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Report Highlights:

EU beet sugar production in MY 2025/26 is projected to fall to 14.8 million metric tons (MMT) due to reduced harvested area and various market pressures. Imports are expected to rise to 2.4 MMT amid tighter supply, while exports decline and stocks remain stable. Consumption continues its gradual decline, driven by demographic trends and shifting preferences. The European Commission's new Vision for Agriculture and Food proposes measures to boost competitiveness, including new Free Trade Agreements with New Zealand, Mexico, and Mercosur and support for innovation. Separately, the Commission seeks tighter regulation of sugar inflows from Ukraine and other sources. Recent CAP reforms aim to reduce administrative burdens and strengthen farmer support. Pesticide and plant protection policy developments remain key, alongside legislation on new genomic techniques, with trialogues scheduled to begin in May 2025.

Executive Summary

EU27 beet sugar production in MY 2025/26 is estimated to decline to 14.8 MMT, driven by a 10 percent reduction in harvested area, mainly in France, Germany, and Poland. This contraction reflects ongoing market pressures such as lower prices and rising production costs in addition to structural shifts, including the end of the EU sugar quota system and reduced availability of plant protection products.

In MY 2024/25, production is estimated at 16.3 MMT. Pest issues and heavy rainfall affected some areas, but strong harvests in Poland and northern Germany offset regional losses.

EU sugar consumption in MY 2025/26 is expected to remain stable, while 2045/25 consumption is revised slightly downward. Long-term trends indicate a structural decline due to decreasing population and lower per capita consumption linked to health awareness and changing consumer preferences. The European Commission expects a 0.2 percent annual decrease through 2035.

EU sugar imports in MY 2025/26 are forecast to rise to 2.4 MMT due to expected lower domestic production. In MY 2024/25, imports are expected to remain below 2023/24 levels, reflecting higher domestic availability and the activation of the Ukraine-EU Autonomous Trade Measures (ATMs) emergency brake in July 2024, which limited the influx of sugar that entered the EU market in previous marketing years.

EU sugar exports for MY 2025/26 are forecast to decline to around 1.0 MMT, driven by lower domestic production. This follows an estimated 2.1 MMT in MY 2024/25, supported by strong export performance early in the marketing year. The primary export destinations remain the United Kingdom (UK), Israel, Türkiye, Sri Lanka, and Ghana, with major exporting Member States including France, Germany, Poland, the Netherlands, and Belgium.

Sugar stocks are estimated at 0.22 MMT at the end of MY 2024/25 and are expected to remain stable in 2025/26. Isoglucose production is forecast at 500,000 tons in MY 2024/25, stable compared to the previous year, but still below pre-quota levels.

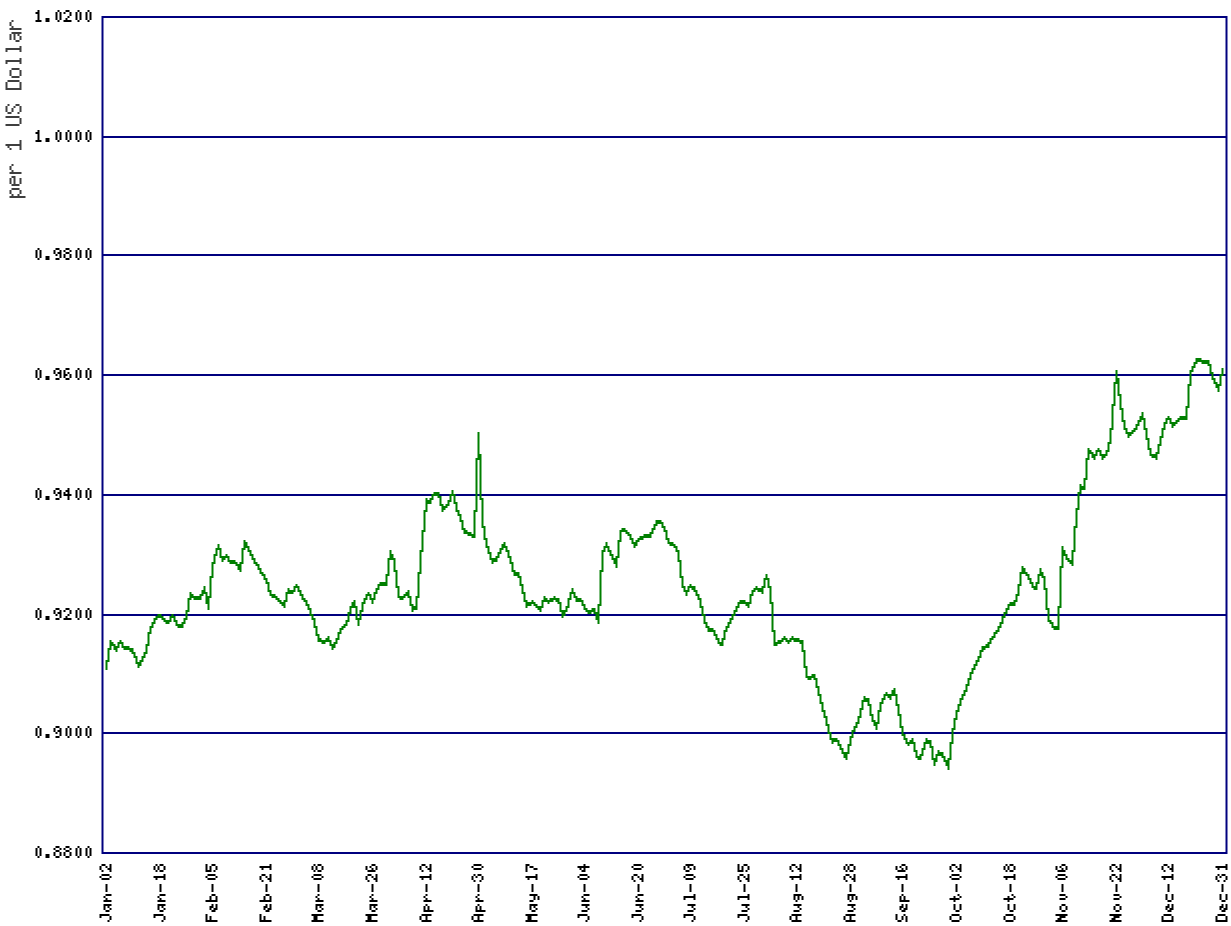
On February 19, 2025, the European Commission published its *Vision for Agriculture and Food* for the 2024–2029 mandate. The Vision focuses on improving EU farmers' competitiveness by enabling innovation and bolstering incentives. It also proposes boosting domestic production, diversifying import sources, and expanding trade opportunities. In this context, the EU concluded new Free Trade Agreements with New Zealand, Mexico, and Mercosur, which include safeguard clauses and tariff-rate quotas to regulate sensitive imports, including sugar.

The Common Agricultural Policy (CAP) for 2023–2027, adopted in 2021, has been under review since March 2024 following farmer protests over administrative burdens and pricing issues. In May 2024, the European Commission adopted amendments to simplify the policy, aiming to reduce red tape and enhance the effectiveness of National Strategic Plans.

The EU is progressing on new genomic techniques (NGTs), with the European Parliament voting in favor of a regulatory proposal in early 2024 and the Council reaching agreement in March 2025. Trialogue negotiations are expected to start in May 2025.

Explanatory Notes to the Reader

- All sugar numbers are in raw sugar equivalent (RSE) unless otherwise noted.
- The Production, Supply, & Distribution tables (PS&D) in this report only pertain to sugar as defined by Harmonized System (HS) code 1701; therefore, it excludes raw beet sugar production destined for fermentation or other industrial purposes like bioethanol production.
- The conversion factors and marketing years used in this report:
  - MY = marketing year; for sugar October/September.
  - Raw cane sugar = 1.07 X Refined cane sugar
  - Raw beet sugar = 1.087 X White (refined) beet sugar
- Sugar imports for EU inward processing (IP) purposes are included in this report's PSD tables. While raw sugar imported under IP is being re-exported as white sugar, it should be clear that processed products made using IP sugar and re-exported are included in the EU consumption line. Inward processing is the EU customs program under which the import duties for dairy, sugar, and starch containing commodities for processing and subsequent re-export are waived.
- EUR/USD exchange rate is listed for 2024.



Source: ExchangeRate.com

Acknowledgements

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Andreja Misir, FAS/Zagreb covering Croatia.
Katarina von Witzke, FAS/Berlin covering Germany.
Luigi Castaldi, FAS/USEU/Brussels covering Belgium and EU policy.

