



North American Sweetener Market Outlook Canadian Sugar Perspective



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International Sweetener Colloquium
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AGENDA

- Canadian sugar market and trends
- Sugar(s) consumption trends
- Exports to US and supplier of additional needs?
- The new NAFTA implications for Canadian sugar and sugar-containing products



Canadian Sugar Institute member operations



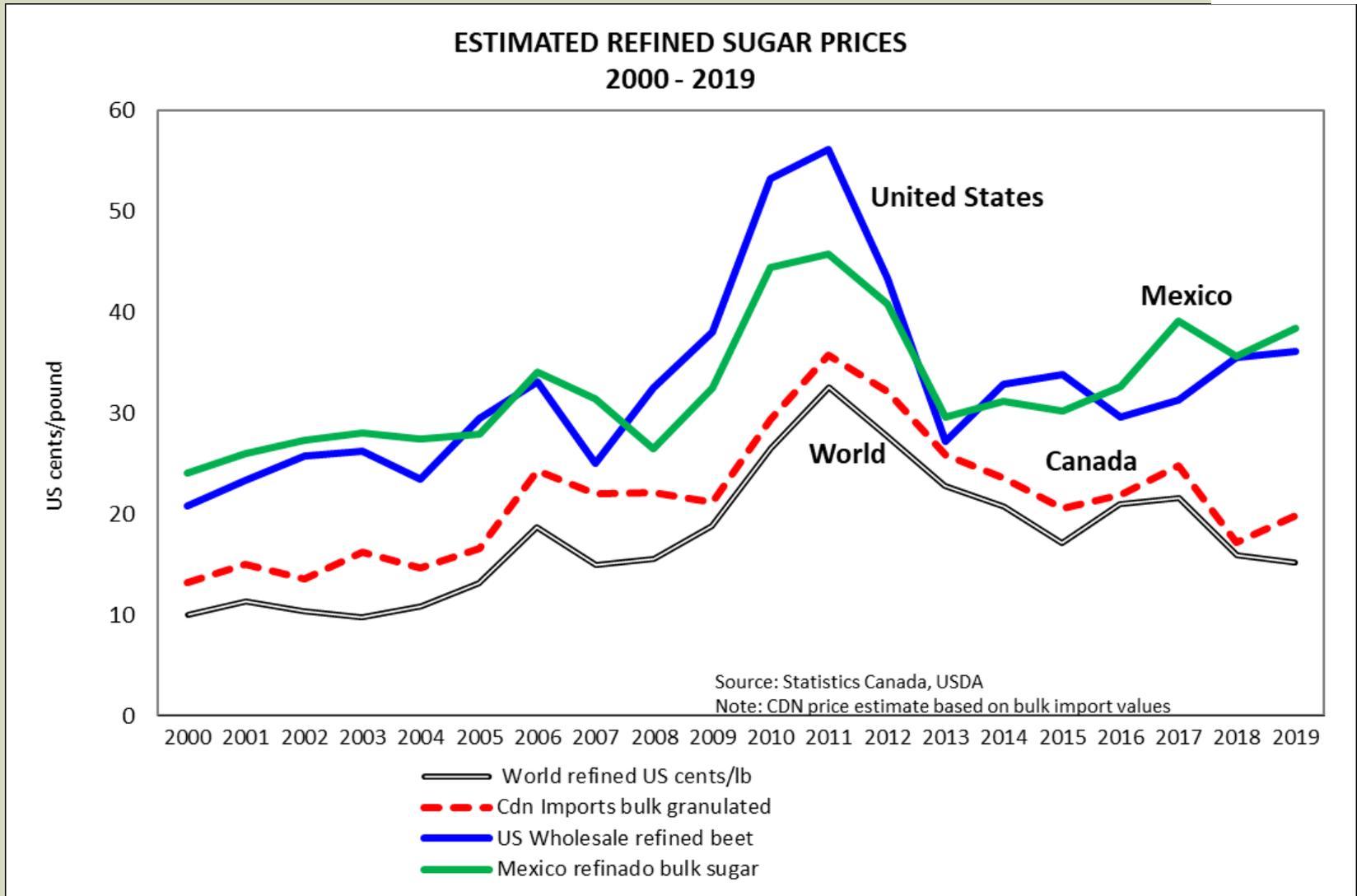
The Canadian Sugar Market



- Canada refined sugar production 1.3 mln tonnes
- 90% cane sugar from imported raw sugar (0 duty)
- Exports:
 - 4-5 % is exported given U.S. and other foreign trade barriers; mostly beet sugar given rules of origin
 - 40% of refined cane sugar is exported in finished food products given sugar price advantage in Canada



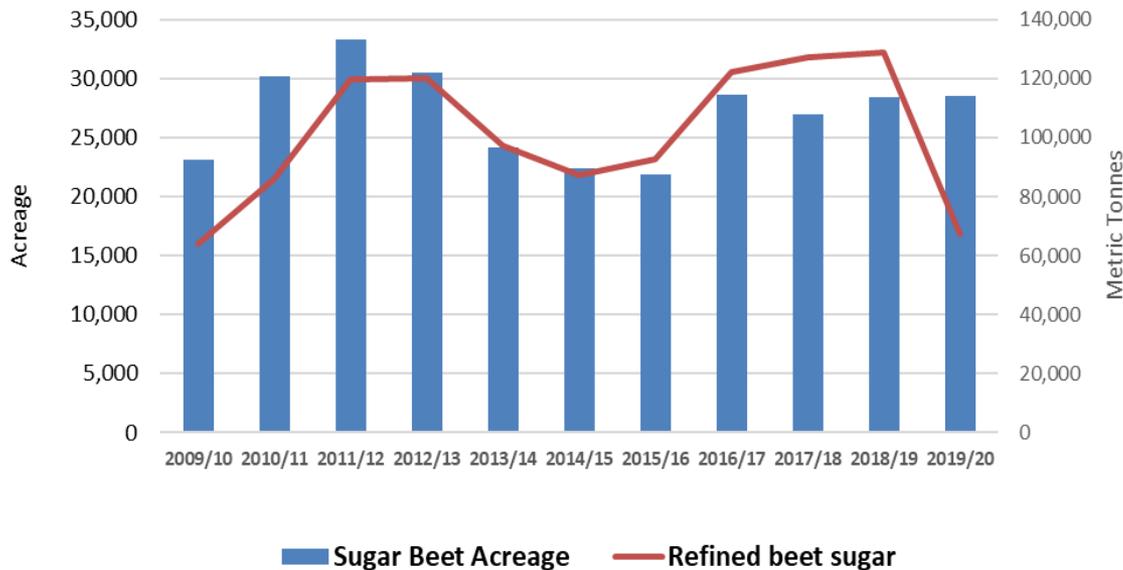
Canadian sugar prices follow world trends



