



World Association of  
Beet and Cane Growers



## NEWS FROM WABCG

MARCH 2022

### EDITORIAL

Next week, we will be holding a virtual meeting on how the sugarcane and sugar beet price is fixed around the world.

We already conducted this kind of study in 2015, and I am looking forward to learning about the progress made on this topic, around the world, over 7 years.



This study was based on the replies from 31 countries, members of our association, from all over the world. We are very fortunate to have this

meeting place called WABCG! Exchanging and discussing are valuable virtues in our world – and the recent news reminds us how important they are.

We are definitely entering a stormy period. Our economies will be impacted, energy and fertilizer costs will certainly suffer, our activities will be affected. After the hardship caused by the pandemic, new fears are emerging all around the world.

But my thoughts today go to those who suffer in their body around the world.

Let us maintain hope and the willingness to build a better world, via dialogue and concertation!

**Eduardo Romão, President  
WABCG**

### NEWS FROM NORTHERN GERMANY

North Germany sugar beet growers look back on one of the best sugar beet seasons ever.

After a frosty February and a wet and cold spring, good weather condition follows from the end of March so that sugar beets were sown mainly in the following two weeks. In contrast to the previous years, we had enough rain in 2021 during vegetation period but less sunshine. This leads to early and partly strong leaf diseases and a relatively low sugar content but in total to high sugar beet yields. The harvest started in the first week of September and ended only mid of February.

The 2021 campaign closed much better than expected before with an average beet yield of 80 tonnes per hectare and a sugar content of 17.9 percent. So we achieved one of the best sugar harvests ever. The yields of organic sugar beets had a wide range with an average beet yield of almost 54 tonnes per hectare and a sugar content of 16.6 percent. That is also better than the years before.

Due to increased sugar prices on world and EU markets the sugar beet price rises as well and reached with more than 30 euro per tonne on average of diverse contracts a certain higher level than in the previous campaign. But alternative crops like rape seed and wheat are due to rise of world market prices expected to become sometimes more profitable than sugar beet these days. Moreover, higher costs for fuel and less availability of truck drivers lead to increasing costs for beet logistic. Additionally, we also expect higher costs for fertilizer and plant protection products for the coming year.

2021 was election year on federal and regional level in Germany. After 16 years chancellorship of Angela Merkel a new coalition of socialists, liberals and greens took over the government. The new political



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target is 30 percent organic cultivation by 2030. Even though the number of organic farmers which want to grow sugar beet has risen as well. Due to the European green deal chemical plant protection should be reduced drastically and some active substances will not get a renewed approval.

By the end of 2023 Glyphosate will become forbidden for German farmers. New breeding technologies could be an alternative when pesticides drop out. But therefore, we urgently need another legal framework about i. g. the classification of GMO. Research and development activities must be improved including robotic and laser techniques that could help to keep sugar beet growing economically and ecological successful. But development and implementation of new products and technologies still need time.

On 7<sup>th</sup> September 2021 the North German Beet Growers Association (DNZ) elected Eckhard Hinrichs as its new president. He lives close to Uelzen where the biggest sugar factory in North Germany is located and cultivates sugar beets, potatoes and grain combined with a poultry farming. Besides his activities for better beet prices and contract conditions he will also focus on political issues regarding to the agriculture sector and the sugar industry.



Eckhard Hinrichs: President of the Head Association of North German Sugar Beet Growers (DNZ).

In February 2022 we could welcome more than 2,000 of our 6,000 members to the traditional online winter meetings. Due to the pandemic situation, further online meetings with special topics will follow in the current growing season. With an almost unchanged

beet area for the 2022-campaign we are looking now forward to new challenges.

**Dr. Heinrich-Hubertus Helmke, General Secretary**  
*Dachverband Norddeutscher Zuckerrübenanbauer (DNZ, Association of North German Sugar Beet Growers), Germany*



Due to the ongoing Covid-19 situation online communication is indispensable. In February Dr. Heinrich-Hubertus Helmke (General Secretary of DNZ, left) moderates the traditional common winter meetings of Nordzucker and Growers Associations.

### Save the dates!

#### Internal WABCG meeting

7 March (13.00 London Time)  
Virtual meeting

#### WABCG Conference

13-16 June  
 Fargo, USA

#### WABCG/ISO Consultation

21 November  
 London, UK

More information soon!

*Subject to changes, according to Covid-19 evolution*



## NEWS FROM MAURITIUS

The industry witnessed another devastating cane crop harvest in 2021 as sugar production fell to a record low of 255,818 metric tons.

