



# International Sugar Organization

1 Canada Square  
Canary Wharf  
London E14 5AA

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## EXECUTIVE DIRECTOR

Press Release(20)05  
(English only)

10 February 2020

### 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.

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#### Sugaronline – Ebriefing 05-02-2020

##### **DENMARK: Lego to use sugarcane for its bricks**

Toy giant Lego has announced that all its bricks and figurines manufactured from sustainable plastic made from materials such as wood or sugar cane by 2030, according to Borsen.

Lego is investing millions of pounds in moving away from plastic made from acrylonitrile butadiene styrene, which is based on crude oil.

“We are testing lots of different materials right now, and we have to test many that do not work before we find something that works. This is not an easy task, and we have only come some of the way,” chief executive Niels B. Christiansen said.

In 2018, the company announced that its toy trees and bushes would be made from a polyethylene produced with ethanol made from sugarcane.

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##### **Sustainable sugarcane production growing globally, says IISD**

Global sustainable sugarcane production has been growing globally as leading food manufacturers increase demand for voluntary sustainability standard (VSS)-compliant sugar, said the International Institute for Sustainable Development (IISD), **reports Sugaronline**.

The sector experienced a compound annual growth rate of about 52% from 2008 to 2016, accounting for over 3% of total sugarcane production in 2016, according to a recent IISD report released on Jan. 29.

Most of the VSS-compliant sugarcane, or 90%, comes from Latin America, specifically Argentina, Brazil, Costa Rica, and Paraguay. Substantial volumes also derive from Australia, India and Malawi.

“The sugarcane industry is an important source of livelihoods for around 100 million people across the world,” said Steffany Bermudez, co-author of the report and IISD Associate, in a statement.

There are over one million workers in Brazil’s sugarcane industry accounting for 25% of its rural workforce. Thailand’s sugarcane sector generated 1.5 million jobs, and around a half million people in South Africa depend on the sugarcane industry for their livelihoods, according to IISD.

Sales of VSS-compliant sugar have not kept up with production. “This is likely due to consumers being unwilling to pay higher prices for their favorite foods and drinks coupled with companies wary of marketing VSS-compliant content due to the negative health perceptions of sugar,” according to IISD.

Educational campaigns, price incentives and targeted procurement programs should be established in order to overcome this challenge, according to Bermudez.

"Incentives should also be created for increased demand of VSS-compliant sugar within the largest producing countries, such as Brazil, China and India," she said.

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### **COLOMBIA: Local sugarcane ethanol threatened by competition of US corn ethanol**

Corn ethanol imported from the United States has a 40% market share in the Colombian market and is threatening the local sugarcane sector, according to Colombia's Portafolio.

The president of Colombia's sugarcane industry association Asocaña, María Eugenia Lloreda Piedrahíta, said the sector is facing adverse conditions to compete with the US ethanol in the domestic market and is urging the government to establish a 22% countervailing duty.

She said that the current conditions, the market share of US ethanol in the Colombian market could easily reach 60%.

Colombia's ethanol production has been falling, and sales of the domestic product have decreased by 7%, she added.

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### **Food Navigator.com 05.02.2020**

#### **Italy's competition watchdog criticised for controversial country of origin decision: 'This is populism elevated above laws'**

05-Feb-2020 By Katy Askew

The Italian Competition and Market Authority (AGCM) has issued a €1m fine to Lidl Italia as part of an investigation into five food manufacturers and retailers over concerns about the origin of durum wheat used in pasta marketed as Italian. However, industry watchers have suggested the decision reflects a populist agenda, not legal requirements.

<https://www.foodnavigator.com/article/2020/02/05/italy-s-controversial-country-of-origin-decision>

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### **This content is provided by Givaudan. more**

#### **Get ready for the new EU rules on the use of natural flavourings in organic products**

27-Jan-2020 Last updated on 22-Jan-2020 at 14:47 GMT

Organic products have seen a rise in popularity over recent years as consumers become more conscious about the products they buy, the ingredients they contain and where they came from.

