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Report Highlights:

The revised EU27 sugar production forecast for market year (MY) 2021/22 is 16.6 million metric tons (MMT) in Raw Sugar Equivalents (RSE) as it suffered less from beet yellows virus (BYV) disease than the MY 2020/21 production. However, it remained 450,000 metric tons (MT) below the MY 2019/20 production. The EU27 sugar consumption for MY 2021/22 is forecast to remain below pre-COVID-19 levels at 16.9 MMT, up from 16.7 MMT in MY 2020/21, as the EU food industry is embarking on a program to reduce sugar contents in food products by 10 percent by 2025. The EU27 sugar imports in MY 2021/22 are forecast at 2 MMT, but high world sugar prices caused them to drop to 1.5 MMT in MY 2020/21. EU27 sugar exports for MY 2021/22 are forecast up to 1.3 MMT RSE, with MY 2020/21 exports performing better than anticipated and only 200,000 MT below MY 2019/20.

Note: Effective January 1, 2021, the separation of the United Kingdom (UK) from the European Union (EU) is complete, including trade between both entities. In this report if not indicated otherwise, the EU refers to the current EU27 without the UK.

Executive Summary

The forecast for EU27 sugar production for market year (MY) 2021/22 is increased to 16.6 million metric tons (MMT) in Raw Sugar Equivalents (RSE) as it suffered less from beet yellows virus (BYV) disease than the MY 2020/21 production, mainly in France, Germany, and Poland. However, it remained 450,000 metric tons (MT) below the MY 2019/20 production. In contrast, the sugar beet and sugar crop yields in 2021 are forecast to be at average levels as the cold spring led to a slow start of beet growth, and the wet summer in most of the beet growing area kept sugar content in beets low.

Total EU27 beet sugar production for MY 2021/22, including for industrial use, is revised up to 18.2 MMT RSE, a 1.3 MMT recovery from MY 2020/21, but still more than 450,000 MT below MY 2019/20. Industrial use, especially for bioethanol, is forecast to recover in MY 2021/22, driven by increased demand for blending in gasoline after the COVID-19 crisis.

EU27 sugar consumption is expected to recover from the COVID-19 outbreak, during which the fall in sugar consumption away from home was not fully compensated by increased sugar consumption in home cooking. As a result, the consumption forecast for MY 2021/22 is increased to 16.9 MMT, but remaining below pre-COVID-19 levels, as the EU food industry is embarking on a program to reduce sugar contents in food products by 10 percent by 2025.

The forecast for EU27 sugar imports in MY 2021/22 is maintained at 2 MMT. However, sugar imports in MY 2020/21 are dropping to an estimated 1.5 MMT because of high world sugar prices and with the EU competing with the UK for preferential sugar under zero duty from developing countries after Brexit. The MY 2019/20 imports were 2.2 MMT, including some imports from the UK. After Brexit, sugar imports from the UK are only possible for sugar meeting the [rules of origin](#). As a result, little UK sugar is still exported to the EU, mostly to Ireland. The EU27 sugar export forecast for MY 2021/22 is revised up to 1.3 MMT RSE, after MY 2020/21 exports are performing better than previously anticipated. EU27 sugar exports in MY 2019/20 ended at 1.46 MMT. These moderately lower MY 2021/22 and MY 2020/21 export levels reflect the continued production deficit and the supply going directly to traditional buyers in the region, including to the UK.

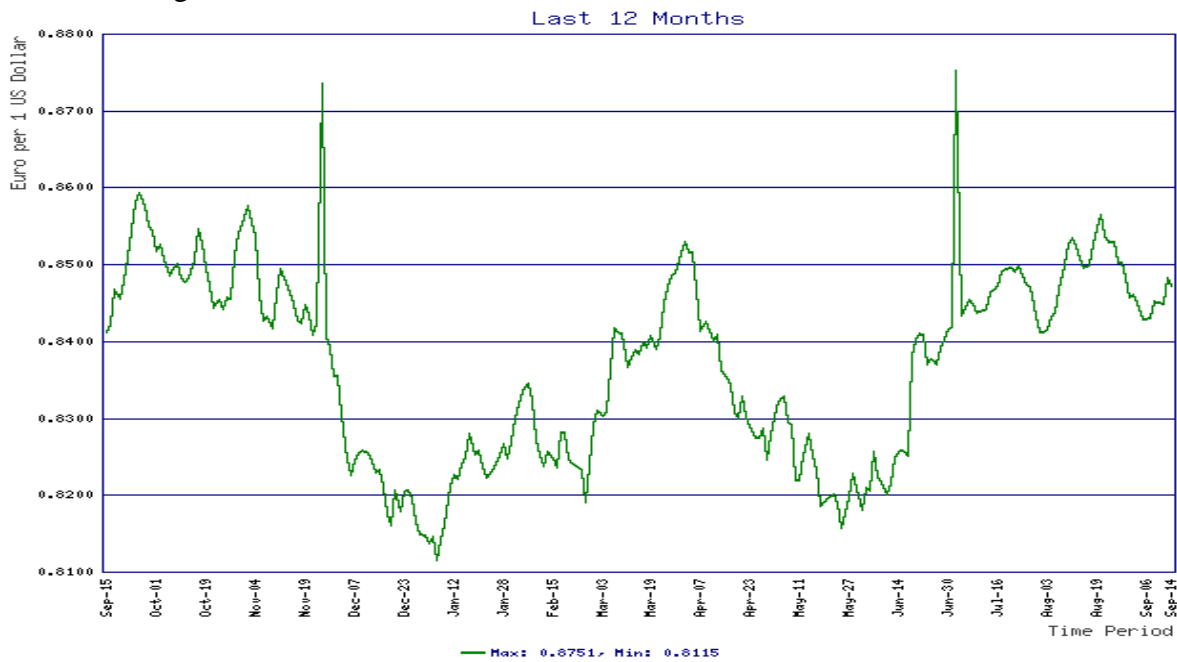
EU27 sugar stocks at the end of MY 2021/22 are forecast at 1.4 MMT RSE, 400,000 MT up from MY 2020/21, but still 600,000 MT below MY 2019/20 ending stocks. The EU27 isoglucose market continues to suffer from the strong competition of sugar, but production in 2021 is recovering as isoglucose benefits from increased sugar prices.

On the policy side, the EU is facing many issues simultaneously. Beyond the COVID-19 crisis and the fall-out from Brexit, European institutions are in the last stretch to finalize the new Common Agricultural Policy (CAP) and are rolling out an ambitious stated agenda of becoming the first region to

be climate neutral by 2050 through the European Green Deal and its associated Farm to Fork (F2F) and Biodiversity Strategies. On trade, the EU continues negotiations on free trade agreements (FTA) with Mercosur, Australia, New Zealand, and other countries.

