

A man wearing a pink cap and a blue jacket is harvesting sugarcane in a field. He is using a machete to cut the stalks. The background is filled with tall sugarcane plants.

# PRONATEC AG

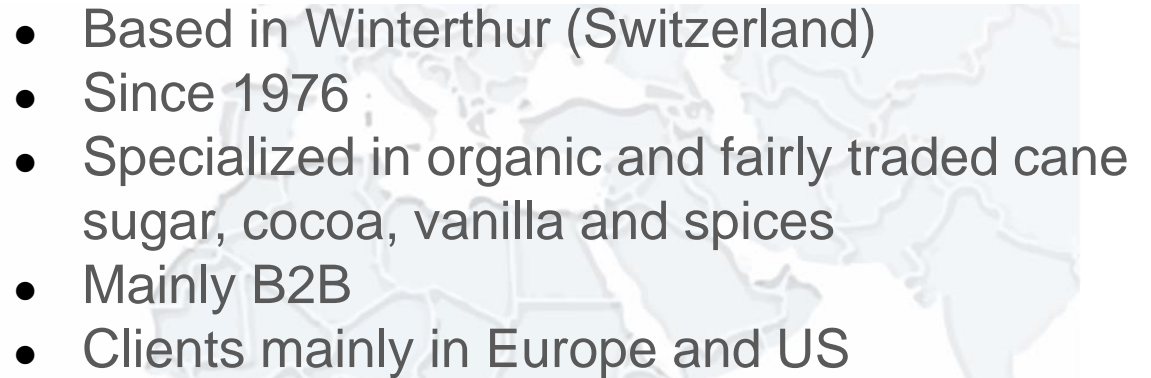
SUGAR COOPERATIVES AND  
COMMUNITY PROJECTS IN PARAGUAY





## Agenda

- ✓ PRONATEC at a glance
- ✓ Direct Trade with Sugar Cooperatives
- ✓ Community Projects
- ✓ Paraguayan Sugar: Opportunities / Threats





# Products we offer

## Cane sugar

- ✓ Whole cane sugar
- ✓ Raw cane sugar
- ✓ White cane sugar



## Vanilla

- ✓ Vanilla pods
- ✓ Powder
- ✓ Extracts
- ✓ etc.



## Cocoa beans



## Semi-finished cocoa products

- ✓ Cocoa mass
- ✓ Cocoa powder
- ✓ Cocoa butter



## Chocolate and coatings

- ✓ Coatings
- ✓ AMARRÚ chocolate
- ✓ Private label chocolate



## Spices

- ✓ Cloves
- ✓ Cinnamon
- ✓ Turmeric
- ✓ Ginger
- ✓ Voatsiperifery
- ✓ etc.





