

The new man leading beet pricing discussions



“Sugar beet growers, as shown in 2023, are prepared to stand together.”

KIT PAPWORTH

Beet price negotiations are one thing, but the NFU Sugar board chair’s position is much more than just leading those talks, as CPM finds out when meeting Kit Papworth – the new man in the role.

By Mike Abram

About 10 minutes into his conversation with CPM, new NFU Sugar board chair Kit Papworth makes what seems a surprising admission for someone in his position – suggesting he’d be surprised if he ever grew a crop of sugar beet genetically edited to provide resistance against virus yellows.

This candid confession was despite an earlier acknowledgement that virus yellows will remain the biggest threat to sugar beet crops grown in the country for the foreseeable future, including those on his own farm, and that there’s little prospect of future derogations for the neonicotinoid seed treatments that control aphids transmitting the virus.

The reason behind his statement is mostly due to the time it might take to develop such varieties. For context, British Sugar and biotech company Tropic were awarded £660,000 in grant funding from Innovate UK to use Tropic’s Gene Editing induced Gene Silencing (GEiGS) technology platform to make minimal and precise edits in sugar beet to enable the crop to have natural and durable resistance to virus yellows.

But with current timelines suggesting the Tropic project’s aim to confirm virus yellows resistance in GE plants in the laboratory will come to fruition by the end of the decade – plus performance in field trials to take place in the following years – it perhaps puts

how far this technology is away from commercialisation into perspective.

“Ultimately, virus yellows and other problems in the sugar beet industry will be solved by gene editing, but it’s a lot further out than we hope,” says Kit.



New in position

Norfolk farmer, Kit Papworth, is the newly appointed NFU Sugar board chair.



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There's also significant work to do regarding public acceptance of sugar produced by such technology, he adds. However, Kit is more hopeful that conventional breeding will make a more immediate impact against virus yellows.

"I think that will be where we make our biggest step changes in the next five years – we already have varieties that are better than others on the Recommended List under virus yellows pressure."

A Norfolk farmer, Kit jointly manages LF Papworth with his cousin Tim – a contract farming business covering around 1600ha for more than 20 landowners. Perhaps unsurprisingly given Kit's new position as NFU Sugar chair, the crop is an important part of a rotation that includes potatoes, winter wheat, spring barley, oilseed rape and environmental stewardship areas. All but one of the contract farms has a sugar beet contract.

"We like to think we're pretty good at growing the crop. We budget for a yield of 75t/ha, but will spend to achieve more on crops with good potential," explains Kit.

The business is also part of the White Cross sugar beet harvesting syndicate, alongside two other northeast Norfolk farming businesses which work together to lift, clamp and load, and haul beet throughout the campaign.

Like many, the farm has moved away from winter ploughing ahead of beet to a system establishing beet using minimal cultivations after an overwinter cover crop, which is grazed by a flying flock of sheep.

"We have some very light soil that you can cultivate very easily," he says. "Whereas some of our stronger land requires two passes, usually with a Sumo Trio to get a rough seedbed, and then a pass with a Lemken Kompaktor."

Growing cover crops has led to what's deemed acceptable as a seedbed. "My father would have wanted to see a clean, ploughed surface to drill into. These days it's quite messy with lots of trash on the surface, but we still have a good seedbed for the seed to grow in."

Minimising cultivations and growing cover crops fit into the farm's aim of repairing and rebuilding soils that inevitably are damaged to some extent by growing potatoes, with the farm hosting a BBRO cover crop trial earlier this season.

"I'm a passionate supporter of



Connecting industry

According to Kit Papworth, NFU Sugar's relationship with British Sugar is just that – a relationship.

BBRO," highlights Kit, who joins the executive board of BBRO as part of his NFU Sugar chair remit. "There's so much they can do to get the science down to a detail we can only dream about doing on farm. We can do citizen science trials, but getting BBRO to validate what we do is very important."

The organisation, along with plant breeders, has played a key role in the yield increases seen within the sugar beet crop, and is crucial in helping to solve future issues, he adds.

Being elected as NFU Sugar chair – succeeding Cambridgeshire farmer Michael Sly – has meant Kit has stepped down from his role as Red Tractor combinable crops and sugar beet sector chair.

"I don't have the time to do two big jobs. However much anybody will tell you differently, you're doing something for Red Tractor every day. It touches everything from import standards to liaising with government to talking to the British Retail Consortium – it's an incredible role," he explains.

It's usually in the summer months during contract negotiations with British Sugar that the NFU Sugar board chair becomes most visible, particularly in years when achieving agreement isn't straight forward. At the time of interview, with discussions

only just beginning with British Sugar, Kit dead-batted any suggestion that a low world sugar price could make this year's contract a difficult negotiation.

"Our relationship with British Sugar is just that – a relationship. It's like that moment in *Love Actually* when Hugh Grant says, 'it covers all manners of things'. We sit down with British Sugar every month and talk; we have to have a good working relationship where British Sugar understands the problems that growers have, while we have to be sympathetic to the issues it has."

