NEWS FROM WABCG

SEPTEMBER 2025

EDITO

It's wonderful when the family grows!

That is indeed what happened this summer. I am delighted to announce that, following our congress in Cairns, Australia, our colleagues from the Philippines have just formalised their membership of the WABCG. This demonstrates that our association is thriving and appealing, and I am really happy about that!

Over the last 10 years, we have gained eight new members, and we now bring together 37 associations of beet and cane growers from 34 different countries across five continents.

Our new Philippine member is CONFED (the Confederation of Sugarcane Producers' Associations), a confederation comprising 20 sugarcane growers' associations and cooperatives from across the Philippines. Together, they represent 0.3 million tonnes of the country's total sugar production, making CONFED the largest of the six sugarcane growers' associations in the Philippines. CONFED is based in Makati City, a few kilometres from Manila.

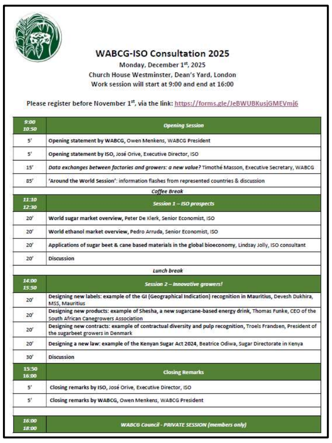
So, dear colleagues from CONFED: welcome to the big family of international beet and cane growers! Welcome to WABCG!

Owen Menkens, President
WABCG

Registration is open!

WABCG/ISO Consultation
1st December 2025
London, United-Kingdom

Around the World Session
Session 1: ISO Prospect
Session 2 : Innovative growers!



WABCG-ISO Consultation 2025
Monday, December 1st, 2025
Church House Westminster, Dean's Yard, London
Work session will start at 9:00 and end at 16:00

Please register before November 1st, via the link: https://forms.gle/JeBWUBKusjGMEVmj6

9:00 10:50	***Opening Session***
5'	**Opening statement by WABCG**, Owen Menkens, WABCG President
5'	**Opening statement by ISO**, José Orive, Executive Director, ISO
15'	***Data exchanges between factories and growers: a new value?*** Timothé Masson, Executive Secretary, WABCG
85'	**'Around the World Session'**: information flashes from represented countries & discussion
	Coffee Break
11:10 12:30	***Session 1 – ISO prospects***
20'	**World sugar market overview**, Peter De Klerk, Senior Economist, ISO
20'	**World ethanol market overview**, Pedro Arruda, Senior Economist, ISO
20'	**Applications of sugar beet & cane based materials in the global bioeconomy**, Lindsay Jolly, ISO consultant
20'	**Discussion**
	Lunch break
14:00 15:50	***Session 2 – Innovative growers!***
20'	**Designing new labels: example of the GI (Geographical Indication) recognition in Mauritius**, Devesh Dukhira, MSS, Mauritius
20'	**Designing new products: example of Shesha, a new sugarcane-based energy drink**, Thomas Funke, CEO of the South African Canegrowers Association
20'	**Designing new contracts: example of contractual diversity and pulp recognition**, Troels Frandsen, President of the sugarbeet growers in Denmark
20'	**Designing a new law: example of the Kenyan Sugar Act 2024**, Beatrice Odiwa, Sugar Directorate in Kenya
30'	**Discussion**
15:50 16:00	**Closing Remarks**
5'	**Closing remarks by ISO**, José Orive, Executive Director, ISO
5'	**Closing remarks by WABCG**, Owen Menkens, WABCG President
16:00 18:00	***WABCG Council - PRIVATE SESSION (members only)***

Contact Secretariat if you want to join!

The World Association of Beet and Cane Growers (WABCG) is the international organisation which groups together the national and regional associations of sugar beet and sugar cane growers at international level. WABCG has 37 member associations and unites over 5 million sugar beet and sugar cane growers from the five continents. WABCG is present in over 30 countries, producing 60% of world sugar production.

www.wabcg.org

News from South Africa

The South African sugarcane season kicked off to a late start. The crop estimate is some 1,3 million tons higher than last season's crush. This is great news. On the negative side, quality is down by some 2.8% and reasons for this are somewhat unknown. This is especially true for the midlands area, which is on a 24-month cycle. SA Canegrowers is confident that quality will pick up and improve as drier weather comes into effect.