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# Fair Trade in short

Landscape of smallholder producers

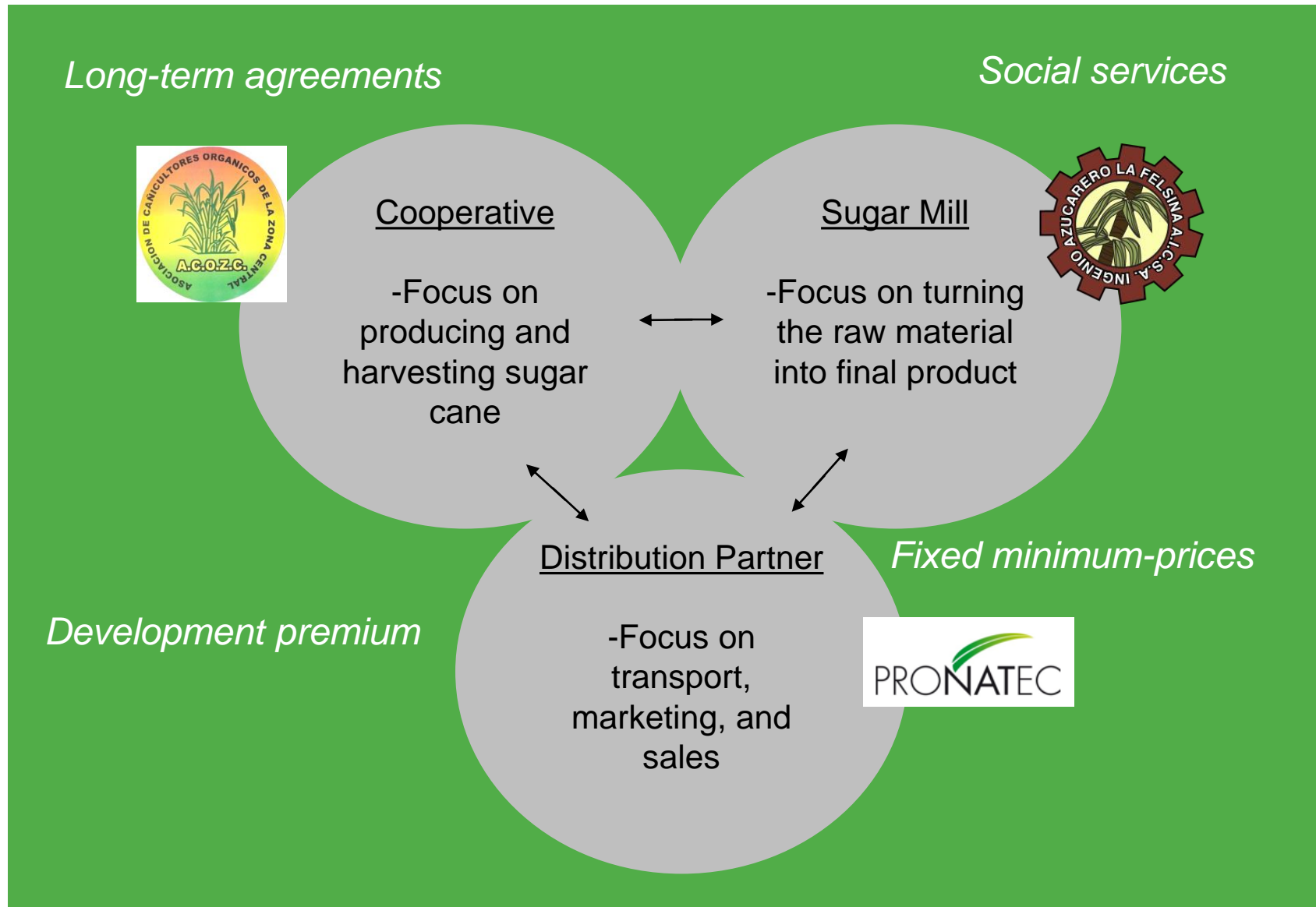


Create Impact by FT Principles

- Long-term perspective
- Social security (minimum prices)
- Empowerment / participation (premiums)
- Regional development in general



It is critical to act as an Alliance of partners guided by FT Principles



# La Felsina Sugar Mill in Guarambare (1/2)

LA FELSINA is a small sugar mill in Paraguay with which PRONATEC has been in partnership since 1998 as part of a joint venture. The many years of cooperation have not only involved large investments in production facilities, but also the exchange of important findings relating to organic cultivation.

Today, La Felsina has all the important certifications and produces high-quality raw cane sugar which is distributed exclusively by PRONATEC across Europe.