Explanatory Notes

- 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 are:
 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
- This report’s PSD table includes sugar imports for EU inward processing (IP) purposes. 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. While raw sugar imported under IP is being re-exported as white sugar, processed products made using IP sugar and re-exported are included in the EU consumption line.
- EUR/USD exchange rate in 2021



Source: ExchangeRate.com

Acknowledgements

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EU27 Sugar Production

Production, Supply, and Distribution

EU27 Sugar, Centrifugal						
	2019/2020		2020/2021		2021/2022	
Market Year beginning	October 2019		October 2020		October 2021	
<i>Values in Thousand Metric Tons</i>	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Beginning Stocks	1,260	1,260	1,993	2,076	1,110	1,025
Beet Sugar Production	16,323	16,807	14,482	15,164	15,565	16,355
Cane Sugar Production	233	233	235	235	235	235
Total Sugar Production	16,556	17,040	14,717	15,399	15,800	16,590
Raw Imports	1,310	1,310	1,100	800	1,200	1,200
Refined Imp. (Raw Val)	926	925	900	700	800	800
Total Imports	2,236	2,235	2,000	1,500	2,000	2,000
Total Supply	20,052	20,535	18,710	18,975	18,910	19,615
Raw Exports	36	36	10	10	10	10
Refined Exp. (Raw Val)	1,423	1,423	990	1,240	990	1,290
Total Exports	1,459	1,459	1,000	1,250	1,000	1,300
Human Dom. Consumption	16,600	17,000	16,600	16,700	16,750	16,900
Total Use	16,600	17,000	16,600	16,700	16,750	16,900
Ending Stocks	1,993	2,076	1,110	1,025	1,160	1,415
Total Distribution	20,052	20,535	18,710	18,975	18,910	19,615

The forecast for the EU27 beet sugar production for MY 2021/22 is increased to 16.36 MMT RSE from 1.5 million hectares (ha) of sugar beet. The biggest increases are in France, where sugar yields recovered despite a decrease in acreage, and Germany, where planted beet acreage is slightly higher than originally forecasted. However, much will depend on the weather during the coming month for beet maturation as the sugar content in beets is currently low in much of the beet growing regions because of the wet and colder than usual summer months. The sugar production forecast for Poland was decreased after frost in April killed some beet acreage and heavy rains in May and June hampered plant development. The forecast for cane sugar produced in French Overseas regions of Martinique, Guadeloupe, French Guyana and Reunion Island, also known as Departement d'Outre Mer (DOM), remains at 235,000 MT.

For MY 2020/21, the expected beet sugar production is increased to 15.2 MMT RSE, with the biggest upward revision for Germany. Sugar production in the Netherlands and [France](#) suffered somewhat less from severe beet yellows virus (BYV) attacks, that ravaged beet yields, than previously reported. French sugar production for MY 2020/21 suffered a decrease of 1.7 MMT, mainly from the BYV attacks, compared to the previous year. Sugar production for MY 2020/21 was also revised upwards for Austria and Denmark.

Farmers blamed the 2020 BYV attack on the ban on neonicotinoid treatments and the governments from Belgium and Poland were quick to grant a new derogation from the neonicotinoid ban for 2021. In Germany, a derogation was issued only for the most affected regions, covering about one-third of the German sugar beet area. The French government passed an emergency bill in parliament to grant a 3-year limited suspension of the ban. EU27 numbers for beet sugar production for MY 2019/20 were revised up to 16.8 MMT based on a review of Germany's sugar production numbers.

Production forecasts for MY 2021/22 and updates for MY 2019/20 and MY 2020/21

EU27 Sugar Beet Production									
	Area, thousands of Hectares			Sugar beet yield in MT per Hectare			Sugar content in percentage		
	2019/20	2020/21	2021/22	2019/20	2020/21	2021/22	2019/20	2020/21	2021/22
Austria	27.5	26.3	35.0	71.0	80.0	70.0	16.60	16.30	17.00
Belgium	58.6	56.8	55.4	88.5	84.3	87.0	17.60	17.40	18.00
Croatia	11.6	11.0	11.0	61.2	63.6	63.6	16.00	16.00	16.00
Czech Republic	57.5	57.1	57.7	60.9	62.6	65.0	16.90	15.84	17.30
Denmark	29.0	33.2	33.3	80.7	71.1	71.1	15.50	17.90	17.00
Finland	10.5	11.0	11.3	47.6	38.5	40.0	14.80	15.90	15.20
France	447.0	421.0	410.0	85.1	62.7	85.0	18.00	17.00	18.00
Germany	409.0	386.0	398.0	73.0	73.0	73.8	17.44	17.73	18.06
Greece	1.4	1.2	0.9	59.7	58.0	57.1	13.50	13.50	13.50
Hungary	14.1	13.3	12.3	58.4	57.1	58.5	15.20	16.10	16.00
Italy	30.2	27.4	28.0	60.4	69.8	63.4	12.80	14.60	14.40
Lithuania	14.8	14.7	14.0	67.8	65.6	65.0	17.20	17.50	17.20
Netherlands	79.2	81.5	81.0	83.9	82.1	82.3	16.30	17.20	16.60
Poland	241.0	252.0	251.0	57.5	59.5	60.0	16.90	15.50	17.00
Portugal	0.0	0.0	0.0	0.0	0.0	0.0	0.00	0.00	0.00
Romania	22.7	23.7	24.0	40.4	37.0	39.0	16.50	16.50	15.50
Slovakia	23.5	21.7	21.5	56.5	62.0	64.0	15.30	14.45	16.00
Spain	30.7	28.7	30.0	92.1	92.3	94.0	16.26	17.40	17.50
Sweden	27.2	29.8	28.7	74.0	68.0	68.0	14.40	15.60	15.60
Total EU27	1535.5	1496.4	1503.1						

