



EXECUTIVE DIRECTOR

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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.

Sugaronline Ebriefing

BRAZIL: Rise in gasoline price may reverse downward trend of ethanol price

Consultancy Datagro sees a potential reversal in the downward trend for ethanol prices to producers after Petrobras adjusted gasoline prices this week, according to Broadcast Agro.

The price trend reversal may occur even with the current high hydrous ethanol inventories at centre-south mills, which are currently 10.5% above the volume recorded one year earlier, according to the consultancy.

On average, gasoline prices at Petrobras' refineries were 16.1% higher from Aug. 16 to BRL2.9563/litre (US\$0.59). Gasoline price rises favor the competitiveness of ethanol at Brazilian fuel stations.

NEPAL: Government requests India to facilitate sugar supply

Nepal's Ministry of Foreign Affairs requested Indian authorities last week to facilitate the supply of sugar, rice and paddy to the country, according to Telangana Today.

Nepal's government made the appeal in an attempt to mitigate potential food scarcity in the upcoming festive season.

The joint secretary of the Commerce and Supplies Ministry, Ram Chandra Tiwari, said Nepal had requested India to provide 50,000 tonnes metric of sugar.

SRI LANKA: President announces plan to build sugar factory in Vavuniya

Sri Lanka's president Ranil Wickremesinghe has announced plans to build a sugar factory in Vavuniya, according to Financial Times.

He said the Cabinet had already approved the sugar factory project.

The president also said that with access to solar, wind, and green energies, the Mannar district can be developed into an energy hub. He said the government plans to transform Punarin into an energy city.

CANADA: Rogers Sugar posts higher earnings driven by results in sugar segment

Rogers Sugar said on Aug. 14 it had a 3.9% rise in its adjusted net earnings from the third quarter of the fiscal year, at CND8.75 million (US\$6.51 million), with performance driven by results in the sugar segment, reports Sugaronline.

Consolidated adjusted EBITDA (earnings before interest, taxes, depreciation and amortization) for the third quarter reached CND23.8 million (US\$17.7 million), up 2.8% year on year.

"Our business continues to deliver consistent, profitable growth, supported by the strength of the domestic Canadian sugar market, generating improved adjusted EBITDA for the third quarter," said Mike Walton, president and chief executive officer of Rogers and Lantic Inc, in a statement.

"We are confident this favorable trend will continue and result in a strong financial performance for 2023. Today, we are also pleased to officially announce an investment of approximately CND200 million (US\$148.75 million) in our refining capacity and logistics infrastructure in eastern Canada, allowing us to meet the growing needs of our customers by increasing our sugar refining capacity by 100,000 metric tonnes."

In the third quarter, revenue in the sugar segment increased by 7.8% to CND215.8 million (US\$160.15 million), driven mainly by higher prices paid for #11 world raw sugar and higher average pricing for refining-related activities.

The sugar volume decreased by 11,904 metric tonnes in the third quarter compared to the same quarter last year, as a result of lower industrial and export sales volume, partially offset by higher consumer and liquid volume.

"The reduction in industrial volume in the current quarter was largely due to the impact of an unforeseen peak in demand resulting from a temporary market disruption event that occurred in the second half of fiscal 2022," the company said.

Rogers Sugar said it continues to expect the sugar segment to perform well in fiscal 2023.

"We have slightly reduced our fiscal 2023 sales volume expectations to approximately 800,000 metric tonnes from 805,000 metric tonnes. The decrease of 5,000 metric tonnes reflects current market dynamics and timing differences in orders from large customers," the company said.

"While down slightly from previous expectations, our full-year 2023 volume outlook of 800,000 metric tonnes for the Sugar segment represents an increase of over 5,000 metric tonnes or 1% over 2022, which was our highest sales volume year on record."