## La Felsina Sugar Mill in Guarambare (2/2)





# ASOCACE Sugar Cooperative (1/2)

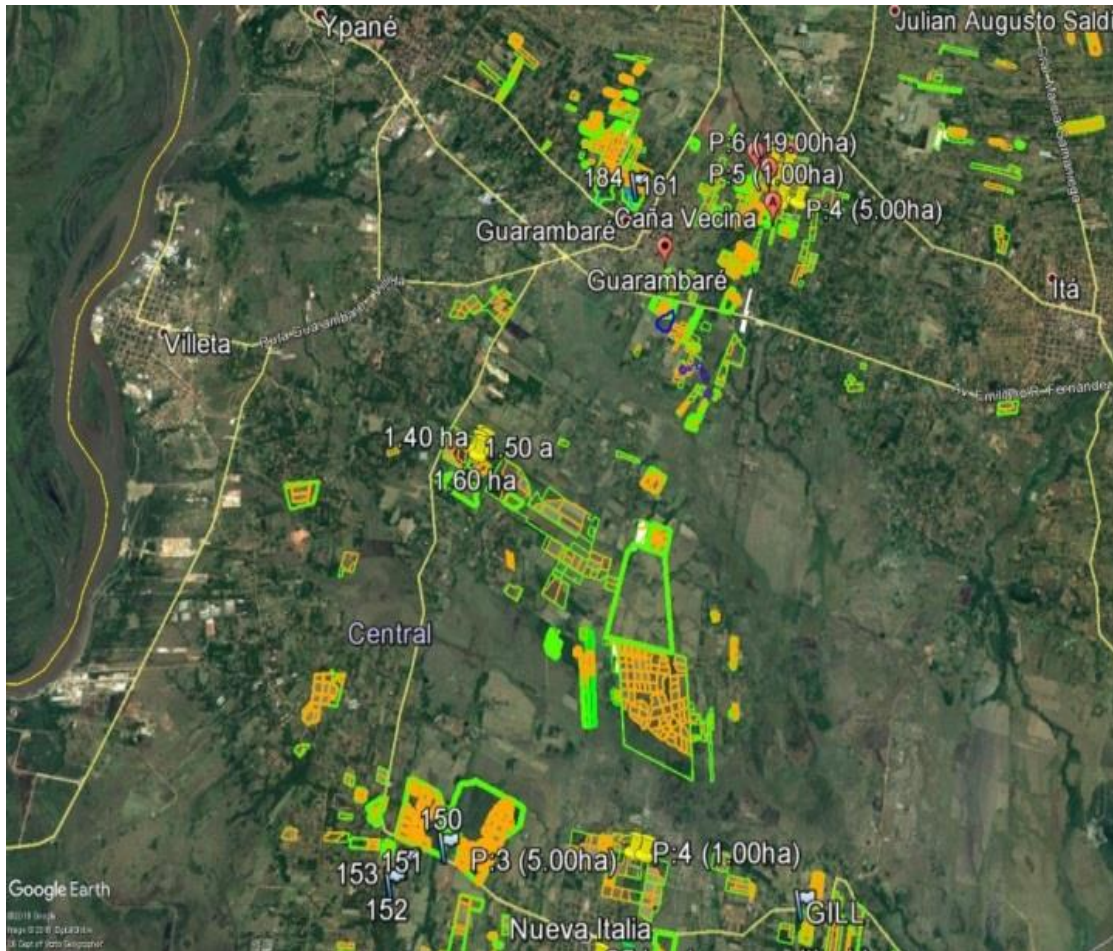
For a long time, farmers in the Departamento Central in Paraguay worked separately and sold their sugar cane individually and at low prices to the local sugar mill.

In 2002, the farmer organisation Asociación de Cañicultores Orgánicos de la Zona Central (ASOCACE) was established. Today the cooperative represents the interests of about 200 farmers and 500 harvesters.





# ASOCACE Sugar Cooperative (2/2)







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# Project – “Incentivación de cultivo de caña de azúcar a socios productores”





