



International Sugar Organization

1 Canada Square
Canary Wharf
London E14 5AA

EXECUTIVE DIRECTOR

**Press Release(23)03
(English only)**

11 January 2023

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

FAO Sugar Price Index in 2022 rises to highest level in 10 years

The FAO Sugar Price Index increased rose by 4.7% in 2022, from 2021, to an average of 114.5 points, its highest annual average since 2012, according to the Food and Agriculture Organization of the United Nations (FAO), reports Sugaronline.

In December, the index averaged 117.2 points, up 2.4% from November, the second consecutive monthly increase and the highest monthly level in the past six months.

“The December increase in international sugar price quotations was mostly related to concerns over the impact of adverse weather conditions on crop yields in India, the world’s second-largest sugar producer, and sugarcane crushing delays in Thailand and Australia,” FAO said in a statement on Jan. 6.

PHILIPPINES: Cane growers welcome decision to absolve officials over sugar import order

The National Federation of Sugarcane Planters (NFSP) and the Panay Federation of Sugarcane Farmers (Panayfed) have welcomed the government’s decision to absolve officials involved in the issuance of an authorization to import 300,000 metric tonnes of sugar last year, according to SunStar.

The presidents of both associations said in a joint statement that justice prevailed in the decision of the Office of the President clearing former Agriculture and Sugar Regulatory Administration (SRA) officials.

The import order was issued by the Sugar Board in August last year and later cancelled by president Ferdinand Marcos Jr., who said he hadn’t authorized the sugar import order.

INDIA: Minister says there is need to decarbonise transport sector

India’s minister of Road Transport & Highways, Nitin Gadkari, said during a conference on Jan. 8 that there is a need to decarbonize the country’s transport sector, according to Business World.

He said the transport sector is responsible for 90% of CO2 emissions, and that 80% of its fuel usage is supplied by imports of fossil fuels.

Gadkari said the government is pushing to promote ethanol as fuel, and India could witness a

completely changed landscape with the efficient use of surplus sugar, rice and maize stock to produce the biofuel.

ED & F Man Daily Research Sugar

- **Chinese sugar producers struggle to remain profitable** – Chinimandi – We think China will make 9.6-10m tonnes sugar this season. Cane and beet processors will struggle to break even. Molasses and biomass sales will be crucial. China is the top sugar buyer in the world market, and one of the largest sugar producers too. But sugar production doesn't cover domestic consumption, currently at 15m tonnes. China produced 9.56m tonnes of sugar in the 2021/22 season, the lowest in five years. In 2021-22 season, Chinese beet sugar production halved from 1.53m tonnes to 0.86m tonnes, because beet lost the area to corn. To encourage farmers to grow beets, factories have raised the beet price to record highs. Transportation costs have also increased due to logistics interruption during COVID restrictions. In Xinjiang, the beet prices on arrival to factories were up by RMB 50-100/mt, to RMB 510-560/mt. And in Inner Mongolia, the beet prices were up by RMB 45-90/mt, to RMB 640-690/mt.
 - **Kenya risks sugar crisis on shortage in global market** – Business Daily – Kenya might fail to secure stocks of sugar at the international market even with the opening of duty-free imports owing to high prevailing global prices and a shortage of the commodity world over, a move that will keep the cost high on the shelves. Sugar Directorate head Willis Audi says the cost of sugar in the global market remains high and this may hinder imports. The government opened an import window in December that would see traders ship in 100,000 tonnes of sugar outside of the Common Market for Eastern and Southern Africa (Comesa) region to curb an imminent shortage that has pushed up its cost.
 - **India exports 1.692 million mt so far** – The Hindu – India exported 1.692 million mt of sugar as of January 4, the All-India sugar Trade Association (AISTA) said. The largest destination was Somalia, with 170,000mt exported, followed by 169,000mt sent to the UAE and 150,000mt to Djibouti. Some 59,596mt went to China. The association noted mills were able to exchange their export quota at a premium before the deadline expired in December. Some 1.5 million mt was exchanged, and the premium quadrupled to reach INR 8,500/mt (USD 104/mt) by the end of the year.
-