

Presentation to the High Level Group on Sugar

8 March 2019

ASSUC is the voice of European sugar traders. Through its extensive membership, over 60 sugar trading companies are represented across the European Union.

ASSUC supports a strong and stable EU sugar market. This market should also be profitable for beet growers and the sugar industry in general.

The sugar regime in force since 2017, and the current (de)regulation of the market contributed in increasing trade flows. As a trade association, ASSUC supports trade flows, which are both imports and exports.

Since October 2017, exports of sugar have increased, and import flows of preferential sugar remained, although at a lower level than the previous years. This situation is in line with expectations.

ASSUC has some concerns regarding the decrease in sugar production, which is linked to the decrease of prices. As a consequence, exports also decrease.

Exporting sugar - or any other commodity - has a price. For instance, investments are needed in the logistics linked to the trade (e.g infrastructure). If exports of sugar are not constant in the long term, these investments can be lost.

On the other hand, if there are little investments in logistics, the surplus of European sugar might not be exported to the world market. This will certainly have an impact in the European market. Thus, to guarantee investments, the message must be clear : exports need to be constant in the next years.

ASSUC supports a stable and remunerative domestic market required to initiate export and import flows.