

NATIONAL SUGAR DEVELOPMENT COUNCIL



REPORT OF THE ANNUAL SURVEY ON INDUSTRIAL SUGAR CONSUMPTION AND MARKET PRICES IN NIGERIA 2017





About

NATIONAL SUGAR DEVELOPMENT COUNCIL

The National Sugar Development Council was established by Decree 88 of 1993, now an Act of the National Assembly, Act Cap. No. 78 LFN of 2004, to catalyze the development of the sugar industry with a view to ensuring that Nigeria attains at least, 70% self-sufficiency in her sugar requirement within the shortest possible time and even export to earn foreign exchange. The Council therefore serves as the main focal agency responsible for the regulation of all activities in the sugar sub-sector ranging from production, marketing, importation and enforcement of relevant industry standards in collaboration with relevant government agencies.

The Council, at the directive of the Presidency in 2010, developed a road-map policy document for the achievement of self-sufficiency in Nigeria's sugar requirement. The policy document tagged: **"Nigeria Sugar Master Plan" (NSMP)**; was approved by the Federal Executive Council in September, 2012 and unveiled to the public in November, 2012 while its implementation commenced on 1st January, 2013.

With the adoption of the Nigeria Sugar Master Plan (NSMP) as a strategic road map for the development of the sector in order to make Nigeria achieve self-sufficiency in local sugar requirement within a 10-year plan period, Nigeria stands to achieve the following:

NSMP DELIVERABLES

- 1,797,000 tonnes of sugar annually;
- 161.2 million litres of ethanol annually
- 411.7 MW of electricity annually
- 1.6 million tonnes of animal feeds annually;
- 37,378 permanent jobs;
- 79,803 seasonal jobs;
- US\$65.8 million savings in forex on fuel imports annually (E10 mandate); and
- US\$350-\$500 million savings in forex on sugar imports annually.

NSMP OBJECTIVES AND STRATEGIES

Objective 1. Raise local sugar production to attain self-sufficiency through;

- i. Robust monitoring and evaluation of Backward Integration Programme
- ii. Regulation of the entire regime of sugar importation through quota allocation
- iii. Investors specific fiscal incentives to attract investment into the sector

Objective 2. Stem the tide of high level of importation through;

- i. High graduated tariff structure on sugar importation
- ii. Implementation of BIP support incentives and sanctions policy
- iii. Import quota allocation benchmarked on local production

Objective 3. Create huge number of job opportunities through;

- i. Significant increase in cane area and factory milling capacity
- ii. Re-invigorating and expanding the out-grower scheme
- iii. Enlargement of sugarcane value chain play

Objective 4. Contribute to the production of ethanol and generation of electricity through;

- i. Development of multipurpose sugarcane varieties
- ii. Establishment of Ethanol distilleries at each new sugar project
- iii. Designing of all new sugarcane processing plants with high pressure boilers for efficient co-generation

OUR MANDATE

The mandate of the Council amongst others includes:

- To articulate policies and programmes that will bring about rapid development of the sugar sector;
- To progressively reduce level of sugar importation through Sugar Quota Administration as the local production increases towards self-sufficiency;
- To encourage greater private sector participation in sugar production through the operation of BIP for existing sugar refineries and green-field sugar projects for new ones;
- To popularize sugar processing technologies as a means of generating employment for skilled and unskilled labour;
- To provide an effective and efficient R and D support that will catalyze developments in the sugar sector.

THE VISION

NSDC is committed to making Nigeria a notable player in the global sugar trade through policies and strategies that will harness our abundant natural and material resources to ensure national self-sufficiency in sugar with surplus to export to earn foreign exchange.

MISSION

To accelerate the development and growth of the local sugar industry in order to achieve a target of at least 70 percent self-sufficiency in national sugar requirement as soon as possible.

NSDC CORE VALUES

The Council has articulated a set of ideals and Core Values to serve as its organizational driving force towards attainment of its overall goal. The Core Values are encapsulated in the acronym which stands for:

- **R** = **Respect**
- **I** = **Integrity**
- **D** = **Discipline**
- **E** = **Excellence**
- **R** = **Reliability**

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EXECUTIVE SUMMARY

As part of its statutory functions, the Planning Department of National Sugar Development Council continued with its nationwide survey to obtain data on industrial sugar consumption in Nigeria for year 2017. The 2017 survey exercise was carried out in thirty-three (33) States of the Federation including the FCT Abuja, Borno, Plateau and Yobe States were left out due to security challenges in these places. The market price monitoring covered only the major markets in Abuja (FCT), Ilorin (Kwara State), Kano (Kano State), Lagos (Lagos State) and Yola (Adamawa State), where the Council have its Liaison offices.