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

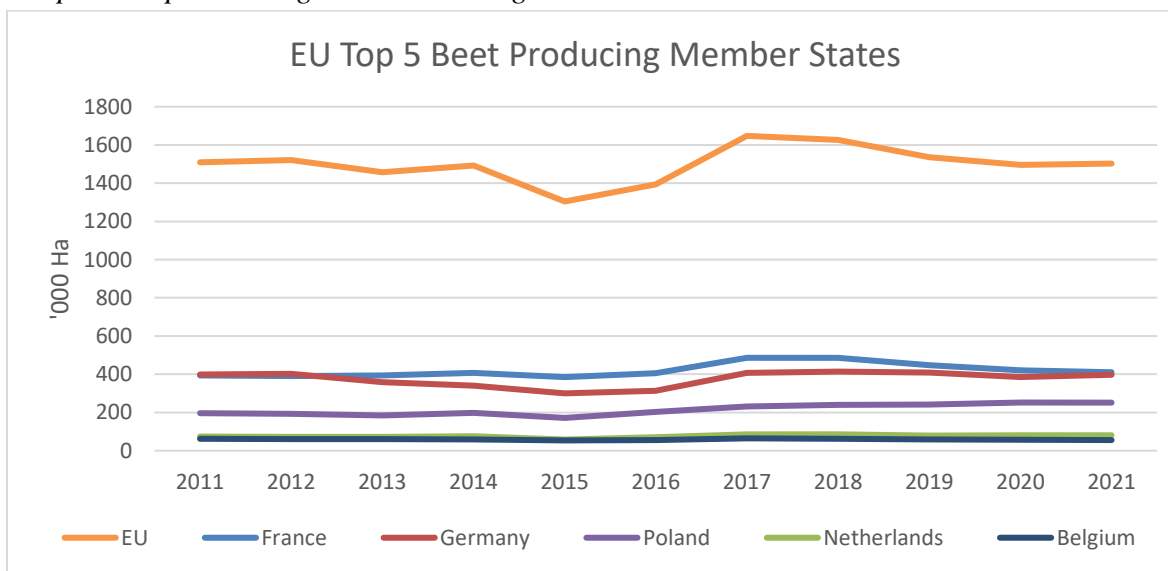
Total Sugar Beet Production Including Additional Production for Non-food Industrial Use

Total EU27 Beet Sugar Production (raw value)			
<i>in 1,000 MT</i>	2019/20	2020/2021	2021/22
EU27 Sugar Production	16,807	15,164	16,355
Industrial Use	1,850	1,735	1,845
Total EU27 Beet Sugar Production	18,657	16,899	18,200

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

Total EU27 beet sugar production for MY 2021/22, including thick juice for industrial use that falls beyond the scope of our reporting, is forecast at 18.2 MMT RSE. This is a 1.3 MMT rebound from MY 2020/21, of which more than 800,000 MT comes from France. However, this is still a decrease compared to MY 2019/20, resulting from the lower acreage in France and Germany and despite increases in beet acreage in Austria and Poland. The industrial use of raw sugar juice for fermentation and bio-ethanol production is forecast to recover in MY 2021/22, after a decrease in MY 2020/21, as bioethanol production is expected to increase again, mainly in France, in line with a higher bioethanol consumption after the COVID-19 crisis. For more information about the bioethanol market see the FAS GAIN Report – [EU Biofuels Annual 2021](#).

Graph 1: Top 5 EU Sugar Beet Growing Member States



Source: FAS EU Posts based on Eurostat.

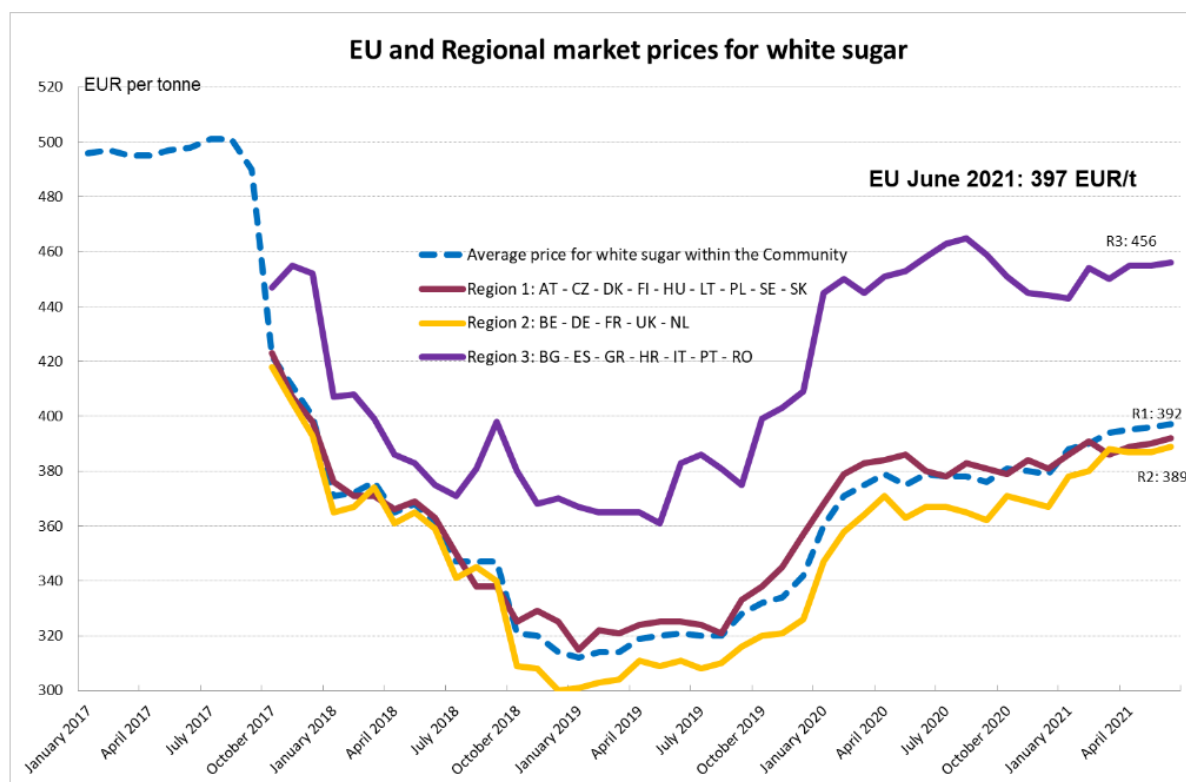
EU27 Sugar Consumption

EU27 sugar consumption is forecast to recover in MY 2021/22 after suffering from the COVID-19 outbreak in 2020 as the increased sugar consumption in home cooking did not fully compensate for the loss in away-from-home eating as a result of COVID-19 prevention measures. Increased snacking as people worked from home in response to COVID-19 related lockdowns proved to be too small to compensate for the loss of sugar consumption away from home. EU27 sugar consumption in MY

2021/22 is forecast to remain below COVID-19 levels after it had been stable in recent years, when the strengthening trend for lower sugar consumption was offset by the increase in population. [Food processors](#) across the EU are responding to consumer and health authorities' pressure to reduce sugar content in food and drinks by 10 percent by 2025 through reformulating products. Member States (MS) keep considering sugar taxes, with [Poland being the latest MS that introduced a sugar tax in the summer of 2020](#).

