

International Confederation of European Beet Grower

CONFEDERATION INTERNATIONALE
DES BETTERAVIERS EUROPEENS

CONFEDERAZIONE INTERNAZIONALE
DEI BIETICOLTORI EUROPEI



INTERNATIONALE VEREINIGUNG
EUROPÄISCHER RÜBENANBAUER

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CIBE Press release on the consequences of the Russian invasion in Ukraine

European sugar beet growers express their solidarity with the Ukrainian people, farmers and sugar beet industry suffering from the war. In this situation, Europe has to reaffirm its ambition on food and energy sovereignty and its role in the global food balances. European sugar beet growers remain committed towards this aim and to the production of essential goods: sugar for human consumption, pulp for animal feed or bioenergy and bioproducts to decarbonise our economy. They also want to alert the EU Institutions of the following.

Sowing is now underway all over Europe and the EU sugar beet area in 2022/23 is decreasing further, by around 2%, and for the fifth year in a row. Beyond the imperative need to consider the sugar beet sector as a priority sector in terms of energy access, EU beet growers call for passing on, along the food chain, the dramatic increase in production costs. This is crucial for the sustainability and resilience of the sector.

Indeed, the rise in fertilizers and fuel costs, adding to the increase of crop protection costs, represent at least extra costs of around 20-25% for sugar beet in 2022 compared to last year. In addition, the surge in energy prices, and in particular natural gas, dramatically increase the sugar beet processing costs. After 5 years of crises and low sugar and sugar beet prices, which have fragilized the sector, these fundamentals must be taken into account first and foremost by the market and be reflected in the ongoing contractual negotiations between sugar manufacturers and sugar users, i.e. in European sugar prices. Moreover, they also show that the EU sugar reference threshold (404,4 €/t ex-mill), unchanged for 17 years, needs to be reviewed to take into account the dramatic increase in agricultural and industrial costs in order to build an efficient safety net for the sector.

In a context of rising prices of alternative crops, a further decline of the sugar beet acreage in next season 2023/24 would lead to sugar beet supply crisis in several European regions. This would jeopardize the European sugar beet sector whose market already turned into a net importer as from 2018. EU sugar beet growers now want to alert the EU Institutions, on the occasion of the Agri Council on 21 March and ahead of the Commission Communication on the resilience of the EU food system expected on 23 March, of this current risk of being squeezed between high input costs and too low sugar prices. The timing and the magnitude of this squeeze, if it happens, would strongly and irreversibly affect the resilience of our sector and its ability to address the critical sovereignty challenge highlighted by the tragic situation in Ukraine.