The major objective of the annual data gathering exercise is to provide the essential information on industrial sugar consumption as well as prices in Nigeria which could aid effective management decision-making in the process of policy formulation in order to guide government intervention in the sugar sub-sector of the Nigerian economy. The data gathering/collection exercise involves the administration and retrieval of well-structured questionnaires. The survey revealed the pattern or trend of sugar consumption by the various industrial sectors in the period under review.

Some of the major findings from the analysis of the survey are summarized as follows:

1. The trend of industrial sugar consumption during the year under review shows that Soft Drinks sub-sector still consumes the highest proportion of industrial sugar in Nigeria using 350,986 metric tonnes which represent about 33% of total sugar consumption by industries in 2017.

Food and Beverages sector followed with a consumption figure of 278,135 metric tonnes representing about 26% of total sugar consumed by industries during the same period of the survey.

The Bakery and Confectionery came third with a consumption figure of 197,194 metric tonnes while Pharmaceutical sub-sectors accounted for 195,829 metric tonnes representing 19% and 18% of total sugar consumption respectively. The least industrial consumer was the Dairy sub-sector which had a consumption figure of 41,303 metric tonnes representing just 4% of total industrial sugar consumption during the period of the survey.

2. The survey results also revealed that industries in the Soft Drinks, Pharmaceuticals, Food and Beverages sub-sectors uses alternative sweeteners such as Glucose, Aspartame, Acesulfame K. and Sucralose as raw material in their production processes.
3. Also, the survey reveals the utilization of ethanol as a major raw material in the Food and Beverages sector.
4. During the period under review, the global average sugar prices of both raw and refined sugar witnessed a downward movement. For instance, the global price of raw sugar was USD453/ton in January and the price continued to decrease to close the year with an average price of USD318/ton in December, 2017. This represents about 29.8% decrease in the international tonnage price of raw sugar. Similarly, international price of white refined sugar in the month of January 2017 was USD

542/ton. The price then declined to USD379/ton in December. This represents about 30% decrease in the international price of white refined sugar. The sugar market price trend was influenced mostly by changes in macro-economic factors such as currency movements and prices of other agricultural commodities. The downward movement in both international raw and white refined sugar prices was as a result of high volume of cane production in the major producing countries like India.

5. Similarly, as witnessed in the international market, the prices of locally refined sugar (Wholesale and Retail) shows a gradual downward movement. For instance, in the month of January 2017, a 50 KG bag of sugar was sold for N19,010 (Wholesale) while (Retail) price during the same period was N19,383/50kg bag. The downward trend continued till April when a 50kg bag of sugar was sold for N18,161. The price continued to decrease to close the year at N15,644/50kg bag in December. The average local prices for both wholesale and retail stood at N17,551/50kg bag and N17,852/50kg bag respectively in 2017.
6. The survey also shows that all the companies covered obtained their sugar supply locally.

1.0 INTRODUCTION

As the focal agency for the sugar sub-sector, the National Sugar Development Council (NSDC) continued with its annual data gathering exercise which involves conduct of nationwide survey of industrial sugar consumption through the administration of structured questionnaires on companies using sugar as a raw material in their production cycle. This is to ensure that, Nigeria as a member country, remains up to date in the provision of sugar related data to international Sugar Organization (ISO) in accordance with the terms of the International Sugar Agreement (ISA), Article 32 (2) of 1992. The exercise was conducted from February – October 2017 and it covered only 33 States of the Federation including FCT. Borno, Plateau and Yobe States were not covered due to persistent security challenges in these areas.

The Council also tracks both domestic and international market prices on weekly basis in order to ascertain their trends and understand the underlying dynamics of sugar price variations. The domestic market price monitoring covers the major markets in five (5) major cities across the country namely: Abuja, Lagos, Ilorin, Kano and Yola where Council has its Liaison offices.

2.0 SURVEY OBJECTIVES

The main objectives of the survey are as follows:

1. To generate reliable statistical data on both sugar prices and consumption by different categories of industries. The data collected include but not limited to the following:

- Details of sugar consumption by major industrial users in major sectors – Pharmaceuticals, Food and Beverages, Bakery and Confectioneries, Soft Drinks and Dairy among others;
- Details of quantity of sugar consumed by industries in the different Zones and States across the country;
- Average prices at which Nigerian industries buy sugar within the period covered by the survey;
- Average international prices for both raw and refined sugar;
- Average domestic prices of white refined sugar (wholesale and retail);
- Sources of sugar used whether local or imported as well as major suppliers of sugar in Nigeria;
- Use of sugar by-products or other sweeteners by industries in Nigeria and
- Quantity of ethanol used by industries in Nigeria.