Table 1 – EU27 Sugar Production, Supply, and Distribution (PS&D)

EU-27 Sugar, Centrifugal (1,000 MT RSE)						
Market Year Begins	2023/2024		2024/2025		2025/2026	
	Oct 2023		Oct 2024		Oct 2025	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Beginning Stocks	1,014	1,014	197	275	0	217
Beet Sugar Production	14,731	15,474	15,421	16,320	0	14,837
Cane Sugar Production	158	168	158	178	0	170
Total Sugar Production	14,889	15,642	15,579	16,498	0	15,007
Raw Imports	1,200	910	1,100	850	0	1,300
Refined Imports (Raw Val)	1,300	1,182	1,300	1,100	0	1,100
Total Imports	2,500	2,092	2,400	1,950	0	2,400
Total Supply	**18,403**	**18,748**	**18,176**	**18,723**	**0**	**17624**
Raw Exports	6	6	6	6	0	6
Refined Exports (Raw Val)	1,700	2,067	1,100	2,100	0	1,000
Total Exports	1,706	2,073	1,106	2,106	0	1,006
Human Dom. Consumption	16,500	16,400	16,500	16,400	0	16,400
Total Use	16,500	16,400	16,500	16,400	0	16,400
Ending Stocks	197	275	570	217	0	218
Total Distribution	**18,403**	**18,748**	**18,176**	**18,723**	**0**	**17,624**

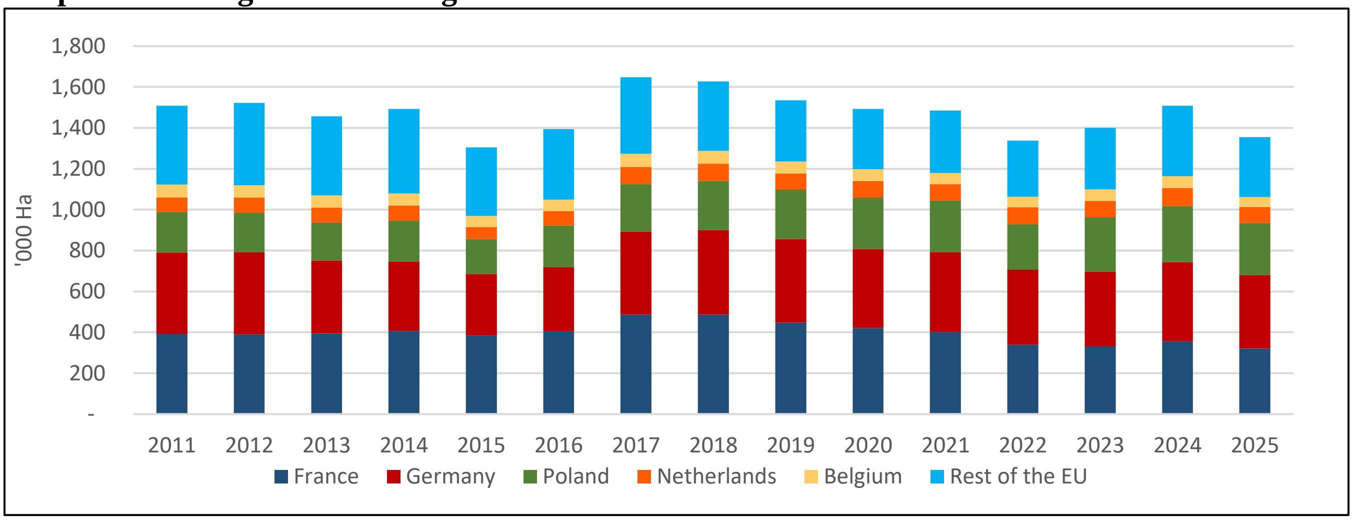
The EU sugar beet sector is set to contract in the 2025/26 marketing year due to falling sugar prices, rising production costs, and market oversupply. Total EU beet sugar production is projected at 14.8 MMT, down 9 percent from 16.3 million in 2024/25. The harvested area is expected to shrink by 10 percent to 1.35 million hectares, with significant declines in France and Germany, the bloc's largest producers. A nearly 7 percent drop in sugar beet area is anticipated in Poland, while Belgium and the Netherlands forecast even sharper reductions (Table 2). Eastern European growers are reconsidering sugar beet planting due to unfavorable margins and competition from alternative crops. In Nordic countries, short growing seasons limit yield potential, adding to other pressures. Spain's beet sector faces constraints from high irrigation costs and other water availability concerns.

The 2025/26 contraction aligns with a broader downward trend in EU sugar beet area and yields, as reduced availability of plant protection products and increasing production uncertainties continue to weigh on the sector. This evolution builds on structural changes set in motion by the end of the EU sugar quota system in 2017, which increased the EU's exposure to global price volatility and intensified competition for acreage. Weather uncertainty also impacts farmers' decisions. Excess rainfall, drought, and pest outbreaks in previous seasons have made planting decisions more cautious, especially in major producing regions. While production is expected to fall, industry stakeholders believe reduced supply could help stabilize prices long term.

For MY 2024/25, EU beet sugar production is estimated at 16.3 MMT, an upward revision due to overestimated non-food use data and better-than-expected yields in key regions. However, the sector experienced significant variability, driven by weather extremes, pest pressures, and economic shifts such as higher input costs, lower crop margins, and increased Ukrainian imports. Excessive rainfall in early 2024 delayed sowing in Belgium, France, Slovakia, and Hungary. While the moisture initially benefited yield growth, it later caused disease outbreaks and root rot. Wet conditions in Denmark, Sweden, and the Netherlands also delayed sowing and led to uneven plant development. Persistent rainfall in France and Germany reduced sugar content despite increased vegetative growth. Pest infestations further complicated conditions. In Slovakia and Germany, farmers lost significant yields to cicada-borne infections. France struggled with aphid-borne Yellow Dwarf virus, worsened by the EU-wide ban on neonicotinoid insecticides. In Romania, severe disease outbreaks forced some farmers to abandon fields before harvest. Poland achieved record production thanks to expanded acreage and high yields. Northern Germany also recorded a solid harvest, offsetting southern losses.

Cane sugar production in the French overseas regions of Martinique, Guadeloupe, French Guyana, and Reunion Island has been revised upward compared to previous estimates.

Graph 1 – EU Sugar Beet Acreage



Source: FAS EU Posts and Eurostat data.

The EU sugar sector faces declining area due to lower prices, higher costs, and competition from Ukrainian imports and potential trade liberalization with Mercosur. While a global sugar deficit could support prices, the EU market remains under pressure. This contraction aligns with a broader downward trend in EU sugar beet area and yields, driven by reduced availability of plant protection products, increasing production risks, and external market pressures.

More broadly, the challenges facing the EU sugar sector — from declining margins and environmental pressures to increased global competition — reflect wider trends affecting European agriculture. In this context, the EU's new Vision for Agriculture and Food seeks to enhance the overall competitiveness and sustainability of the bloc's farm sector. Regulatory shifts on pesticide use, the promotion of biopesticide adoption, and the proposal to regulate crops developed with New Genomic Techniques (NGTs) are central to this effort, offering potential pathways to boost resilience, improve yields, and support innovation. However, the effectiveness of these measures will depend on the sector's ability to adapt to evolving market, environmental, and regulatory conditions.

Table 2 – Production Forecasts for MY 2025/26 and Updates for MY 2022/23 and MY 2023/24

EU Sugar Beet Production						
	Area harvested, thousands of hectares			**Sugar beet yield in MT per hectare**		
	23/24	**24/25e**	**25/26f**	**23/24**	**24/25e**	**25/26f**
Austria	35.7	42.0	40.0	75.0	77.8	75.0
Belgium	56.1	58.7	57.4	74.7	76.2	80.0
Croatia	8.0	9.0	8.5	62.4	52.6	65.0
Czechia	61.6	65.9	55.0	69.0	72.0	65.0
Denmark	30.5	35.0	32.9	74.8	76.3	76.4
Finland	11.0	14.4	14.6	38.5	42.6	41.0
France	332.0	357.0	320.0	83.1	81.5	80.0
Germany	365.0	386.0	360.0	81.8	85.5	80.0
Hungary	14.3	16.4	14.3	61.3	55.5	58.4
Italy	23.5	29.8	29.9	59.6	53.0	55.4
Lithuania	16.0	16.5	16.0	60.0	58.0	58.0
Netherlands	80.4	87.6	78.0	85.3	75.0	85.0
Poland	265.7	274.3	255.0	63.9	67.2	65.0
Romania	12.4	22.0	18.0	32.6	30.9	33.3
Slovakia	22.1	23.4	19.0	63.6	62.6	61.0
Spain	36.4	41.8	31.0	85.0	86.0	87.0
Sweden	28.8	28.9	25.5	60.4	74.0	68.8
Total EU27	**1,399.5**	**1,508.7**	**1,354.7**			

Source: FAS/USEU based on data from FAS analysts in EU MS (e=estimated, f=forecast).

Table 3 – Total Sugar Beet Production and Additional Production for Non-food Industrial Use

EU Beet Sugar Production (raw value)			
in 1,000 MT	**2023/2024**	**2024/25**	**2025/26**
EU Sugar Production	15,474	16,320	14,837
Industrial Use	1,310	1,652	1,652
Total EU Beet Sugar Production	**16,784**	**17,972**	**16,490**

Source: FAS/USEU calculation based on contributions from FAS analysts in EU MS.

Total EU27 beet sugar production for MY 2024/25, including thick juice for industrial use that falls beyond the scope of our reporting, is forecast at 16.5 MMT, below the level of MY 2024/25.

EU27 Sugar Consumption

EU sugar consumption in marketing year 2025/26 is expected to remain stable at 16.4 million tons compared to previous years, with a slight downward revision from earlier assessments. Long-term trends, based on balance sheet data and using production and trade figures, indicate a structural decline in EU sugar consumption. This decline is further supported by factors such as a projected decrease in the EU population and a continued reduction in per capita sugar consumption. The European Commission anticipates an annual decrease of 0.2 percent in overall consumption, with this downward trajectory expected to persist through 2035 (EU Agricultural Outlook 2024-2035).

Currently, the war in Ukraine and the refugee crisis have added additional uncertainty to consumption estimations. While total sugar consumption may remain stable, the influx of five million displaced Ukrainians could temporarily impact per capita consumption in host countries. Additionally, Ukrainian sugar imports continue to raise concerns over potential oversupply and market imbalances.