Canadian Beet Sugar Production

Severe weather reduced 2019/20 crop by 45%
Expected 125,000 MT down to 65,000 MT

CANADA SUGAR BEET ACREAGE AND REFINED BEET SUGAR PRODUCTION



 AbSugarBeetGrowers
@asbg

CBC report on AB sugar beet harvest [#absugar22](#)
[#harvest2019](#)

Dismal weather destroys 45% of sugar beet harvest in southern Alberta | CBC News



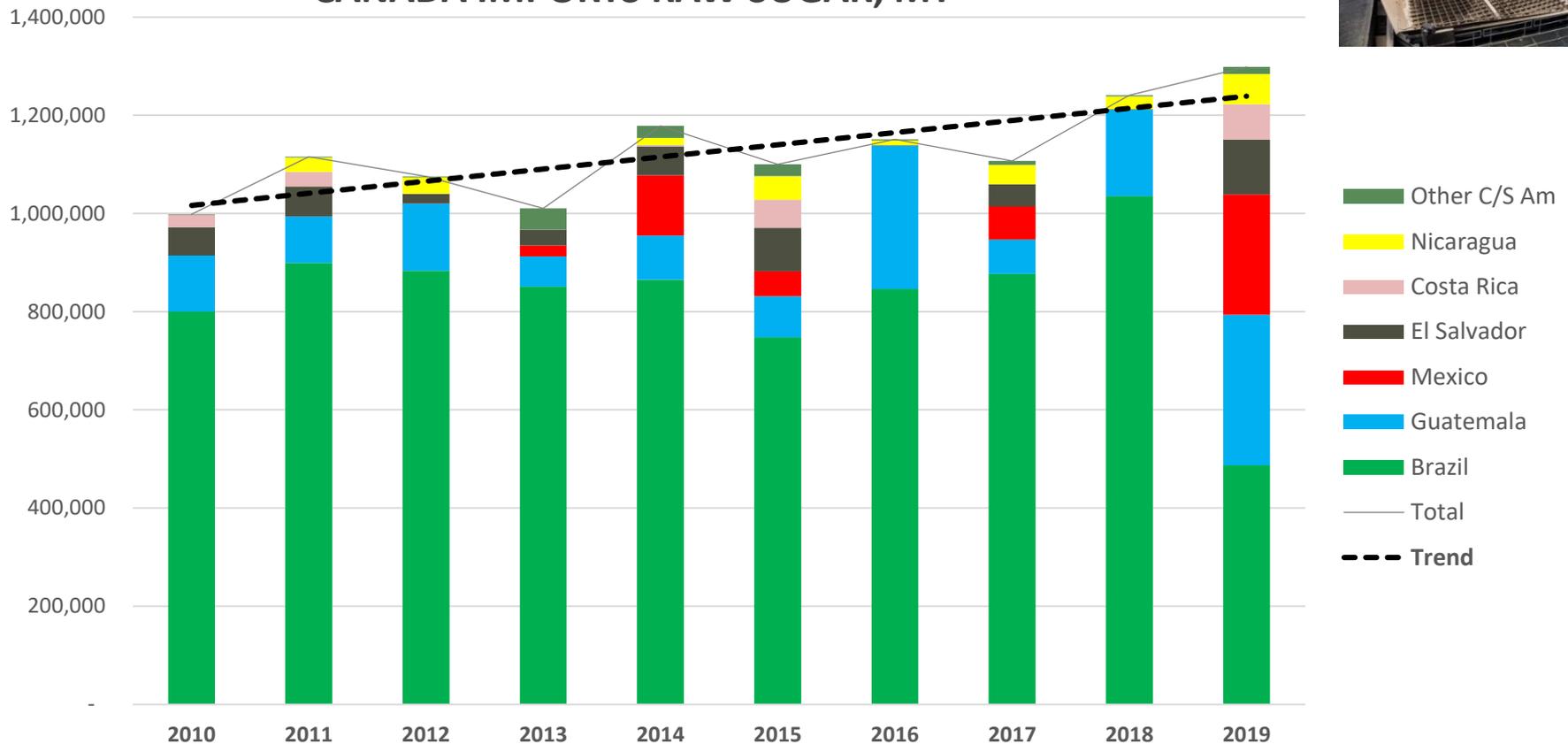
Dismal weather destroys 45% of sugar beet harvest in southern Alberta | CBC News...
Alberta's sugar beet harvest has been called off, making this the worst harvest in decades.
© CBC.ca