2. To enable Council meet up with the annual responsibility and obligation of providing credible information on the Nigerian sugar industry as required by local and international agencies such as International Sugar Organization (ISO), USAID, F. O. Licht, Federal, States and Local Government Agencies, Private Individuals etc.

3. To provide adequate information for effective management decision making in the process of policy formulation that will guide government's intervention in the sugar sub-sector of the Nigerian economy.

3.0 SURVEY METHODOLOGY

3.1 Coverage/Scope

The industrial sugar consumption survey covered only thirty three (33) States of the Federation including the Federal Capital Territory (FCT), Abuja. Three States namely: Plateau, Yobe and Borno were not covered due to persistent insurgency in these States. The market price is monitored on weekly basis at major markets in Abuja, Lagos, Ilorin, Kano and Yola where the Council has its Headquarters and Liaison Offices.

3.2 Sample Design

In order to cover major urban cities in the States captured by the survey including the FCT where most of the industrial activities are concentrated, the country was divided into two major zones namely:

- Southern zone; and
- Northern zone.

Due to high concentration of industries in Lagos, the State was further divided into four major areas for an effective coverage. The remaining (15) Southern States were grouped into four sub-zones with each covered by a Planning Officer of the Council. Similarly, Northern zone was sub-divided into four parts based on the numbers of major urban cities as well as number of industries to be covered in the States. This was to enhance effective coverage and supervision of the field enumerators.

3.3 Survey Instrument

Principally, the survey instrument adopted in this survey was a well-structured questionnaire designed to capture all the essential data to be collected for analysis. Planning Officers of the Council served as field enumerators that covered various companies, which make use of sugar as raw materials in their production processes in major urban cities, to administer and retrieve the questionnaires.

3.4 Data Collection

In the survey questionnaires, respondents (companies) were to indicate the sector they operate, the nature of business and type of products they produce, the source of sugar they use for their operation, whether directly imported or locally sourced, etc.

Respondents were also required to indicate whether there was any specific period within the year that their industries needed higher quantities of sugar more than others, and whether they make use of glucose or other alternative sweeteners as raw materials in their production processes. In order to meet up with the data requirement of several Local and International Organizations the following sectors were covered;

- Bakery and Confectionery;
- Food and Beverages;
- Soft Drinks;
- Pharmaceuticals and
- Dairy amongst others.

Given the fact that not all the companies using sugar could be listed and covered and in order to take care of possible under-declaration of sugar utilized by the companies covered, a 10 per cent margin of error was allowed. Subsequently, the data obtained were processed and analyzed while relevant tables and charts were generated to facilitate proper understanding and dissemination of the information to potential users.

3.5 Sugar Price Monitoring

Domestic sugar prices were tracked on weekly basis at five (5) major local markets in Abuja, Lagos, Ilorin, Kano, and Yola where wholesalers and retailers in each market were randomly picked as respondents. For the international price of sugar (raw and refined), the Council has a number of sources from which it tracks prices. These sources include the Public Ledger, ISA Daily Price and Monthly Market Reports and Statistical Bulletin from the International Sugar Organization as well as Ministry of Agriculture, Livestock and Food Supply. The secondary data collected from these sources were collated, analyzed and presented in Tables and charts.

4.0 DATA PRESENTATION IN TABLES

TABLE 4.1 SUGAR CONSUMPTION BY DIFFERENT INDUSTRIAL SECTOR BY STATES

S/NO	STATE	SECTOR	QUANTITY USED IN METRIC TONNES 2017
1	ABIA	PHARMACEUTICALS	1,207
		FOOD & BEVERAGES	1,786
		BAKERY & CONFECTIONERY	2,650
		SOFT DRINKS	2,223
		DAIRY AND OTHERS	150
		SUB-TOTAL	8,016
2	ADAMAWA	PHARMACEUTICALS	0
		FOOD & BEVERAGES	4,068
		BAKERY & CONFECTIONERY	4,148
		SOFT DRINKS	330
		DAIRY AND OTHERS	1,432
		SUB-TOTAL	9,978
3	AKWA IBOM	PHARMACEUTICALS	0
		FOOD & BEVERAGES	1,495
		BAKERY & CONFECTIONERY	2,030
		SOFT DRINKS	743
		DAIRY AND OTHERS	650
		SUB-TOTAL	4,957
4	ANAMBRA	PHARMACEUTICALS	7,394
		FOOD & BEVERAGES	3,477
		BAKERY & CONFECTIONERY	3,363
		SOFT DRINKS	5681
		DAIRY AND OTHERS	537
		SUB-TOTAL	20,452
5	BAUCHI	PHARMACEUTICALS	0
		FOOD & BEVERAGES	1,247
		BAKERY & CONFECTIONERY	2,855
		SOFT DRINKS	0
		DAIRY AND OTHERS	855
		SUB-TOTAL	4,957

