International Sugar Organization

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EXECUTIVE DIRECTOR

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Various sugar related articles

The Executive Director would like to draw your attention to the articles below all of which are relevant to the sugar sector.

Sugaronline Ebriefing - 24/01/2018

UK: Research shows sugar tax could lead to increased alcohol consumption

A sugar tax levied on soft drinks might have the unintended consequence of driving up alcohol consumption, but the picture is mixed, finds research published online in the Journal of Epidemiology & Community Health, reports Sugaronline.

As many alcoholic drinks contain similar or greater amounts of sugar (43 kcals/100 ml for beer; 85 kcals for wine; 40 kcals for cola) and have other well known harms, a more nuanced approach across a range of beverages may be more effective than a single tax on sugary drinks, say the researchers.

An industry levy will be imposed on soft drinks with a high sugar content in the UK from this April in a bid to curb the rising tide of obesity and diabetes. Many other countries, including Hungary, Finland, France, Belgium, Portugal, Mexico, Chile, Thailand, Saudi Arabia and the UAE, have already gone down this route.

And certain US cities, India, the Philippines, Indonesia, Israel, and South Africa are set to follow suit.

Several financial modelling studies have shown that increasing the price of sugary drinks could make a small but significant dent in purchasing patterns, particularly among poorer households. But little is known about the potential impact of such a hike on alcohol sales.

To try and tease this out, the researchers applied a specialised tool for studying consumer demand to data on household expenditure on food and drink in 2012 and 2013 from a nationally representative sample of around 32,000 UK homes.

The data (from Kantar Worldpanel), provided complete details of each sales transaction, in addition to social and demographic information for each household.

Full data for both years were provided by 31,919 households, adding up to some 6 million drinks purchases, grouped into high (8g+/100 ml), medium (5-8g), and low (under 5g) sugar content drinks; fruit juices; milk based drinks; water; beer; lager; cider; wines; and spirits.

Low income households spent nearly half (48%) of their total drinks expenditure on all three 'strengths' of sugar sweetened drinks, compared with 44% for medium income, and 39% for high, income households. The trend went in the opposite direction for juice drinks.

Alcohol purchase was more sensitive to price change than soft drinks, the analysis indicated. But increases in the price of sugary drinks were associated with different purchasing patterns for other beverages, depending on sugar content and household income.

When the price of high sugar content drinks rose, so too did purchases of diet drinks, juices, and lager. But purchases of medium sugar content drinks and spirits fell.

Price rises in medium sugar content drinks were associated with falls in beer, lager, and wine purchases, while price rises in diet/low sugar drinks were associated with increases in all other types of drink, except high and low sugar content beverages.

In high income households, price hikes in high sugar content drinks were associated with a fall in sales of cider, while in the middle income group, these hikes were associated with a fall in the purchase of spirits, but an increase in those of lager. No declines in alcohol purchases were evident in low income households.

A price hike for medium sugar content drinks would seem to be most effective, while applying one to diet/low sugar drinks would seem to be the least effective, the findings indicate, suggesting that the threshold of sugar content for any price rise could be crucial, say the researchers.

And price rises may have a greater impact on reducing alcohol consumption than that of soft drinks, they suggest.

But they emphasise: "Although this analysis can highlight significant relationships between beverages purchased, it cannot explain why these relationships arise," adding: "This mixed picture indicates the complexity of estimating the impact of a single price increase."

They conclude: "Increasing the price of [sugar sweetened beverages] has the potential to both increase and decrease the purchase of alcohol, suggesting more nuanced price options across a range of beverages may be more effective than a single tax on high-sugar [ones]."

Sugaronline Ebriefing - 23/01/2018

EGYPT: Al Ghurair Group to invest US$1 billion in beet project

The General Authority for Reconstruction Projects and Agricultural Development (GARPAD) and El Canal Sugar, a subsidiary of the Emirati Al Ghurair Group, signed a US$1 billion integrated investment project agreement on Monday, which includes the reclamation and cultivation of sugar beet crop, on an area of 181 feddans, according to Egypt's Daily News.

Minister of Housing, Utilities, and Urban Communities Mostafa Madbouly and the acting prime minister witnessed the signing of the agreement, which will include the establishment of a factory for the production of sugar from sugar beet in an area west of Minya governorate, with a total investment of US$1 billion.

The project aims to eliminate about 75% of Egypt's current sugar imports, through the production of nearly 1m tonnes of sugar annually, said Minister of Investment and International Cooperation Sahr Nasr.

She added that the project comes as a result of the joint action between the Ministries of Agriculture and Investment and International Cooperation during the past period, and the contribution of the Ministry of Public Sector Affairs in the final negotiations with the Emirati Group.

Moreover, the project is planned to fulfill some of the local market's needs and reduce dependence on imports. The project mainly focuses on the cultivation and use of sugar beet to be used in sugar production, alongside other crops.

The project also seeks to increase the promotion of agricultural activities based on complementary industries and agriculture and to provide more direct and indirect employment opportunities.

On the other hand, Khalid Badawi, minister of public sector affairs, explained that this project will include about US$450 million of investments for the establishment of a sugar factory with a production capacity of 1m tonnes per year. Badawi added that the project will create 200,000 jobs.

Food navigator.com 22 January 2018

Nestlé moves confectionery R&D to UK
22-Jan-2018 By James Ridler

Nestlé is to move its confectionery research and development (R&D) operations to the UK from Switzerland.

https://www.foodnavigator.com/article/2018/01/22/nestle-moves-confectionery-r-d-to-uk

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