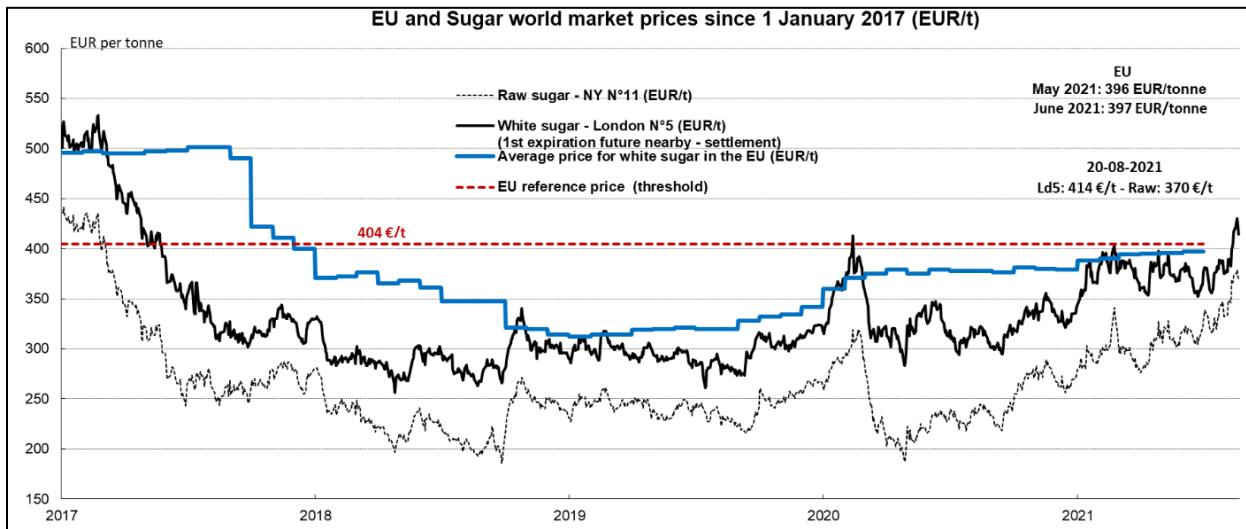
The difference in sugar availability in the EU market between the core producing MS (Region 2: Belgium, France, Germany, the Netherlands, and formerly the UK) and EU MS in the periphery (Region 3: Bulgaria, Romania, Greece, Croatia, Italy, Spain, and Portugal) leads to price differentiation as shown in graph 2 below. The departure of the UK at the beginning of 2021 has not led to a major change in prices in Region 2, although the UK was a net sugar importer from this zone and it is still unclear how much of this trade will be maintained. While this price reporting is dominated by contractual sales, including long-term contracts and therefore does not reflect spot prices, it still indicates market dynamics. The impact of the market disruption by COVID-19 is reflected in graph 2 below, with temporary price decreases in the sugar producing MS, while prices in the net importing MS continued to increase, following world sugar prices. As a result, the price spread between the main sugar producing region 2 and the sugar deficit region 3 increased until the end of MY 2019/20, generating higher margins in the summer of 2020 for EU sugar refiners and less efficient beet sugar processors in region 3.

Graph 2: EU Regional Prices for White Sugar



Source: European Commission

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



Source: European Commission

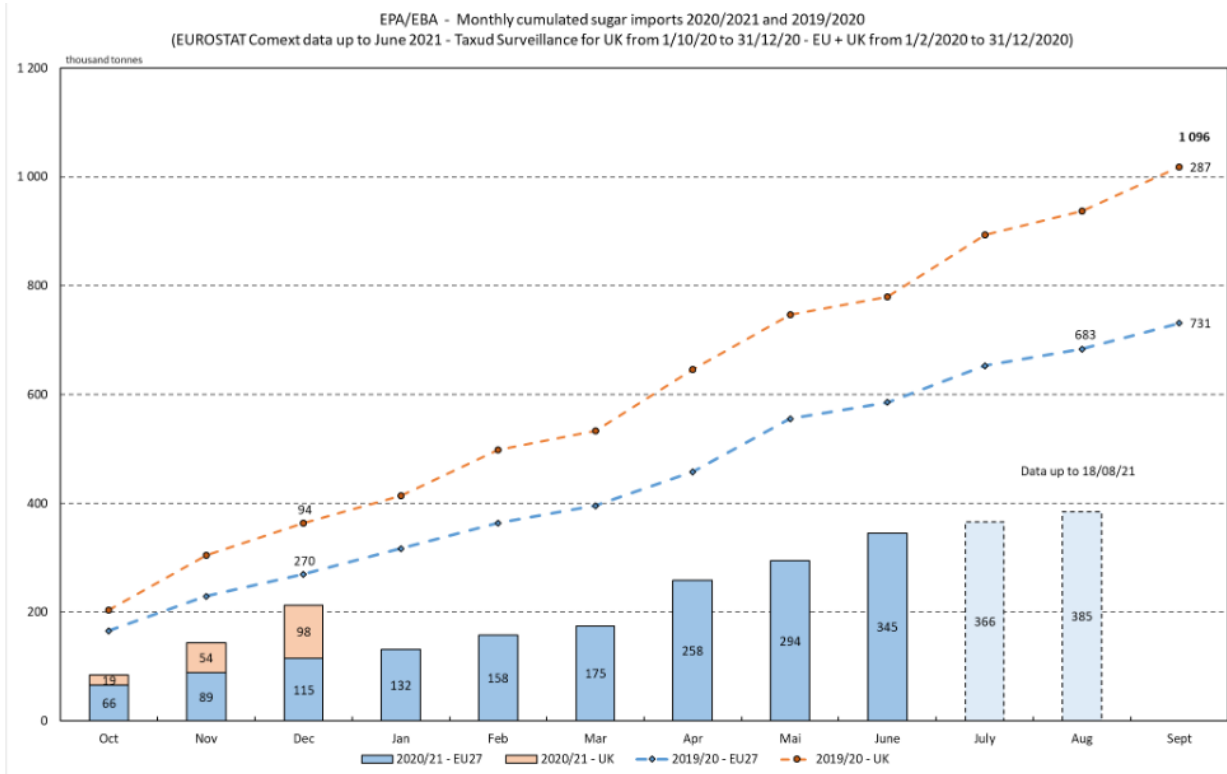
EU27 Sugar Trade

Imports

EU27 sugar imports in MY 2021/22 are forecast to recover to 2 million MT to relieve tight EU sugar stocks. EU sugar imports from the UK just about stopped in January 2021 after Brexit became final on December 31, 2020, except some imports into Ireland. This is in spite of the [EU-UK Trade and Cooperation Agreement](#) (TCA), which was concluded on December 24, 2020, providing for duty-free sugar trade. Because of agreed [rules of origin](#), the UK can no longer export refined sugar made from imported non-originating¹ raw sugar to the EU duty-free (and vice versa). Further, UK sugar prices are trending higher compared to EU prices, making exports to the continental EU unviable. As the UK is maintaining 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. As a result, EU27 sugar imports under EBA have leveled off after January 1, 2021 and EU27 sugar imports for MY 2020/21 were revised downwards to 1.5 MMT from the previously expected 2 MMT. The main EU importing MS are Italy, Spain, Germany, and Belgium followed by Portugal, Romania, and Greece. Graph 4 below shows EU sugar imports from LDCs.

