



Just transition in the EU beet sugar sector

EFFAT-CEFS joint statement

Our sector is vulnerable to climate change and its economic consequences. Beet cultivation is dependent on weather conditions and the preservation of the ecosystem. Climate change is affecting sugar beet cultivation, job security of workers employed across the sugar supply chain, as well as the competitiveness of the European beet sugar sector.

Economic and employment risks in the beet sugar supply chain linked to climate change might materialise in lower crop yields, need for water management and pest outbreaks and by this impacting the sugar manufacturing.

The sugar manufacturing industry is actively working to address the challenges of climate change and reduce greenhouse gas emissions. We want to be part of the solution and drive the green transition of EU sugar production. In this transformation to a greener and more sustainable sugar production the workforce has to be taken along.

The sugar manufacturing industry has already cut emissions by 59% between 1990 and 2021, setting it well on the way to climate neutrality. But to reach the EU's ambitious climate targets, we need the right tools and a supportive and coherent policy framework.

Decarbonising the EU beet sugar sector

Decarbonising sugar factories across Member States is a key challenge for our sector. But defining a clear decarbonisation roadmap is difficult as beet sugar production is highly specific. Factories are located in rural areas often far from high-voltage electricity grids which makes full electrification prohibitively expensive and not feasible in many cases. Sugar factories are energy-intensive and production is seasonal which means energy stations must be bigger than in industries working year-round. Our sector therefore needs tailored solutions.

EU sugar manufacturers have a range of tools at their disposal, with renewable energy being the most promising decarbonisation pathway. We can make use of sugar beet residues, such as beet pulp, generated on-site – a readily-available source of biogas and renewable biomass fuel. Externally procured renewable electricity and heat are already playing a supplementary role. Sugar producers also use a range of other tools to reduce factory emissions: for example low-temperature drying, heat recovery and carbon capture.

Delivering on the green transition may also be disruptive for the sector. The changes and transformations which this decarbonisation pathway will generate might mean job losses, changes in working procedures and therefore new and different training needs.

Anticipation and monitoring of change will be key to achieving a fair transition.

What's our commitment?

As Social Partners in the European sugar sector, we commit to proactively drive the greening of our industry, through a just transition. Social dialogue is an important tool in ensuring this. We as Social Partners pledge to regularly discuss the topic in the context of our Sectoral Social Dialogue to identify challenges and opportunities ahead.



What are we asking from the legislators?

For our sector to decarbonise effectively, we need financial support and the right policy framework that recognises the crucial role of biomass fuels. Social partners specifically call for a sensible implementation of the RED III by Member States to facilitate energetic use of sugar beet residues.

With the right policy framework, we can drive further decarbonisation and protect a local European industry. But if no tailored solutions are available for our sector, factories will have to close which will lead to job losses in rural areas across Europe.

To match environmental and social concerns is a must. Any environmental policy measures must be accompanied by a robust social dimension to anticipate change and promote quality job creation. This should include rigorous socio-economic impact assessments including at granular/local level to anticipate the impact on jobs and skills needs.

The green transition requires important resources and the EU and Member States should greatly invest into it. But this financial support through public funds must be attached to social conditionalities. Only employers supporting investments in quality job creation and respecting workers' rights should be adequately supported in the transition.

The transition needs a governance with the involvement of social partners at every level. Social partner involvement will be a decisive step, as the input from European, national and local trade unions and employers is key to developing precise forecasts and with this minimising negative impacts. CEFS and EFFAT consider positively the establishment of the Just Transition Observatory. At the same time, we regret the delay of the EU Institutions in implementing real just transition measures.

We call on the European Commission to support our joint work and support the development of transition pathways for the sugar industry to anticipate change, avoid the deindustrialisation of the European sugar industry and protect jobs and loss of skills. Social partner cooperation should be supported also at the national level. Collective bargaining will be a crucial tool to anticipate change and impact on employment.

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