

FOR IMMEDIATE RELEASE**Worldwide sugar consumption steadily rising as businesses recover from Covid slowdown**

Slough, 10 February 2022: The spread of new COVID variants is bringing fresh challenges to ending 2021 with a 20% climb on the end of 2020.

Ragus publishes its Global Sugar Report twice a year to keep clients and partners in the food and beverage world informed about movements in the international sugar industry. It also includes Director Ben Eastick's take on what could happen next and his perspectives on the current state of play, so Ragus customers can take more informed decisions on where and how they buy their pure sugars for industry.

"Keeping our customers and partners in the know about the global sugar industry is part of our responsibility as a bulk sugar manufacturer. When they're informed about the consumption, production and price of sugar, and know the key factors that impact the market landscape, they can run their businesses better," says Ben.

Report highlights

"The higher sugar prices around the world right now are down to a global deficit in sugar for the third year in a row," explains Ben. "Brazil's harvest continues to underperform and global cane sugar is predicted to fall significantly. However global sugar beet production is rising, and India and Thailand could fill the hole left by lower production in Brazil."

World market prices peaked in November as Brazil's harvest shrank. For 2022, the global sugar market will be in deficit for a third year in a row at minus 3.9 million tonnes, compared to the deficit of 1.4 million tonnes in 2021. "This will be a stimulus for higher sugar prices," Ben adds.

The global sugar deficit is important because it significantly impacts the price of sugar and as a result, the food and beverage products that use it.

EU and UK sugar industry

EU beet sugar production is set to rise to 17.2 million tonnes in 2022, due to significantly better yield recovery in the largest producer countries of France, Germany and Poland, despite a smaller area under beet cultivation. This compares with 15.5 million tonnes in 2021.

Good growing conditions in the spring and summer of 2021 helped beet plants across Europe, including the UK. After a ban on neonicotinoid treatment of beet seeds in 2018 to protect bees, a lift of the rule meant the 2021 crop saw fewer cases of the beet yellows virus.

In 2021, the UK imported less sugar from EPA/EBA countries than in 2019. Brazil, which is part of the tariff-rate quota (TRQ) became the UK's largest raw sugar supplier in 2021. However, even with neonicotinoid treatment for the 2022 crop in 10 EU states as well as the UK, European sugar production in 2022 and 2023 is likely to remain in deficit and, imported sugar from further afield will likely meet the demand.

Regional comparisons

In Russia and Ukraine, summer sunshine helped beet crops rise and harvest in the region grew by 22%: an amount now in line with domestic consumption.

Over the other side of the world in Brazil, sugar production in the entire centre south region came to a halt in December 2021 following dry weather and multiple frosts in July, which damaged the canes.

Weather issues in Thailand pushed down the production of cane, with the country suffering from droughts. More rain forecast for this year is likely recover the cane yields, however. Travelling West to India, where record yields of cane have exceeded domestic consumption, allowing the country to export over 7 million tonnes in 2021.

According to Ben, the US and Mexico will set new heights in sugar production this year, with sugarcane in Louisiana and Florida producing a high sucrose content and beet growing gaining popularity among US farmers. "US stocks remain up," he says, "so they won't need to import as much sugar this year, perhaps only around 2.8 million tonnes.

"I genuinely enjoy getting feedback from our stakeholders about the value they get from the Global Sugar Report," says Ben.

"Overall, it's a very mixed picture in the sugar industry. While some regions are producing more than ever, others are floundering because of economic or environmental issues. The supply chain disruption caused by COVID will have a lasting impact, but for now, we will have to wait and see exactly what that will be."

You can read the full [Global Sugar Report](#) here.

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Notes for the media

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About Ragus

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Established in 1928, Ragus is a leading manufacturer of bulk pure sugars for the food, beverage and pharmaceutical markets. Using the knowledge gained from over 90 years of experience, we provide our clients with crystalline sugars, syrups and treacles that ensure the optimum taste, texture and appearance of their products.