On the market side, things are not rosy at all. The local market in the Southern African Customs Union, accounts for approximately 75% of the total sugar sales is under extreme pressure from low-cost imports. To date, approximately, 75 000 tons have already been imported, and we are expecting this to increase further. This has reduced our local market sales to their lowest year to date figure in 6 years. These imports largely originate in Brazil, Thailand and Guatemala. SA Canegrowers is embarking on a buy local campaign and also engaging government ministers to win over their support.

The sugar industry has also been notified that the Masterplan phase 2 is likely to kick off soon. The previous iteration focussed on unpacking all sugar industry related issues and trying to find solutions to these. The Masterplan will this time focus on diversification, policies (such as the sugar tax), small scale growers and buying locally produced sugar. SA Canegrowers is working hard on all of the topics and hopes to make a meaningful contribution in the discussions.

Shesha is taking off. The Shesha brand has found huge favour in the marketplace and has attracted a lot of attention from various retailers. Shesha is a new product launched by our association: a beverage made with sugarcane. We are exciting to be talking to the likes of Walmart, Spar and others.

We will also be bringing more product to the consultation in early December!

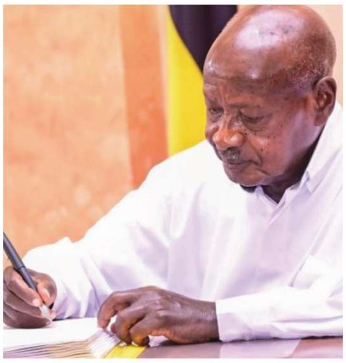
Thomas Funke, CEO
Canegrowers South Africa

News from Uganda

The Sugar Amendment Bill 2023 has been signed into law. Parliament passed the bill on Tuesday April 15th 2025 and subsequently signed by the president of the Republic of Uganda.

The Bill amends the Sugar Act of 2020 replacing the Sugar board with Sugar industry stakeholders council for self regulation.

The Sugar Council will be comprised of both millers and farmers with the intention of promoting self regulation with in the sector. Its composition is:



Price formular:
Price of one ton of Sugar x recovery x negotiated percentage (Pc=Ps x R x D)

- Four representative of farmers.
- Three millers.
- Permanent Secretary of the Agriculture ministry
- Permanent Secretary of ministry Trade, Industry and co-operative.
- Permanent Secretary of Ministry of Finance.

The tenure of office of the Chairperson is two years and shall be held in rotation among the representative for the farmers and millers.

The Minister of Trade, Industry and Co-operative ordered the millers to stop deducting trash and any other unauthorised deductions on the farmer Sugarcane supplies. When Sugarcane is crushed, the trash (leaves and tops) along with the crushed stalks are processed into bagasse. Bagasse is a fibrous material that is primarily used as fuel source to generate heat and electricity for sugar mill and the excess sold to national grid as an income but millers have been cheating the farmers.

The biggest problem for long in Uganda has been lack of order in the sugar sector and order in the sector will start this August 2025 with the council in place.

Budhugo Issa, Chairman
Uganda National Association of Sugarcane Growers

News from CIBE (Europe)

CIBE is an associated member of WABCG. It defends and represents the interests of beet growers vis-à-vis European Institutions and international organisations since 1927. CIBE is composed of national and regional associations from 18 European beet-producing countries.

These include growers from 15 EU countries (Austria, Belgium, the Czech Republic, Denmark, Finland, France, Germany, Greece, Hungary, Italy, the Netherlands, Poland, Romania, the Slovak Republic, Sweden) and growers from 2 non-EU countries (United Kingdom and Switzerland).

