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EXECUTIVE DIRECTOR

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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

EUROPE: EU Court extends transition period for raw sugar IPR as legal proceedings continue

The European Commission's suspension of Inward Processing Relief for raw cane sugar is facing a legal challenge before the EU General Court, which has extended a key transition period while it considers an application for provisional measures, reports Sugaronline**.**

At the centre of the dispute is Inward Processing Relief (IPR), an EU customs procedure that allows refiners to import raw cane sugar from third countries free of import duty, on condition that the resulting white sugar is re-exported from the EU. In the first six months of the current 2025/26 season, approximately 540,000 tonnes of raw and white sugar entered the EU under IPR, around 80% of it raw cane sourced predominantly from Brazil, with 156,000 tonnes of refined white sugar exported under the arrangement.

On 26 May 2026, the European Commission adopted Implementing Regulation (EU) 2026/1124, suspending IPR for the processing of raw cane sugar into white sugar. The regulation included a 30-day transition period before the suspension took effect. The Commission's power to suspend IPR derives from the EU Union Customs Code, which permits such action where the economic conditions test — designed to assess whether IPR is causing harm to EU beet sugar producers — is deemed to be met.

On 3 June 2026, Regulation 2026/1124 was challenged before the EU General Court, and an application for interim measures was lodged simultaneously. Interim measures are a form of provisional relief available under EU procedural law, whereby a party may request the Court to suspend the operation of a contested act while the main case is heard. To obtain such relief, the applicant must demonstrate urgency, a prima facie legal case, and that the balance of interests favours provisional suspension. The main annulment action, running in parallel, may take a year or more to reach a final judgment.

On 5 June 2026, the President of the General Court issued an order under Article 157(2) of the Court's Rules of Procedure, extending the 30-day transition period provided for in Article 1(2) of Regulation 2026/1124 until the date on which the Court issues its ruling on the substance of the interim measures application.

The order included two explicit qualifications. First, it noted that the order may be modified or annulled at any time before the substantive interim measures ruling, even without a request from either party. Second, it stated that the decision to make use of the extended transition period is a commercial decision for the applicant and carries financial risk in two scenarios: if the interim measures application is rejected and the order annulled, or if the main annulment action is ultimately rejected. In either case, operations conducted during the extended transition period could lose their legal basis.

On 19 June 2026, ED&F Man España applied to the Court for clarification of the 5 June order, on the grounds that it was open to two interpretations regarding the legal consequences for operations conducted during the extended transition period. The President rejected this application as inadmissible, ruling that no ambiguity existed, and confirmed that if the interim measures application or the main annulment action fails, operations conducted during the extended transition period could lose their legal basis and give rise to financial consequences.

As of the Brussels Sugar Committee and GREX meetings of 25 June 2026, the Commission has submitted its arguments to the Court and the ruling on the interim measures application is awaited. Regulation 2026/1124 remains formally in force; what has been extended is the transition period before it applies. Any suspension of the regulation itself would require a further order from the Court.

The volumes subject to the IPR arrangement are substantial. The 540,000 tonnes imported under IPR in the first six months of 2025/26 represent a significant component of EU refinery throughput.

The broader EU sugar supply picture is also changing. EU beet sugar production is forecast to fall from an estimated 16.6mn tonnes in 2025/26 to approximately 14.1mn tonnes in 2026/27, as the EU beet area contracts by 8.4% to 1.224mn ha. On the world market, raw sugar was trading at approximately USD300/t in mid-June 2026, with London white sugar at around USD441/t and a refining margin of approximately USD141/t.

The ISO May 2026 report projects a global sugar surplus of 2.2mn t in 2025/26, with world stocks stable at around 79mn t. Factors being monitored for the remainder of the season include Brazilian cane crop potential, Pakistani export volumes — expected to increase towards the end of 2026 — and EU beet yield risks from the current heat conditions.

The Court's ruling on the interim measures application is expected to be the next significant development in the proceedings.

BELIZE: PM says sugar industry can no longer depend on government bailouts

Prime Minister John Briceño has said farmers and industry leaders must recognize that the industry can no longer depend on government handouts whenever difficulties arise, according to Breaking Belize News.

He said the industry's long-term survival will depend on innovation, efficiency, and smarter business practices.

Briceño also said the government does not have the financial resources to continue providing unrestricted support whenever the industry encounters problems, according to the news report.

PAKISTAN: Finance Bill 2026 slashes 20% excise duty on low-sugar water and hydratation drinks

Pakistan's National Assembly on June 23 passed the Finance Bill 2026, which abolishes a 20% federal excise duty on mineral waters, aerated waters, hydration drinks and electrolyte beverages with artificial sweetener or sugar content below 5 grams per 100 millilitres, according to Dawn and the Business Recorder.

Previously, all kinds of mineral waters, aerated waters, hydration drinks or electrolyte beverages were subjected to to the 20% excise duty, irrespective of the artificial sweetener or sugar content.

AUSTRIA: Agrana completes sale of parts of former sugar mill site in Leopoldsdorf

Agrana said on June 25 that it has completed the sale of some parts of the former sugar mill site in Leopoldsdorf, Marchfeld, reports Sugaronline.

In March 2025, the company announced the closure of the sugar factory in Leopoldsdorf, citing rising production costs and increasing competition amid a decline in sugar consumption across the EU and market liberalisation.

PCS Holding, owned by the Swiss entrepreneur Peter Spuhler, acquired around 50 hectares, securing an attractive industrial site with long-term potential, according to a press statement released by Agrana.

Part of the plot of land is already leased to the rolling stock manufacturer Stadler who, since March 2026, has been operating a newly constructed factory building for commissioning, certifying and servicing modern rolling stock. This site is used, among other purposes, to maintain Westbahn rapid-transit trains as well as for preparing type tests on the double-decker trains operated by Austrian Federal Railways (ÖBB).

