

**International Sugar Organization**1 Canada Square
Canary Wharf
London E14 5AA**EXECUTIVE DIRECTOR****Press Release(24)04
(English only)****16 January 2024****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**AUSTRIA: Agrana's revenue in sugar segment rises 31% in 9M2023**

Agrana said on Jan. 11 that revenues in its sugar segment increased by 30.6% in the first nine months of the 2023 financial year to EUR861.5 million (US\$946.5 million), driven by a substantial rise in sugar selling prices and despite lower sales, reports Sugaronline.

The company said the price trend in the sugar segment was very positive both in the reseller business (wholesalers and retailers) and the industrial market.

The EBIT (earnings before interest and taxes) in the sugar segment reached EUR41.3 million (US\$45.4 million), up 19% year on year.

"Beet processing in the 2023 campaign has been good to date, with significantly better capacity utilization and higher sugar production volumes expected for this campaign as a whole than in the previous year," the company said in its earnings report.

"In terms of sales, the duty-free sugar imports from Ukraine will remain a challenge for Agrana, at least in the short term. The negotiations for beet production acreage in 2024 are still in progress. We are confident that we can achieve a further increase in planting area."

Agrana generated group operating profit (EBIT) of EUR149.4 million (US\$164.1 million) in the first three quarters of the year, compared to EUR50.2 million (US\$55.1 million) one year earlier. Group revenue rose 7.5% to EUR2.9 billion (US\$3.2 billion).

"Given the continuing volatile global business environment, we are pleased with how our financial year has gone to date. We improved our operating performance in almost all business areas," said Agrana's chief executive officer (CEO) Stephan Büttner in a statement.

"Although we see increasingly challenging business conditions in the fourth quarter of 2023/24 and the subsequent months, we nonetheless expect very significant growth in EBIT for this full financial year."

Agrana has operations in the sugar, fruit and starch segments.

GERMANY: Sudzucker confirms full-year forecast after rise in 9M2023 results

Sudzucker announced on Jan. 11 that its operating results in the nine months of the 2023/24 fiscal year increased by 60.4% from the previous year to EUR860 million (US\$944.8 million), boosted by its sugar segment, reports Sugaronline.

Group revenues rose 9.5% to EUR7.8 billion (US\$8.6 billion). Group EBITDA (earnings before interest, taxes, depreciation and amortization) climbed 39.6% to EUR 1.1 billion (US\$1.2 billion). Net earnings rose 58.9% to EUR596 million (US\$654.8 million).

Sudzucker confirmed its forecast for the full 2023/24 fiscal year of group revenues between EUR10 billion and 10.5 billion (US\$11-11.5 billion), EBITDA around EUR1.3 billion and 1.4 billion (US\$1.4-1.5 billion), and operating result between EUR900 million and 1 billion (US\$988.9 million-1.1 billion).

Revenues in the sugar segment increased by 31.3% in the first nine months of the year to EUR3.1 billion (US\$3.4 billion) as higher prices compensated for declining sales volumes due to the poor 2022 harvest, the company said in a statement.

The operating result in the sugar segment rose to EUR525 million (US\$576.8 million) compared to EUR132 million (US\$145 million) in the first nine months of the previous year.

"The sharp rise in costs for raw materials and energy in particular was offset by higher prices since the end of the last fiscal year. The further substantial increase in production costs with the new 2023 campaign has so far only had a minor impact in the third quarter," the company said.

Sudzucker said persistent rainfall made it difficult to clear, load and transport sugarbeet from late October 2023.

"In November, frost and snow added to the problems. A high incidence of the sugar beet disease SBR (Syndrome Basses Richesses) together with infestation by Stolbur phytoplasma led to yield losses in the German catchment areas, particularly in Baden-Württemberg, Rhineland-Palatinate, southern Hesse and Franconia, but also in other parts of Bavaria," the company said.