Canada Imports Raw Sugar for Refining



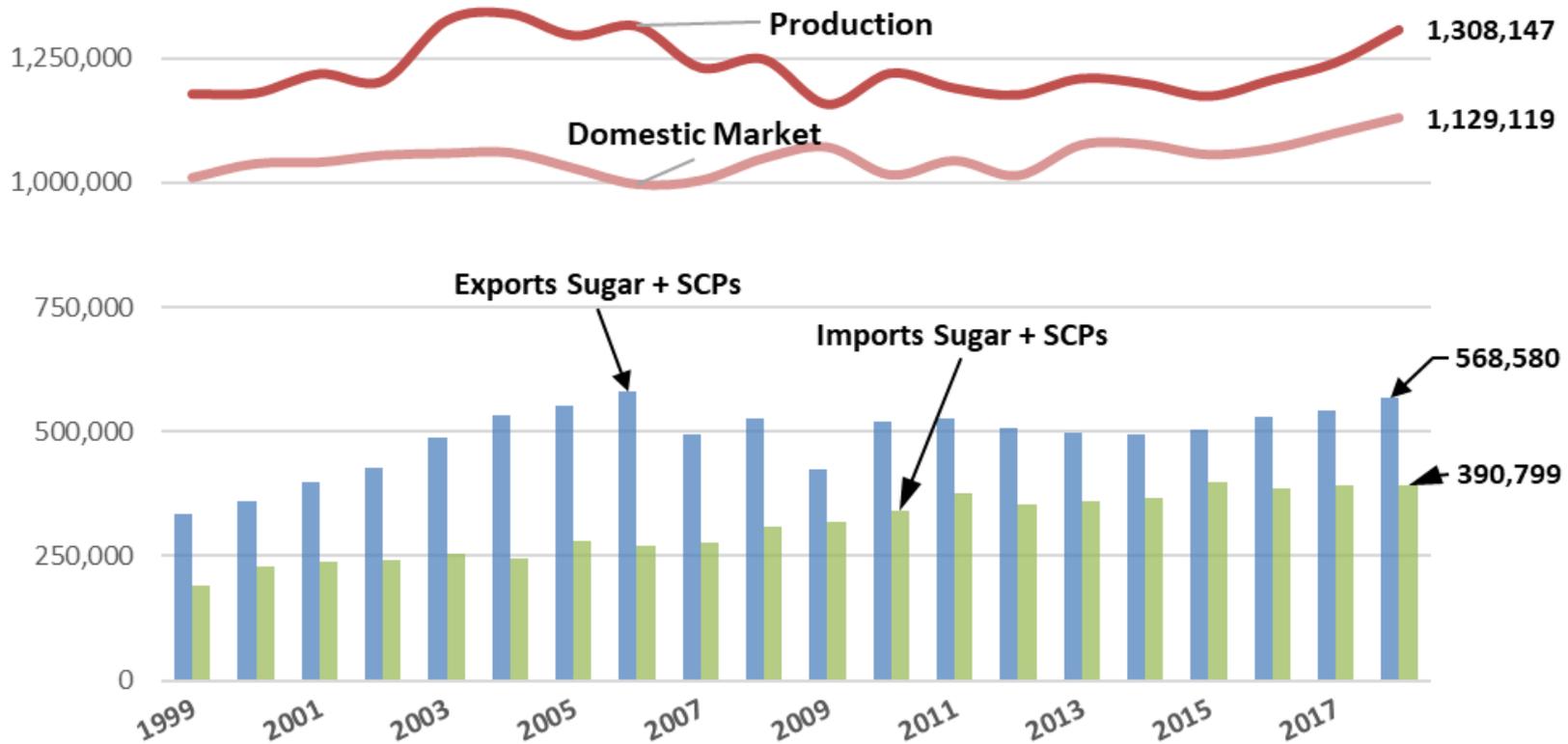
CANADA IMPORTS RAW SUGAR, MT



Canadian production growth mostly linked to Exports of sugar-containing food products to U.S.



CANADIAN SUGAR MARKET, MT



Added sugars consumption, per capita

MONOSACCHARIDES

GLUCOSE



FRUCTOSE



GALACTOSE



DISACCHARIDES



SUCROSE

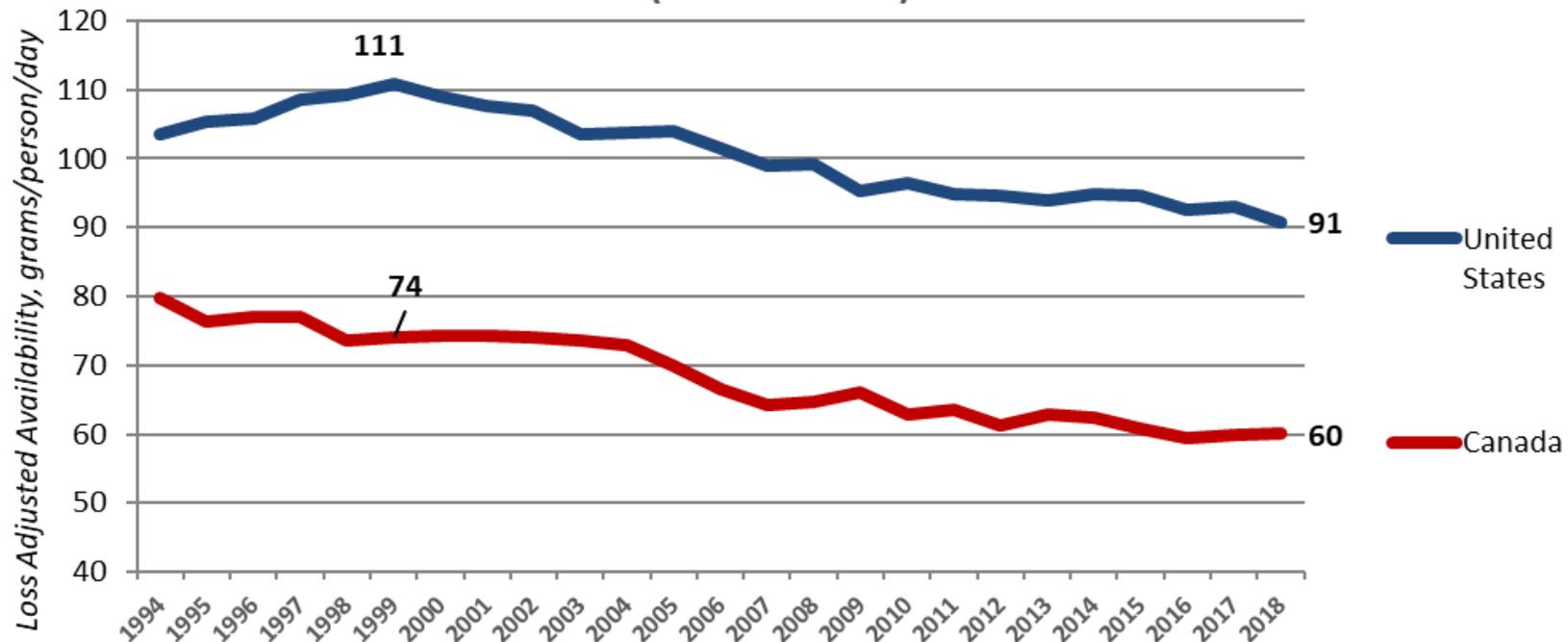


LACTOSE



MALTOSE

Canada and United States Added Sugars Consumption
Loss adjusted, grams per day
(1994 - 2018)