After years of adverse climatic conditions, this spring and summer were more favourable for sugar beet in western and northern Europe. Sowing took place quite early in many of these regions, a big contrast compared to last year. Despite some heatwaves, adequate rainfall allowed good sugar beet crop development. However, persistent drought conditions prevailed notably in eastern Europe, in Romania, Hungary and Croatia. According to short-term weather forecast, cooler and wetter conditions are expected for central and northern Europe, while southern and south-eastern regions are expected to continue facing hot and dry conditions. Across most of Europe, long-term warmer than usual conditions are expected up to November.

Pest pressure is very heterogeneous. In France, some regions remain impacted by virus yellows. In South Germany and to a lesser extent Switzerland, SBR (*Syndrome de Basse Richesse* - Low sugar content syndrome) remains present, although the impacts are still premature to estimate. Foliar diseases are expected to increase as weather conditions are deteriorating but disease pressure appears lower than last year. In France, the control of aphids and virus yellows remain strongly limited by the continuing ban of some key active substances such as acetamiprid.

Research continues to try to find solutions for beet protection following the loss of over 35 active substances in plant protection products in the EU since 2018, but the results so far highlight the challenges which remain to be addressed. Crop protection remains a crucial issue and unfortunately some growers might not be able or willing to wait for solutions, given the extent of damage to their crop. In 2025, five factory closures were announced, in France, Austria, the Czech Republic and, most recently, Spain. We fear that this trend will continue.

On the occasion of its 47th Congress in June this year, CIBE pointed out the multiple risks and structural changes faced by the European sector, which profoundly jeopardize its sustainability and necessitate adequate responses from the EU institutions:

- structural changes in cultivation and processing,
- structural changes in climatic conditions and adoption of low-carbon practices,
- structural changes in costs of production/income and
- structural changes in market disturbances and trading conditions.

CIBE calls on the European governments and Institutions to put in place the appropriate short and long-term policies and tools for a robust and sustainable EU sugar beet sector, one that is attractive, resilient, competitive and economically viable, and which allow our sector to meet the demand for European agri-food sovereignty, for European bioeconomy and for carbon neutrality.

First positive but timid signals have been brought by the EU Institutions and as a result of growers and farmers' actions, such as:

- the limitation of sugar imports from Ukraine: import flows from Ukraine will be limited at 100 000 t /year as from January 2026,
- the recognition that banning active substances without solutions is not sustainable,
- an awareness by a majority of Member States and members of the European Parliament that "mirror measures" in trade agreements are well-founded, and
- the simplification of the green provisions included in the CAP.

But there is still much to be done in terms of improvement of growers' productivity and competitiveness, of appropriate safety nets in the event of crisis and of level playing field with third competitors. The global trade context, where main EU partners no longer respect rule-based order, should push to drive our agenda forward. The impacts of the unilateral decision by the US to impose 15% tariffs on EU exports of agricultural products, including EU exports of sugar processed products to the US, still needs to be assessed. This EU-US "deal" concluded still need to be formalised and officially adopted.

Elisabeth Lacoste, Director
CIBE, European Union

News from BRAZIL

The sugar supply chain is under constant pressure. Fluctuations in the international market, global oversupply, and unfair trade practices have kept prices low, directly impacting the incomes of thousands of rural producers. Finding ways to sustain and improve sugar prices is not just a market issue—it is a matter of economic security for those who make their living from sugarcane.

To address this challenge, we must broaden our perspective. The key to rebalancing the sugar market may lie outside the sugar sector itself—in bioenergy. Strengthening ethanol as an energy alternative and as a pillar of public policy has proven to be a powerful strategy for regulating sugar production and increasing the value of the most vulnerable link in the chain: the rural producer.

__The Problem: An Unstable and Unbalanced Global Market__

Sugar is a globally traded commodity, but its price is highly sensitive to external shocks—climate variation, exchange rate fluctuations, stock levels, and, notably, distortive public policies such as agricultural subsidies in developed countries. When there is overproduction, prices collapse, hitting hardest the producers in tropical countries who are paid according to international sugar prices.

This scenario calls for strategies that bring predictability, resilience, and—above all—alternatives.