The overall downward consumption trend is largely driven by growing health awareness, industry reformulation efforts, economic pressures, and policy interventions such as sugar taxes (WHO). The increasing use of sugar substitutes, particularly in soft drinks and processed foods, is further accelerating this shift. The European Soft Drink Association (UNESDA) highlights significant sugar reductions in beverages between 2000 and 2019, with further pledges for 2025. Additionally, the rise of weight-loss medications could further shape future sugar consumption trends, though regional variations persist due to price differences and import flows.

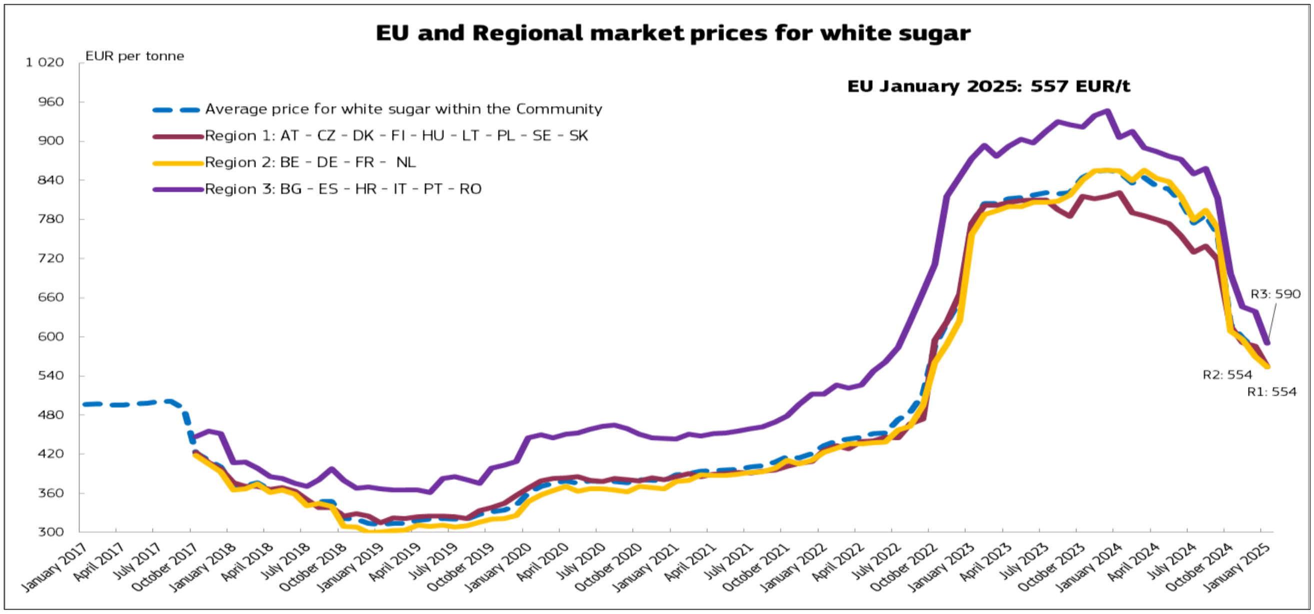
Economic pressures, including the cost-of-living crisis, have also contributed to reduced food purchases, indirectly impacting sugar sales. Higher food prices may be driving consumers to cut back on sugar-containing products, while exchange rate fluctuations affect import and export costs. A stronger euro makes imports cheaper for EU buyers but reduces competitiveness in export markets, potentially influencing demand. While sugar use remains substantial within the EU-27, demand has stagnated in some markets, and regional variations persist due to factors like import flows and pricing differences, as detailed in reports from the EU sugar market observatory expert group.

The EU also projects a gradual reduction in sugar imports, which are expected to decline to 1 million tons by 2035. Additionally, sugar beet yields are expected to decline due to climate events and restrictions on crop protection products, further challenging production (EU Agricultural Outlook 2023-35 report).

Following the end of sugar quotas in 2017, EU sugar prices tracked world prices until late 2022, reflecting stable production and low net import demand (Graph 3). Prices remained between 300 and 450 EUR/ton until 2021 before surging above 900 EUR/ton in 2022–2023, due to the energy crisis and rising import demand. Since then, prices have declined, reaching 550–600 EUR/ton by late 2024.

Graph 2 highlights regional price differences. Region 1 (purple line) consistently had the highest prices, Region 3 (yellow line) the lowest, and Region 2 (red line) in between. By January 2025, the EU average price is 557 EUR/ton, with Region 3 at 590 EUR/ton, while Regions 1 and 2 both stand at 554 EUR/ton. The narrowing price gap is linked to 1) higher EU sugar beet production following past price spikes; 2) rising duty-free imports from Ukraine and expanding supply; 3) declining EU consumption and increasing stocks; and 4) strong global production, particularly in Brazil and Thailand.

Graph 2 – EU Regional Prices for White Sugar



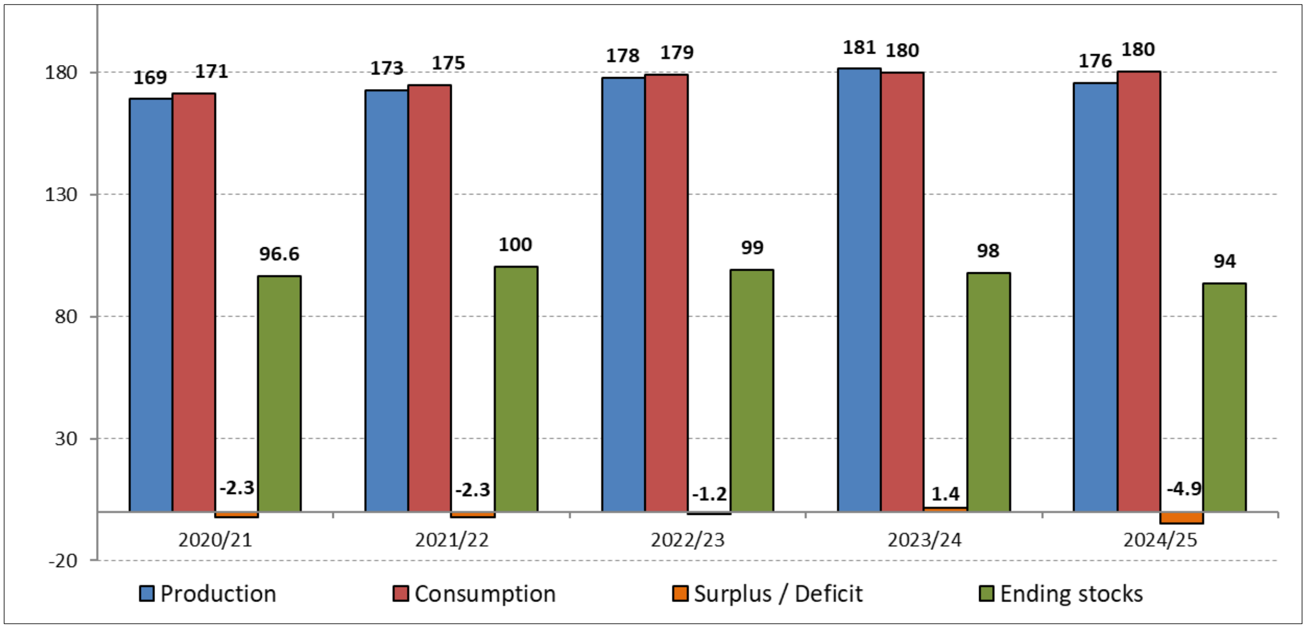
Source: European Commission

Lower prices have prompted the industry to reduce beet planting, with further price cuts expected. While short-term fluctuations are possible, oversupply and weak demand remain the key drivers of the downturn. Globally, the situation is marked by uncertainty and volatility, with varying forecasts for surpluses and deficits depending on the source and evolving conditions in major producing regions such as Brazil and India. The International Sugar Organization (ISO) projects a supply deficit for 2024/25 (Graph 4), reversing the previous surplus. If this trend continues, upward price pressures could return. As a result, beet growers face a less optimistic price outlook, particularly for MY 2025/26, with concerns about profitability and potential reductions in planted areas.

Graph 3 – EU Market Price and World Market Prices After the End of the EU Quota Regime

Source: European Commission

Graph 4 – World Sugar Balance



Source: International Sugar Organization (ISO)

