investment in innovation**



The Agriculture Innovation Mission for Climate (AIM for Climate) partners have pledged to ramp up their investment in climate smart food systems ahead of Agriculture Day at COP27. But for critics the US\$8bn on the table doesn't go nearly far enough and the influence of big ag is all too clear to see.

<https://www.foodnavigator-usa.com/article/2022/11/11/cop27-climate-smart-food-initiative-accused-of-greenwashing-as-partners-pledge-increased-investment-in-innovation>

**How to guarantee freshness and high quality throughout the entire shelf-life in the bakery segment.**

**Consumers nowadays are increasingly concerned about how their way of living impacts the wellbeing of the planet. They continuously search for more sustainable solutions that are healthy and fresh at the same time, while reducing food waste.**



Possible ways to decrease the amount of food discarded would include updating the way we communicate about expiration dates, packaging innovations and extending the shelf-life of food. This is especially a need for application in sales channels where consumers are typically farther away from the producer, like sales via hypermarkets and supermarkets.

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In North America, more than half of dough products and more than 40% of cakes and pastries are sold through hypermarkets and supermarkets, according to GlobalData. This makes up for a very high percentage of sweet baked goods sales in need of freshness for an extended period of time.

The biggest challenge when it comes to the shelf-life of breads, sweet bakery products, bakery fillings and fruit preparations is preventing growth of yeasts and molds. Traditionally it is observed manufacturers of this type of products often reach out to synthetic preservatives and additives often produced from side-streams of the petroleum industry. Many bakery products still include these additives today. Reasons for use include the fact that they have a low cost-in-use, were always easily available or were simply always used and thus the habit has continued. Now, more and more consumers are in search of natural and sustainable food production. If we want to take good care of our planet, it will be essential to not only focus on shelf-life extension of foods, but to do this in a sustainable way.

### **Are sustainable and natural solutions available for baked goods?**

The good news is that sustainable, natural solutions produced by fermentation are now becoming the new market standard for this purpose. Using this age-old process sugar is transformed with the help of bacteria into a range of natural antimicrobial solutions. With more than 50% of products in the bakery sector in the Americas having “naturally healthy” as key attribute (source: Global Data), claims like “all natural” or “with 100% natural ingredients” are in high demand. The fermentation process uses renewable raw materials as its primary input, in a process with a low environmental impact.

Antimicrobial fermentation ingredients have already been around for a long time and mostly applied in highly perishable products like meat, fish, ready-to-eat meals, and sauces. For the baking industry, often the flavor aspects were seen as too challenging for an effective application. “At Galactic, we perfected the fermentation processes to now bring an innovative fermentation blend to the market. By combining various types of fermentation, ingredients can be created with a specific antimicrobial activity.

Additionally, flavor aspects can be controlled and adapted to the end application,” says Alain Bernard, the R&D Food Applications Manager at Galactic. In this case, a new ingredient was created specifically targeted to preserve the freshness and excellent flavor of baked goods over their original shelf-life and beyond.



### **How can natural antimicrobials protect baked goods against spoilage?**

Showing how a baked good is protected against the growth of yeasts and molds is still very challenging. Quantification of microbial load is exceptionally complex compared to bacterial counts, due to the very local growth of yeasts and molds on food matrices and thus the heterogeneity of the material to evaluate. Evaluations to study the protection of a food against yeasts and molds is often done by visual evaluation.

In the Galactic application laboratories this type of evaluation happens daily. Like this, a gluten-free muffin recipe was developed based on buckwheat, applying the latest Galactic innovation. Then, this muffin is compared with a negative reference. That means the muffin is not containing any added preservative. The first evidence of mold growth appeared after 12 days for the negative reference. The muffin for comparison that used Galactic’s innovative ingredient reached a shelf-life of no less than 20 days.

This is a great demonstration on how natural ingredients can contribute to fight food waste, in a sustainable way.

## What are the upcoming trends for the food industry according to consumers' behavior?

Another growing trend is seen in health-conscious consumers who increasingly scrutinize product labels for ingredient lists. As many as 54% of consumers globally state that they pay high or very high attention to the ingredients in food and drinks according to Global Data. A perfect fit with the latest development at Galactic, which may be labeled in the US market as "vinegar", "cultured sugar". Using the technology of fermentation makes it possible to create solutions for the clear, understandable, and transparent labeling consumers are craving for. Galactic continuously works on the improvement of the freshness of a wide variety of baked goods. Think about bread, cake, muffins, and cheesecake, but also crêpes, chocolate fillings and fruit jam.