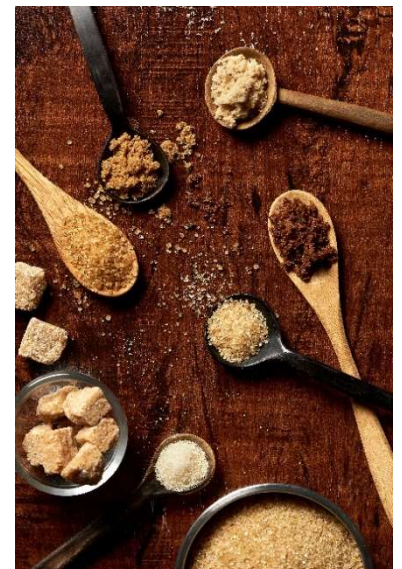
This was 5.6% lower than the previous crop and a remarkable 22.7% lower than the 2019 crop. While there has been a continuous decrease in acreage under cane cultivation, to the tune of 3% annually since the end of guaranteed sugar prices under the ACP/EU Sugar Protocol in 2009, the last 2 years' crops were further impacted by adverse climatic conditions, with insufficient rain during the cane growth phase and subsequently suboptimal sunlight and temperature amplitudes to favour saccharose accumulation.



The average cane yield in the farm fell to a low of 63.77 tons per hectare and sugar yield to 6.11 tons per hectare, compared to the last 5 years' average of 70.17 tch and 7.01 tsh respectively. As for the extraction rate, it fell to 9.59% compared with 10.34% over the last crop and the last 5 years' average of 9.99%. The yield decline has been exacerbated by the sub-standard cultural practices which have unfortunately prevailed over the previous years as cane cultivation has not been economically viable for growers in an open market environment. As we know, world sugar prices are most often distorted due to production excesses, cross-subsidisation with domestic sales or even domestic support or export subsidies provided to certain producers. Against such a setback, Mauritius is unfortunately disadvantaged by the small size of its local market, which accounts for only 10% of its annual production, and is therefore even more exposed to the global price volatility.

Cognisant of these challenges, the Government solicited the support of the World Bank for a competitive analysis of the sugar industry in Mauritius. Their report, which was publicised in February 2022, recommends a series of policy changes that can increase the probability of the sector turning a profit over the next decade.

They include (i) increasing the share of special sugars produced and sold, (ii) reducing export-related costs, (iii) increasing the price paid for electricity generated from bagasse, (iv) reducing labour costs by 40%, (v) increasing the share of high-tech farming. While sales expansion for the high value special sugars is on track, production for the 2021 crop having already exceeded 55% of total production, Government has reviewed as from this campaign the remuneration for co-products bagasse and molasses, so they henceforth account for at least 25% of annual cane proceeds. Discussions



Mauritius special sugars: a range of 18 varieties with specific textures, aromas, tastes and mouth-feel to respond perfectly to different usages towards professionals and end-users.

are ongoing for the other measures recommended with the willingness of one and all to ensure the sugar industry remains sustainable.

**Devesh Dukhira, CEO,  
Mauritius Sugar Syndicate (MSS), Mauritius**



## NEWS FROM DENMARK

We ended our campaign a month ago after an average of 125 days for our two sugar factories. The result was a yield in the top 3 for Denmark despite a slow start for the beet in the beginning of the growing season due to cold weather. But the growing conditions became better in the rest of the season and the beet more than caught up on the slow start. The sugar beet showed once again that it's one of our most stable crops that exploits the entire long growing season. The beet seed is the first crop we put in the ground in the spring when the soil is ready for sowing around the 1<sup>st</sup> of April and it keeps growing until late autumn, in the first part of November.

We have as well a minor part of the area with organic beet. It was our 5<sup>th</sup> year with organic beet since we restarted with this in 2017.

The area with organic beet has increased year by year until now but for 2022 it will be kept at the same level as 2021 as the sale of organic sugar is not increasing as fast as we would like to.

The market for organic food in Denmark is increasing year by year. In a survey from 2021, 6 % of the consumers answered that they always buy organic food and 32 % answered that they do it often. But we can as well see that it very much differs depending on what kind of food it is. Vegetables, milk and eggs is very often put in the shopping basket. These products are relative cheap compared to conventional products and avoiding pesticides play a role for many consumers as well when they buy vegetables.

Unfortunately, it's not so easy to sell organic beet sugar. It's rather expensive compared to conventional beet sugar as the yield is lower and the costs for growing are higher. It's a struggle to keep the beets clean for weeds. Insects and fungal disease can be a challenge as well in the field.

Sugar is as well a product where only a minor part is sold direct to the consumers in the shop, so most of the sugar consumption is "hidden" in the processed food we buy. We have as well consumers in Denmark who believe that brown cane sugar is different and

better/more healthy than white beet sugar when they buy sugar for cooking at home.

We hope that the consumers in the coming years will act like they say and begin to buy more organic sugar, like they do with other organic food products. The organic growers, the sugar company, our research institution on sugar beet, beet seed companies and machine manufacturers invest a lot of effort, time and money in developing organic sugar beet, so we hope that we soon again can increase our area with organic beet.

**Troels Frandsen, President**

**Danske Sukkerroedyrkere (Danish Beet Growers), Denmark**



A "Farmdroid" robot cleaning a field with organic beet, running on solar energy battery.