



International Sugar Organization

1 Canada Square
Canary Wharf
London E14 5AA

EXECUTIVE DIRECTOR

Press Release(20)31
(English only)

5 June 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.

Sugaronline – Ebriefing 04-06-2020

US: Sugar industry petitions FDA on labelling

The sugar industry filed a citizen petition on June 3 asking the US Food & Drug Administration to require complete and accurate labeling of low- and no-calorie sweeteners on food packaging, according to Feedstuffs.com.

The Sugar Association, representing 142,000 American sugar beet and sugarcane growers, processors and refiners, said that action would extend labeling transparency, end misleading practices and help consumers make more informed decisions.

Among measures requested are that products making a sugar content claim (such as no/low/reduced sugar), require the disclosure "Sweetened with [name of Sweetener(s)]" beneath the claim.

"Consumers deserve to know what is in their food so they can make informed decisions for themselves and their families," Sugar Association president and chief executive officer Dr Courtney Gaine said. "These changes by FDA will bring the complete transparency in sweetener labeling that we know consumers want, deserve and should expect."

FoodNavigator.com 1 June 2020

Why COVID-19 is making food and agriculture collaboration more vital than ever

01-Jun-2020

COVID-19 created major, unforeseeable problems for food and agriculture startups. Foodservice and some retail sales channels disappeared overnight. Laboratories and manufacturing plants shut down. Venture funding agreements fell though. In that fast-changing environment, startups are leveraging their connections and forming innovative collaborations to get through the crisis and equip themselves to thrive in the post-pandemic world.

When COVID-19 first hit, [FoodBytes! by Rabobank](#), a discovery and engagement platform creating connections between startups and industry leaders in the food and agriculture industry, contacted its 230 alumni startups to hear about the challenges they were facing and what it could do to help. Around 70% of the challenges identified by the startups were operational in nature. With food service channels drying up and retail becoming tricky, many startups were cut off from sources of sales critical to their viability.

Those challenges had knock-on effects on operations, for example because they necessitated budget cuts that created new marketing problems. Other startups reported different operational challenges including the cessation of business development with corporate partners and the enforced closures of facilities and laboratories. While contending with such seismic near-term issues, many startups also faced looming longer-term worries.

“There were percolating concerns about supply chains, whether from an on-farm technology company that’s anticipating labor challenges or a startup with a global supply chain that foresees import-export challenges,” Nina Meijers, Startup Relationship Manager at FoodBytes!, said.

To exacerbate the situation, some companies also faced fundraising challenges, which accounted for the other 30% of issues startups reported to FoodBytes!. As the coronavirus spread, venture capital rounds that were on the cusp of being finalized fell through, leaving startups without the money to execute the next stages of their strategies at a time when COVID-19 was putting strains on their operations and business models. In such uncertain times, startups are encouraged to have at least enough cash to get through the next 12 months, but COVID-19 is affecting their ability secure fresh capital.

Many companies do not have all the resources internally to cope with the rapid-fire flurry of challenges the pandemic threw at them in March, April, and beyond. Recognizing that, companies, small and large alike, are looking to collaborations to counter COVID-19 disruption and seize the opportunities arising in its path.

FoodBytes! is ideally placed to support those responses, having spent the past five years building a food and agriculture innovation ecosystem. The networking platform has the connections to startups, corporates, and investors to foster a joined-up response to a changing environment.

How startups are adapting to COVID-19

Even at this early stage of the crisis, the FoodBytes! ecosystem has already facilitated collaborations that are helping companies mitigate the effects of COVID-19 on their operations. For example, FoodBytes! put a startup that was shaken by a facility closure in contact with a corporate with an active co-packing plant, aiming to allow the startup’s production to continue and sales to come in.

FoodBytes! is also running a series of digital discussions to facilitate the spread of information that could help companies adapt to the new operating environment. The webinars are reversing the traditional flow of support from corporates to startups by enabling smaller, more nimbler organizations to share details of their efforts to adapt to the pandemic with more established companies.