Data source: **Canada:** Statistics Canada, CANSIM. Adjusted for waste using updated USDA Loss-Adjusted Food Availability . **United States:** USDA, Caloric sweeteners: Per capita availability adjusted for loss.

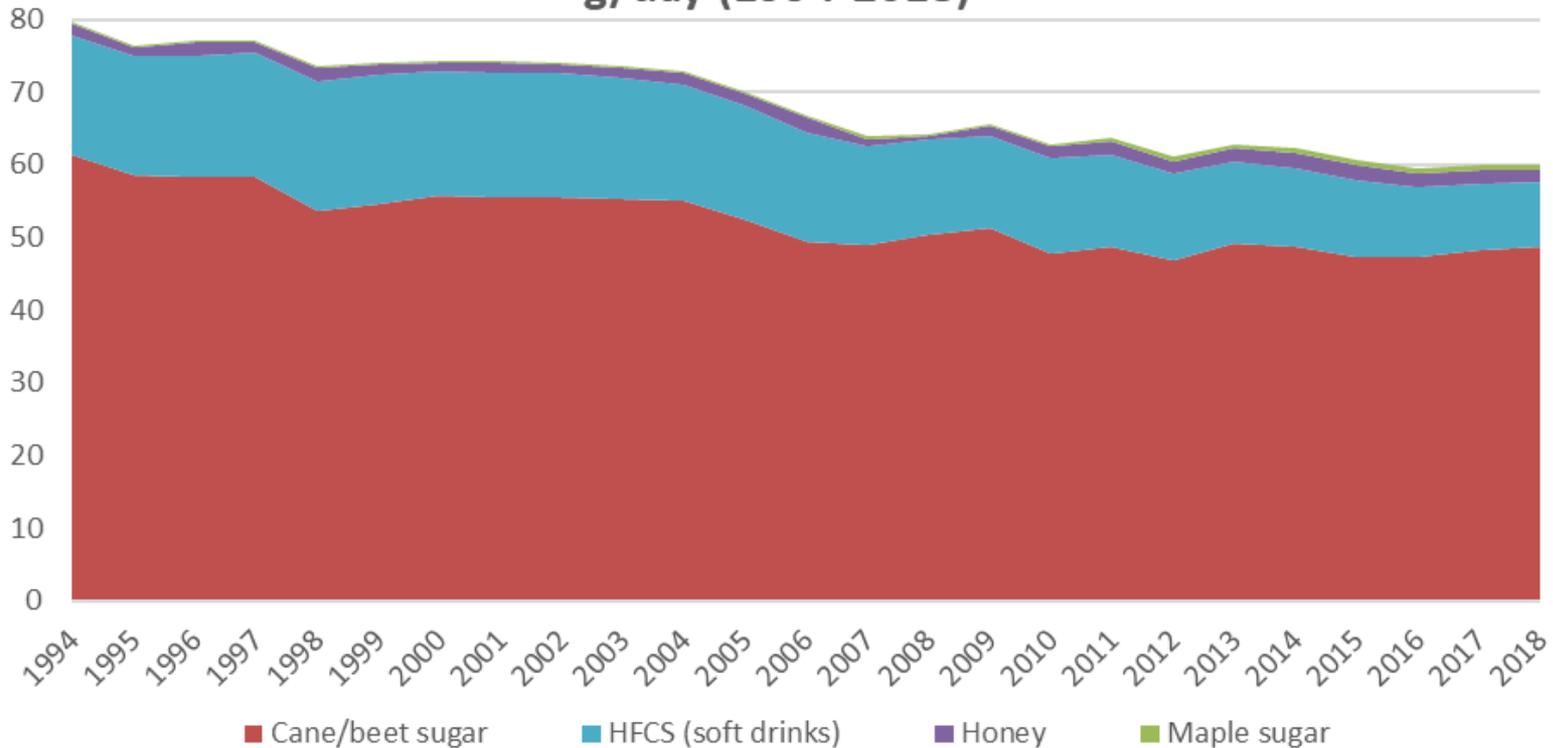


Added sugars consumption, per capita



CANADA

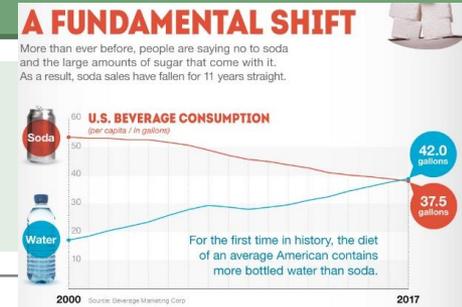
Total Added Sugars Estimated Consumption Canada g/day (1994-2018)