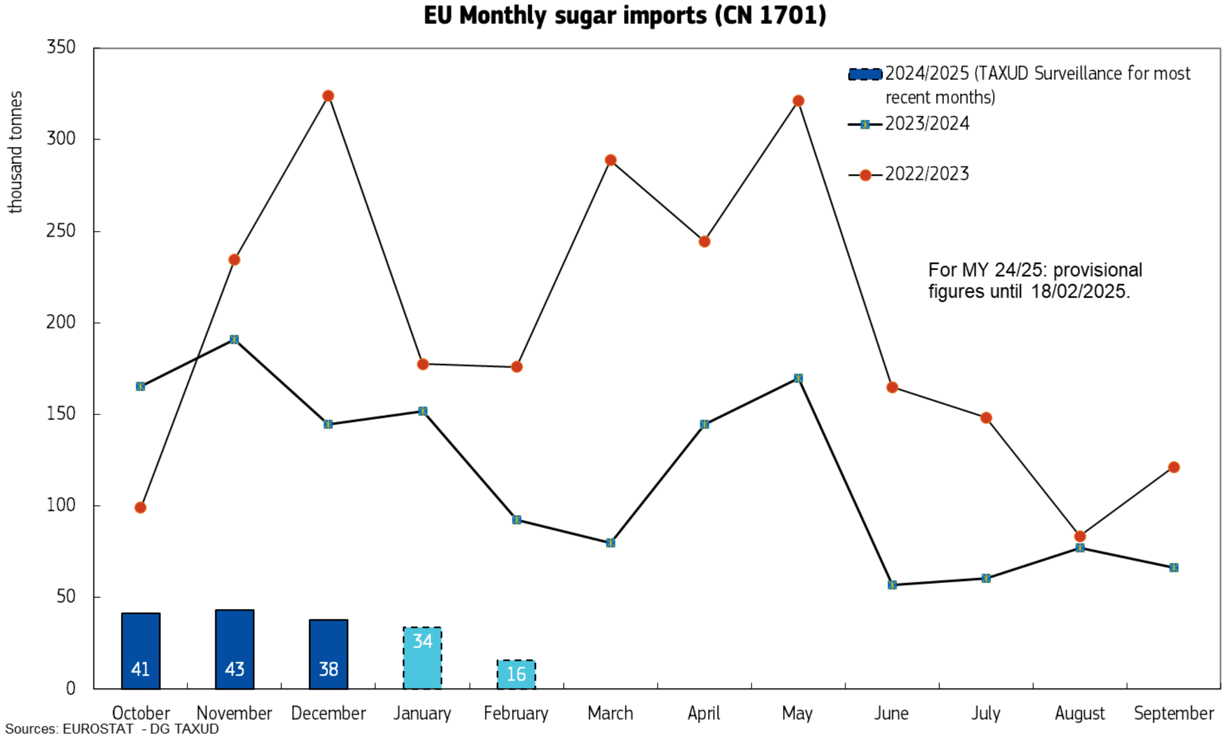
EU27 Sugar Trade

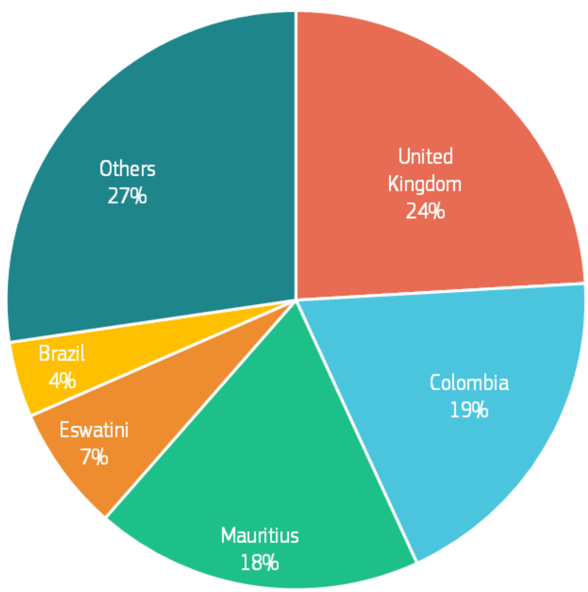
Imports

EU-27 total sugar imports in MY 2025/26 are forecast to rise to 2.4 MMT based on stable consumption and lower domestic production due to reduced planting intentions. In MY 2024/25, imports are estimated to remain below 2023/24 levels. While limited data make precise forecasting difficult, imports are still expected to fall short of last year's volumes (Graph 5 and 9). This reflects both higher domestic availability and the expected expiration of the EU's Autonomous Trade Measures (ATMs) in June. Introduced in response to war in Ukraine, the ATMs formed part of the EU's temporary trade liberalization package, eliminating duties and quotas on Ukrainian agri-food products—including sugar—and leading to a noteworthy increase of Ukrainian sugar into the EU market (Graph 6).

These measures, extended until June 5, 2025, aimed to facilitate Ukraine's economic recovery and its integration into the EU market. To protect EU farmers and safeguard sugar producers from excessive competition and potential market disruptions, the agreement incorporated provisions such as an emergency brake based on average import volumes from 2021 to 2023, enabling a more precise evaluation of recent trends. For sugar, it established a duty-free quota of approximately 265,000 tons for 2024, along with an additional 110,000 tons available until June 2025. However, the emergency brake on sugar imports was activated on July 2, 2024. As a result, any additional sugar imports from Ukraine exceeding the established tariff-rate quota incurred most-favored nation (MFN) duties. Imports of sugar from Ukraine mostly ceased following the activation of the brake.

Graph 5 – EU Monthly Sugar Imports in MY 2024/25 and Origins

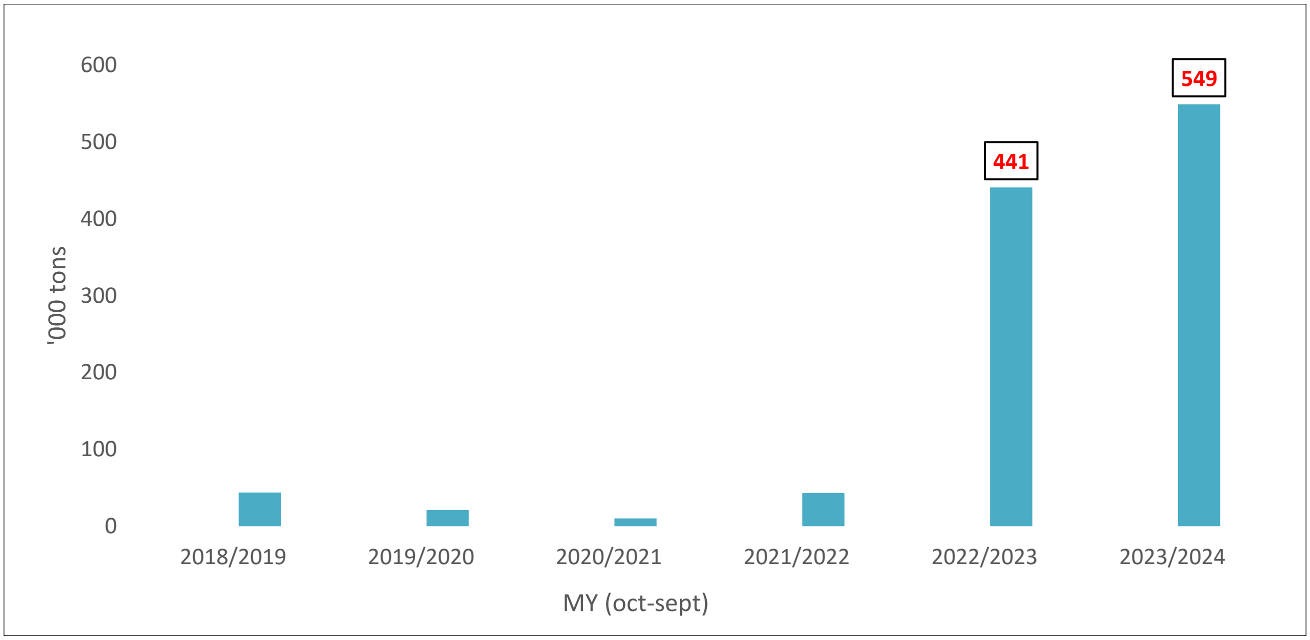




Source: European Commission

With the ATMs set to expire, the Commission has begun negotiations with Ukraine on new tariff quotas that will deviate from the current regime. Reports indicate that the new quotas will mark a shift from emergency liberalization towards more controlled market access, responding to Member State concerns about import pressures.

Graph 6 – EU 27 Sugar Imports from Ukraine (total, in raw value)



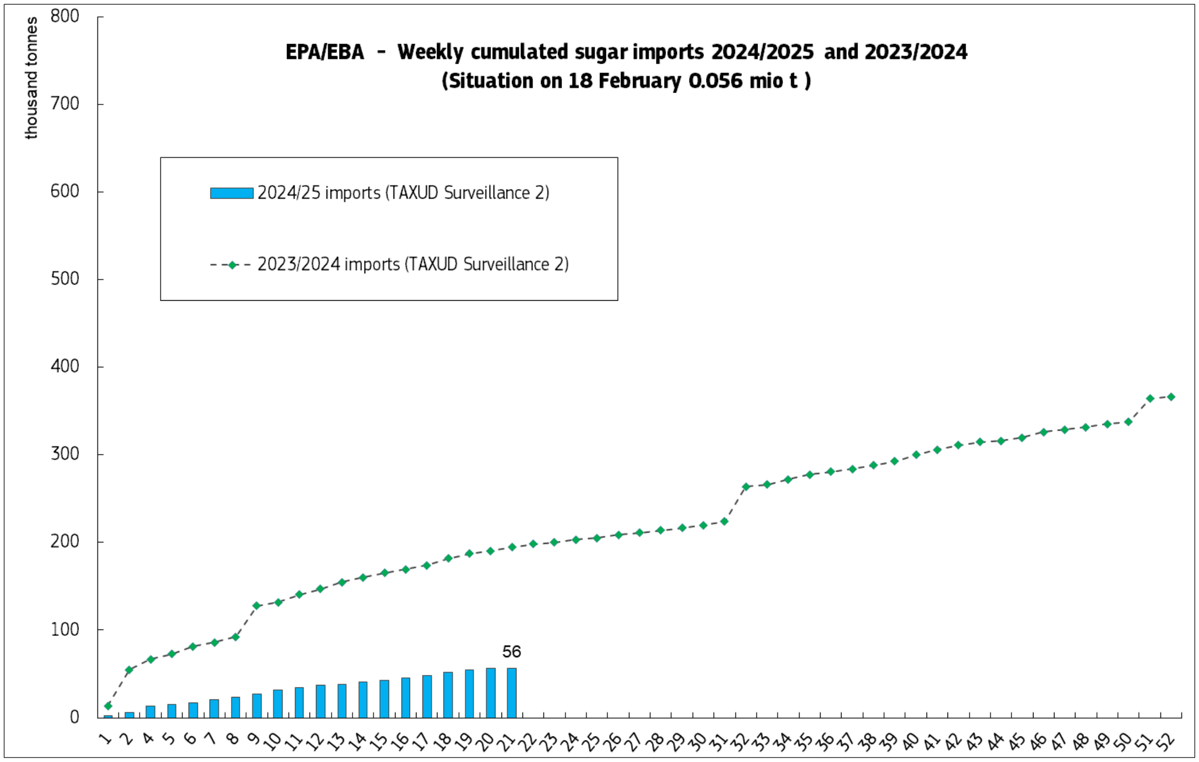
Source: Trade Data Monitor

For the EU sugar market, this change signals reduced competition from Ukrainian sugar in the second half of 2024 and into 2025/26, at a time when domestic production is projected to decline. Import dynamics are likely to tighten, potentially influencing price and supply conditions.