The company said overall above-average beet yields mean that processing will continue in many plants until the end of January or February 2024. Sudzucker expects below-average sugar content and an average sugar yield overall.

ARGENTINA: Ledesma mill increases cane production by 5% despite drought

Sugarcane mill Ledesma reported a 5% increase in sugarcane production in 2023, thanks to additional irrigation to mitigate the impacts of a rain shortage at 40,000 hectares of its crop, according to Bichos de Campo.

Ledesma crushed 3.13 million metric tonnes of sugarcane in 2023, of which 2.76 million tonnes were produced at its properties and 365,996 tonnes were acquired from other growers. Sugar production reached 301,000 in 2023.

BRAZIL: Datagro forecasts record CS sugar production of 43 million T in 2024/25

Consultancy Datagro expects Brazil's centre-south region to produce a record 43.1 million metric tonnes of sugar in the 2024/25 season starting in April, according to Reuters.

Sugarcane crushing in 2024/25 should fall to 620 million tonnes from estimated 649.25 million tonnes in the current 2023/24 season, but sugar mills in the centre-south are expected to divert 52.4% of the available sugarcane towards sugar production in 2024/25, compared to 49% in 2023/24.

SOUTH AFRICA: Creditors approve rescue plan for Tongaat Hulett

Tongaat Hulett's creditors have approved a business rescue plan for the company, according to a statement released by the business rescue practitioners on Jan. 11, **reports Sugaronline**.

A total of 98.51% of the creditors voted in favor of the rescue plan presented by the consortium Vision Parties, which includes companies Terris Sugar, Guma, Remoggo and Almoiz.

According to the plan, Vision will acquire ZAR8 billion (US\$428.9 million) of the company's debt and convert ZAR4.1 billion (US\$219.8 million) of the claims into equity in Tongaat Hulett. Other existing shareholders will retain an interest of 2.7% in Tongaat Hulett's equity after the debt-to-equity conversion.

"With the continued support of the employees, the suppliers, the IDC and Vision, we will work together towards achieving substantial implementation of the now approved and adopted business rescue plan as efficiently and as quickly as possible," the business rescue practitioners said in a statement.

"Substantial implementation will be the new beginning for a company that has been in existence for more than 100 years and has a significant impact on the economy of KwaZulu-Natal and the country."

NETHERLANDS: Consumption survey shows decline in sugar intake

Sugar and salt intakes of the Dutch population have declined over the past 20 years, while fibre intake has gone up, according to the latest Dutch National Food Consumption Survey (VCP), **reports Sugaronline.**

The decline in sugar intake was found when comparing the latest survey, which considered the diets of around 3,500 children and adults from 2019 to 2021, to earlier surveys in 2007-2010 and 2012-2016.

The decline in sugar and salt intake is attributed to changing eating and drinking patterns, and changes in the composition of products.

Consumption of sugar through sweetened-drinks has fallen from 382 grams per day in 2012–2016 to 240 grams.

The current survey was partially carried out during the COVID-19 pandemic, and measures taken during this period may have affected diets and lifestyles.

SOUTH AFRICA: Growers await confirmation of industry levy payment after approval of Tongaat's plan

The South African cane producers' association SA Canegrowers said on Jan. 12 that they still awaited confirmation from Vision Group, which presented the approved rescue plan for Tongaat Hulett, of its commitment to pay industry levies owed to the South African Sugar Association (SASA), **reports Sugaronline.**

The rescue plan was approved last week by Tongaat Hulett's creditors.

Business rescue practitioners (BRP) of Tongaat Hulett had challenged the legal validity of ZAR900 million (US\$48.22 million) in financial obligations owed by the company to the industry body after the sugar company entered a business rescue in October 2022.

"The Vision Group has yet to commit to payment of the outstanding levies before any appeals of the declarator order have been exhausted, leaving open the possibility of further costly and time-consuming litigation," the chairperson at SA Canegrowers, Andrew Russell, said in a statement.