__The Solution: Making Ethanol a National Policy__

One of the most effective ways to sustain sugar prices is to reduce global oversupply. This can be done in a smart and sustainable way by expanding ethanol production and consumption.

By allocating a greater share of sugarcane for ethanol instead of sugar, countries can ease the pressure on global supply, stabilize inventories, and give mills greater flexibility to respond to market conditions. Ethanol is not just an energy alternative—it is a powerful policy instrument for regulating agricultural markets with direct social and economic impacts.

__The Brazilian Example: Ethanol as an Agricultural and Economic Strategy__

Brazil is the world's leading example of using ethanol as both an energy and agricultural strategy. Since the 1970s, the country has developed a comprehensive public policy that includes:

- A 100% flex-fuel vehicle fleet;
- A nationwide fuel distribution infrastructure;
- Incentive policies for ethanol production;
- Industrial flexibility to switch between sugar and ethanol depending on market dynamics.

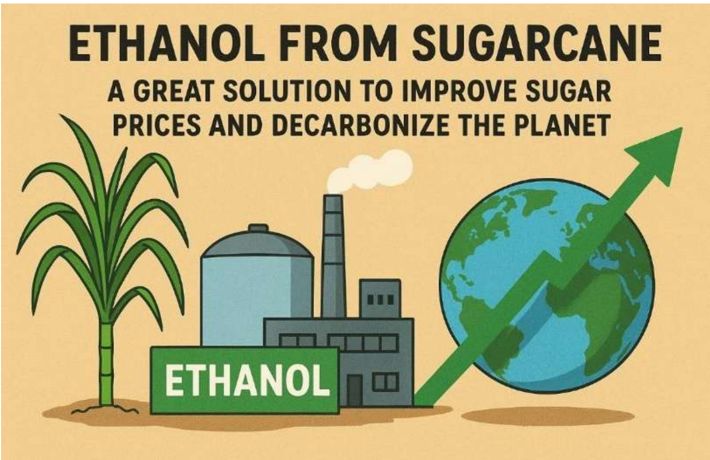
This model allows producers to shift more easily to ethanol during periods of low sugar prices, helping to stabilize global sugar supply. At the same time, it has created a strong domestic ethanol market, reducing Brazil's reliance on sugar exports and protecting its sugarcane sector from external volatility.

Brazil’s experience shows that biofuel policy is also agricultural and rural income policy. Other countries—such as Australia, Mexico, Colombia, and India—are now moving in this direction.

How Can Other Countries Replicate This Model?

Tropical countries with the potential to produce sugarcane, corn, or other biomass can adopt similar strategies by focusing on five key pillars:

1. Clear blending mandates: Establish mandatory minimum percentages of ethanol blended into gasoline. In Brazil, for example, up to 30% of ethanol is blended into gasoline.
2. Tax and regulatory incentives: Encourage ethanol production and consumption through tax benefits and simplified regulation—benefiting both the economy and the environment.



3. Investment in infrastructure: Expand the storage, logistics, and fuel dist ribution network to ensure ethanol is accessible nationwide.
4. Industrial adaptation and rural integration: Support the industry’s transition and encourage closer partnerships with agricultural producers.
5. Public awareness and education campaigns: Promote the environmental and economic benefits of ethanol to gain social and consumer support.

This kind of energy transition is not just environmentally responsible—it’s economically strategic.

The Final Result: Valued Sugar, Protected Producers

At the end of the chain, the rural producer is the greatest beneficiary of a system that balances ethanol and sugar. As ethanol helps reduce global sugar oversupply, sugar prices tend to stabilize or rise, ensuring better compensation for farmers. In models like Brazil’s, where producers are paid based on the Total Recoverable Sugar (ATR), a more balanced and less volatile market results in greater income security. This, in turn, leads to more investment, better productivity, and a more dignified and sustainable life in rural areas.

By adopting ethanol as a core state policy, countries not only reduce emissions and strengthen their energy mix—they also support fairer sugar pricing and recognize the crucial role of rural producers in building a more resilient and sustainable future.

José Guilherme A. Nogueira – CEO
Orplana, Brazil