During one webinar, participants from 50 established corporates heard how FoodBytes! Pitch alumni and winner [Farmer’s Fridge](#), a startup that sells healthy food through vending machines, responded to the cratering of footfall at the airports, offices, and other locations that were central to its business model. When those sales channels dried up, Farmer’s Fridge pivoted quickly.

“They had a broad enough mission that they were able to pivot almost on a dime to bring food to hospital workers, and have made an extraordinary impact,” Meijers said.

By pivoting, Farmer’s Fridge gained access to a source of customers who would continue working through the pandemic and contributed to the response against COVID-19 in two notable ways. Firstly, Farmer’s Fridge gave time-pressured hospital staff ready access to healthy food. Secondly, the choice of fridge locations in hospitals reduced movement between floors of buildings, potentially helping curb the spread of the coronavirus.

The information shared by Farmer’s Fridge during the webinar is potentially valuable to other startups and corporates. Like Farmer’s Fridge, many companies have temporarily lost access to traditional sales channels, driving them to quickly step up e-commerce activities, increase online promotion, and ally with other businesses to build new mechanisms for marketing and discovery.

FoodBytes! is supporting those efforts by continuing to adapt the webinar program in response to feedback. So far, the most requested topic is stories of collaborations between corporates and startups, indicating the value the ecosystem places on cooperation in uncertain times.

FoodBytes! role in making lasting connections

The connections made by FoodBytes! during the pandemic are indicative of the sorts of relationships it has been forming for years and the long-lasting value of the platform. Having started out as a pitch competition, FoodBytes! has evolved into a broader ecosystem based on two programs: FoodBytes! Pitch and FoodBytes! Pilot.

"We've always been responding to the main challenges facing our startups and corporate partners, and identifying opportunities for advancement. Having both Pitch and Pilot ensures the continuous involvement of innovation across our ecosystem," Sonia Shekar, Data intelligence analyst at FoodBytes!, said.

FoodBytes! Pitch connects entrepreneurs and startups with C-suite executives at leading food and ag companies and puts them in one-on-one meetings with investors. In doing so, the program leverages connections [Rabobank](#) built as a leading food and agriculture bank to put startups in a position to form relationships with potential customers, partners, and investors.

While the program culminates in a pitch competition, the real prize is the connections, with their peers, corporates, and investors, that startups form at FoodBytes! Pitch.

FoodBytes! other program, Pilot, is the successor to Rabobank's TERRA initiative and complementary to Pitch. Across 58 Pilot projects, FoodBytes! has enabled 11 AgTech, FoodTech, and consumer packaged goods corporates to find startups that can help them address specific goals and challenges. Startups that participate benefit from industry validation, due diligence for investors, and access to corporate resources.

The interconnectivity of the two FoodBytes! programs is shown by [The Better Meat Co](#), which participated in Pitch before collaborating with a corporate through Pilot. The company first met an investor through Pitch to grow its business, and then went on to garner new customers in a category that they weren't initially participating in via Pilot.

That core narrative, of Pilot leading to lasting relationships, is echoed across the program. Through its Pilot with [Griffith Foods](#), upcycled grain startup [ReGrained](#) enabled the company to discover new applications for spent grains as an ingredient, and then went on to receive venture funding from its new partner. Similarly, global ingredient company [Tate & Lyle](#) invested in its startup partner, [Zymtronix](#), after a successful enzyme immobilization Pilot to improve ingredient functionality.

How startups can access new collaborators

FoodBytes! has primarily built up its ecosystem over the past five years by running in-person events. In 2020, that approach is temporarily impossible, leading the platform to pivot to a virtual model for its next Pitch program. Startups will participate in one month of digital workshops that will culminate in a virtual pitch to an audience and panel of judges.

While Pitch has moved from the physical to virtual realm, the goal remains the same. FoodBytes! is still looking for startups at the validation or growth stage that have robust and diverse teams, validated business models, and collaborative mindsets. As importantly, FoodBytes! wants to work with sustainable companies focused on people, profit, and the planet.