Agrana plans to continue using the Leopoldsdorf site as a sugar logistics hub.

“We are delighted about the successful sale of the areal, about PCS Holding as our new neighbour in the future and the associated prospects for the Leopoldsdorf site. For us, it wasn’t only the transaction which was a priority during the entire divestment process but particularly the question of how the site could continue to be used commercially in a practical way and therefore be able to make a sustainable contribution to the development of the region,” said Agrana CEO Stephan Büttner.

He added that the site has a strategically favourable location, with direct connection to the railway network, which also provides significant logistical advantages.

“Just over a year ago, there was considerable uncertainty in the region following the end of sugar production at the site. Today, we can see how this uncertainty has steadily given way to a new sense of confidence and future prospects,” said Johanna Mikl-Leitner, Lower Austrian Provincial Governor.

US: Judge blocks state bans on buying soda and candy with SNAP benefits

A federal judge has decided to block the Trump administration from allowing five states to ban purchases of sugary drinks and candy with SNAP benefits, according to a CNN news report on June 23.

US District Judge Amy Berman Jackson determined that the US Department of Agriculture did not have the authority to approve state waivers in pilot projects in Colorado, Iowa, Nebraska, Tennessee and West Virginia.

"The Court’s analysis should not be taken as a comment on whether the pilot projects are a good idea or not," she wrote. "That is a question of policy that is not before the Court. The federal defendants and the states may have a genuine desire to improve the health of SNAP households by encouraging healthy choices at the store, and they can take lawful steps to meet those goals. But what they cannot do is violate the law and their own regulations along the way."

BRAZIL: Tereos celebrates 2025/26 results despite lower profit

Tereos Açúcar e Energia Brasil recorded a sharp drop in sugarcane production in 2025/26, but the company still managed to close the year with a positive net result and reduce its net debt, according to Globo Rural.

Net profit fell 62% in the 2025/26 crop year to BRL137 million, but net debt was reduced by 19%. Net revenue declined 16% to BRL5.7 billion, but the company still recorded the third-best

result in its history.
Tereos Brasil crushed 17.9 million metric tonnes of sugarcane, down 12% from the previous harvest. The company's CEO Pierre Santoul said the company is expected to crush between 18-19 million tonnes of sugarcane, supported by beneficial rains since the start of the year.

NIGERIA: Inflation undermines effect of sugar tax – news report

Nigeria's NGN10 per litre tax on sugar-sweetened drinks implemented in 2022 was expected to discourage excessive sugar consumption, but public health advocates and economists say the levy has become too weak to influence consumer behavior amid rising inflation, according to DW.

SBM Intelligence managing partner at Ikemesit Effiong said Nigeria's NGN10 per litre translates to barely 2% of the retail price.
An increase in the current tax to NGN130 per litre, as defended by some health advocates, would raise retail prices in Nigeria by about 39% and potentially reduce annual per-capita sugary beverage consumption by 29%, according to the news report.

SOUTH AFRICA: Vision Group says Tongaat Hulett deal protects jobs in the sugar sector

Vision Group's chairperson, Robert Gumede, has said that more than 250,000 jobs linked to Tongaat Hulett's value chain would be protected following a deal reached between the firm, business rescue practitioners and the Industrial Development Corporation (IDC) to avoid the liquidation of the sugar company, according to a news report by ENCA on June 24.

Gumede said the deal presents an opportunity to grow employment and transform South Africa's sugar industry. He cited Brazil's sugar industry diversification model into biofuels and bioelectricity as an example of the transformation agenda envisioned for Tongaat Hulett.
Tongaat Hulett, which already generates electricity for its own operations, could eventually expand production for the national grid, he said. Gumede also called for stronger tariff protections against sugar imports.

ZIMBABWE: 10-year sugar industry development plan targets production increase

Zimbabwe's government has approved a 10-year sugarcane industry development plan to boost productivity while adopting climate-resilient strategies, according to information released by the Ministry of Information, Publicity and Broadcasting on June 23.

The Zimbabwe Sugarcane Industry Development Plan (2026-2035) aims to increase sugarcane yield in the country from 81 to 110 tonnes per hectare.

The plan also targets an increase from 155 million to 600 million litres in ethanol production, as well as expanding electricity generation from 23 to 200 MW and boosting sugar exports from 100,000 to 200,000 tonnes, according to a post on the Ministry's X account.

Sugar production is projected to increase from 400,000 to 500,000 tonnes in the period covered by the plan, according to a news report from New Zimbabwe. Minister of Higher and Tertiary Education, Innovation, Science and Technology Development, Fredrick Shava, said these goals are expected to be achieved through access to affordable financing, enhanced irrigation infrastructure and efficient regulatory support, according to the news report.

FoodNavigator.com

Why food scientists still can't crack the perfect natural red

Creating a heat-stable natural red remains one of food science's toughest colour challenges.

https://www.foodnavigator-usa.com/Article/2026/06/26/natural-food-colours-why-the-perfect-natural-red-remains-elusive/

A decade of Brexit: 10 major impacts on F&B

It's a decade since the UK's historic vote to leave the European Union – and the results are mixed.

https://www.foodnavigator.com/Article/2026/06/24/brexit-10-impacts-on-food-and-beverage/

GLP-1 drugs aren't killing confectionery – they're reinventing it

GLP-1 drugs are changing how consumers snack, but confectionery sales remain strong and new opportunities are opening up.

https://www.foodnavigator.com/Article/2026/06/24/glp-1-drugs-reshape-confectionery-demand-but-sales-keep-growing/