



Final Statement

World Association of Beet and Cane Growers (WABCG)

Rotterdam, 25 April 2018

The World Association of Beet and Cane Growers (WABCG) met on 25 April 2018 in Rotterdam (the Netherlands), at the invitation of Royal Cosun, and focused its 2 days' conference on markets, diversification and sustainability.

Sugar markets are at contract lows, with raw sugar close to 11 cts/lb. This is linked to heavy fundamentals: the volume of production reached a record high this year, and the next campaign will still show a surplus. Nevertheless, despite the fact that many countries decided to promote liberalization in their sugar policy (Thailand, European Union), growers remain confident that the only way to have a sustainable sector is to promote cohesion within the industry. This cohesion should be built by a fair sharing of the value of products derived from beet and cane (sugar, bagasse and pulp, molasses and even energy and electricity production) between growers and factories. The means to do this must be defined by agreement between the different stakeholders and must be respected. Even with low sugar prices, growers will accept sharing losses... as long as they are convinced that they will also share gains.

The diversification of outlets from cane and beet processing must be a priority for the sector worldwide. Cane and beet sugar have exceptional diversification potential. Ethanol utilization remained one of the most achievable ways to reach COP-21 goals, and WABCG welcomes the Renovabio project, launched by Brazil; WABCG encourages its members to have the same ambition in their own country. With a broader spectrum, initiatives linked to green chemistry should be encouraged and supported by the sector, industry and governments.

Sustainability is the priority that growers give to the orientation of cane and beet production throughout the world. This sustainability already relies on a balance taking into account the agronomic, environmental, economic and human factors based on the respect of the regulations and laws in each country. Growers would also like to see the challenge of sustainability addressed at a commercial level, through risk management tools (futures, insurance schemes, mutual funds, etc.) – and particularly now that speculators are acting at a record level in the sugar market.