



## **Final Statement**

### **World Association of Beet and Cane Growers (WABCG)**

**22 November 2021**

The World Association of Beet and Cane Growers, which counts 36 cane and beet growers' associations from 34 countries, met by video conference on 22<sup>nd</sup> November 2021.

The year 2021 has once again been a challenging year around the world due to the impact of climate change, which is a reality for farmers, increasing the uncertainty of yields and bringing agronomical issues. Farmers are the most impacted by climate change, but they also know that they are, amongst others, the ones who can take action to mitigate the effects of climate change. **WABCG considers that it is crucial to develop tools and strategies to adapt to climate change and its consequences. Strategic guidance based on technical support and innovation processes, designed by growers' associations, in dialogue with governments, technical institutes and civil society must be prioritized.**

**Growers underline the fact that the increase in the price of fuel and fertilisers will strongly impact sugar beet and sugar cane production costs throughout the world.** If the price of cane and beet does not include this new equilibrium, growers may be tempted to reduce their use of fertilizers, particularly if they are harder to find, and this will impact the field yield and thereby the industry profitability.

After four years of depressed markets, during which the cultivation of beet and cane was not remunerative for many growers around the world (which did not prevent them to be present within the industry, despite of Covid-19 challenges), sugar and ethanol markets are evolving into a positive trend. But growers know perfectly well that volatility is high in sugar and ethanol markets. **Consequently, growers consider that the current situation on markets should be considered as an opportunity for the entire sector to prepare the future**, by designing tools to:

- **Manage the effect of price volatility**, by accompanying growers' associations in building new tools, including for example the reasonable use of sugar futures to fix cane and beet prices,
- **Ensure the essential cohesion between growers and factories**, for instance via a sharing formula based on adjusted costs, that will be strongly impacted in the coming year in many parts of the world,
- **Promote the diversification of outlets to improve the resilience of sugar beet and sugar cane sectors**, via initiatives linked to green chemistry such as bioethanol, bioplastics and biogas, which should be encouraged and supported by the sector, industry and governments.