An evolution to the natural production and processing of food and its ingredients in a sustainable way will be the natural course to follow for food manufacturers. Food processors will need to act on this growing market trend if they want to continue to cater to the demand of their consumers... and for the sake of the planet.

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## The booming healthy snacking market

**Eurial I&N has created a new high-protein pancake concept to illustrate the booming healthy snacking market.**

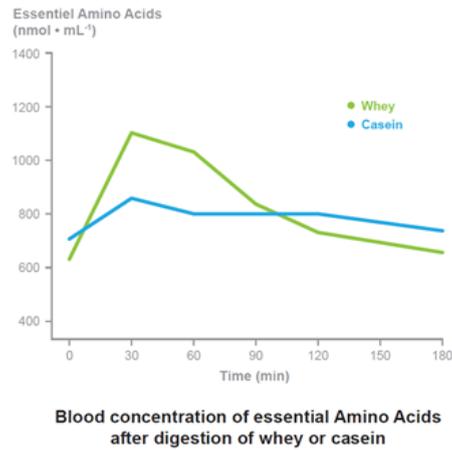


Sports nutrition products are no longer the sole preserve of bodybuilders and professional athletes. *"One in four consumers worldwide consume sports and functional nutrition products at least once a week,"* says Anne-Charlotte de Geyer, Marketing Manager at Eurial I&N.

On the other hand, high-protein products remain the most important providers of innovation in Europe. *"In 2021, 63% of sports product launches contain protein,"* Anne-Charlotte de Geyer explains.

Eurial I&N, a specialist in dairy ingredients, an expert in B2B solutions and part of the Agrial co-operative, studied the new consumers of sports nutrition products and the products they are looking for. This shows a strong trend for people to want everyday food products but improved to enrich them with certain nutrients and lower the level of others. These products must be good-tasting and deliver a list of ingredients that is short, with simple ingredients. *"In order to meet the needs of our B2B customers, we have used our proteins to create a new concept of premix for pancakes,"* adds Anne-Charlotte de Geyer.

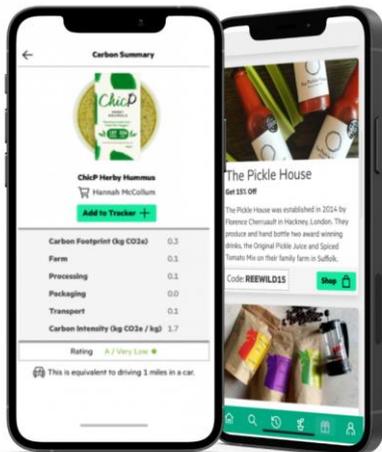
This pancake uses two types of proteins: EuriNutri™ 80 WPC, an 80% whey protein concentrate, and EuriNutri™ 85 MPC, an 85% milk protein concentrate. This blend provides both a high protein content and an airy texture. Proteins from whey and milk have different assimilation times. Combining a fast-digesting whey protein with a slightly slower-digesting milk protein diffuses amino-acids into the body over several hours.



**Figure 1: Boirie Y and al. Slow and fast dietary proteins differently modulate postprandial protein accretion. Proc. Nat Acad Sci 1997.94;14930-5.**

Another important trend for the consumer is the traceability and transparency of food products, which is why Eurial I&N is working to promote the co-operative aspect of its business. The proteins used are produced in France, in the heart of the co-operative's region, in order to respect the nutritional and environmental qualities of these ingredients.

### Sustainability experts call for one unified eco-label in UK



Carbon tracking experts are urging the UK government and industry to work together to introduce one unified front-of-pack labelling system displaying the carbon footprint of a food and beverage product to consumers.

<https://www.foodnavigator.com/article/2022/11/11/sustainability-experts-call-for-one-unified-eco-label-in-uk>

**The scientist redefining nutrition, food waste and food security with an upcycled fibre-rich sugar**



Dr Tom Simmons, founder and CEO of The Supplant Company, spent a decade in academic research around waste reduction before turning his attention to create a high fibre sugar that cooks, bakes and caramelises just like traditional sugar, but with fewer calories, boosts gut health and most importantly, addresses food waste.

<https://www.foodnavigator.com/article/2022/11/14/the-scientist-redefining-nutrition-food-waste-and-food-security-with-an-upcycled-fibre-rich-sugar>

**PepsiCo UK swaps out diesel for cooking oil in green logistics roll-out**



The Quaker-to-Walkers manufacturer is rolling out new logistics initiatives, including replacing diesel with recycled Hydrogenated Vegetable Oil in trips from Cupar to Leicester.