EU sugar imports from the UK almost entirely stopped after Brexit in January 2021. This decline occurred despite the duty-free sugar trade provisions outlined in the finalized EU-UK Trade and Cooperation Agreement (TCA) on December 24, 2020. The reason lies in the agreed-upon rules of origin within the TCA. These rules prevent the UK from exporting refined sugar made from imported raw sugar to the EU duty-free (and vice versa). Consequently, while some import flows have resumed, they remain significantly lower than pre-Brexit levels.

Also, as the UK maintains duty-free access for sugar from African, Caribbean, and Pacific (ACP) countries and Least Developed Countries (LDCs), the EU competes with the UK for preferential sugar at zero duty under the Everything-But-Arms (EBA) agreement and from FTA quotas available through other Economic Partnership Agreements (EPA) for both the EU and UK market. As a result, EU27 sugar imports under EBA have decreased after January 1, 2021, being substituted by higher exports from other sources like Ukraine, Brazil, South Africa, and Mauritius. Graph 7 below illustrates the evolution of EU sugar imports from EBA/EPA countries for the current marketing year (MY) and the previous one, providing a comparison between the two periods.

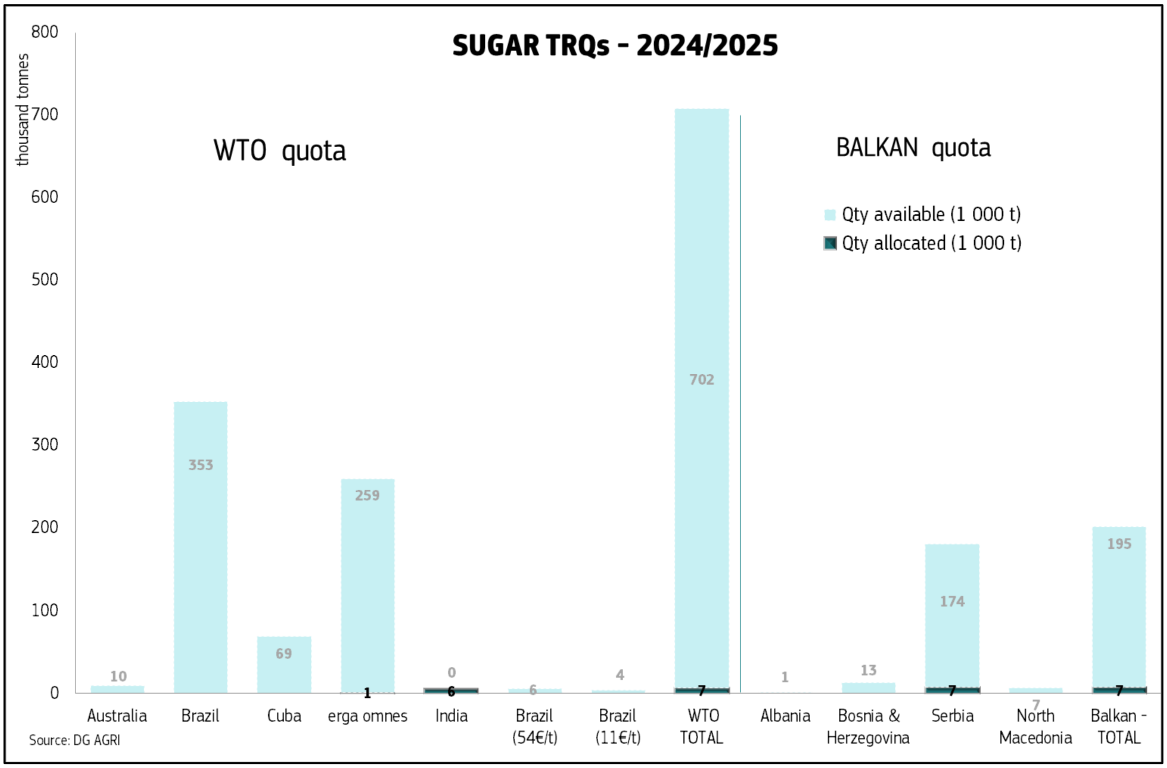
Graph 7 – EU Imports from EBA/EPA Countries

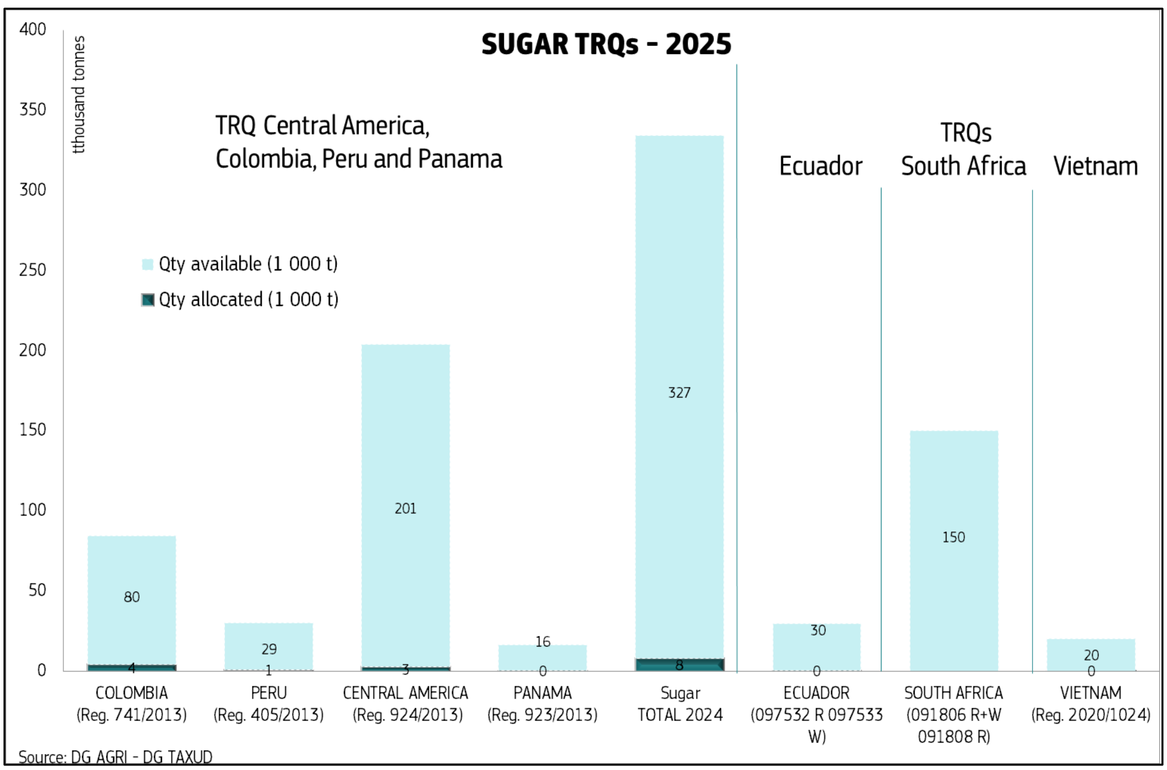


Source: European Commission

Imports under FTA tariff rate quotas (TRQs) are expected to remain stable. The [EU-Vietnam FTA] entered into force on August 1, 2020 and provides a sugar TRQ of 20,000 MT RSE. See the MY 2024/25 quota fill in Graph 8. Despite a recent spike in the refining premium, it remains unlikely that significantly higher sugar imports into the EU WTO CXL quota will occur in MY 2024/25 or MY 2025/26 because of a prohibitive €98/MT ($105/MT) duty. For information on new, upcoming FTAs, see the EU Sugar Policy section.

