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Finland

Sugar

Finnish Sugar Production down in 1998

1998

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Report Highlights:

Finnish sugar production is down 16 % in 1998 following unfavorable weather during the growing season and harvesting. The quota of 146,776 tons will nonetheless almost be filled using carry-over stocks and production from molasses.

Includes PSD changes: No
Includes Trade Matrix: No
Unscheduled Report
Stockholm [SW1], FI

Finnish Sugar Production Down in 1998

The area devoted to sugar beets in Finland depends largely on the sugar production quotas under the EU sugar regime. Finland has an A-quota of 133,433 tons and a B-quota of 13,343 tons. This corresponds to an area of roughly 35,000 hectares. Any over-quota production can be sold at world market prices but is not viable for Finnish producers. A certain amount may, in the case of high production, be carried over to the following year's quota.

The 1997 sugar beet crop was exceptionally good - an all-time record - whereas the 1998 sugar beet crop suffered from the cool and wet summer and fall and is down by 16% compared to a normal year (5-year average 1,071 thousand tons). The average yield is low, although there was a wide variation in yields; some areas of sugar beet were reportedly affected so much that harvesting was not even worthwhile whereas others reaped an excellent yield. The weather was in some areas treacherous during harvesting which has left some beets unharvested in frozen fields. The below-normal volumes were somewhat compensated by a very good crop quality with sugar contents over 16 percent and low levels of potassium, sodium and nitrogen, which leads to a better sugar extraction rate. White sugar production from this year's harvest is estimated at 120,000 tons and an additional 5,000 tons is produced from molasses. Together with carry-over of 18,700 tons Finland will still not quite fill its quota of 146,776 tons - and there will be no carry-over for next year, in the case of another poor summer.

	1996	1997	1998
<i>Sugar Beet Area, 1000 ha</i>	34.7	34.9	33.2
<i>Average Yield, kg/ha</i>	25,840	38,820	27,350
<i>Total Beet Yield, 1000 tons</i>	897	1,355	897
<i>Sugar content, %</i>		16.2	16.2
<i>Sugar Production, tons</i>	130,000	183,000	125,000
<i>Imports Raw Sugar, tons</i>	67,535	54,654	65,000*
<i>Imports molasses, tons</i>	6,000	0	7,000*

* post estimate

As reported in FI7006, Finnsugar (of the Cultor Group) will be closing down one plant this year while compensating by increasing capacity in the remaining two plants. The sugar refinery with a capacity of over 200,000 tons and which uses 60-65,000 tons of raw cane sugar (imported under preferential tariffs) will also continue production.