<https://www.foodnavigator.com/article/2022/11/14/pepsico-uk-swaps-out-diesel-for-cooking-oil-in-green-logistics-roll-out>

**Which global trends will shape innovation in 2023?**

***A new report from ADM identifies 8 key emerging global consumer trends that impact purchase behavior to inform your new product launches in 2023.***



This past year has sparked many cultural shifts in the world around us, driving consumers to reevaluate what truly matters to them regarding the way they live and the products they buy. These forces provide a sturdy framework for developing foods and beverages that should achieve desirable market penetration.

According to ADM's 3<sup>rd</sup> Annual Proprietary Global Consumer Trends Report, there are four evergreen macro drivers that are directing consumers' priorities and considerations for how they choose to live their best lives.

1. **Shifting lifestyles**: how consumers work today shape the structure of their daily routines including how (and when) they shop, prep (cook) and eat.
2. **Technological acceleration**: Information access and social connectivity are opening new experiences in food culture, and advancements in the supply and production sector are generating more innovations delivered quickly to market.
3. **Demographic changes**: Migration and urbanization are increasing exposure to multi-cultural customs and cuisines, and the emergence of distinct generational characteristics will create new opportunities for differentiated products.
4. **Economic & political climate**: As 2023 dawns, political and consumer activism will continue to drive conscientious consumption. This will impact products they choose as they signal support through their purchasing as they nourish themselves and their families.

These macro currents along with enduring consumer tendencies (health/well-being, sustainability and food security) have coalesced to yield eight significant and distinct consumer trends.

A few of the trends found in the report include: Expanded Protein Choices, Balanced Wellness, Proactive Personalization, Experiential Eating, and Social Impact.

#### *Expanded Protein Choices*

Protein has become a popular macronutrient for people following a healthy diet. Whether it's animal-based or plant-based, consumers are seeking a variety of high quality, sustainable and affordable protein options. And while more are turning to plant-based proteins, those who are using animal-based proteins are beginning to explore non-animal-based options.

More than half (52%) of global consumers now consider themselves flexitarians, incorporating both animal-based and plant-based or other alternative proteins into their diet.<sup>1</sup>

Newly emerging consumer interest in proteins includes those that are fermented. Advancements in food science and technology are broadening the landscape for consumers to fulfill their unique protein consumption needs with a variety of flavors and formats.

In the future, scrutiny of formulations and sustainable production processes will rise. Technology and innovation will be paramount to improving access (in both cost to consumers and scale of product availability) to alternative and more sustainably produced proteins.

#### *Balanced Wellness*

The concept of balance is widely understood, and balanced wellness has become a pursuit for millions of individuals across the globe. This trend bodes well for product developers that can target synergies of eating well, body and mind performance, bountiful energy, and deep sleep.

Moving forward, consumers are expected to pay particular attention to resilience in immune/physical health as well as emotional well-being. ADM data show 48 percent of global consumers plan to support their mental well-being over the next year.<sup>2</sup> They will seek premium yet affordable functional products that are also pleasurable to consume.

### *Proactive Personalization*

Consumers are distinctly moving away from a one-size-fits-all approach to wellness and eating, toward one that caters to their individual differences – from unique social and environmental contexts to personalities and preferences. For example, consumer awareness of the microbiome’s connection to aspects of well-being has grown, leading to a stronger demand for “better-for-me” solutions.

ADM data show that 63 percent of global consumers are interested in food and drink products that are customized to meet their individual nutritional needs.<sup>3</sup>

This interest in nurturing oneself has been partly fueled by new technologies and the growth of approaches that involve listening to one’s body. Personalization also considers individual motivations and needs that reflect taste, culture, discovery and eating approaches that align with one’s lifestyle.

In the future, as technologies continue to become more intuitive and accurate, consumers will expect increasingly customized options that align with their own individualized wellness goals, personal taste preferences, and specific needs, such as those based on their genetic profile.

### *Experiential Eating*

The internet and social media have introduced far corners of the world to us where we live, sparking interest in native cuisines. Consumers are seeking -- and finding -- adventure through food. This includes discovering new flavors, textures and colors via unique spices and botanicals, nuanced culinary preparation methods, and global/regional recipes with more complex, authentic flavor profiles. ADM data show that globally, 74 percent of consumers enjoy trying new flavors from across the globe. In the kitchen, 63 percent like to experiment with global spices, produce and flavors.<sup>4</sup>

Consumers also find comfort and pleasure through fun and playful brands, or nostalgic and indulgent foods and flavors that have been upgraded to align with modern values around health, functionality, sustainability, and social issues.

Consumer participation with brands through co-creation and virtual experiences or products that enable deeper engagement and enjoyment has broadened their understanding of what counts as both entertainment and community.