ED & F Man Research Daily

Conab boosts forecasts for Brazil's cane crop, sugar production - Reuters - Brazil on Thursday increased its forecast for 2023/24 sugar and ethanol output on the back of a bumper sugarcane crop, saying it expects agricultural yields to jump this season because of favorable weather conditions. Conab, the government agency responsible for agricultural estimates, said in a statement it estimates the country's sugarcane crop to increase 6.9% in 2023/24 from the previous cycle to 652.9 million metric tons. That would lead to a sugar output of 40.9 million tons, up 11.1% from a year earlier, the agency said, while the nation's sugarcane-based ethanol output was estimated at 27.72 billion liters, a 4.5% increase. All estimates came in above Conab's own April forecast, when the agency had estimated the sugarcane crop at 637.1 million tons. At the time, sugar output was seen at 38.77 million tons and ethanol production at 27.5 billion liters.

FoodNavigator.com

Food environments push consumers away from healthy and sustainable options, report shows



A new report shows that food environments, from promotional offers to the placement of food in shops, can influence consumers to make less healthy and less sustainable food choices.

<https://www.foodnavigator.com/article/2023/08/17/food-environments-push-consumers-away-from-healthy-and-sustainable-options-report-shows>

Gen Zers “are exhausted,” stressed about their food decisions, Ketchum reports



Gen Z consumers want to balance their demands for delicious and nutritious foods with their beliefs and ethics, creating a fissure, according to a recent Ketchum survey of 2,000 Americans 13 years and older.

<https://www.foodnavigator-usa.com/article/2023/08/16/gen-zers-are-exhausted-stressed-about-their-food-decisions-ketchum-reports>

New boss at baked bean giant Kraft Heinz



Sauces and tinned vegetables giant Kraft Heinz has announced the appointment of Carlos Abrams-Rivera as its new chief executive, effective from 1 January 2024.

<https://www.foodnavigator-usa.com/article/2023/08/15/carlos-abrams-rivera-new-head-of-kraft-heinz>

Südzucker's 2023 Consumer Study: Challenging times call for high transparency

We live in a world that is becoming more interconnected and complex.

Global crises like climate change and conflicts such as the Ukraine war have a profound impact on consumers. This ranges from products availability to the escalation of prices for essential food items

and the increase in energy prices. All of these factors lead consumers to question their previous purchasing behaviours more intensively and to become more price sensitive.

However, this does not imply that consumers will only buy cheap, conventional, private label products. Various factors also influence the purchasing decision when choosing the "right" products. In the end, achieving the right price-performance ratio is key. Beyond price, other criteria have significant influence, such as taste, natural qualities, sustainability and regionality.

As a leading manufacturer of sugar and sugar specialties for the food industry, Südzucker remains vigilant regarding present and future consumer demands. In order to identify future trends, Südzucker conducts annual consumer studies. These insights are then used to create new end consumer products and future-oriented ingredient solutions, which subsequently extend to partners in the food and beverage industry.

Challenging times call for high transparency

This year marked the third annual [Südzucker consumer survey](#)* which focused on consumer needs and associated purchasing criteria for processed foods and beverages.

Conducted online in March 2023, the study included approximately 5,000 end consumers across five countries, with 1,000 participants from each across five countries – Germany, Belgium, France, Poland, and the UK. The participants were carefully selected to represent a balanced distribution in terms of gender and age, spanning from Generation Z to Baby Boomers.

The study was focused on five food product categories that contain sugar as a key ingredient:

