



European Commission

DG ENTR Consumer Goods Directorate

Sectoral social Dialogue Committee For the Sugar Industry

Mr Coomans

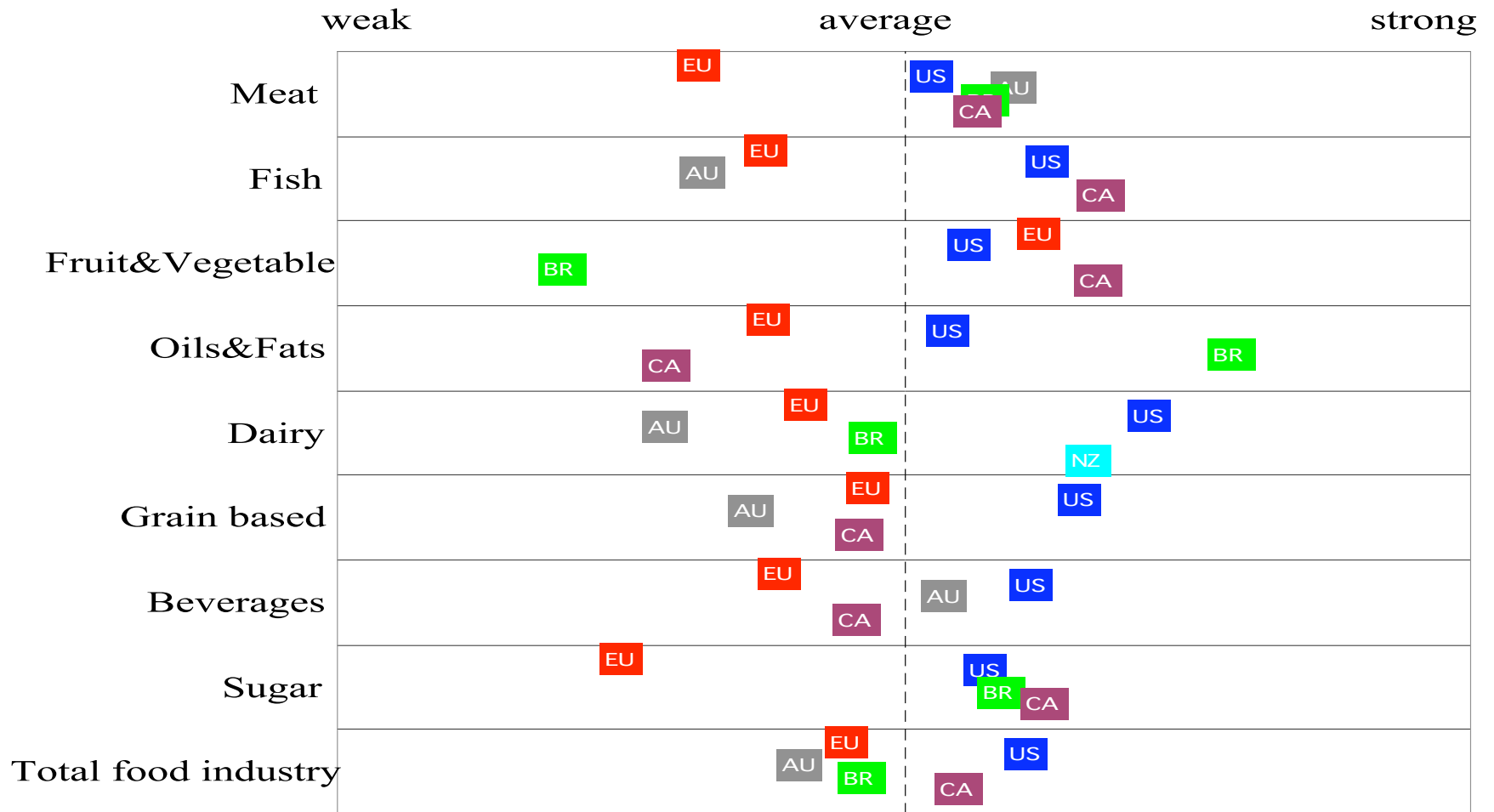
Brussels, 28 February 2008

Unit F4

EU Competitiveness Lagging Behind

- 75% of global production consumed locally
- EU export market share: 35%
2/3 (intra EU)
- Brazil largest exporter: 22% (to Russia)
- Thailand: 9%
- USA: 4%
- EU industry production value:
70% above USA (up)
125% above Brazil (up)
But (down) since 2000
- EU competitiveness low.

Competitiveness of the sub-sectors



EU Competitiveness - Sugar

Processing: sugar cane
sugar beet

Eu25 consumption: 62Kg / capita

Usage: Direct consumption (sweetness, colours, packages)
Ingredients (bakery, chocolate, ice cream, industrial alcohol)

EU Competitiveness - Sugar

Net importers: UK, IT, ES / Russia, USA, Japan (up)

Net exporters: Brazil, Thailand

Value / ton of exported sugar of EU 15 comparable to USA
but higher than world price.

Global consumption: growing 2% / annum

(Asia: 40% of demand at 27% growth rate)

EU policy: - Closing 60 factories
- 8000 jobs

EU Competitiveness - Sugar

- Market orientation

Share of turnover in branches other than food:

- grain starches
- ingredients
- instant fruits
- vegetable products
- bio-ethanol

- Potential

- innovation / branding

EU Competitiveness - Sugar

Reformulation of products

- More consumers (9 billion people in 2050)
- Eat / drive
- Urbanisation
- Diversification

EU Competitiveness - Sugar

- Access to sugar by Industry at affordable prices

Fermentation

Chemistry

Pharma

- End of restitution – sugar reform



“I had a dream”

Political platform

Agro-Food High Level Group