¹ Originating sugar for EU-UK bilateral trade only includes sugar produced in the EU and the UK, or sugar that has been significantly processed according to the rules of origin agreed in the TCA.

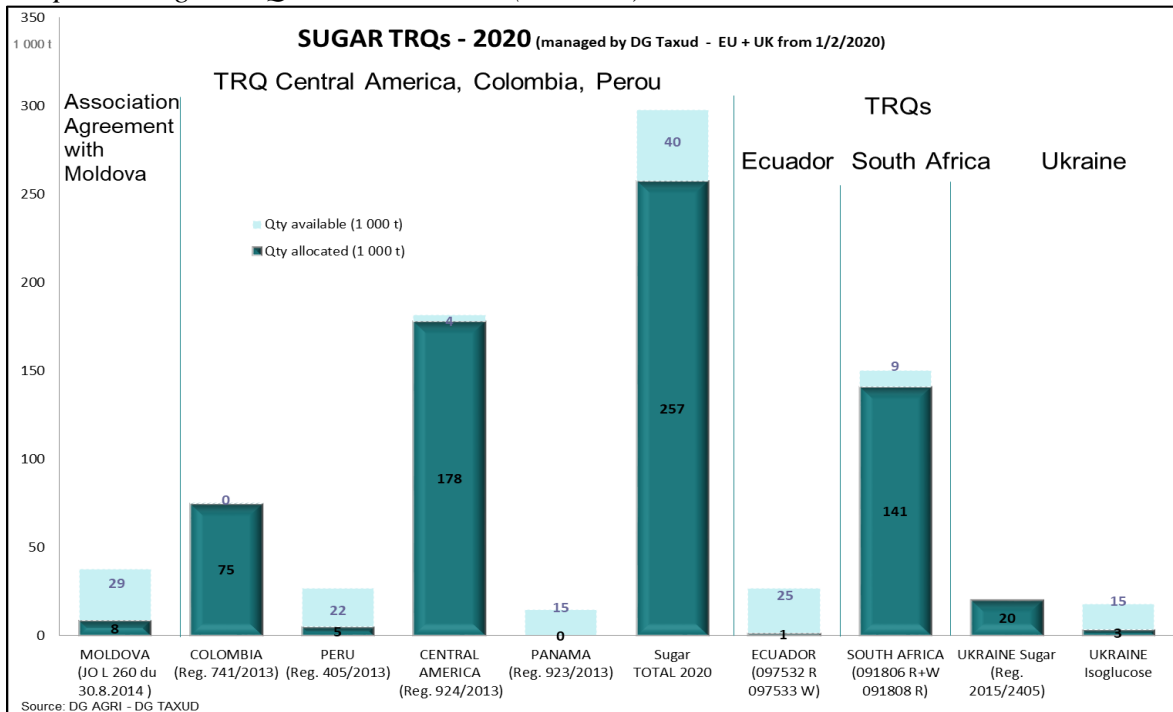
Graph 4: EU Imports from EBA Countries



Source: European Commission

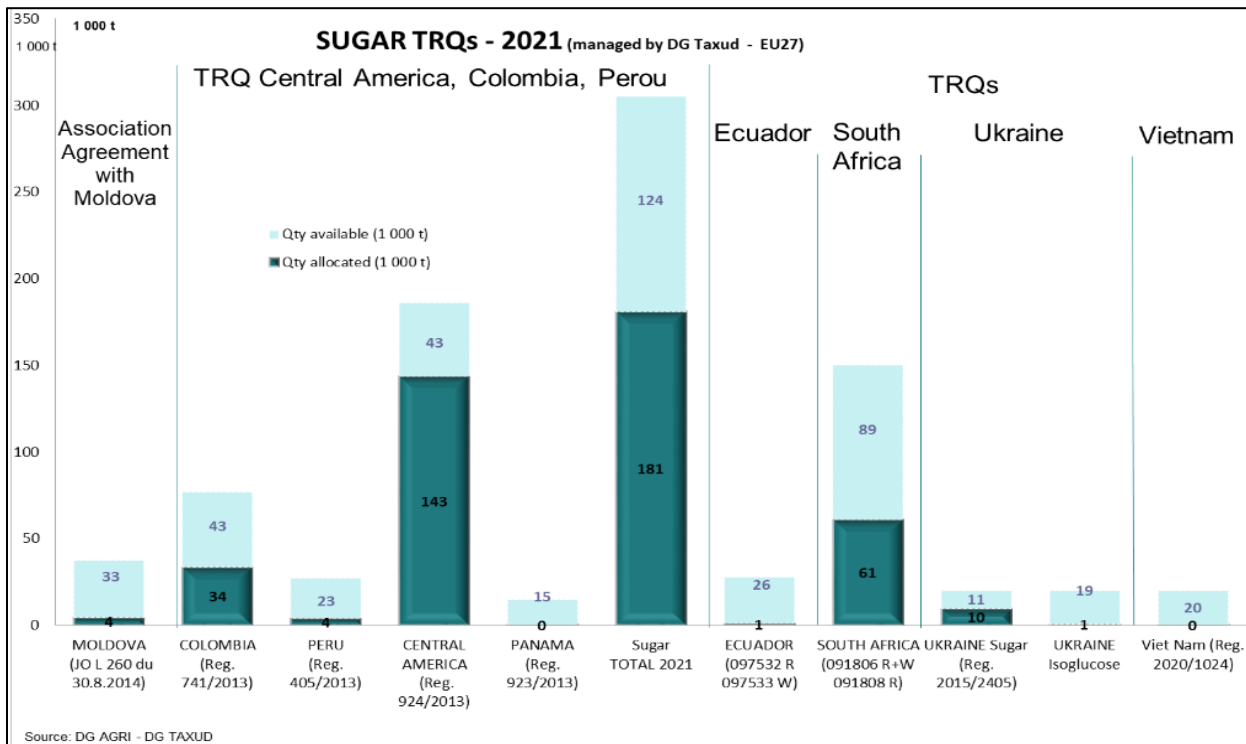
Imports into tariff rate quotas (TRQs) under FTA's are expected to remain stable, as the only new FTA in 2020 was the [EU-Vietnam FTA](#), which entered into force on August 1, 2020 and provides for a sugar TRQ of 20,000 MT RSE. See the latest quota fill in graphs 5 and 6. The MY 2019/20 EU27 sugar imports were 2.2 million MT RSE. Graph 6 shows total EU+UK imports for MY 2019/20.

