

Required Report: Required - Public Distribution

Date: April 15, 2024

Report Number: JM2024-0001

Report Name: Sugar Annual

Country: Jamaica

Post: Kingston

Report Category: Sugar

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Report Highlights:

For marketing year (MY) October 2024 to September 2025, Post forecasts that Jamaica's sugar production will decline to 34,000 metric tons (MT), in line with the steady decrease observed in the industry over recent years. The Jamaica sugar industry continues to grapple with persistent challenges affecting production, including labor shortages, elevated production costs, and outdated equipment. Despite lower production projections, Jamaica is expected to continue exporting raw sugar to the United States under the World Trade Organization (WTO) tariff-rate quota program. Meanwhile, the country will continue to meet demand in both local and Caribbean export markets, particularly where prices are competitive.

Production

Sugar Production

For MY 2024/2025, Post forecasts sugar production lower at 34,000 metric tons (MT) from 410,000 MT of sugarcane. The lower projection is primarily driven by high production costs, labor challenges, and outdated equipment. In MY 2023/2024, Jamaica's raw sugar production is estimated at 36,000 MT, produced from approximately 415,000 MT of sugarcane.

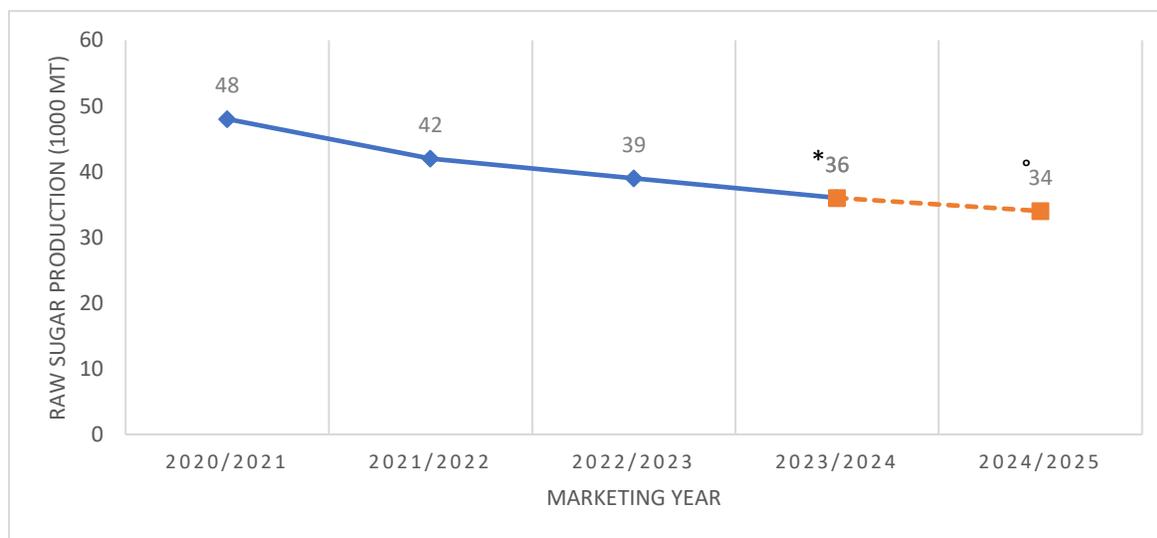
Sugarcane Production

For MY 2023/2024, approximately 14,000 hectares were dedicated to sugar cane cultivation. This figure has remained stagnant for several years, reflecting the challenges faced by the industry. Of the total area planted, approximately half the area was harvested due to ongoing issues, such as unreliable labor availability and inefficiencies within factories, which have plagued the sector recently.

With only two sugar factories presently operational in Jamaica, Post projects that the area planted will hold steady at 14,000 hectares in MY 2024/2025. Should issues of labor, supply, and factory inefficiencies persist, Post projects that area harvested will remain unchanged from the previous period last year.