*"More and more consumers are concerned about health issues related to pesticides, fertilisers and other chemicals used in farming, as well as ethical environmental practices and animal welfare,"* said Doruk Ongan, Head of Regional Innovation, Europe, Africa and Middle East, Givaudan. *"All of this is driving the market for organic food and beverages."*

In Europe, the organic food market increased by almost 11% in 2017 and reached €37.3bn according to the [Research Institute of Organic Agriculture \(FiBL\)](#).

What's more, FMCG gurus' clean label report 2019, shows the appeal of organic products goes further than avoiding chemicals. In Europe, 64% of consumers believe that natural products taste significantly better and 39% associate 'organic' certification with a more 'natural' product.

Supermarket shoppers increasingly expect to verify the origin, ingredients and production methods behind their foods and beverages simply by looking at the labels. That means that transparency is key.

## EU regulations for organic labelled products

The EU has strict regulations on products that are certified and labelled as 'organic.'

Organic products must be grown with limited use of artificial fertilisers, herbicides and pesticides. In addition, no genetic modification or ionisation is allowed, any animals involved cannot be given hormones, and the use of antibiotics is strongly restricted.

End products also need to be checked by a certifying body, and at least 95% of the agricultural ingredients need to be organic. Just 5% of the agricultural ingredients may come from non-organic sources.

According to the current organic regulation, all types of natural flavourings are allowed in organic products as they are not regarded as agricultural ingredients and therefore excluded from the 95% calculation.

However, from 2021 these rules are set to change.

### How will the rules change for organic flavourings and extracts in 2021?

From 2021, end products containing 'natural' flavourings will need to be reformulated in order to keep their 'organic' label. The flavourings will need to be either 95:5 flavourings, where the percentage of material derived from a natural named source is 95% or higher, or extracts, where 100% of the flavouring is derived from a natural named source.

Additionally, flavourings will be regarded as agricultural ingredients, so the maximum amount allowed in an organic product will only be 5% of the total agricultural ingredients.

% source ingredient	Labelling	Organic suitable >2021
	Natural flavouring	 No
	Natural strawberry with other natural flavourings (WONF)	 No
	Natural strawberry flavouring (95:5)	 Yes
	Strawberry extract	 Yes

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Natural source flavouring (95:5)



- In a natural source flavouring, 95% must come from the named source
- Other 5% can emphasise existing notes or add new notes, such as creamy strawberry or jammy strawberry, to connect with the product's brand identity

Example of the labelling: natural strawberry flavouring

Extract



- In an extract, 100% must come from the named source
- No possibility or very limited possibilities to create a flavour direction

Example of labelling: strawberry extract

### How can companies embrace the changes?

A product's unique flavour is integral to its brand identity, and when reformulating products, consumers are likely to notice even subtle changes in taste. However, reformulations can also create an opportunity to introduce new flavours and taste profiles or to create new products.

"Companies that need to reformulate should look for experts with both taste and regulatory expertise," said Doruk Ongan. "Givaudan is here to partner with customers through our wide variety of organic-suitable extracts and flavourings. We can work with customers to co-create a great taste experience—whether that's matching an existing taste profile or developing a new and unique experience."

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### Food Navigator.com 04.02.2020

#### UK opens door to GM food imports as PM Johnson attacks 'hysterical fears' about US food standards

04-Feb-2020 By Oliver Morrison

The UK's Food and Drink Federation has repeated its pleas that it wants to keep trading ties closely aligned with the EU's after British prime minister Boris Johnson dismissed fears about food standards as 'mumbo jumbo' and implied that GM food imports from the US would be allowed.

<https://www.foodnavigator.com/article/2020/02/04/uk-opens-door-to-gm-food-imports-as-pm-johnson-attacks-hysterical-fears-about-us-food-standard>

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