Graph 5 – Sugar TRQs 2019-2020 Use (EU+UK)



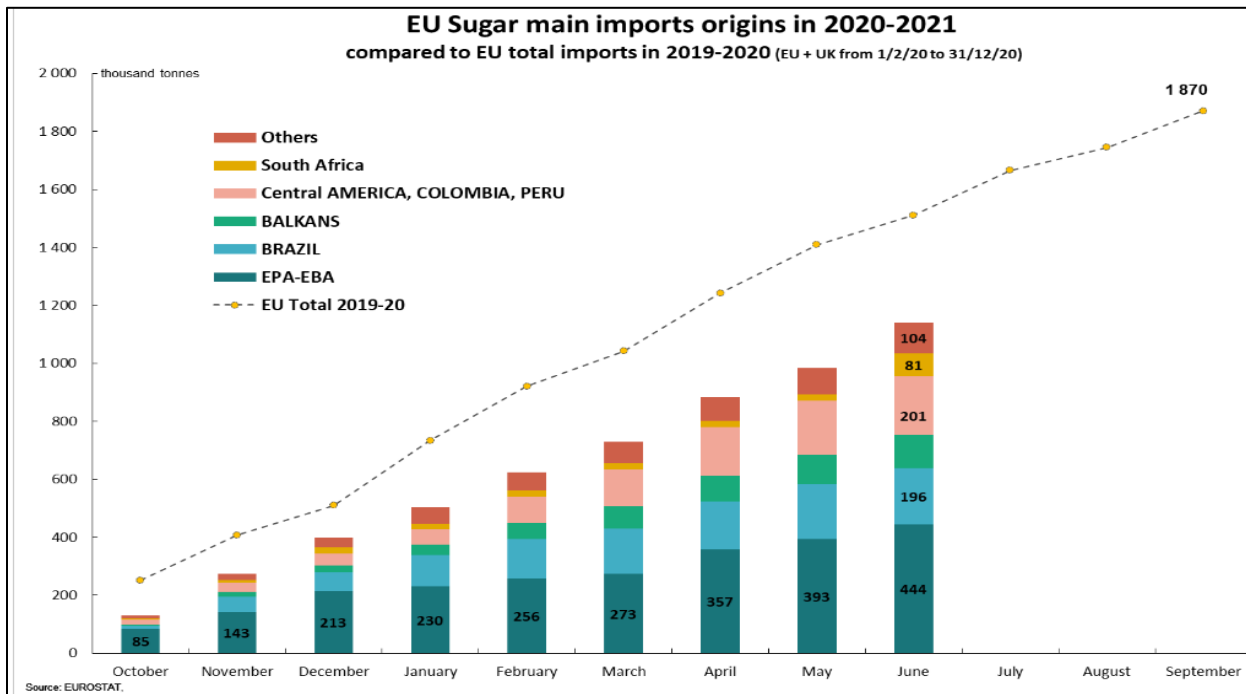
Source: European Commission

Graph 6 – Sugar TRQs 2020-2021 Use (EU only, until 08/23/2021)



Source: European Commission

Graph 7 – Total EU 27 Sugar Imports in MY 2020/21

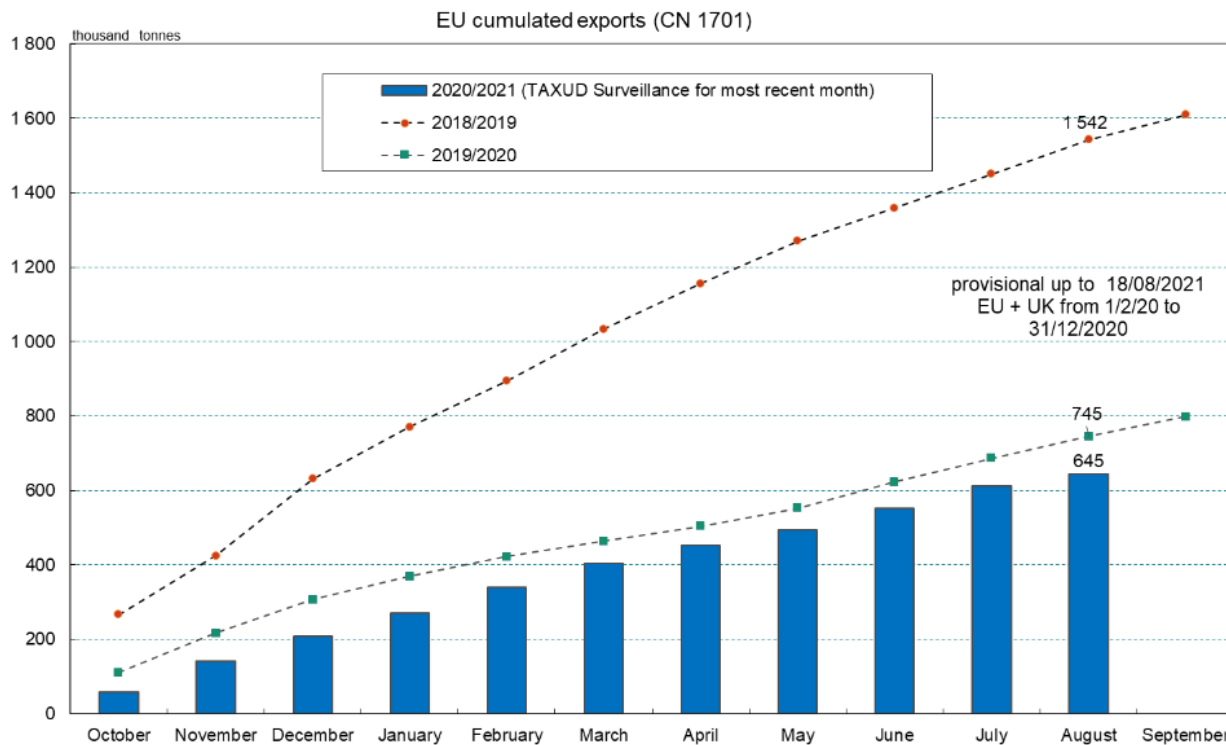


Source: European Commission

Exports

The EU27 sugar export forecast for MY 2021/22 is increased to 1.3 million MT RSE, only slightly up again from MY 2020/21 exports. These MY 2021/22 and 2020/21 export levels reflect the EU sugar production deficit and will only allow supply to traditional buyers. The main EU sugar exporting MS are France, Germany, Poland, the Netherlands, and Belgium. The main EU sugar export destinations are Israel, Norway, and Switzerland, followed by North African and Middle-East countries. EU sugar exports to the UK almost stopped in January 2021 after Brexit became final on December 31, 2020, because of logistical problems as a result of new customs checks. However, exporters quickly adapted to the new rules and EU sugar exports to the UK recovered, albeit not fully. While EU sugar exports to the UK face the same rules of origin after January 1, 2021, it is not expected to have the same impact on imports from the UK as they only affect refiners processing imported raw sugar, which is small compared to EU domestic production. France remains the first sugar exporter to the UK. Note that the numbers in below graph 8 are almost exclusively white sugar exports, which explains the gap with this report’s PS&D.