"Nevertheless, while this critical matter remains unresolved, SA Canegrowers is encouraged by the BRPs success in securing a partner to help save the mills operated by Tongaat Hulett. Tens of thousands of small-scale growers and workers depend on these mills, therefore maintaining their operations is critically important."

SA Canegrowers said it would closely follow developments in the coming weeks as the business rescue process hopefully nears its endpoint. "Our priority remains the successful conclusion of the business rescue process that revives Tongaat Hulett and protects the livelihoods that depend on its operations."

BARBADOS: Two sugar companies to soon start operations

Barbados' sugar companies Agricultural Business Company Ltd. (ABC) and Barbados Energy and Sugar Company (BESC) are set to start operations this week, according to Barbados Today.

Trevor Browne, the president of Barbados Sustainable Energy Co-operative Society, the parent company of the two new firms, said on Jan. 11 that he expected the operations to start on Jan. 15, with workers getting machinery in place and doing the initial steps for production.

Barbados Sustainable Energy Co-operative Society plans to invest more than BBD100 million (US\$49.6 million) in the local sugar industry after the government's divestment in the sector.

US: WASDE raises 2023/24 sugar production forecast

The US Department of Agriculture (USDA) has raised its forecast for the country's 2023/24 sugar supply by 189,687 short tons, raw value (STRV), due to increases in local production and imports, according to the latest World Agricultural Supply and Demand (WASDE) report released Jan. 12, **reports Sugaronline.**

The US 2023/24 sugar production is now estimated at 9.391 million STRV, compared with 9.243 million STRV expected in the previous report in December.

The forecast for Louisiana's cane sugar production for the crop year was increased from 1.799 million to 1.904 million STRV, adding in projected production for 2024 September (59,183 STRV) and subtracting out 2023 September (5,623 STRV).

Beet sugar production is projected 43,860 STRV higher at 5.407 million, on higher estimated recovery.

The US is expected to import 54,032 STRV more sugar than previously estimated to 3.310 million STRV, due to high-tier tariff imports that increased 110,000 STRV to 575,000.

Imports from Mexico and FTA TRQs are down a combined 55,968 STRV.

"Mexico production for 2023/24 is projected at 5.016 million metric tonnes (MT), a decrease of 267,000 from last month and also 208,248 lower than last year," according to the report.

US 2023/24 ending stocks are now estimated at 1.754 million STRV, up from 1.624 million STRV.

FoodNavigator.com



US sugar taxes cut sugary beverage purchases by 33% across five key cities

Sugar taxes in Boulder, Colorado; Philadelphia, Pennsylvania; Oakland, California; San Francisco, California; and Seattle, Washington were associated with a 33% reduction in purchases by volume, according to a study published this month.

https://www.foodnavigator-usa.com/Article/2024/01/11/us-sugar-taxes-result-in-33-drop-in-purchases-across-5-cities?utm_source=copyright&utm_medium=OnSite&utm_campaign=copyright

ED & F Man Daily Research

Brazil's 2023 sugar exports up 15%, ethanol exports up 4% - Novacana - Brazil exported a record 31.38 million mt of sugar in 2023, up 15% on year, including 27.04 million mt of raws and 4.34 million mt of refined sugar, up 12% and up 38%, respectively, on year, according to data from the development ministry (MDIC). This includes 3.85 million mt exported in December, up 5%. Brazil also exported 2.49 billion L of ethanol in 2023, up 4% on year, including 305 million L in December, down 2%.

Argentina's Ledesma mill invests in irrigation to avoid drought losses - Bichos de Campo - The Ledesma sugar mill in Jujuy said it was able to boost its cane production by 5% in 2023, and made 301,000mt of sugar, despite the drought thanks to improvements in irrigation. The firm said it was able to irrigate 90% of its 40,000ha cane area, although it admitted that smaller producers might struggle to find the funds required to invest in irrigation.