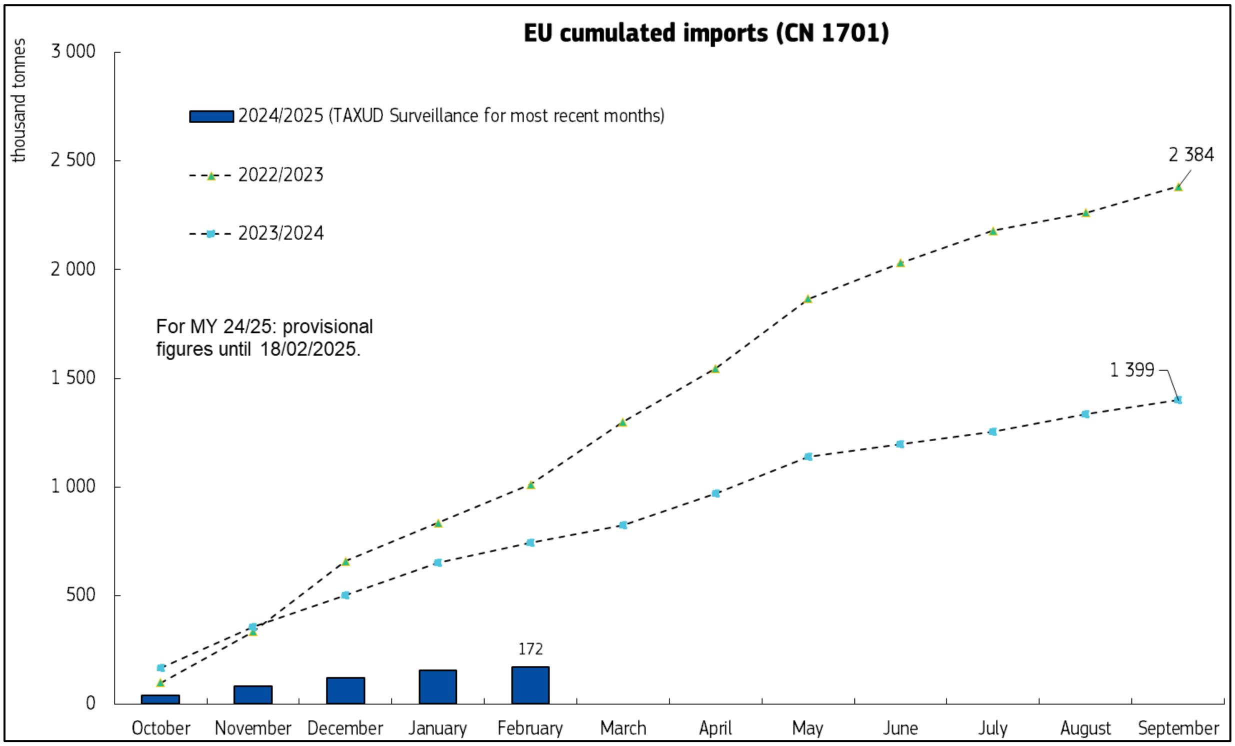
Graph 8 – EU Sugar TRQs (2024-2025; 2025) and Use





Source: European Commission

Graph 9 – Total EU Cumulated Imports for CN 1701



Source: European Commission

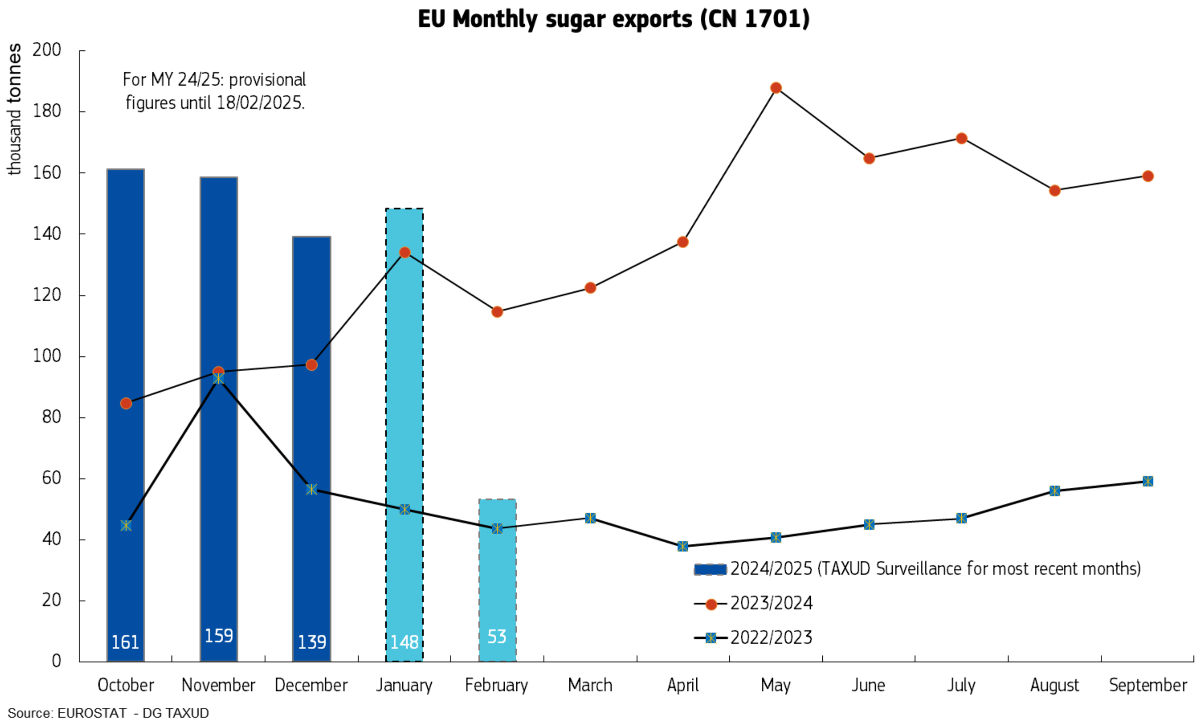
Exports

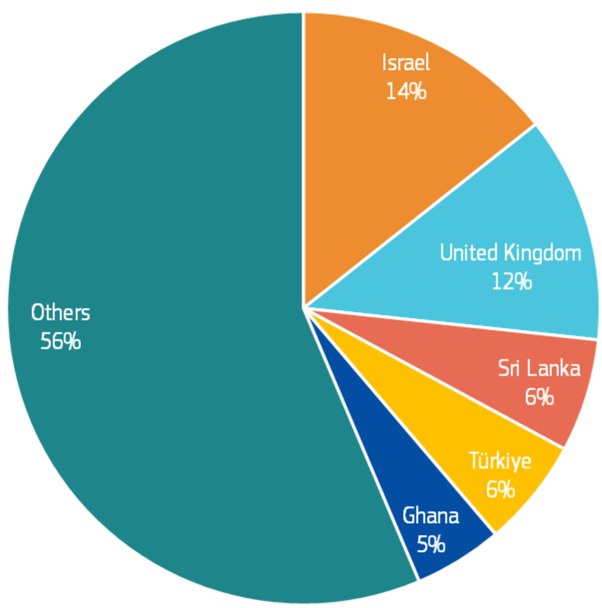
EU-27 sugar exports for MY 2025/26 are forecast to decline substantially by 52 percent to 1.0 MMT, driven by expected lower domestic production. This projected decrease follows an upward revision of MY 2024/25 exports to 2.1 MMT. The higher estimate for 2024/25 is underpinned by the strong export performance seen in the early months of that marketing year, as illustrated by the data in Graphs 9 and 10.

The monthly exports graph clearly shows that volumes for October 2024 through January 2025 (ranging from 139,000 to 161,000 tons monthly) significantly surpassed those in the corresponding months of the previous two marketing years. Reflecting this, the cumulative exports graph shows the total reaching approximately 661,00 tons by February 2025 (provisional), demonstrating a much faster pace of accumulation compared to MY 2022/23 and MY 2023/24.

The main EU sugar exporting Member States are France, Germany, Poland, the Netherlands, and Belgium, with the primary destinations being the UK, Israel, Türkiye, Sri Lanka, and Ghana. EU sugar exports to the UK stopped in January 2021 following Brexit, but exporters quickly adapted to the new rules, allowing for an immediate recovery. While EU sugar exports to the UK face the same rules of origin post-January 2021, they are not expected to have the same impact as imports from the UK, as they only affect refiners processing imported raw sugar, which is relatively small compared to EU domestic production.

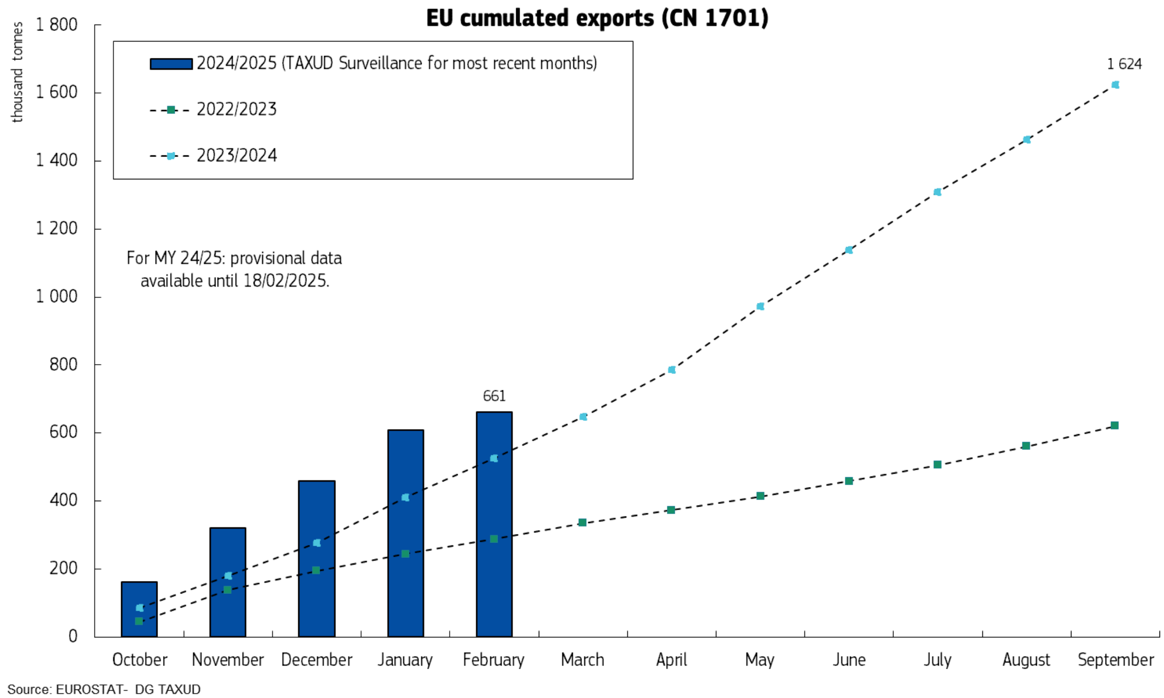
Graph 10 – EU Monthly Sugar Export in MY 2023/2024 and Destinations





Source: European Commission

Graph 11 – EU Cumulated Exports for CN 1701



Source: European Commission

EU27 Sugar Stocks

EU-27 sugar stocks are estimated at approximately 0.22 MMT at the end of the 2024/25 marketing year, a slight decrease compared to 2023/2024. Looking ahead, forecasts indicate that ending stocks will remain stable at this level by 2025/26.