Graph 8 – EU cumulated exports for CN 1701



Source: European Commission

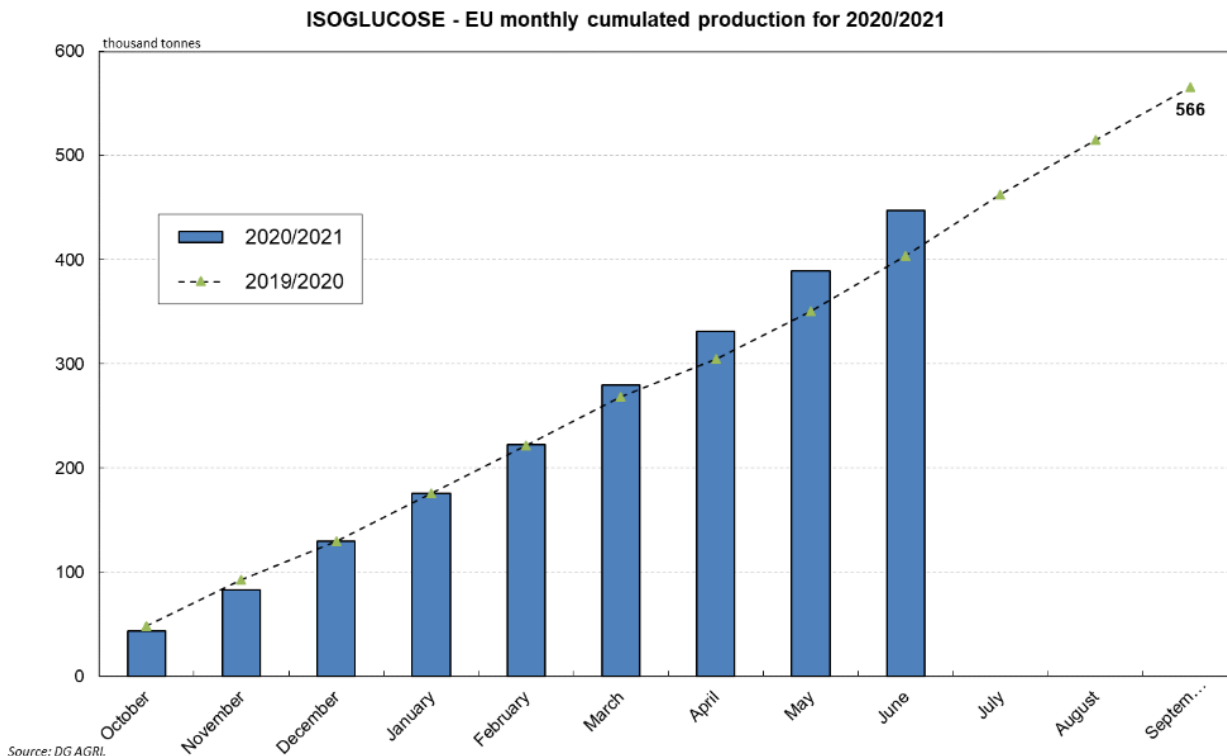
EU27 Sugar Stocks

EU27 sugar stocks forecasts at the end of MY 2021/22 are revised up to 1.4 MMT RSE, up from 1.0 MMT in MY 2020/21. The MY 2019/20 ending stock number was revised to 2.1 MMT in line with the increase in sugar production.

Isoglucose

Isoglucose production in the EU27 is forecast to recover again in 2021 compared to previous years, as can be seen in below Graph 9. Increasing EU sugar prices are beneficial for isoglucose producers, but prices for wheat and corn, the two main raw materials for isoglucose, have soared as well as a result of heavy buying from China. There was a short-lived increase in production after the end of the EU sugar quota regime, but isoglucose had a hard time competing with low EU sugar prices in recent years. As a result, a new Hungarian plant, opened in 2017, has difficulties coming online, all the more as the COVID-19 crisis has reduced demand for soft-drinks in Hungary.

Graph 9 – Isoglucose – EU monthly production



Source: European Commission

EU27 Sugar Policy

COVID-19 Mitigation Measures

As the COVID-19 outbreak in Europe largely arrived in between beet processing seasons, the EU sugar sector was barely affected by it, except some enhanced labor protection measures slightly delaying the MY 2019/20 interseasonal refining of thick juice stocks. While the 2020 sugar beet processing campaign proceeded as the second COVID-19 wave continued through many MS, no significant beet processing disruptions were reported, at least partly aided by the reduced beet quantities because of the drought and the BYV attacks during the 2020 growing season. No particular impact of COVID-19 is anticipated on the upcoming 2021 sugar beet harvest and processing period. No special market measures were made available for sugar, while the sector could access MS-provided state aid for mitigating the economic fall-out from COVID-19. Most MS provide generic aid measures, such as flexible loans or delayed taxation to their whole economy. The full list of state aid can be found here: https://ec.europa.eu/competition/elojade/isef/index.cfm?fuseaction=dsp_sa_by_date.

New CAP, Green Deal, Farm to Fork (F2F) and Biodiversity Strategies

Uncertainty about [Brexit](#) and the EU's future budgetary situation prevented the previous Juncker Commission from properly preparing the next Common Agricultural Policy (CAP), which should have

started from 2021 as the current CAP expired at the end of 2020. The EC published its original CAP proposals on June 1, 2018, but it was evident from the start that, given the European elections in May 2019, it would be up to the incoming institutions to finalize the agreement and that an extension of the current CAP would be needed to bridge the gap. As Brexit became a reality at the end of January 2020, the new Von der Leyen Commission prepared a new multiannual financial framework 2021-2027 (MFF) proposal (€1074.3 billion), in combination with an extraordinary recovery effort known as the Next Generation EU (€750 billion). The [€1.8 billion package](#), which gained EU Council approval on July 21, 2020, aims at helping the EU to rebuild after the COVID-19 pandemic and support investment in the green and digital transitions. The new MFF proposal received final approval on December 17, 2020, and includes €356.4 billion for the new CAP and Fisheries policy, of which €270 billion for direct payments and market measures (together Pillar I) and €85.4 billion for rural development (Pillar II) for the 2021-2027 period.