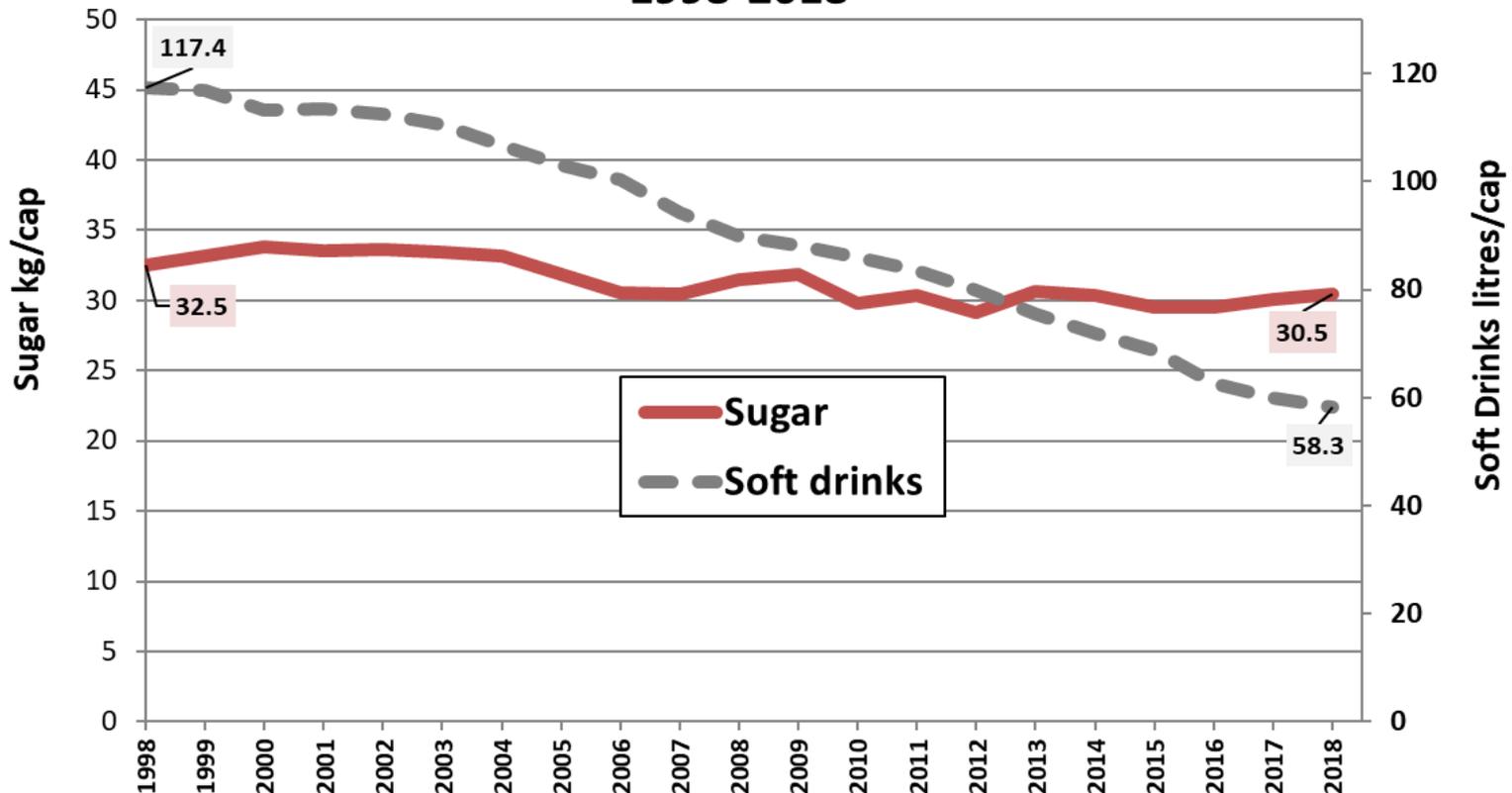
Data source: Statistics Canada, CANSIM. Adjusted for waste using updated USDA Loss-Adjusted Food Availability. Includes refined sugar, maple sugar, honey and sugars in soft drinks. Variability in sugars and syrups reflects substitution with high fructose corn syrup in soft drinks so total sugars, syrups and soft drinks is an overestimate in some years. Sugars in soft drinks is an overestimate as soft drink data includes non-caloric soft drinks.



Canadian sugar availability/consumption (Soft Drinks proxy for decline in HFCS use)



Canada Refined Sugar Consumption Flat Soft Drinks Sharp Decline 1998-2018



Canadian sugar availability/consumption (variable substitution liquid sugar for HFCS)

The Difference Between Table Sugar & High Fructose Corn Syrup

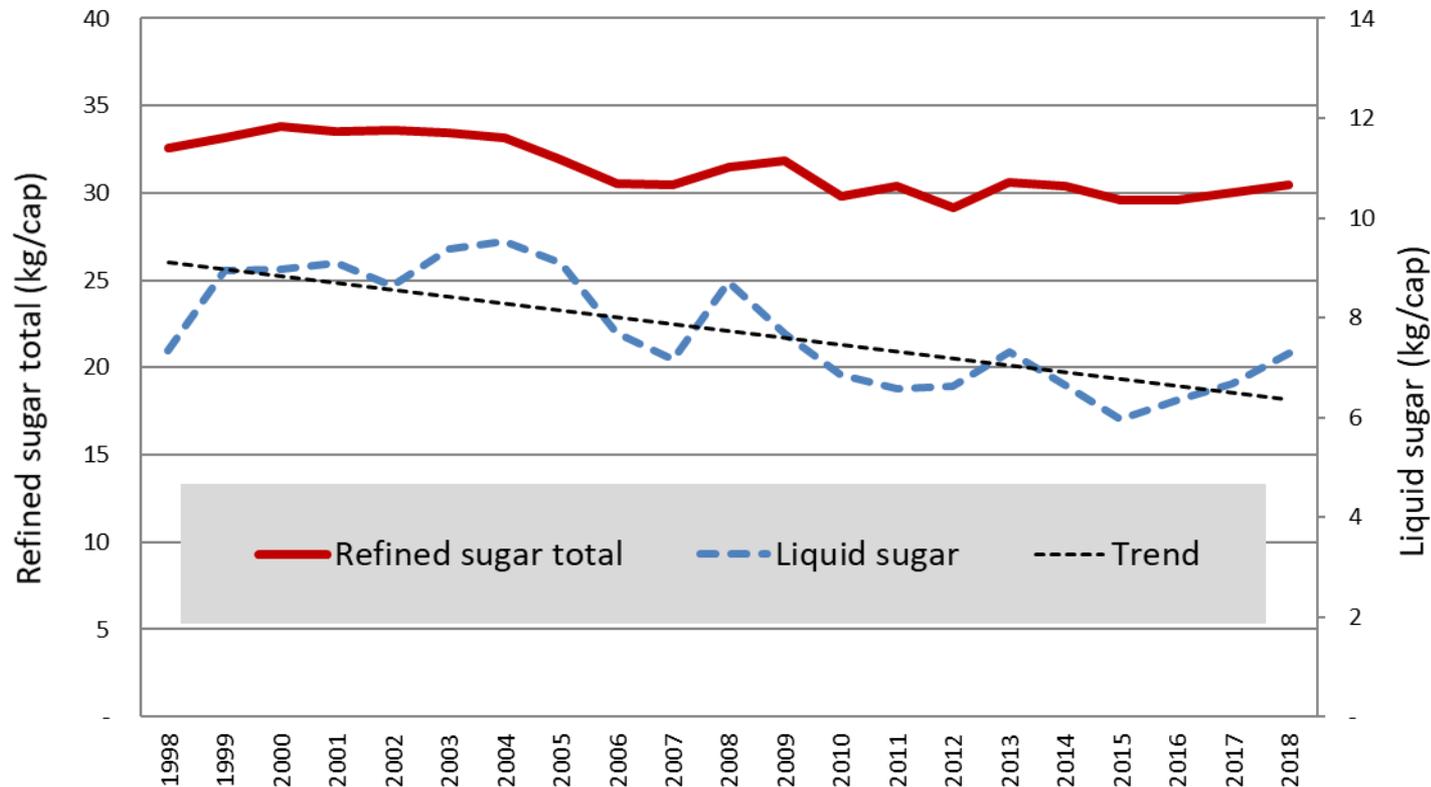
Sucrose	50%	50%
HFCS 42	42%	58%
HFCS 55	55%	45%

