Corn syrup to invade EU?
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From 2017, the EU will open its doors to high-fructose corn syrup, but cane sugar will remain restricted

The taste may be similar, but soft drinks in Europe are different in one specific way from sodas consumed by Americans. In the United States, they are mostly sweetened with isoglucose – syrup made from wheat and corn. Traditionally, Europe prefers natural sugar – and not just because of the tight quotas imposed by the European Union on the import of high-fructose corn syrup, the best-known isoglucose variety.

That may all be about to change. Until now, isoglucose production has been capped at around 700,000 tonnes, less than 5% of the sugar produced in the EU (in the US it accounts for 50%). Beet sugar, hugely dominant in Europe if nowhere else, has been capped at 13 million tonnes. Both these quotas will be removed in 2017.

Cane sugar, which accounts for 80% of sugar production globally, has faced restrictions in Europe through import duties. Imports of raw cane for processing are limited to suppliers making up 5% of global trade. Of that amount, 30% is hit with a €98 per tonne import levy. These restrictions will remain after 2017.

With the abolition of the quota on isoglucose, which is generally cheaper than beet or cane sugar, the European Starch Industry Association (ESIA) expects its use in Europe to increase to as much as three million tonnes – at the expense of beet sugar. The continuing import duty means cane sugar cannot hope to compete.

Health campaigners have long claimed there are health risks with isoglucose, particularly high-fructose corn syrup, which they say contributes to widespread obesity in the US. The Alliance for Natural Health Europe warns that it is harder for the body to break down isoglucose, because of its molecular structure, but a direct causal link with obesity has never been conclusively proven.

Jamie Fortescue, managing director of ESIA, says that European consumers need not fear increased levels of obesity caused by isoglucose. “No one is expecting it to take off the way it has done in the US. We are expecting it to be 15%-20% of the market here, roughly equal to Japan,” he said. “Americans consume a lot more soft drinks than we do.”

But cane-sugar producers say the post-2017 regime will unfairly benefit isoglucose, and consumers would rather consume traditional sugar. Some MEPs agree. Marina Yannakoudakis, a British Conservative MEP, is calling for the import duty on cane sugar to be abolished. “Europe is home to many cane-sugar refineries that now face a future whereby beet is unleashed while they remain constrained,” she says. “There is no shortage of cane sugar globally, just a rigid and punitive European import duty.”

The European Commission notes that the duties and quotas are not intended to target any specific source of sugar but instead to leave Europe with a more accessible sugar market. A spokesperson said that reducing the €98/tonne quota could be part of a future renegotiation with the World Trade Organisation.