Brussels Monday, 24 June 2019

CEFS ROUNDTABLE HIGHLIGHTS VITAL ROLE OF SUGAR PRODUCTION TO EU RURAL AREAS

The EU sugar sector is a vital and innovative sector, but obstacles remain to the development of new outlets for sugar beet. That was the key takeaway from the CEFS roundtable discussion that took place on 21 June in Berlin on the occasion of the annual CEFS congress.

The discussion brought together CEFS President and CEO of Suiker Unie Paul Mesters, Justin Casimir from the Research Institutes of Sweden (RISE), Dr. Marcus Cramer from the economic consultancy WiFOR, Executive Director of the Handwerkskammer Hannover Peter Karst, and Bruno Buffaria, Head of Unit for Governance of Agricultural Markets in the European Commission's DG AGRI.

After introductory remarks from Mr Mesters, Mr Casimir presented the European Commission's AGROinLOG project, the aim of which is to foster the development of integrated biomass logistics systems. For sugar, one avenue of possible development could be the fermentation of beet pulp to produce succinic acid for use as a feedstock for the production of bioplastics.

Dr. Cramer followed this with a presentation of a study on the economic contribution of the EU sugar sector, commissioned by CEFS. For each direct job in EU sugar manufacturing, 14 additional jobs are generated in the food supply chain. In total, the sector provides more than 365,000 direct, indirect and induced jobs across the European Union and contributes almost 16 billion EUR to the EU's GDP. Sugar sector jobs are found mainly in rural areas; they are highly skilled and fairly paid.

During the roundtable discussion that followed, Peter Karst acknowledged the central role of sugar to rural economies, while Mr Buffaria acknowledged the major transformations that the sector has undergone in past years to improve its competitiveness.

Mr Mesters underlined that a toolkit of measures is desperately needed to respond to the structural and cyclical elements of the sugar crisis. In addition, Mr Mesters questioned the utility of additional market transparency from sugar manufacturers, which could have the opposite impact to that intended by weakening the bargaining power of the first processing and agricultural stages of the food supply chain.

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On bioeconomy, Mr Mesters and members stressed that a supportive regulatory framework is required to give lift off to the production of bioplastics from sugar beet. At present, fossil-based plastics retain a competitive advantage.

Mr Mesters also highlighted the distortions on the world market and the need for stronger action from the European Commission to address dumped and subsidised sugar. In this context, Mr Mesters stressed the extreme danger represented by the EU-Mercosur negotiations, and urged no additional concessions on sugar.

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