"We have to agree, but sometimes we're going to have a fall out and we should be ready for that; it can be up and down like any relationship."

The repercussions from the last fall out in 2023 when contract negotiations were, to say the least, difficult, are still ongoing. "It was a challenging negotiation where British Sugar weaponised seed," recalls Kit.

"British Sugar tried to incentivise growers to sign up to a unilateral offer by telling them they could have the varieties they wanted. We thought that was a real kick in the teeth."

As a consequence of British Sugar's actions, the NFU Sugar Board refused to continue the seed model as it was, requiring changes so British Sugar could no longer control the supply of seed.

NFU Sugar is also asking the government to clarify the Common Market Organisation (CMO) regulation – a set of rules established by the European Union to govern agricultural

"My priorities are for growers to have the information to understand the market, as well as communicating clearly to them about what's going on."

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markets – so British Sugar could never go unilaterally to growers again.

A third change resulting from that negotiation is that a timetable is now in place with a price having to be agreed by early July, adds Kit. “If we haven’t agreed a price by then, there’s a system in place that will agree a price.”

Contract negotiations are complicated not least that the contract hopefully agreed this summer will be for the crop planted in March or April 2026 and potentially not harvested until the beginning of 2027. “A lot can happen in the sugar market between now and then,” he comments.

Helping growers to understand how the sugar markets work is a key aim for his time as NFU Sugar board chair. He believes that’s important because the days of a simple one-price beet contract are seemingly over, in favour of giving growers more pricing flexibility through contracts with a proportion of the beet contract exposed to market forces.

CONTRACT RISKS

Last year’s contract, for example, required at least 30% of a grower’s contract tonnage to be placed on one or both market-related contract options (see box). The two market related options worked in different ways and provided different risk profiles.

The lower risk market-linked bonus offered a fixed minimum price with more limited potential for upside, while the futures-linked contract was more sensitive to market movements in both directions, offering greater upside but also unlimited downside.

But with the models not linking to the same market – the market-linked bonus related to the UK/EU sugar market referenced by the sugar price achieved by British Sugar produced from the 2025 crop, while the futures-linked contract relates to the forward price of sugar on the world market – some understanding of sugar markets is crucial for growers to achieve the best outcome.

“Sugar markets are such a complex world with so many facets to the price, but I want growers to have tools that allow them to access the highs but also be slightly insulated from the lows and vagaries of the sugar market,” says Kit.

That seems more important for the coming contract, with, while there are no guarantees with any market, many analysts suggest the world sugar price could rise from its current relatively depressed value.

Pipeline opportunities

As more regulation and pressure on meeting emissions targets increases, schemes which reward nature-friendly approaches could also increase



Sustainable sugar contracts?

A potential avenue for increased returns for beet growers could be through low impact sugar

With customers interested in low impact sugar, there could be an opportunity for them to work with growers who want to produce a more nature-friendly crop, believes Kit Papworth.

An example collaboration has been a Landscape Enterprise Networks (LENs) project involving Nestlé, where growers were paid for incorporating nitrogen at planting using a Väderstad Tempo-type drill. “That was a successful project, although it isn’t being continued for the coming season,” says Kit.

A challenge is that any sugar produced using nature-friendly or reduced carbon practices can’t be segregated out by British Sugar. “It’s not going to shut a factory for a week and say this is our nature-friendly farming week, so it has to be done on a mass balance basis.

“In other words, if I choose to use those practices on my farm, I’ll still be delivering my beet on the same day as the farmer who ploughed or other more traditional practices. You won’t actually be able to pick the

sugar individually produced from a farm that’s done the practices.”

As more regulation and pressure on meeting emissions targets increases, such schemes are likely to increase, suggests Kit. “We’ll try and help farmers who want to use those kinds of techniques, while recognising there’ll be some who don’t wish to change in any way, which is fine too.”

Such schemes, so far, are very much the exception to the rule. According to Kit, they’ll only move from being an opportunity for a very small number of farmers to involving enough to move the needle when it becomes much more important for customers.

“At the moment, they’re only playing around the edges. I think we’ve demonstrated we can do it in sugar beet and other crops, but customers are going to have to show that they’re prepared to put their hands in their pockets.

“I’m not seeing a huge number of customers coming to us wanting that, but I’m sure it’ll come as pressure from campaigning groups, government and industry increases.”

“My priorities are for growers to have the information to understand the market, as well as communicating clearly to them about what’s going on,” adds Kit.

Talking to growers and understanding their challenges is ultimately the most important part of the job, he stresses. “It’s important we stand together.

One of the weaknesses in UK farming is we’ve not always been prepared to do so, but sugar beet growers, as shown in 2023, are prepared to.

“And thank goodness they did because the strength in this industry is the growers. If we have to fight, we will,” he concludes. ●