# Project – “Construcción de tinglado propio para el taller de reparaciones de maquinarias e implementos implementos”





# Project – “Por una sonrisa Feliz”



# Project – “balones de oxígenos al centro de salud local” PRONATEC





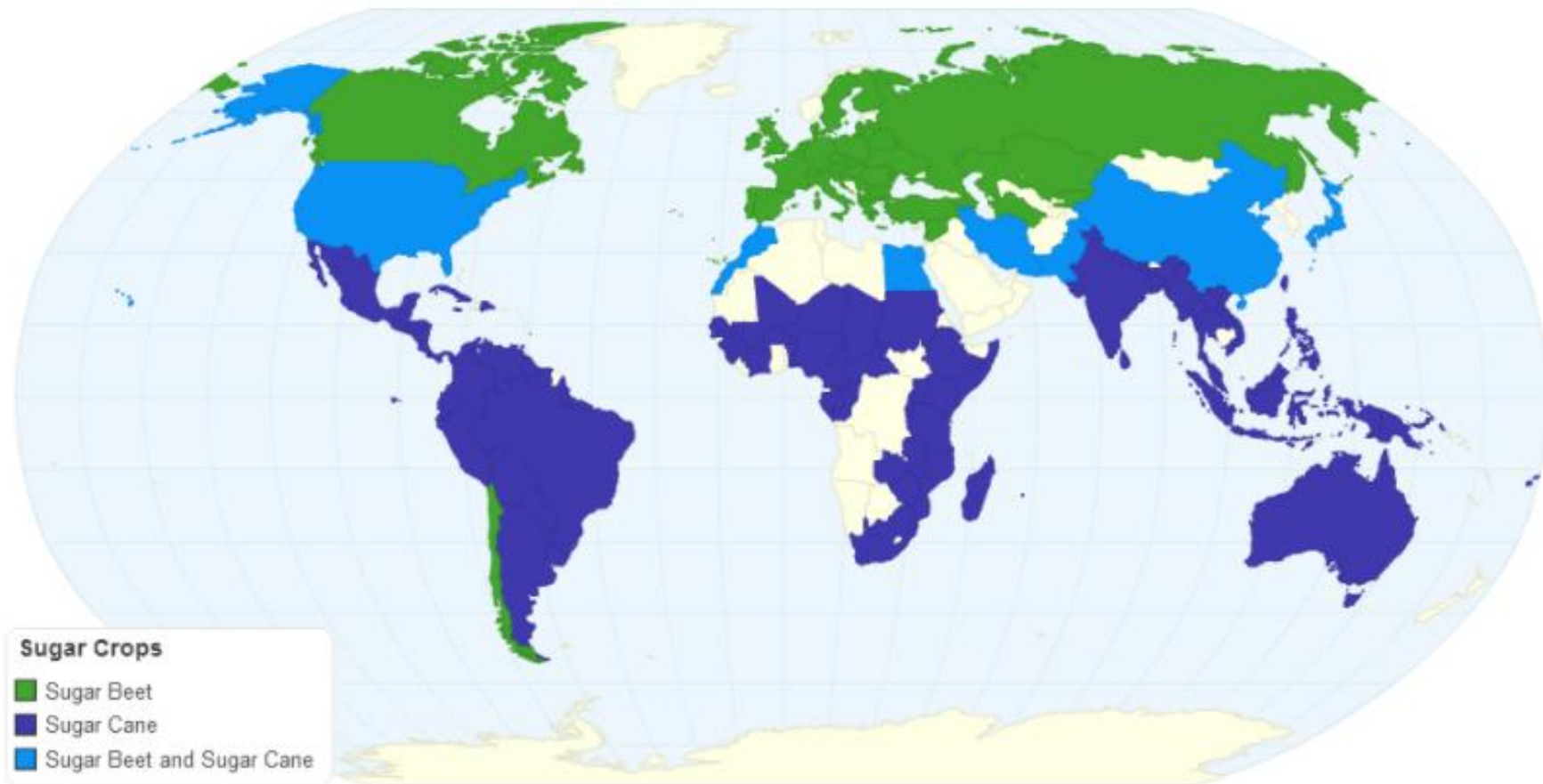


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# World Sugar Industry

In general, beet sugar is produced in the northern hemisphere and cane sugar in the southern hemisphere. There are regions where both types of cultivation are possible.





# Paraguayan Sugar: Opportunities / Threats

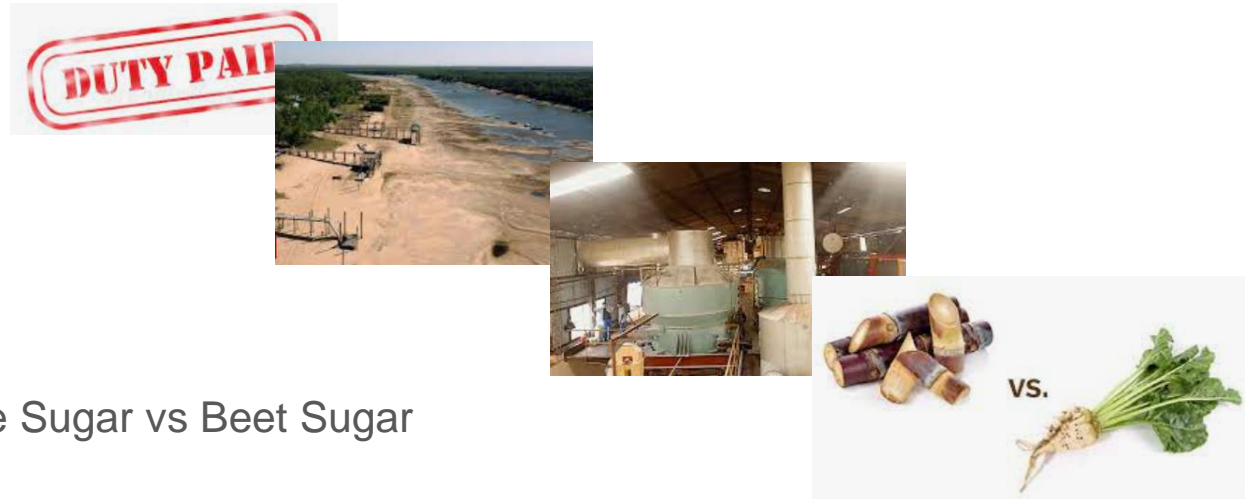
## Opportunities:

- ✓ Small-Scale Farming
- ✓ Organic Practices
- ✓ Infrastructure
- ✓ Political Stability



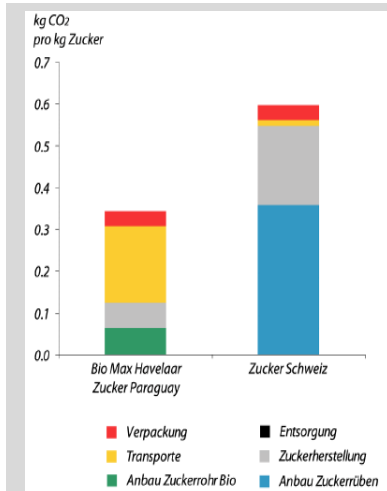
## Threats:

- ✓ EU Custom Disadvantage
- ✓ Climate Change
- ✓ Efficiency
- ✓ Sustainability Debate: Cane Sugar vs Beet Sugar





# Organic Beet Sugar EU vs. Organic & FT Sugar PY



Myclimate, 2008

"Organic beet sugar can be attested a clear sustainability advantage from an ecological and social point of view."



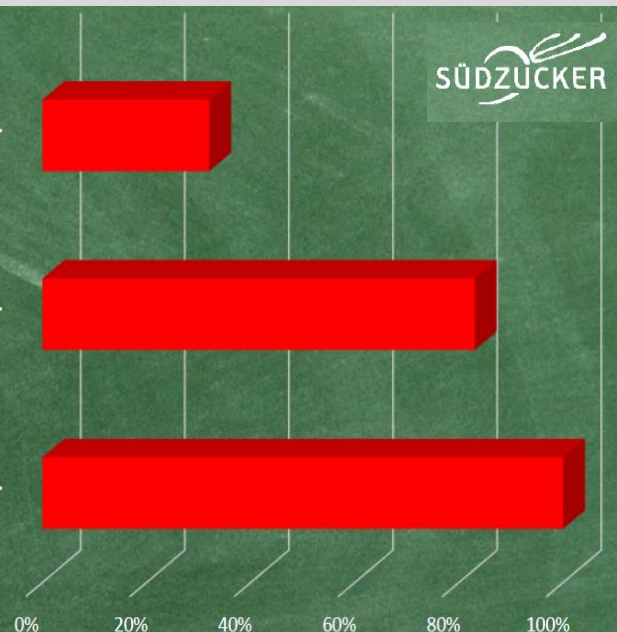
Schweizer  
Zucker AG, 2019

„Seen from a holistic sustainability perspective, organic beet sugar from Südzucker is up to 66% better than organic cane sugar from South America“

Bio-Rübenzucker  
von Südzucker

Bio-Rohrzucker  
aus Brasilien

Bio-Rohrzucker  
aus Paraguay



Südzucker, 2021



# Organic beet sugar EU vs. organic & FT sugar (PY)

	Beet sugar organic (CH)	Cane sugar org. & FT (PY)
Advantages	<ul style="list-style-type: none"><li>• Modern Infrastructure</li><li>• Local product</li><li>• Waste used as cow feed</li><li>• No child labour, etc.</li><li>• High lobby and marketing budget</li></ul>	<ul style="list-style-type: none"><li>• Sugar cane is very easy to grow</li><li>• Self reliant in energy (heat from bagasse)</li><li>• Production almost year round</li><li>• Development effect</li></ul>
Disadvantages	<ul style="list-style-type: none"><li>• Sugar beet is very sensitive (pests, humidity, etc.)</li><li>• Soil compaction from big harvesting machines</li><li>• High energy consumption</li><li>• Fully dependent on agricultural subsidies</li></ul>	<ul style="list-style-type: none"><li>• Risk of child labour and alike</li><li>• Long distance</li><li>• no «local-product bonus»</li><li>• Old infrastructure (plant, trucks, etc.)</li></ul>

“The answer depends on which sustainability aspects are given more weight.”  
(Sustainability Report PRONATEC AG)



Thank you very much  
for your attention





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