Startups that meet the criteria can apply to participate in Pitch from July 5 to August 10. FoodBytes! will disclose the 45 top applicants on September 28 and begin the program of digital workshops in mid-October. Startups can already indicate their [interest in participating](#) in both programs on the FoodBytes! website, and will be notified when applications open for Pitch. All submissions will also be considered for Pilot on a rolling basis as aligned corporates join.

The event will be the first FoodBytes! Pitch to happen since the start of the pandemic. FoodBytes! has begun to see signs of how the crisis may shift the focus of food and ag innovation through analysis of who is attending its webinars. Notably, FoodBytes! is tracking the rise of online marketplaces that could boost supply chain efficiency and indoor farming startups that may lower labor requirements.

As the post-pandemic world emerges, such startups and others could find investors, partners, and customers are more receptive to their pitches than before the coronavirus exposed vulnerabilities in pre-crisis systems. It is too early to tell exactly how those dynamics will play

out, but COVID-19 has already added to evidence that collaboration will be key to success. The FoodBytes! team believes that in order to future proof F&A businesses, the pairing of the nimbleness of startups to corporate scale is the best recipe for the industry.

https://www.foodnavigator-usa.com/News/Promotional-Features/Why-COVID-19-is-making-food-and-agriculture-collaboration-more-vital-than-ever?source=3&utm_source=newsletter_daily&utm_medium=email&utm_campaign=03-Jun-2020

FoodNavigator.com 03-06-2020
2020: a turning point for nutrition?

03-Jun-2020 By Oliver Morrison

A new report is urging food companies to embrace regulation, reformulation, relabelling and more diverse ingredients to become 'part of the solution' to malnutrition in all its forms.

<https://www.foodnavigator.com/article/2020/06/03/2020-a-turning-point-for-nutrition>

FoodNavigator.com 01-06-2020
Healthy snacking solutions continue to score high with consumers

01-Jun-2020

More consumers than ever before are studying the labels of food and beverage products to see what they are eating and drinking. Worldwide 64% of consumers read the labels on food packages and one in three consumers around the globe are said to have increased their research on ingredients.^[1] Research^[2] also shows that 51% of UK consumers now look at the ingredients list, compared to 43% looking at nutritional information and 32% at health and nutritional claims.

According to a snacking report by Nielsen, health is unsurprisingly one of the main trends currently driving innovation in the snacking category, with 45% of consumers looking for healthy snacks and 41% wanting snacks that contain less sugar. Interestingly, 40% of consumers also expect to pay a premium for healthy/functional snacks, compared to their non-healthy alternatives.^[3]

With healthy snacking being such a focus, producers are looking to functional ingredients like naturally derived sugar replacers to create healthier profile snacks, including those provided by BENEEO.

The search is on for guilt-free indulgence

According to BENEEO^[4] research, the main motivation for consumers to reduce their sugar intake is its negative effects on their health, with 58% of respondents wanting to eat less sugar saying weight management is their biggest driver. This has led to more and more consumers searching for guilt-free indulgence. However, market research has shown that, for many, sourcing guilt-free treats still remains a challenge, with one third (34%) of UK consumers stating they feel guilty when they are snacking.^[5]

As sugar is crucial for taste, texture and mouthfeel, there are a range of technical and sensorial challenges that must be resolved to effectively reduce sugar and meet high consumer expectations at the same time. Despite this, sugar-reduced products have begun to make their presence felt in the healthy indulgence market thanks to the use of functional ingredients.

As with any product reformulation that involves cutting out sugar or fat, the main challenge is to maintain the same sweetness, mouthfeel and texture that is given by the original ingredient, whilst reducing its use.

Consumers want a better nutritional profile, but they still don't want to make sacrifices when it comes to the overall indulgent experience conveyed by a good texture and great taste. Experts at the BENEО-Technology Center have done a lot of work developing recipe reformulations that meet these technical challenges using BENEО's ingredients across a range of applications with positive results in trials.

Popcorn popularity continues

Latest research^[6] shows that the global popcorn market is forecast to experience an upward growth trajectory over the period of 2018-2026. This is driven by a switch in lifestyle towards ready-to-eat or easy-to-cook foods and people looking to make healthy choices. However, according to a survey by Consensus Action on Salt & Health (Cash), this "healthy snack" can contain unnecessary amounts of sugar with some cinema popcorn containing nearly 30 teaspoons of sugar – more than would be found in three cans of cola. As the spotlight on sugar grows increasingly bright and the healthy attributes of popcorn come under scrutiny, food manufacturers can create sugar-reduced popcorn products that meet the needs of today's consumers.