EU27 Isoglucose Production

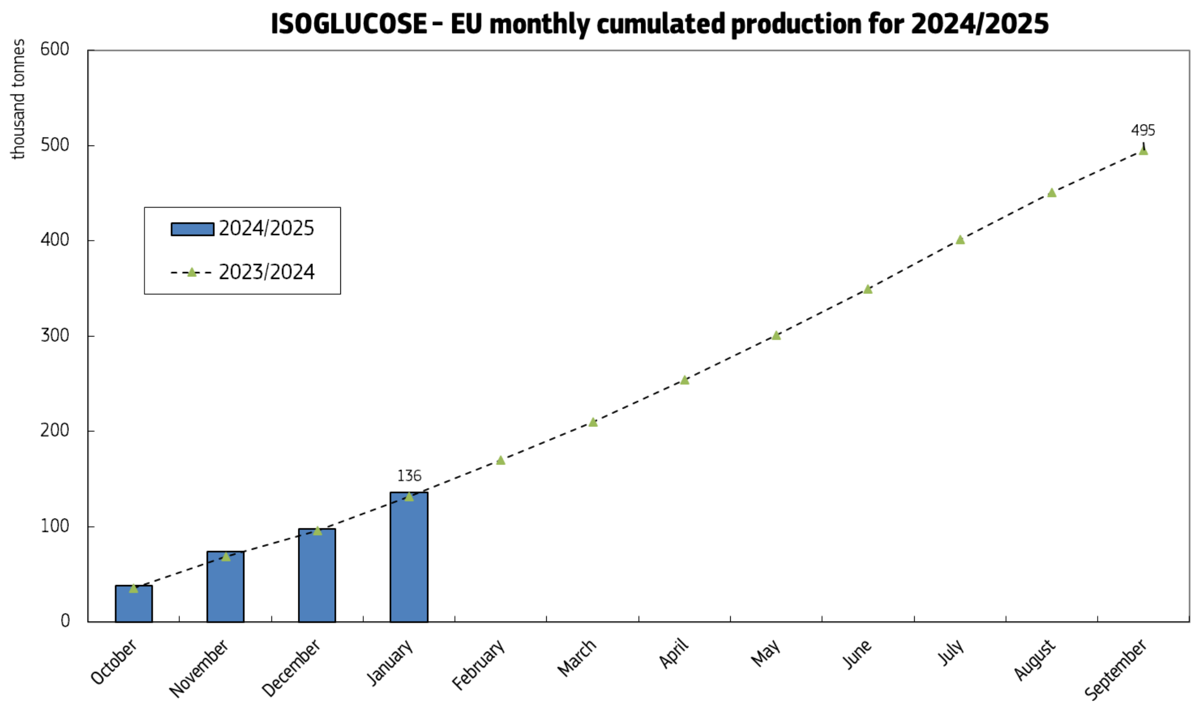
Isoglucose production in the EU27 is expected to remain stable in 2024/25, with the European Commission forecasting output at around 500,000 tons, slightly above MY 2023/2024 levels. Graph 11 illustrates this trend, showing monthly production fluctuating between 60,000 and 136,000 tons. Despite this stability, output remains well below the 700,000 tons recorded under the former sugar quota system.

Following the abolition of quotas, isoglucose production initially climbed before declining to 400,000 tons in 2023/24. Low sugar prices constrained expansion, though recent market shifts—rising sugar prices and lower wheat and corn costs—have provided some relief. While this has stabilized output, significant growth remains unlikely. Demand for starch and dextrose byproducts helps sustain processing activity but is insufficient to drive a major recovery.

The EU Sugar Market Observatory, a tool created by the European Commission to increase transparency and provide timely market data and short-term analysis to the EU sugar sector, continues to monitor isoglucose trends, with discussions underway on integrating its data into the Agricultural Transparency

Mechanism, an initiative aimed at improving market clarity. The topic remains under review in legislative trialogues, reflecting the EU's broader push for transparency in agricultural markets.

Graph 12 – Isoglucose – EU Monthly Cumulated Production for 2024/2025



Source: European Commission

EU27 Sugar Policy

In 2025, the European Commission published its *Vision for Agriculture and Food,* which outlines its agri-food policy objectives for the next five years. One of its focuses is delivering EU farmers a "level playing field" with the extension of EU production standards on and higher scrutiny for imported products. Russia's war on Ukraine also continues to put pressure on global food security mainly due to the high level of commodity and agricultural input exports from the two countries. In response, the European Union has adopted several measures to enhance global food security and mitigate the impact of the war on EU farmers given rising input prices and volatile commodity prices.

Common Agricultural Policy (CAP)

The new EU Common Agricultural Policy (CAP) for 2023-2027 was adopted on December 2, 2021, and published in the Official Journal on December 6, 2021. EU Member States were requested to submit their Strategic Plans, incorporating Member State specific goals and initiatives, by the end of 2021. By December 2022, all national strategic plans were approved by the European Commission. The 'new' CAP is being implemented since January 1, 2023.

In March 2024, following weeks of farmer protests across the European Union demanding less administrative burden and better prices, the European Commission published a legislative proposal to amend certain provisions of the Common Agricultural Policy (CAP). The Commission acknowledged that the first year of implementation of the current CAP made clear that adjustments are necessary to ensure effective implementation of the National Strategic Plans and reduce red tape. The updates to the CAP were adopted in May 2024 and published as Regulation 2024/1468. For more information, please see GAIN Report: EU Commission Proposes Common Agricultural Policy Revisions Following Farmer Protests.

Private Storage Aid

EU Delegated Regulation 2016/1238 lays down common eligibility rules for private storage aid for certain agricultural products including sugar. Only white sugar in crystal form in bulk or in big bags of 800 kg or more showing the net weight and with a moisture content not exceeding 0.06 percent is eligible.

EU Vision for Agriculture and Food

On February 19, 2025, the European Commission published a Communication to the European Parliament and Council laying down its Vision for Agriculture and Food for the 2024-2029 Von der Leyen II mandate. This document will be the basis of upcoming legislative proposals and other actions taken by the EU executive.

The Vision lays down the need for the EU to ensure "a global level playing field" for its farmers and improve their competitiveness. To do so, the Commission proposes the adoption of mirror clauses, notably with regards to pesticides residues, increased border controls, and more FTAs with trading partners. The Vision also calls for boosting domestic production and reducing import dependencies for key inputs such as fertilizers. Domestically, the Commission plans to simplify the Common Agricultural Policy with a shift toward more incentive-based payments. The Commission also hopes to boost the EU's agricultural competitiveness with the swift adoption of new genomic techniques and biopesticides with complimentary innovation-enabling regulations and a slowdown in the pace of plant protection products bans, if no alternatives exist for farmers.

Marketing Standards for Sugar

Directive 2001/111/EC defines common rules for certain sugars intended for human consumption, in compliance with the general legislation applicable to foodstuffs. These rules concern the composition, sales name, labelling, and presentation of foodstuffs.

EU Free Trade Agreements (FTAs)

The EU is negotiating and has implemented several FTAs with other countries and regions, which include concessions on oilseeds. Additional information is available on the website of the European Commission at: https://ec.europa.eu/trade/policy/countries-and-regions/negotiations-and-agreements/

New Zealand

On May 1, 2024, the trade agreement between the European Union and New Zealand entered into force. The trade agreement removes all tariffs at entry into force on EU agri-food exports to New Zealand. However, this is not the case for all agri-food imports into the EU with tariffs rate quotas. More information about the agreement can be found here.

Mercosur

On December 6, 2024, the European Commission announced that President von der Leyen and her counterparts from four Mercosur countries finalized negotiations and reached a political agreement for an EU-Mercosur partnership agreement. In 2019, the European Commission had reached a preliminary agreement with Mercosur countries, but amendments were made to several sectors, including agriculture. The agreement includes a bilateral safeguard clause in case increased imports cause - or even threaten to cause - serious injury to relevant sectors, including agricultural sectors. This safeguard clause also covers imports under tariff rate quotas in the agreement. The text still needs to be formally approved by the European Parliament and the EU Member States. Under the agreement, there is a gradual phase out duties on 91 percent of EU exports to Mercosur and 92 percent of Mercosur exports to the EU.

Regarding sugar in the EU-Mercosur agreement, no new sugar quota will be created for Brazil. With the agreement, 180,000 tons of Brazilian raw cane sugar for refining will be allowed into the EU duty-free under an existing quota. For Paraguay, a new duty-free quota of 10,000 tons was agreed upon. Specialty sugars are excluded from the agreement. More information about the agreement can be found here.