Industry data shows consistent underperformance in key production areas for both raw sugar and sugarcane over the last several years. Figure 1 illustrates a steady decline in raw sugar production from 48,000 MT in MY 2020/2021 to 36,000 MT in MY 2023/2024. Figure 2 demonstrates the volume of sugarcane milled also declined over the same marketing years.

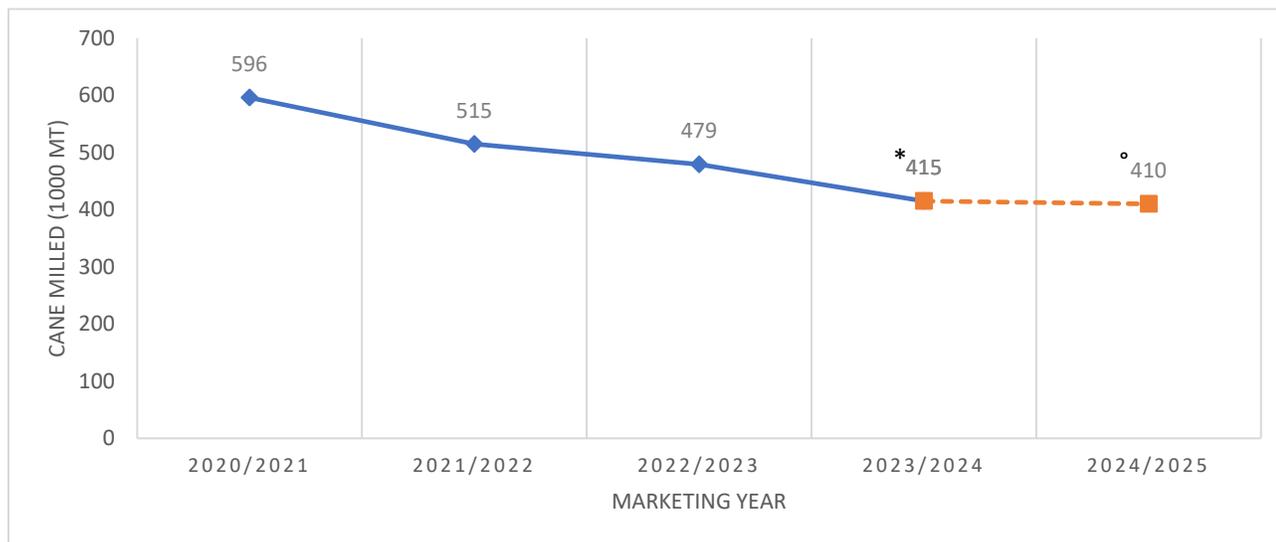
Figure 1: Raw sugar production in Jamaica between marketing year 2020/2021 and 2023/2024



Source: USDA Production, Supply and Distribution Data-

* estimate; °forecast

Figure 2: Quantity of cane milled in Jamaica between crop production year 2020/2021 and 2023/2024



Source: USDA Production, Supply and Distribution Data

* estimate; °forecast

Post sources attribute the decline in Jamaica’s raw sugar production to various factors, including the rising costs of inputs, fertilizers, labor shortages, and reduced land availability. Former sugarcane cultivation areas have now been repurposed for housing and other cash crops, further exacerbating the decline. The government has also redistributed lands, which were previously under sugarcane cultivation for other agricultural undertakings.

Most sugar mills have ceased operations in recent years, leaving only Pan Caribbean and Worthy Park operating in raw sugar production. Jamaica’s reliance on imported refined sugar persists due to current limitations in manufacturing capacity, a situation that is expected to continue into the foreseeable future.

To support the industry, the Government of Jamaica (GoJ) continues to provide transportation subsidies, particularly to small sugarcane farmers, to offset costs associated with transporting sugarcane to factories.