In table sugar, glucose and fructose are combined into a single molecule called **sucrose**.

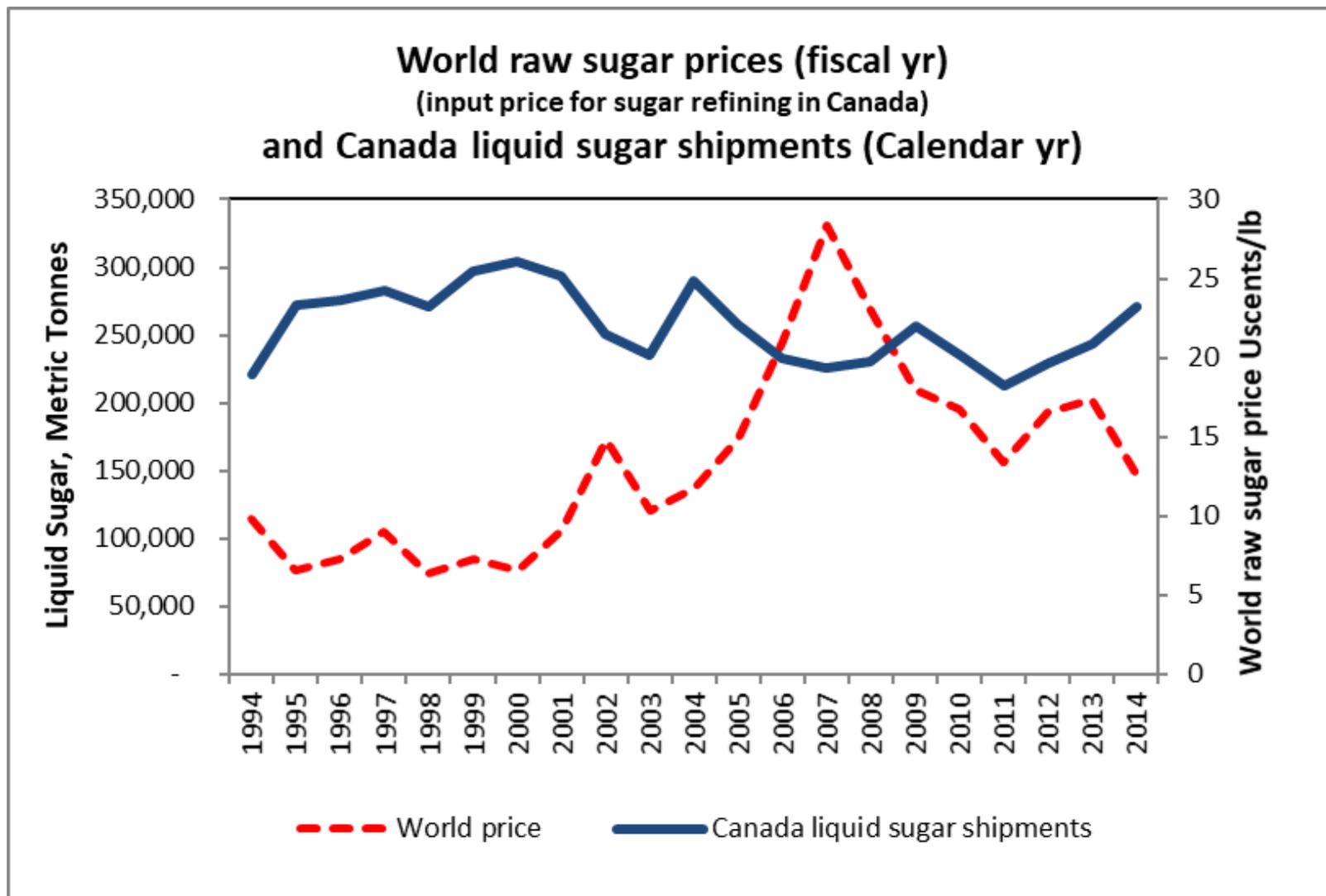
High fructose corn syrup is a mixture of glucose and fructose molecules.