Mexico

On January 17, 2025, the EU and Mexico announced the conclusion of a new Free Trade Agreement. As for the agreement with Mercosur, the text still needs to be formally approved by the European Parliament and the EU Member States. The agreement abolishes customs duties for most goods, including agricultural products. More information about the agreement can be found here.

EU Policy Response to the War in Ukraine

On June 3, 2022, in response to Russia’s war on Ukraine, the EU adopted the Autonomous Trade Measures Regulation (ATM) (EU Regulation 2022/870) allowing for temporary trade liberalization for certain Ukrainian products for one year. The trade liberalization measures established by the ATMs included: the full removal of import duties (preferential customs duties) on the importation of industrial products from Ukraine; the suspension of the application of the entry price system to fruit and vegetables; the suspension of tariff-rate quotas, and the full removal of import duties.

After the expiration of the first ATMs, quota and tariff-free access to the EU market was twice extended to Ukraine for another year The most recent extension, applied until June 5, 2025, was approved by the Council of the European Union on May 13, 2024. Under the new rules, the Commission can act and impose any measures it deems necessary if there are significant disruptions to the EU market due to Ukrainian imports. As part of reinforced safeguard measures to protect EU farmers, the Commission can also trigger an emergency brake for a list of sensitive agricultural products: poultry, eggs, sugar, oats, groats, corn, and honey. If imports of these products surpass the average of import volumes recorded in the second half of 2021, and all of 2022 and 2023, tariffs will be re-imposed.

On July 1, 2024, the emergency break was activated for Ukrainian sugar as imports reached the triggering threshold of 262,652.68 tons. The activation of the automatic safeguard measure for sugar imports from Ukraine will be in place until June 5, 2025. The tariff quota of the association agreement (109,438.62 tons) has been implemented since January 1, 2025. Since the quantities imported since the beginning of 2024 were already above that threshold, Most-Favored Nation duties (MNF) applied until the end of 2024.

Increased Tariffs on Russian and Belarusian Goods

On May 30, 2024, the European Union adopted Council Regulation (EU) 2024/1652 which increases the tariffs on imports into the EU of selected products from Russia and Belarus, but not sugar.

On January 28, 2025, the European Commission proposed to increase tariffs by an additional 50 percent on top of the common rate for imports of certain goods originating in or exported directly or indirectly from the Russia and Belarus. This list includes sugar, sugar beet and sugar cane. As part of the proposal, the Commission also proposes to impose tariffs on Russian and Belarussian fertilizers. The EU's imports of urea and nitrogen-based fertilizers from Russia have increased significantly in 2023 and 2024. According to the European Commission, these increased imports could disrupt the EU market and EU fertilizers industry, which is facing difficulties due to high energy prices. The proposal still needs to be adopted by the Council and the European Parliament.

Brexit Update

The UK formally left the European Union on January 31, 2020, and the one-year transition period ended on December 31, 2020, in which it continued to fully comply with EU rules and legislation. During this transition period, both parties negotiated a Trade and Cooperation Agreement (TCA) on their future relationship, which was only concluded on December 24, avoiding a no deal outcome (hard Brexit). The EU and the UK agreed on duty-free trade for sugar originating from each other. Early trade problems occurred because of the Brexit impact of the rules of origin, for which the EU also provides specific guidance. The EC also published a specific guide on the use of EU Tariff Rate Quotas (TRQ).

The UK government published its post-Brexit tariff schedule that applies as of January 1, 2021. The MFN tariff for refined sugar is £350/MT (€419/MT, $449/MT), while the MFN tariff for raw sugar for refining carries a £280/MT (€339/MT, $364/MT) duty. To manage overall sugar volume and support its domestic industry, the UK introduced an Autonomous Tariff Quota (ATQ) specifically for raw cane sugar. This quota allows 260,000 tons of raw cane sugar to enter the UK market at a 0 percent duty rate each year. This quota system is currently under review by the UK government, considering factors like global sugar prices and domestic production. Information on the TRQs that the UK operates is available online.

While the EU immediately applied full customs checks on January 1, 2021, the UK extended the grace period for the implementation of full customs inspections on imports from the EU to January 1, 2022. However, the implementation at UK border posts was further delayed. The UK government plans to gradually roll out full customs inspections on imports from the EU in 2024. The first phase is scheduled for April 2024, followed by health certificates for medium-risk animal products in January 2024 and safety and security declarations in October 2024.

Pesticides Policy

Plant protection products (PPPs) along with Maximum Residue Limits (MRLs) and import tolerances, are an increasingly important issue in the EU since there is a significant reduction in the number of active substances approved for use. Regulation (EC) No 1107/2009 and Regulation (EC) No 396/2005 regulate PPPs and MRLs, respectively. There is a regular review of active substances for which the approval is up for renewal, as well as their associated MRLs. Existing MRLs are also being reviewed through a process known as an "Article 12" review. The link refers to a list indicating the upcoming MRL reviews under this Article 12 process. It is important to note that this list is not all-inclusive. Stakeholders are encouraged to actively engage early on in these review processes by reaching out to the applicant. Together with the applicant, they can ensure that the necessary data is available for review or if trials for data collection are in progress or should be initiated etc., especially if the substance is not used or authorized in the EU. Stakeholders are encouraged to engage with FAS on substances and MRLs of importance to their commodities and to check the USEU website for updates of the EU Early Alert.

EU Restrictions on the Use of Neonicotinoids

The EU has prohibited the use of three neonicotinoids (clothianidin, imidacloprid, and thiamethoxam) except for their application in permanent greenhouses since 2018, while a fourth one was banned in 2020 (thiacloprid). Due to the EU's restrictions on outdoor uses, the registrants withdrew their applications for the renewal of the approval of both clothianidin and thiamethoxam and the EU approval expired in 2019. These neonic pesticides are important for sugar beet production because they are used to prevent aphid infestations in sugar beets. Aphids spread many diseases including viruses such as the BYV which leads to beet dwarf jaundice, a disease that can cut yields by half. On January 19, 2023, the European Court of Justice ruled against the possibility by Member States to grant temporary emergency authorizations for the use of the banned neonicotinoids.

Following the phasing out of the neonicotinoids, Commission Regulation (EU) 2023/334 will reduce the current EU maximum residue limits (MRLs) for clothianidin and thiamethoxam to the limit of determination (LOD) as of March 7, 2026. Imported products will then no longer be able to contain residues of these two neonicotinoids. The proposed reduction in MRLs is based on a stated interest in protecting pollinators in countries outside of the EU and is not related to food safety concerns.

Glyphosate
Commission Implementing Regulation (EU) 2023/2660 renewed the approval of the active substance glyphosate for 10 years, until December 15, 2033. The renewal is subject to certain new conditions and restrictions, such as the prohibition of pre-harvest use as a desiccant and the need for certain measures to protect non-target organisms. The placing on the market of plant protection products containing the active substance remains under the responsibility of Member States.

Agricultural Biotechnology – Innovative Technologies

Regulating genetically engineered (GE) organisms in the EU falls under Regulation (EC) No 1829/2003 and Directive 2001/18/EC in the EU. The rise of genome editing, and other scientific advances has prompted discussions about adapting regulations. The European Court of Justice ruled in July 2018 that newer genome-edited plants should not be considered GMOs. On November 8, 2019, the Council of the EU requested the Commission to submit a study examining the status of new genomic techniques in the EU and a possible policy proposal in light of this ruling, the continued debate, and overall scientific advances since 2001. The study from the European Commission emphasized the inadequacy of the current GMO Directive for these emerging technologies. A legislative initiative was started on September 24, 2021 and after consultations and evaluations, the Commission unveiled its proposal on July 5, 2023.

The proposal introduces two categories for NGT plants based on what is considered achievable naturally or using traditional breeding techniques (Category 1) and what is not (Category 2). Category 1 plants would be treated like conventional plants and exempt from the "GMO" legislation while Category 2 would be treated as "GMOs," undergoing the authorization procedure outlined in the "GMO" framework and requiring "GMO" labeling.

Subsequently, the proposal was transferred to the European Parliament and the Council of the EU for the standard legislative process. These institutions, representing EU citizens and Member States respectively, must review and adopt the proposal before engaging in trialogue discussions with the European Commission.

In a joint letter to the European Commission, the European Association of Sugar Manufacturers (CEFS) and the International Confederation of European Beet Growers (CIBE), among other stakeholders of the food and feed chain, requested an ambitious NGTs policy proposal that could empower EU farmers, the whole food chain and consumers to ensure food security in the EU.

On February 7, 2024, the European Parliament, following assessments by the ENVI and AGRI committees, voted in favor of the proposal with amendments, including NGT product labeling and potential patentability bans.

The Council of the EU, representing Member States, failed to reach a qualified majority and adopt a text despite concerted efforts to find common ground during the presidencies of Spain and Belgium. On March 14, 2025, under the Polish Presidency, a qualified majority was finally reached, with the Presidency proposing licensing options to break the deadlock. This triggered the beginning of trilogue negotiations, with the three institutions set to start discussions at the end of April or the beginning of May. The Commission and Council proposals do not differ significantly, so discussions are expected to focus on the requests from Parliament.

Until an agreement is reached, genome-edited products in the EU will continue to be regulated under GMO Directive regulations, regardless of their risk level.

For more information on agricultural biotechnology in the EU, see the 2024 annual report.

Related reports from FAS Post in the European Union:

Country	Title
European Union	EU Common Agricultural Policy Reform
European Union	Sugar Semi-annual 2024
European Union	Sugar Annual 2024

Attachments:

No Attachments