### *Social Impact*

Using their voices and their purchasing power, consumers are demanding that companies practice fair and humane treatment of the people and animals involved in every aspect of production. Almost 30% of global consumers have actively boycotted a product or brand because of its ethical credentials, and 40% seek out brands that guarantee farmers have been treated in an ethical manner.<sup>5</sup>

Ensuring workers’ and farmers’ livelihoods, employing inclusivity and diversity methods throughout the organization, and keeping products affordable and accessible to the end user are all important considerations to modern consumers when making purchasing decisions.

### *Partner with ADM*

ADM has a rich history of innovating to create products that meet consumers' shifting considerations and evolving needs. ADM’s experts can leverage these emerging marketplace trends to lead you through the conception and development phases for future-forward innovation.

To learn more about these and the remaining three trends, visit [www.adm.com/trends](http://www.adm.com/trends).

## Sugaronline Ebriefing

### **BRAZIL: Tereos investing to expand use vinasse application**

Tereos is investing BRL23.5 million (US\$4.4 million) to expand the use of vinasse as a fertilizer in its Brazilian sugarcane crops, and cover additional 40,000 hectares, according to Novacana.

Vinasse is rich in potassium, which is essential for the development of sugarcane.

Tereos said it has invested to standardize and optimize the performance of vinasse applicators, to improve vinasse loading and pumping systems, reduce bottlenecks in transportation, and acquire seven new vinasse-application devices.

The company is also investing to ensure that a vinasse with high potassium concentrations is applied to the crops by increasing the control over the fermentation and water separation procedures.

### **INDIA: Government announces new guidelines for ethanol production**

India's government released on Nov. 11 new guidelines for ethanol production at mills in the country, according to ANI. The guidelines should help distilleries identify the quantity of ethanol produced from different routes.

The new guidelines also require that a copy of the validation report on onsite inspections at mills is sent to the directorate of sugar and vegetable oils, the department of food and public distribution and the ministry of petroleum and natural gas within a fortnight.

### **UK: AB Sugar revenues rise 18% in 2021/22**

AB Sugar revenues rose by 18% in the 2021/22 fiscal year to GBP2 billion, driven by higher sugar and co-product prices, especially for ethanol, according to the earnings report released by Associated British Foods (AB Foods) last week, reports Sugaronline.

AB Sugar's sales declined, driven by lower volumes in Illovo and China, partially offset by an increase in Spain's Azucarera.

"Illovo was impacted by the disruption caused by unseasonal heavy rains in southern Africa at the start of the sugar processing season, which in turn limited the availability of sugar to supply local markets," the company said in a statement.

Adjusted operating profit increased to GBP162 million (US\$191.9 million), but this increase was held back by the inclusion of recommissioning and start-up costs of GBP33 million (US\$39.09 million) for Vivergo, AB Sugar's bioethanol plant in Hull.

"More than ever, all businesses focused on cost reduction programs, with a particular emphasis on reducing energy usage given the significant inflation in energy costs."

The UK sugar production was 1.03 million metric tonnes in the year 2021/22, up from the 900,000 tonnes produced in the last campaign, with good growing conditions supporting higher yields which more than offset a reduced growing area.

AB Sugar said its factories performed well despite a delay at the start of the campaign which affected throughput. Energy costs were at high levels although the forward cover of gas mitigated much of the impact this financial year.

"We benefitted from strong pricing for both the electricity we produce and export to the grid and from the bioethanol produced from sugar," it said.

### **BRAZIL: CTC posts 4.6% in net profit for 2Q 2022/23**

Brazil's sugarcane research company Centro de Tecnologia Canavieira (CTC) reported on Nov. 11 a net profit of BRL25 million (US\$4.7 million) for the second quarter of the 2022/23 season, down 4.6% from the same period last season, reports Sugaronline.

The company's net revenue fell by 10.5% to BRL91.5 million (US\$17.2 million) due to the end of the royalties collection for cane varieties CTC 1 and 5.

"This fall was partially compensated by the improvement in the mix, with higher-value-added varieties and price correction," the company said in its earnings report.

CTC had an EBITDA (earnings before interest, taxes, depreciation, and amortization) of BRL39 million (US\$7.3 million) in the second quarter of the season, down 13.3%.

The company had a 36% market share in Brazil's sugarcane crop by the end of the second quarter of the season, of which 57% were premium varieties.

CTC invested BRL46 million (US\$8.6 million) in research and development in the quarter, 10.1% more than a year earlier, as it continued to advance in its Seeds project and expanded its pipeline of genetically modified sugarcane.