

1. ABOUT ESRA

The European Sugar Refineries Association (ESRA) is the leading voice of Europe's sugar refining industry. Established in 2011 and headquartered in Brussels, the association represents the majority of the full-time cane sugar refineries in the EU.

ESRA members are located in four European countries and employ over 4,500 workers. Altogether, they supply to over 2,400 food & drink processors and retail chains.

2. SUSTAINABLY SWEET

Sustainability lies at the core of the cane sugar industry. Over the past two decades, unprecedented efforts towards reducing the sector's environmental footprint have been made at every level of the cane sugar supply chain: from farmers to manufacturers, refiners, traders, and retailers.

To a large extent, this progress has been made possible by an increasing demand for sustainably-sourced sugar. In an ever-interdependent economy, consumers, of all players, are perhaps the most influential link in the chain.

3. EMPOWERING CONSUMERS

Trade policy offers a promising path to lead sustainability efforts in the sugarcane supply chain. The EU constitutes the largest single market in the world. As such, EU consumers' demand for sustainable products, can propel - or slow down - the sustainable production of different commodities along entire supply chains in other regions of the world.

As an exclusive EU competence, trade policy allows the EU to capitalise on its market power to set standards, advocate change and champion causes like the fight against climate change. The precondition is an open market, where entry barriers are low, and the playing field is levelled. Only then can ambitions like those of the European Green Deal can have a real impact beyond EU borders.

4. TRADE AS A DRIVER OF SUSTAINABILITY

Cane refiners provide consumer choice, competition, food security, and a link to global markets, thanks to their use of a different raw material for producing sugar. Yet these benefits can only be sustained and strengthened if access to sustainable raw sugar is commercially viable.

Sugarcane is not produced in Europe, rendering our entire sector dependent on its import from producing countries. Currently, cane refiners in the EU cannot source sustainable raw sugar at competitive prices due to prohibitive import tariffs. To overcome this, sourcing should be facilitated by means of well-designed Free Trade Agreements from producing countries, like Australia and Brazil, that include Duty-Free Tariff Rate Quotas.

ESRA members are committed to supporting the development of a sustainable sugar market. The following section will shed light on some of the ways in which sugarcane production has improved its sustainability credentials:

5. REDUCING EMISSIONS

Until a decade ago, the main concern about the environmental damage caused by sugarcane production arose from the burning of the straw in certain countries where harvest was not mechanised. Research shows that nearly half of released CO₂ from sugarcane production results from residue burning.¹

In Australia, the harvest has been fully mechanised for the past 40 years, substantially

¹ <https://cbmjournal.biomedcentral.com/articles/10.1186/1750-0680-5-3>

reducing its risk for the environment. In Brazil, the mechanisation of the harvest has been encouraged by a series of state-level decrees. Results have been substantial: in the year 2018-2019, 91% of the sugarcane produced in Brazil was mechanically harvested, compared to less than 25% in 2007-2008.²

6. PRESERVING WATER SUPPLY

Major progress has been achieved in reducing the impact of extensive sugarcane cultivation on water supply. A good example is Brazil, where sugarcane has for a long time been dependent on irrigation – and where smart policy, coupled with new technology, has fostered change. Authorities in the State of São Paulo, the main sugarcane producing State in the country, established strict targets to limit water use in the sugarcane industry.³ These have been met through the optimization of water reuse as well as the widespread adoption of systems like “rescue irrigation” (*irrigação de salvamento*), in which the plant receives only part of the required irrigation for it to achieve the necessary productivity levels. Nearly all irrigation in Brazil (98.4%) has applied this water-efficiency method.⁴

7. PROMOTING EFFICIENT LAND USE

There are misconceptions about the sustainability of sugarcane production expansion in countries like Brazil. In the country’s main sugarcane producing region, the Central-South, this expansion occurred in pasture areas, most of them ecologically degraded. Studies of direct land use changes to sugarcane plantations in the region during 2000–2009 report that nearly 96% of the recent expansion occurred over pastures (69.7%), annual crops (e.g. soybean, corn, sorghum, and cotton; 25%), and citrus (1.3%).⁵ Similarly, other studies confirm that the sugarcane expansion between 1996 and 2006 resulted in a significant reduction of pastures, but did not directly contribute to deforestation.⁶ Moreover, in areas where conversion has happened, studies demonstrated that the expansion of sugarcane can relatively increase carbon sequestration due to its carbon fixation characteristics.⁷

8. CREATING OPPORTUNITIES FOR PEOPLE

For many countries, sugarcane is one of the most important sources of employment and national income. Between 2000 and 2011, the world trade in raw sugar rose from \$10.2bn to \$47bn, with around \$33.5bn of exports being sourced from developing countries.⁸

Currently, Brazil has more than 400 sugarcane processing plants in operation.⁹ It is estimated that the Brazilian sugarcane industry employs almost 800,000 people,¹⁰ with more than 350 municipalities in the country basing their economy on the cultivation of sugarcane.

The benefits of trade go beyond EU borders. In addition to the thousands of EU jobs that depend upon the import of raw cane sugar, producing countries also reap socio-economic benefits from exports.

More information can be found on our website www.sugarrefineries.eu

² <https://www.conab.gov.br/info-agro/safras/cana/boletim-da-safra-de-cana-de-acucar>

³ https://www.scielo.br/scielo.php?pid=S1414-753X2015000100006&script=sci_abstract

⁴ <https://agenciabrasil.ebc.com.br/economia/noticia/2017-07/ana-mapeia-area-irrigada-de-cana-para-ajudar-nagestao-dos-recursos>.

⁵ https://www.researchgate.net/publication/227439356_Remote_Sensing_Time_Series_to_Evaluate_Direct_Land_Use_Change_of_Recent_Expanded_Sugarcane_Crop_in_Brazil

⁶ https://www.researchgate.net/publication/46537018_Environmental_land_use_and_economic_implications_of_Brazilian_sugarcane_expansion_1996-2006

⁷ Georgescu Matei, David Lobell, and Christopher Field, “Direct climate effects of perennial bioenergy crops in the United States,” *Proceedings of the National Academy of Sciences of the United States of America*, 108, no. 11, (2011): 4307–4312.

⁸ <https://www.fairtrade.org.uk/wp-content/uploads/legacy/Fairtrade-and-Sugar-Briefing-Jan13.pdf>

⁹ https://www.novacana.com/usinas_brasil/estados

¹⁰ <https://unica.com.br/>.