■ glucose ■ fructose © Fooducate, 2015

SUGAR CONSUMPTION, Canada (kg per capita)

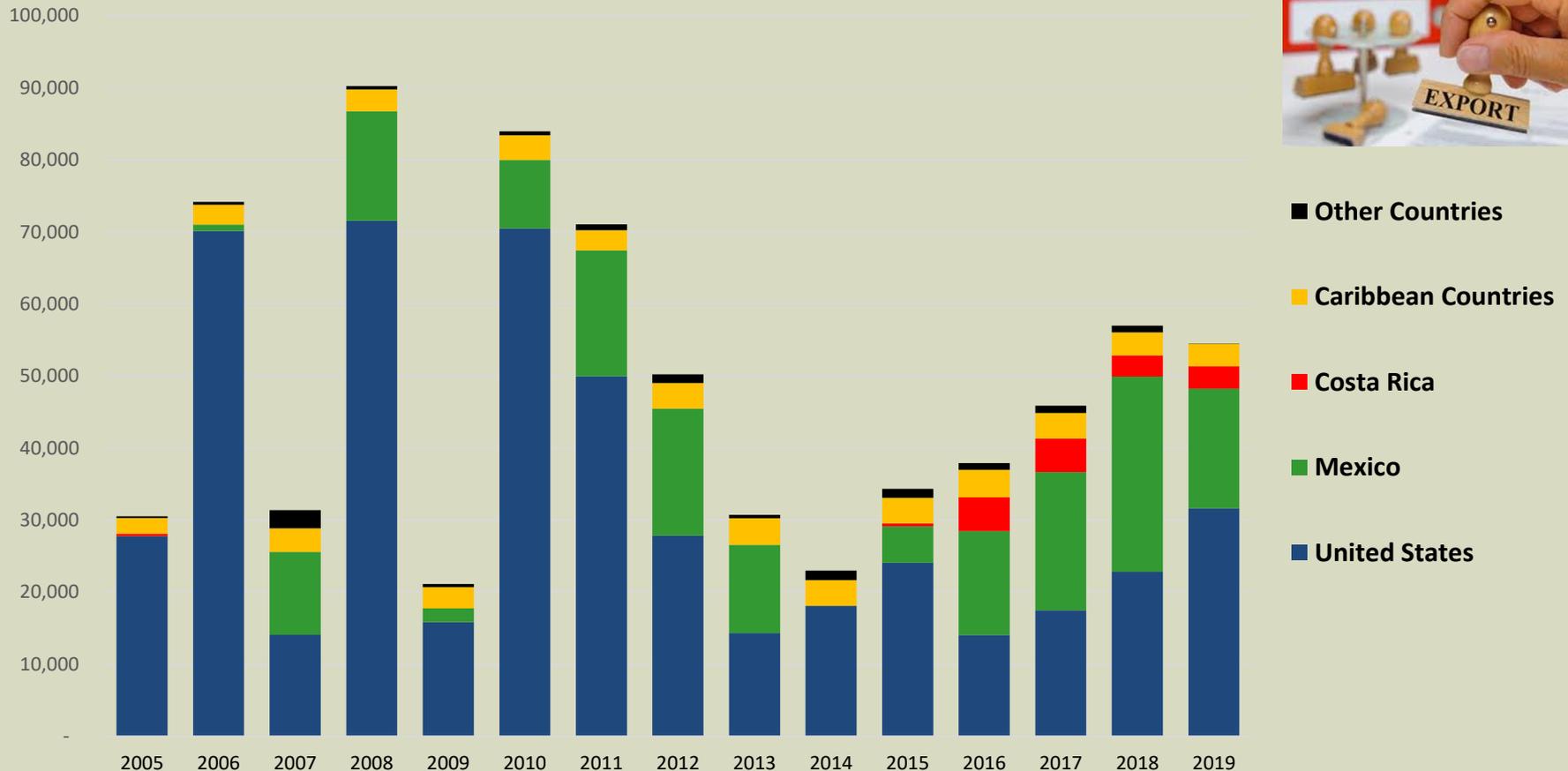


Canada Liquid Sugar Shipments vs. World raw sugar price



Canadian Export Destinations Limited by Trade Barriers

Canada Exports Refined Sugar (HS 1701.99), Metric Tonnes

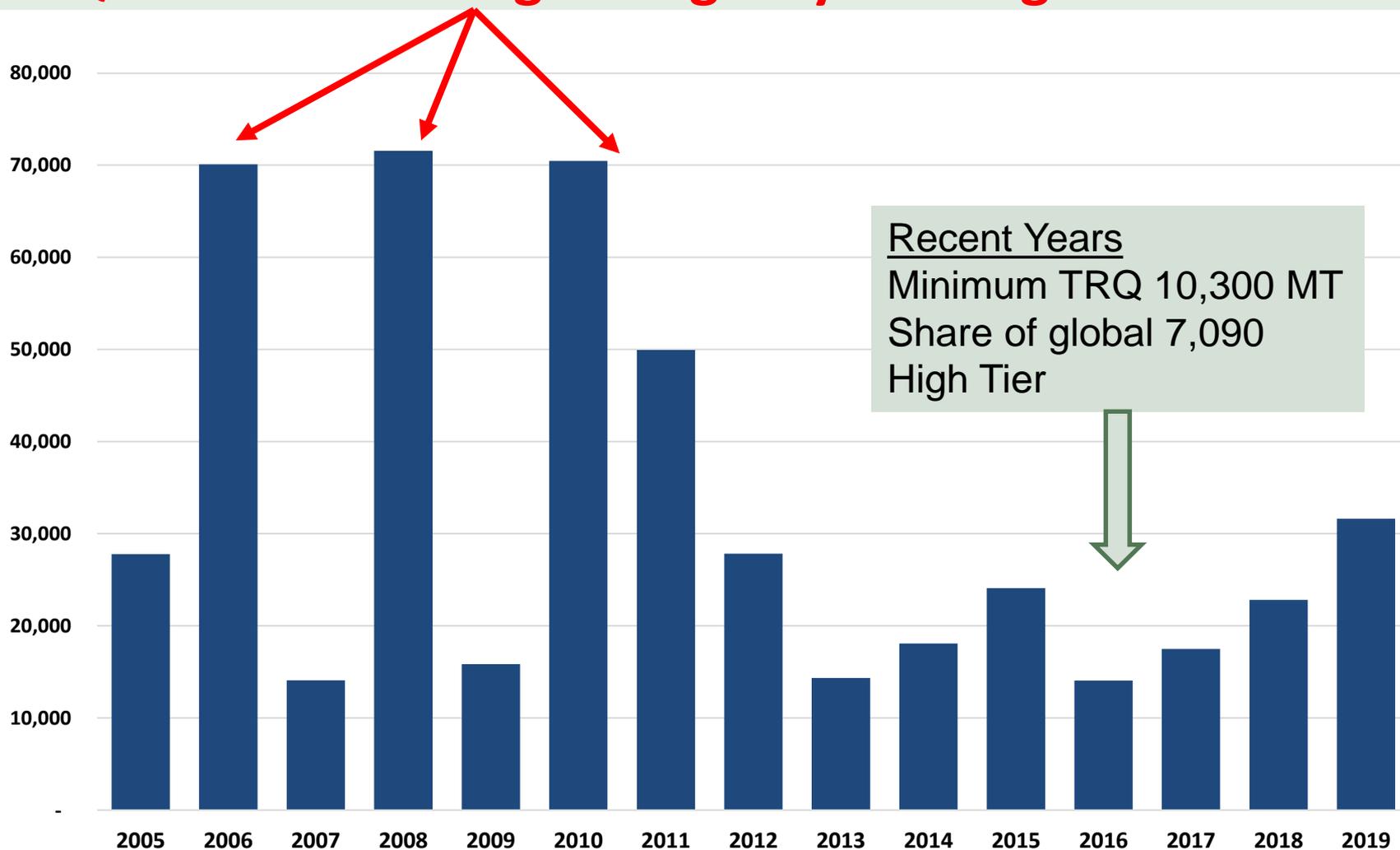


- Other Countries
- Caribbean Countries
- Costa Rica
- Mexico
- United States



Canadian Exports Refined Sugar to the United States

TRQ Increases During Emergency Shortages

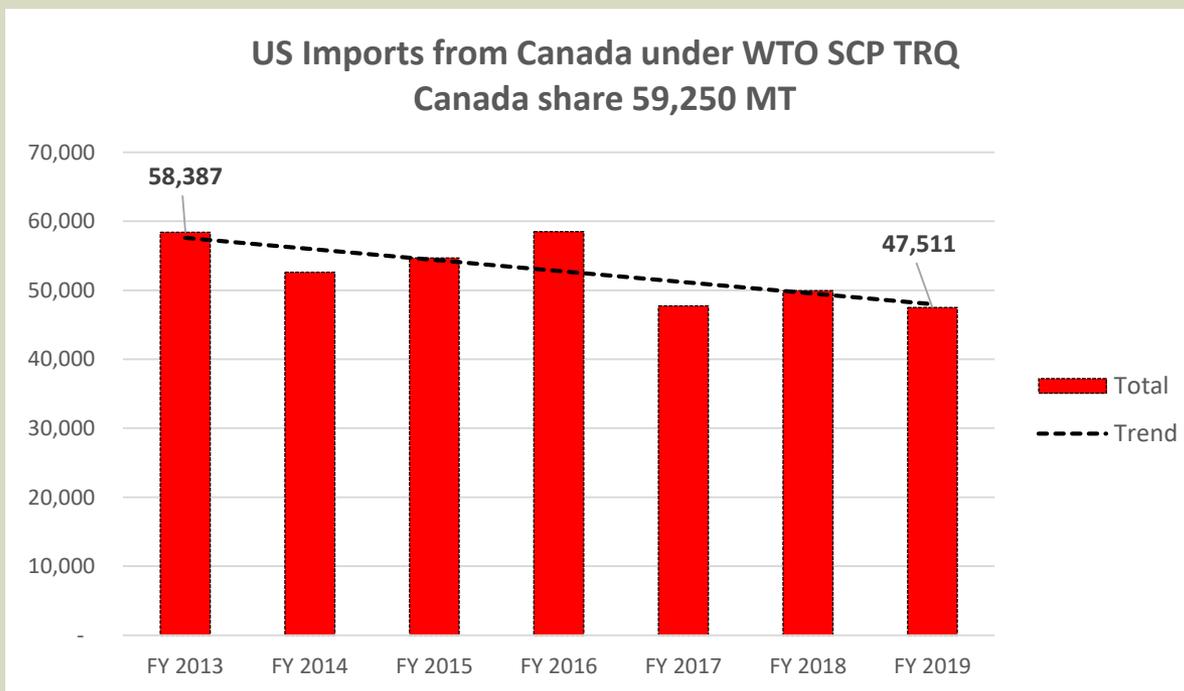


NAFTA 2.0 = CUSMA / USMCA / T-MEC



- **MAINTAINS** Canada-specific allocations of US WTO Quotas

- Refined beet sugar 10,300 MT
- SCPs 59,250 MT (retail ready)



NAFTA 2.0 = CUSMA / USMCA / T-MEC



CALENDAR YEAR TRQs for CANADA

SUGAR – 9,600 MT beet sugar

- If US increases WTO refined sugar TRQ:
 - ✓ Canada share is 20% - can be refined cane sugar
 - ✓ Does not alter Canada's rights for an increase of the 10,300 MT TRQ

Sugar-containing products – 9,600 MT

- ✓ No limitations on end use; i.e., can be shipped food service, restaurants, institutions, food manufacturing





- Signed on November 30, 2018
- Amendments signed December 10, 2019
- Ratified in US and Mexico
- Canadian ratification process underway
- Complete in March or April?

Freeland, Conservative MPs spar over new NAFTA in trade committee

By Rachel Emmanuel. Published on Feb 18, 2020 4:40pm



Entry into force:

“the first day of the third month following the last notification”

June 1? July 1? August 1?





Thank you! Merci! Gracias!

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