



World Association of
Beet and Cane Growers



NEWS FROM WABCG

EDITORIAL

Here we are in 2022!

Although 2021 was another challenging year, it brought new hopes for our sector.

First, diversification of outlets from sugar beet and



sugarcane is at a highest. ISO recently estimated that 48 Mt of sugar is not produced around the world, being used to produce ethanol: what a performance! This is excellent for growers, as diversification of outlets mitigates our sugar price risk exposure, but this is also excellent news for the planet, as ethanol has a

huge role to play to reduce carbon emissions caused by the use of fossil fuels.

Secondly, sugar prices increase the level of profitability for our sectors. After four years of low prices for almost all of us around the globe, coupled with climatic challenges, the market situation allows us to be more confident in 2022.

Certainly, we will have difficulties to face in 2022. But knowing that we enter the year with better prices for our production, and with opportunities to consider our production as a way to mitigate climate change, already brings hope for the year to come!

Of course, Covid-19 is still here, for the third year. But I won't let this virus spoil my wishes for 2022! The first one is to see you all in Fargo, next June, and the second one is to welcome you in London next November! Of course, WABCG will never take any risk regarding your health: we are following the situation, and, if necessary, these meetings will take place via internet. But I really hope we will be able to meet each other in person!

I wish you all a very happy new year!

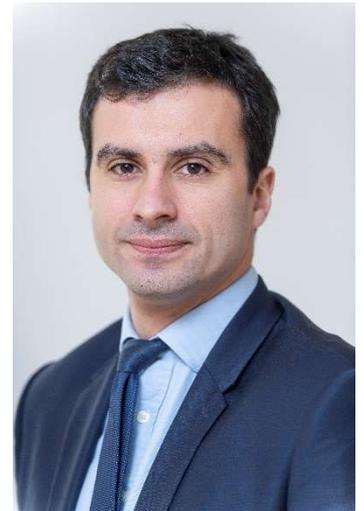
**Eduardo Romão, President
WABCG**

JANUARY 2022

NEWS FROM FRANCE

French sugar beet has now been processed: 403,000 ha have been harvested, at an average yield of 87 tonnes per hectare (12.8 t of sugar per hectare), which is similar to our 5 year-average – not taking into account our disastrous 2020-2021 campaign.

Looking back to 2021, it has been another challenging year for the French sector. Early April, 14 % of the sown area was destroyed by an exceptional frost: 55,000 ha were re-sown, causing the loss of one month's vegetation for the impacted beets. A few months later, 7,000 ha had to be destroyed because growers were delivered with a herbicide that was not conform. We worked hard to obtain compensation for the impacted growers, but the psychological impact of having to destroy their own crop has been very hard for the 370 growers concerned.



During the last days of 2021, the Ministry decided to allow sugar beet growers to use neonic coated seeds in 2022. This is good news, as for the moment, no alternative is available to fight the effect of virus yellows, which destroyed 30 % of our crop in 2020. The entire sector is mobilized on this subject, via a large National Plan for Research and Innovation (PNRI) that brings together all the stakeholders of the sector, through twenty projects. We have to find solutions by 2023, which is the last year when a derogation can be allowed.

Although market signals are clearly encouraging, we expect the beet area in 2022 to be at the same level as in 2021. The world market is at a 4-year high, and we regret that factories have not proposed beet prices indexed on futures as in the United-Kingdom, which could have encouraged sowing after four years of contraction in beet area.



European prices take time to follow world market development, and we hope that a renewed way of contracting sugar in Europe, which has hardly changed with the end of the quota regime, will begin to emerge. Last but not least, ethanol (which represents the outlet for a quarter of French sugar beet) is at a highest, boosted by a strong demand.

But the price of alternative crops, which growers can already 'feel' via futures, and the agronomical difficulties of the last years (drought, pests) has reduced the attractiveness of sugar beet in the field. On this topic, 2022 will still be a challenging year, in order to boost sugar beet attractiveness. CGB will pursue its work, trying to modernize the link between beet prices and domestic sugar demand that is needed with the end of the European quota regime.

CGB will also emphasize its work to adapt the current insurance scheme to the new growing conditions for sugar beet, more and more challenging, with less available plant protection products in a context of climate change. The organization we built to fight virus yellows, via the PNRI should be developed for emerging pests, like *Lixus*, for example. As 2022 will be an election year in France, we have compiled 20 concrete proposals to encourage political action, and I invite you to download them on our website (www.cgb-france.fr).

Last but not least, the European Council (representatives from European governments) will be chaired by France in 2022. This is an excellent opportunity for us, as the European agenda will be very busy. Amongst them, the latest details concerning the new CAP (to be implemented in 2023) will be set, and policies to reach the 'Green Deal' ambition will be proposed.

The 'Green Deal' initiative is very ambitious for farmers (reduce the use of chemical pesticides by 50% by 2030, and the use of fertilizer by 20 %, amongst others), and we appreciate the position of our representatives who have expressed their will to implement 'mirror clauses' for imported products. The aim of these 'mirror clauses' is to give European consumers the guarantee that imported products have the same production standards as those implemented in Europe.

The first regulation, designed to ban imports of commodities associated with forest degradation, is a good first step, and we are working to include sugar in it.

This will be a way for the European institutions to promote the new 'Green Deal Trade Policy' that we are pushing for: free – but fair – trade.

Pierre Rayé, General Manager
CGB (Confédération Générale des Planteurs de Betteraves), France

Save the dates!

WABCG Conference

13-16 June 2022
Fargo, USA

WABCG/ISO Consultation

21 November 2022
London, UK

More information soon!

Subject to changes, according to Covid-19 evolution