Table 1: Sugarcane production for crop year 2022/2023

Factory	Company	Estate Area Reaped (HA)	Farmer Area Reaped (HA)	Total Area Reaped (HA)	Estate Cane Milled (MT)	Farmer Cane Milled (MT)	Total Cane Milled (MT)	Raw Sugar Produced (MT)
Appleton	Campari	0.00	1,127.30	1,127.30	0.00	47,078.60	47,078.60	0.00
Frome	Pan Caribbean	2,373.17	780.64	3,153.81	119,773.89	33,221.00	152,994.89	12,930.91
Worthy Park	Worthy Park (includes Monymusk farmers)	1,999.10	1,633.85	3,632.95	139,070.60	76,025.51	215,096.11	23,540.22
*	Everglades	0.00	32.98	32.98	0.00	0.00	0.00	0.00
GRAND TOTAL		4,372.27	3,574.77	7,947.04	258,844.49	156,325.11	415,169.60	36,471.13

* Farmer-reaped sugarcane is generally transferred to one of the above factories for processing.

Source: Sugar Industry Authority (Preliminary) 2024

Consumption

For MY 2024/2025, Post forecasts a decline in local sugar consumption to 87,000 MT (27,000 MT of raw sugar and 60,000 MT of refined sugar) compared to MY 2023/2024. On average, per capita consumption of sugar in Jamaica fluctuates, but remains approximately 82 lbs.

The majority of refined sugar in Jamaica is consumed by the food and manufacturing sectors. However, in recent years, the Ministry of Health and Wellness, as well as the Heart Foundation of Jamaica, have jointly launched a national campaign warning against excessive sugar intake. In response, some manufacturers have lowered sugar content in their products. Since 2019, the GoJ has proposed a tax on sugary beverages to discourage consumers from purchasing products with high sugar content. To date, the GoJ is still deliberating legislation to implement this policy, which if enacted, would undoubtedly curb both raw and refined sugar consumption in Jamaica.

Annually, the spirits' industry uses approximately 100,000 MT of molasses and 5,000 MT of raw sugar. While other sweeteners are available locally, their market share remains minimal compared to cane sugar, which continues as the preferred choice among consumers.

Trade

Jamaica has historically exported sugar to the European Union (EU) under the European Union Sugar Protocol (EUSP), which extended benefits to countries in the African, Caribbean, and Pacific (ACP) group. Under the EUSP, Jamaica could export raw sugar to the EU at a premium price and import raw sugar for domestic consumption at a lower price.

In 2009, the EUSP was replaced by the Economic Partnership Arrangement, which reduced the price difference between the world market price and that of ACP countries. In 2013, the EU revised its Common Agricultural Policy (CAP), known as [EUCAP](#), effectively removing the preferential price enjoyed by ACP countries. This policy change led ACP countries, such as Jamaica, to operate under regular market conditions, characterized by high input costs and low efficiency relative to other global sugar markets.

The changes to the EU policy reshaped Jamaica's raw sugar marketing strategies. Currently, sugar is primarily used for domestic purposes, and exported to the Caribbean, the United States (under pre-determined quotas), and in modest quantities to the EU, even at reduced prices.

Despite lower production forecast for MY 2024/2025, local industry intends to continue supplying sugar to the United States. In 2023, Jamaica exported 4,500 MT of raw sugar to the United States, out of the 11,834 MT allocated. The remainder was consumed locally or exported to other markets, including to the Caribbean Community (CARICOM).

Post expects Jamaica to continue importing refined sugar since it is not produced locally. Imports are projected to remain relatively stable for the outyear. In 2023, Jamaica mainly imported refined processed sugar from Guatemala, Colombia, and the United Kingdom.

Stocks

Generally, producers maintain stock levels at 4,000 MT of raw sugar due to prohibitive storage costs. Importers also stock a limited amount of refined sugar.

Policy

The Ministry of Agriculture, Fisheries and Mining (MOAFM) oversees Jamaica's sugar industry, governing policies related to land usage, irrigation, subsidies, and other matters.

Under MOAFM, the Sugar Industry Authority (SIA) is the regulatory body that exercises oversight in areas of arbitration, research and development and monitoring and evaluation. The SIA also regulates the marketing of sugar and molasses.