On May 20, 2020, the European Commission announced both the [Farm to Fork](#) (F2F) Strategy and the EU [Biodiversity Strategy](#) for 2030 as roadmaps for enhancing food and agricultural sustainability by 2030 under the European [Green Deal](#). The Strategies mark the beginning of a multi-step legislative development process that aims to fundamentally change the way EU agriculture operates and food is produced for, and provided to, EU consumers. The goal is for MS to tailor their new CAP programs towards achieving and enforcing the different strategy targets through [enhanced conditionality measures](#). The stated goal is that 40 percent of CAP funding goes towards climate change mitigation measures. Specific goals are a 50 percent reduction in pesticide use, a 50 percent reduction of nutrient leakage in groundwater through a 20 percent reduction in fertilizer use, an increase in nature conservation areas to 30 percent, 10 percent of environmental set-aside, and 25 percent of land for organic farming. Additionally, increased animal welfare and limitations in veterinary drug use, especially antimicrobial use, goals are stated.

Given the level of ambition in the strategies that the EC wants to implement through the new CAP, a two-year transition has been agreed. On June 25, 2021, the Parliament, Council, and Commission reached a provisional [political agreement](#) on the new [CAP 2023-2027](#), which will enter into force in 2023. A call by some members in the EP, supported by the [International Confederation of European Beet Growers](#) (CIBE), to revive the intervention storage for sugar in the new CAP was not included. The EP is expected to take the final vote in October or November of 2021, after which the Council can give the final consent. MS are requested to submit so-called Strategic Plans, that will be scrutinized by the Commission against the CAP and F2F, by the end of 2021, incorporating MS specific goals and initiatives. It is not yet clear if some MS will maintain the voluntary coupled supports (VCS) for sugar from the previous CAP.

The EU sees its [Green Deal](#) and accompanying strategies as its way of achieving its [Paris Climate Agreement](#) and other [UN Sustainable Development Goal](#) commitments. Both legislative bodies have requested that impact assessments must be available before legislative initiatives are proposed.

Brexit Update

The UK formally left the European Union on January 31, 2020, and the one-year transition period, during which the UK continued to comply with EU rules and legislation, ended on December 31, 2020. 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 for originating sugar. 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), while the MFN tariff for raw sugar for refining carries a £280/MT (€339/MT) duty. The UK is providing a duty-free TRQ of 260,000 MT for raw cane sugar for refining for one year. Info on the TRQs that UK operates is available [online](#).

While the EU immediately applied full customs checks on January 1, 2021, the UK has extended the grace period for the implementation of full customs inspections on imports from the EU to January 1, 2022.

Attacks on EU-Mercosur Trade “Agreement in Principle” Intensify

On June 28, 2019, the EU reached a trade “[Agreement](#) in Principle” with the four member countries of Mercosur (Argentina, Brazil, Paraguay, and Uruguay). The details of this agreement provides for a new 10,000 MT duty-free import quota for Paraguay, while Brazil would see the in-quota duty eliminated on 180,000 MT of its WTO quota. The Agreement still needs to be elaborated and its implementation, on a provisional basis, is not expected anytime soon. Nevertheless, intensifying discussions on climate change mitigations and further environmental restrictions as the EU is discussing its Green Deal and F2F proposals, as well as criticism from EU farmers, MS and EP, have put into question the future of this FTA. The number of MS that have already clearly stated that they will not ratify the EU-Mercosur agreement continues to increase.

Pesticide Policy - Neonicotinoids

In 2018, the European Commission banned the use of three neonicotinoids (clothianidin, imidacloprid, thiamethoxam), except for use in greenhouses, because of their harmful effect on wild bees and honeybees. 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 beet yellows virus (BYV), which leads to beet dwarf jaundice, a disease that can cut yields by half. Since the ban in 2018, about 15 MS have requested 74 emergency derogations for their use, for which over 50 percent was for the use on sugar beets. This procedure allows individual MS to apply for a three-month emergency authorization for the use of a banned substance, in case they can prove that its use is safe for their particular case and there is no alternative available.

In 2020, Austria, Belgium, Croatia, Czech Republic, Denmark, Finland, Hungary, Lithuania, Poland, Romania, Slovakia, Slovenia, and Spain had exemptions on the neonicotinoid ban in place for use in sugar beet seed coating for one or more on the banned active substances. After the severe yellows virus attacks in 2020, France and Germany also provided an exemption for 2021.

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Country	Title	Date
European Union	Sugar Annual 2021	04/22/2021
Poland	Poland Taxes Soft Drinks and Energy Drinks	03/03/2021
United Kingdom	EU-UK Trade Agreement - Potential Impacts of Rules of Origin	01/11/2021

The GAIN Reports can be downloaded from the following FAS website:

<http://gain.fas.usda.gov/Pages/Default.aspx>

Attachment: Sugar – Centrifugal European Union

Sugar, Centrifugal	2019/2020		2020/2021		2021/2022	
Market Year Begins	Oct 2019		Oct 2020		Oct 2021	
European Union	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Beginning Stocks (1000 MT)	1260	1260	1993	2076	1110	1025
Beet Sugar Production (1000 MT)	16323	16807	14482	15164	15565	16355
Cane Sugar Production (1000 MT)	233	233	235	235	235	235
Total Sugar Production (1000 MT)	16556	17040	14717	15399	15800	16590
Raw Imports (1000 MT)	1310	1310	1100	800	1200	1200
Refined Imp.(Raw Val) (1000 MT)	926	925	900	700	800	800
Total Imports (1000 MT)	2236	2235	2000	1500	2000	2000
Total Supply (1000 MT)	20052	20535	18710	18975	18910	19615
Raw Exports (1000 MT)	36	36	10	10	10	10
Refined Exp.(Raw Val) (1000 MT)	1423	1423	990	1240	990	1290
Total Exports (1000 MT)	1459	1459	1000	1250	1000	1300
Human Dom. Consumption (1000 MT)	16600	17000	16600	16700	16750	16900
Other Disappearance (1000 MT)	0	0	0	0	0	0
Total Use (1000 MT)	16600	17000	16600	16700	16750	16900
Ending Stocks (1000 MT)	1993	2076	1110	1025	1160	1415
Total Distribution (1000 MT)	20052	20535	18710	18975	18910	19615
(1000 MT)						

Attachments: [Sugar- Centrifugal European Union SA.doc](#)