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Nordzucker's 2023 beet cultivation contract hits the mark

Farmers not only accepted Nordzucker AG's contract offer in full, but even oversubscribed it slightly. The one-year supply contract for sugar beet in the 2023 cultivation year meets with broad approval.

Braunschweig. "I am very pleased that we have obviously been able to meet expectations with our offer to farmers," says Dr Lars Gorissen, CEO of Nordzucker AG. "Particularly this year, we had to proceed with sensitivity in order to put together a balanced package: supply security for the company and, at the same time, price flexibility for the farmer. The good acceptance of the contract offer confirms that sugar beet remains very attractive for farms in northern Germany."

In mid-May, Nordzucker and the Dachverband Norddeutscher Rübenanbauer e.V. (DNZ) agreed on the concrete form of the contract offer and, in particular, a minimum price for sugar beet of 37 euros per tonne in the 2023 cultivation year. The deadline for growers to subscribe to contract quantities ended on 15 June 2022.

The one-year supply contract for beet cultivation in 2023 offers the more than 3,000 beet growers a flexible price clause to reflect market changes and/or rising costs. Gorissen is optimistic that after the beet harvest and marketing of the sugar, the beet price in 2023 will be significantly above the guaranteed minimum price. Nordzucker had already raised the prices for the existing multi-year contracts, and that too for 2022.

Background

Nordzucker Group

The Nordzucker Group, headquartered in Braunschweig, Germany, is one of the world's leading sugar producers. The company extracts a wide range of sugar products from beet and cane at 21 sites in Europe and Australia - some of it in organic quality. Nordzucker also produces animal feed, molasses, fertiliser, bioethanol, biogas and electricity. The raw materials beet and cane are fully utilised. Circular economy and sustainability along the entire value chain have been a priority in the company for decades. A total of around 3,800 employees across the Group stand for sustainably produced products and excellent service.

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