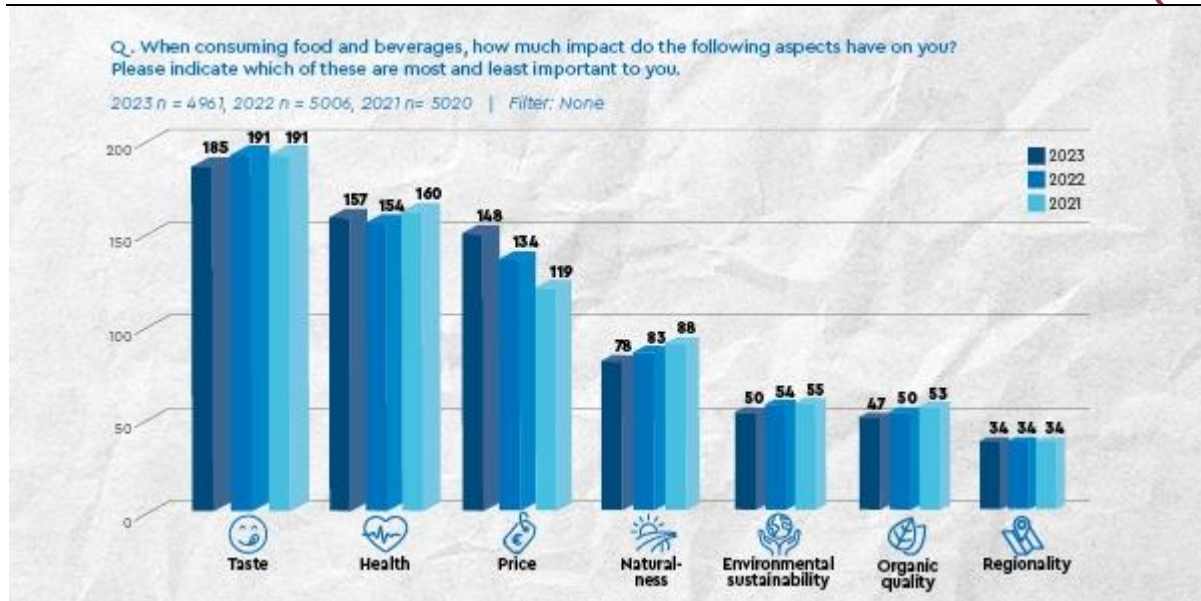
- Sweet biscuits and baked goods
- Chocolates
- Dairy and vegan alternatives
- Soft drinks
- Cereals & cereal bars

Price is not the main purchase criterion

At first glance, the results of the survey show that customers have become significantly more price-sensitive, marking the third consecutive year in which price has been a relevant factor in purchasing decisions.

This trend is not surprising due to the aforementioned circumstances and inflationary pressures. However, it is notable that despite these factors, price maintains its position as the third most critical consideration across all five surveyed countries.

While health has seen a minimal increase in significance, and taste has experienced a slight dip but still retains a considerable level of importance, both continue to overshadow other purchasing criteria by a significant margin.



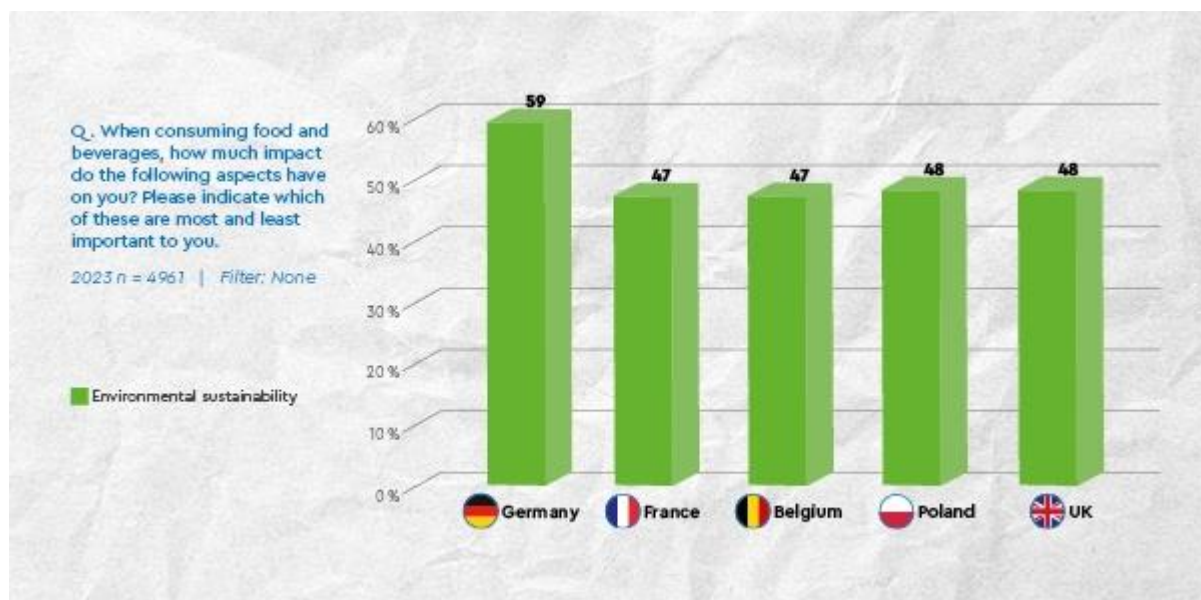
In 2022 and 2023, given the high inflation rate, it is understandable that criteria such as naturalness, sustainability and organic qualities are losing ground in direct comparison to price. It is worth acknowledging that, although at a comparatively lower level, the importance of regionality has remained consistent over the past three years.

