Nordzucker invests 100 million euro in Swedish sugar production

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Nordzucker will concentrate its sugar production in Sweden at the factory in Örtofta and as part of this process the refinery in Arlöv will be closed. This was decided by the Executive Board and Supervisory Board of Nordzucker AG. Around 100 million euros will be invested in the strategy project, first steps have already been taken. The project is expected to be completed in autumn 2021.

With the aim of further strengthening its competitiveness, Nordzucker invests 100 million euro in Swedish sugar production. The investment means that the production in Arlöv is moved to Örtofta and that the factory in Arlöv is subsequently closed. However, before that, a number of major investments must be in place. These involve both new production methods and new technology and are also an investment in the environment. The first steps have already been taken with an extensive modernisation of Örtofta's sugarhouse which will be completed before the 2019 campaign. In the years to come, the investments will include building a high rack warehouse, rebuilding the service center, and a new liquid and syrup facility.

“We have come far in the planning and I look forward to being now ready for the next stage. With the consolidation, we not only ensure a long-term sustainable structure in Sweden, we also get a modern factory with efficient energy-optimized production and significant
savings in the long term. An important step to position ourselves as a stable, profitable and competitive player in the sugar market”, says Axel Aumüller, Chief Operation Officer in Nordzucker.

“I am very pleased that on basis of the decision we, in close cooperation with our beet growers, ensures the deliveries of Swedish sugar to our customers for the future,” says Katarina Silfversparre, Managing Director for the Swedish subsidiary Nordic Sugar AB and continues: “The consolidation will mean a reduction in the number of employees in the Swedish operations. It means a lot to me that we can handle this and the closure of the factory in Arlöv with internal relocation and natural retirement”.

**Significant climate benefits**
The investments mean that energy consumption in the Swedish sugar production can be reduced by 20 per cent and CO₂ emissions by 18,000 tonnes per year. In addition, more rational logistics mean that transport by truck can be reduced by 3,200 per year, and an increased part of the transports can be done by rail. Together with the silo, inaugurated in 2017, and the energy-efficiency measures implemented in Örtofta in recent years, the new investments mean that the company has invested around 150 million euro in strategic projects to secure the competitiveness of Swedish sugar production in the future.

**Background**
The Nordzucker Group, based in Braunschweig, Germany, is one of the leading sugar manufacturers in Europe. The Group also processes sugar beet into bioethanol and animal feed. Sustainability along the entire value chain is a top priority for the company. A total of 3,200 employees and 18 production and refinery facilities across the Group ensure excellent products and services, thus providing a strong foundation for further growth.