Popcorn's popularity has been largely put down to the snack's flavour versatility and health credentials. However, previously considered to be a healthy snack, popcorn's health credentials are being brought into question as consumers become increasingly aware of the high sugar and salt levels in some popcorn products. Food manufacturers are presented with an opportunity to use reformulation to maintain taste but reduce added sugar levels. Work done by the BENEО-Technology Center has shown that it is possible to create popcorn alternatives using ISOMALT that reduce the 10-20% traditionally found in sugar sweetened popcorn products to only 1%. ISOMALT is heat stable, ensuring that microwaveable popcorn is not scorched during its preparation. It also improves the nutritional profile of popcorn products, as well as its crunch, flavour and appearance.

Regionalisation of flavour-combinations

Recent research has shown that consumers want an emotional connection to what they eat. In order to revitalise confectionery sales in established markets, brands are being encouraged to develop confectionery flavours and textures which offer a memorable consumption occasion.^[1]

Meanwhile a quarter of consumers worldwide are influenced by products containing low/no sugar when buying sugar confectionery.^[2]

With this in mind, BENEО worked with the company's flavour development partner, Symrise to bring together exotic and 'hyper-local' ingredients that contained BENEО's ISOMALT. The end result is an innovative range of sweets that really delivers in terms of appeal and impact. It includes:

- Garden Chills: A two coloured stamped candy in green and yellow that offers a refreshing taste of lemon, lime and garden-mint and reminds the consumer of warm summer days in an Italian garden
- Yuzu Candy: This hard-boiled candy contains the refreshing, tropical taste of the Asian fruit Yuzu, reminding consumers of their far-flung travels across the world
- Tropical Blossom: This swirl candy combines the fruity flavours of orange blossom, hibiscus and blood orange, enabling the consumer to sense the summer breeze from America's Deep South.

As companies continue to adjust their product portfolios to embrace all things healthy and natural, the good news is that BENEО provides a range of functional ingredients to help create new opportunities within the exciting snacking arena in 2020.

https://www.foodnavigator.com/News/Promotional-Features/BENEО-Promotes-Healthy-Snacking?source=3&utm_source=newsletter_daily&utm_medium=email&utm_campaign=03-Jun-2020

FoodNavigator.com 04-06-2020

Foods to improve mental wellbeing 'may prove recession proof'

04-Jun-2020 By Oliver Morrison

Functional food and beverages that are seen to improve mental health could be set to be a 'recession proof' sector, claims market researcher MMR. It says its new data highlights innovation opportunities as consumers seek new strategies to manage their mental wellbeing.

<https://www.foodnavigator.com/article/2020/06/04/foods-to-improve-mental-wellbeing-may-prove-recession-proof>

Sugaronline – Ebriefing 03-06-2020

CHINA: Sugar industry decries new import tariff regime

The Chinese sugar industry says it is under threat, after China relaxed its sugar tariffs regime in May, according to South China Morning Post.

Dong Xiaoqiang, commercial head of AB Sugar China, said local industry could not compete with imported sugar prices, which are already CNY2,000 (US\$281) a tonne cheaper.

Seven Chinese sugar associations filed a petition in early May asking Government to extend tariffs.

"All domestic producers are operating at a loss. It is hard to keep the market stable and in turn this is causing social conflict and commercial instability," they wrote.

The Guangxi Sugar Association said the National Development and Reform Commission, the economic planning agency, had not responded to the petition.

China's sugar production was expected to hit 10.4 million tonnes in the year to September but consumption was forecast at 15.3 million tonnes by the Chinese Agriculture Outlook Committee in May.

China imposes a tariff of 15% on shipments within its annual quota of 1.95 million tonnes. But a measure, which lapsed on May 22, meant imports above this annual quota were initially taxed at 85-95%.