Initially, the Jamaica Cane Products Sales (JCPS) Limited served as a private marketing company created in 1994 to issue marketing licenses to factories it represented under the jurisdiction of the SIA, as these factories lacked individual licensing capabilities for their own products. However, subsequent policy changes by the GoJ rendered JCPS obsolete, leading to its closure in 2018, as the SIA began directly issuing licenses to sugar factories.

The Jamaica Country Strategy for the Adaptation of the Sugar Industry ([JCS](#)) is the primary policy guiding the Jamaican sugar industry. The JCS I (2009-2015) was designed in response to the EU’s policy changes that regulated sugar export trade in ACP countries. Following the revisions, prices paid to ACP countries for raw sugar fell by 36 percent.

The *JCS II (2016-2020)*, updated by MOAF in July 2019, outlines three main strategic objectives:

- i. developing and maintaining a sustainable private sector-led sugar cane industry with diversified product offerings;
- ii. strengthening social resilience, economic diversification, and environmental sustainability in Sugar Dependent Areas (SDA);
- iii. maintaining progress towards the GOJ’s macroeconomic goals.

The policy, which is currently in effect, adopts a three-phase approach: transition, transformation, and consolidation. These updates aim to minimize industry risks, while opening avenues to boost revenue streams. MOAFM envisions a comprehensive transformation of the sugarcane value chain, emphasizing the production of diverse products beyond traditional commodities. Value-added prospects include the production and generation of energy products, such as ethanol, refined sugar, as well as the expanded production of premium products, such as rum and other spirits.

Marketing

In Jamaica, Pan Caribbean Sugar Company and Worthy Park Estate are the only two sugar marketing agents. These companies have been licensed by the GoJ to market their own products, which allows them the authority to set their own pricing strategies. Refined sugar, which is entirely imported, is distributed to retail markets and various manufacturers of beverages and baked goods by independent companies. The pricing of sugar within Jamaica is set by marketing agents and verified by the SIA. Current local sugar prices are listed below.

Table 2: Price of sugar

Type of Sugar	Prices (US\$/pound)		
	Producer to wholesaler	Wholesaler/Importer to retail	Retail to consumer
Raw	N/A	0.81	1.06
Refined	N/A	1.13	1.50

Table 3: Production, Supply, and Distribution

Sugar Cane for Centrifugal	2022/2023		2023/2024		2024/2025	
Market Year Begins	Dec 2022		Dec 2023		Dec 2024	
Jamaica	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted (1000 HA)	14	14	14	14	0	14
Area Harvested (1000 HA)	7	7	7	6	0	6
Production (1000 MT)	480	479	475	415	0	410
Total Supply (1000 MT)	480	479	475	415	0	410
Utilization for Sugar (1000 MT)	472	471	467	407	0	402
Utilization for Alcohol (1000 MT)	8	8	8	8	0	8
Total Utilization (1000 MT)	480	479	475	415	0	410
(1000 HA), (1000 MT)						

Table 4: Production, Supply, and Distribution

Sugar, Centrifugal	2022/2023		2023/2024		2024/2025	
Market Year Begins	May 2022		May 2023		May 2024	
Jamaica	USDA Official (1000 MT)	New Post (1000 MT)	USDA Official (1000 MT)	New Post (1000 MT)	USDA Official (1000 MT)	New Post (1000 MT)
Beginning Stocks	4	4	4	4	0	4
Beet Sugar Production	0	0	0	0	0	0
Cane Sugar Production	39	39	36	36	0	34
Total Sugar Production	39	39	36	36	0	34
Raw Imports	0	0	0	0	0	0
Refined Imp. (Raw Val)	60	60	60	60	0	60
Total Imports	60	60	60	60	0	60
Total Supply	103	103	100	100	0	98
Raw Exports	7	7	7	7	0	7
Refined Exp. (Raw Val)	0	0	0	0	0	0
Total Exports	7	7	7	7	0	7
Human Dom. Consumption	92	92	89	89	0	87
Other Disappearance	0	0	0	0	0	0
Total Use	92	92	89	89	0	87
Ending Stocks	4	4	4	4	0	4
Total Distribution	103	103	100	100	0	98
(1000 MT)						

Attachments:

No Attachments