Transparency about ingredients and their origin can make the difference

A more thorough examination of the findings reveals that the topic of regionality has grown as a purchase criterion in some countries, such as Germany and France, where it has gained more relevance.

The importance of the origin of ingredients is also reflected in the fact that 53% of consumers want to have more transparency about ingredients including: ingredient sourcing, production methods, social implications, and environmental impact.

In this context, the issue of sustainability also plays an important role, even if this criterion has lost relevance in direct comparison to price. A deeper look at the data from the survey shows that sustainability is an important criterion for over half (51%) of the consumers surveyed across all categories. There are minimal differences at country level, apart from Germany, where sustainability has a higher priority compared to the other countries. However, it’s important to not dismiss this aspect in other countries, where its relevance as a purchase criterion remains substantial, at just under 50%.



As previously stated, these represent just a selection of the many highlights identified in this year's consumer survey, that are not to be viewed singularly or independent of each other. All these aspects, among others, collectively form a network of complex influencing factors that shape consumers' choices of products and brands.

Creating added value for the consumer

Südzucker offers valuable partnership opportunities for various objectives such as new product development, market positioning based on factors like regionality, sustainability, and biodiversity, as well as gaining deeper insights for effective communication strategies.

Leverage the partnership with Südzucker to tap into the expertise of marketing and market intelligence specialists, in conjunction with accomplished R&D professionals. This cooperative venture seeks to generate heightened value for your pursuits. Access in-depth insights into diverse consumer requirements through the established marketing department.

Experienced R&D specialists are available to offer application support, aid in reformulating recipes, and develop reduced-sugar alternatives in select product categories. These innovations are tailored to emulate the flavour and consistency of their full-sugar counterparts. The challenge lies in jointly conceiving pioneering products using plant and sugar beet based sweetening solutions.

Through this partnership, the network of Südzucker Group is available, involving more than 260 in-house R&D experts. These specialists span across the Sugar Division and other relevant domains, thereby presenting avenues to leverage synergies throughout the whole group.

To learn more about Südzucker's analysis of consumer purchasing behaviours, visit [Südzucker.com](https://www.suedzucker.com) or its [LinkedIn page](#).

*This consumer research has been conducted together with Human8 Consulting

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How can food science help strengthen consumer trust in food safety and technology?



Is food science moving from the analog realm of scientific knowledge and expert opinion to the precision and automation of AI, or will it be a mix of both? Experts discussed how emerging technology will impact food science methodologies and its impact on consumer trust during IFT FIRST which took place July 17-19 in Chicago.

<https://www.foodnavigator-usa.com/article/2023/08/14/ift-first-how-can-food-science-help-strengthen-consumer-trust-in-food-safety-and-technology>

Greenwashing, greenhushing and confusion... Carbon market responds with clearer rules on offsetting



What's a 'good' carbon credit and how do businesses use them without fear of criticism from consumers? New guidance on carbon credits has been issued as attitudes shift among food and beverage companies towards using offsets to meet their climate targets.

<https://www.foodnavigator-usa.com/article/2023/08/11/carbon-market-gives-clearer-rules-on-offsetting>