International Sugar Organization
1 Canada Square
Canary Wharf
London E14 5AA

EXECUTIVE DIRECTOR

Press Release(26)02
(English only)

13 January 2026

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.

KENYA SUGAR BOARD

PRESS RELEASE

4TH JANUARY,2026

KENYA EXITS COMESA SUGAR SAFEGUARD AFTER 24 YEARS, CONFIDENT TO COMPETE

The Government of Kenya has formally exited the COMESA Sugar Safeguard regime after 24 years, marking a decisive and confident transition for the country's sugar industry. The safeguard, which lapsed on 30th November 2025, had fully achieved its objective as a temporary, reform-driven instrument to stabilize and restructure the sector.

This transition reflects strength, not vulnerability. Kenya's sugar industry is stable, well-managed, and supported by clear policy direction. Farmers, millers, workers, and investors are assured that the exit from the safeguard does not expose the sector to disruption, but rather signals readiness to compete within a structured and fair regional market.

Over the past several years, the Kenya Sugar Board under the Ministry of Agriculture and Livestock Development has deliberately shifted policy focus from protection to competitiveness anchored on value addition, efficiency, and diversification. Globally, sugar is no longer treated as a single commodity. In competitive markets, sugarcane is primarily an industrial raw material, with refined sugar increasingly becoming a secondary product. Value is realized through integrated processing of ethanol from molasses, electricity generation from bagasse supplied to national grids, paper and board manufacturing, industrial alcohols, and other downstream products. These practices significantly lower the effective cost of sugar production and explain why some exporting countries are able to supply sugar at comparatively lower prices.

Kenya is firmly on this path. The Kenya Sugar Board has been at the forefront of supporting millers to diversify sugar by-products, ensuring stronger balance sheets, stable cash flows, and improved farmer payments. This approach not only strengthens millers but also insulates farmers from volatility associated with over-reliance on table sugar alone.

On supply fundamentals, Kenya's sugar subsector has recorded strong recovery and growth. Sugarcane acreage expanded by 19.4 per cent, from 242,508 hectares to 289,631 hectares, supported by favourable rainfall patterns, improved access to certified seed cane, and targeted fertiliser subsidy interventions. As a result, sugar production increased by 76 per cent, from 472,773 metric tonnes in 2022 to 815,454 metric tonnes now, reflecting improved farm productivity and factory efficiencies.

Current national sugar demand stands at approximately 1.1 million metric tonnes annually. While domestic production has made significant gains and is increasingly aligned with national consumption, miller capacity expansion, factory rehabilitation, and newly leased mills will require time to fully optimize operations. Consequently, Kenya will continue to responsibly supplement local supply through imports from both the COMESA region and other approved sources.

This balanced sourcing framework is deliberate and necessary. Population growth continues to drive demand, while surplus availability within the COMESA region is not always predictable. Importation from both COMESA and non-COMESA origins will therefore be applied in a controlled and transparent manner to ensure price stability for consumers, market certainty for producers, and overall food security, without undermining local production.

The sector remains sensitive to climatic conditions. Expected dry spells may temporarily reduce output, while seasons of commensurate rainfall are projected to significantly enhance production. These dynamics are factored into ongoing planning and market coordination measures by the Kenya Sugar Board.

The medium-term outlook for the sector remains strong. As miller capacity expands and farm productivity continues to improve, Kenya is projected to not only meet domestic demand but to attain and surpass self-sufficiency in the medium term, positioning the country for surplus production and regional export competitiveness.

The sugar sector has undergone deep and irreversible structural reforms. The transition of former state-owned sugar mills to long-term private leasing was a deliberate policy decision to restore efficiency, professionalism, and accountability. The leasing framework was designed with a long-term horizon to allow millers adequate time to invest, stabilize operations, and realize returns, while benefiting from continued policy support, predictable market access, and structured trade arrangements.

The exit from the safeguard does not negate this support. On the contrary, it aligns with the reform trajectory already underway and reinforces certainty in the operating environment. The Kenya Sugar Board, under the Ministry, continues to provide strong regulatory oversight, market coordination, and farmer protection to ensure an orderly, fair, and sustainable industry.

Kenya initially sought the Sugar Safeguard at the launch of the COMESA Free Trade Area in 2001 under Article 61 of the COMESA Treaty, at a time when the industry required structured protection to undertake reforms. Over 24 years and eight extensions, the safeguard was governed by strict benchmarks set by the COMESA Council of Ministers, including tariff-rate quotas, productivity investments, sector restructuring, infrastructure development, and continuous performance monitoring. These obligations have now been fully met.

The conclusion of the safeguard therefore marks the successful completion of a reform cycle, not its abandonment. Kenya now enters a new phase defined by competitiveness, value addition, regional integration, and sustainable growth, supported by a clear policy framework and a restructured private-sector-led industry.

The Government remains fully committed to safeguarding farmer livelihoods, supporting miller viability, and ensuring food security, price stability, and long-term growth of the sugar sector within the COMESA Free Trade Area.

Ends

JUDE CHESIRE,

CEO- KENYA SUGAR BOARD.

FoodNavigator.com

EU-Mercosur: 6 takeaways for F&B

The landmark trade deal with the Latin American bloc will have long-lasting impacts on the food sector
https://www.foodnavigator.com/Article/2026/01/09/eu-mercosur-6-takeaways-for-food/

Sugar, stocks and scrutiny: Mondelez, Kraft and General Mills caught in Trump's nutrition reset

The market reaction to Donald Trump's dietary overhaul isn't about kale versus cookies – it's about whether Washington has finally decided the packaged food sector needs firmer rules, not friendlier guidance
https://www.foodnavigator-usa.com/Article/2026/01/08/trumps-nutrition-reset-weighs-on-mondelez-kellogg-shares/

Sugaronline E-briefing

FAO Sugar Price Index in 2025 falls to the lowest level since 2020

The FAO Sugar Price Index declined 17% in 2025 from 2024 to the lowest annual value since 2020, impacted by ample export availabilities, according to the Food and Agriculture Organisation of the United Nations (FAO), reports Sugaronline.

Despite the annual decline, the index rose 2.4% in December from November after three consecutive monthly declines, driven by a sharp drop in Brazil's sugar production.

"However, expectations of ample global sugar supplies in the current season, supported by good harvest progress and favourable production prospects in India, limited the upward pressure on world prices," FAO said in a statement on Jan. 9.

The FAO Sugar Price Index in December 2025 remained 24% below its level in December 2024.

UKRAINE: Astarta concludes 2025 sugar campaign

Astarta has completed its 2025 processing season with a total production of 361,000 metric tonnes of sugar, down 5% from the seven-year record of 380,000 tonnes produced in 2024, reports Sugaronline.

Astarta's five sugar plants processed 2.3 million metric tonnes of sugarbeets in 2025, compared to 2.5 million tonnes in 2024, according to a press statement released by the company said in a statement on Jan. 9.

Sugar yield rose to 15.56%, which is above last year's 14.96% and higher than the 15.19% average in Ukraine this season, considering data reported by the National Association of Sugar Producers (Ukrsugar) earlier this month.

"Despite challenging weather conditions, particularly continuous rainfall, the coordinated and professional work of Astarta's team ensured uninterrupted raw material supply and stable plant operations," Astarta said in the statement.