S/N	STATE	SECTOR	QUANTITY USED IN METRIC TONNES
6	BAYELSA	PHARMACEUTICALS	0
		FOOD & BEVERAGES	1,145
		BAKERY & CONFECTIONERY	1,041
		SOFT DRINKS	0
		DAIRY AND OTHERS	293
		SUB-TOTAL	2,479
7	BENUE	PHARMACEUTICALS	0
		FOOD & BEVERAGES	4,040
		BAKERY & CONFECTIONERY	3,315
		SOFT DRINKS	575
		DAIRY AND OTHERS	332
		SUB-TOTAL	8,262
8	BORNO	PHARMACEUTICALS	N/A
		FOOD & BEVERAGES	N/A
		BAKERY & CONFECTIONERY	N/A
		SOFT DRINKS	N/A
		DAIRY AND OTHERS	N/A
		SUB-TOTAL	N/A
9	CROSS - RIVER	PHARMACEUTICALS	0
		FOOD & BEVERAGES	1,615
		BAKERY & CONFECTIONERY	2,570
		SOFT DRINKS	0
		DAIRY AND OTHERS	364
		SUB-TOTAL	4,549
10	DELTA	PHARMACEUTICALS	0
		FOOD & BEVERAGES	1,350
		BAKERY & CONFECTIONERY	2,100
		SOFT DRINKS	1,995
		DAIRY AND OTHERS	316
		SUB-TOTAL	5,761

S/N	STATE	SECTOR	QUANTITY USED IN METRIC TONNES 2017
11	EBONYI	PHARMACEUTICALS	0
		FOOD & BEVERAGES	1,672
		BAKERY & CONFECTIONERY	1,342
		SOFT DRINKS	0
		DAIRY AND OTHERS	295
		SUB-TOTAL	3,309
12	EDO	PHARMACEUTICALS	0
		FOOD & BEVERAGES	1,610
		BAKERY & CONFECTIONERY	1,748
		SOFT DRINKS	0
		DAIRY AND OTHERS	372
		SUB-TOTAL	3,730
13	EKITI	PHARMACEUTICALS	0
		FOOD & BEVERAGES	1,128
		BAKERY & CONFECTIONERY	1,534
		SOFT DRINKS	0
		DAIRY AND OTHERS	294
		SUB-TOTAL	2,956
14	ENUGU	PHARMACEUTICALS	771
		FOOD & BEVERAGES	1,335
		BAKERY & CONFECTIONERY	4,480
		SOFT DRINKS	6,430
		DAIRY AND OTHERS	280
		SUB-TOTAL	13,296
15	GOMBE	PHARMACEUTICALS	0
		FOOD & BEVERAGES	896
		BAKERY & CONFECTIONERY	1,598
		SOFT DRINKS	0
		DAIRY AND OTHERS	690
		SUB-TOTAL	3,184

S/N	STATE	SECTOR	QUANTITY USED IN METRIC TONNES 2017
16	IMO	PHARMACEUTICALS	1,617
		FOOD & BEVERAGES	2,936
		BAKERY & CONFECTIONERY	3,129
		SOFT DRINKS	6,304
		DAIRY AND OTHERS	326
		SUB-TOTAL	14,312
17	JIGAWA	PHARMACEUTICALS	0
		FOOD & BEVERAGES	784
		BAKERY & CONFECTIONERY	2,247
		SOFT DRINKS	0
		DAIRY AND OTHERS	471
		SUB-TOTAL	3,502
18	KADUNA	PHARMACEUTICALS	1,713
		FOOD & BEVERAGES	4,386
		BAKERY & CONFECTIONERY	5,358
		SOFT DRINKS	5,650
		DAIRY AND OTHERS	896
		SUB-TOTAL	18,003
19	KANO	PHARMACEUTICALS	1,810
		FOOD & BEVERAGES	4,912
		BAKERY & CONFECTIONERY	5,801
		SOFT DRINKS	6,123
		DAIRY AND OTHERS	1,216
		SUB-TOTAL	19,862
20	KATSINA	PHARMACEUTICALS	0
		FOOD & BEVERAGES	1,133
		BAKERY & CONFECTIONERY	2,083
		SOFT DRINKS	0
		DAIRY AND OTHERS	755
		SUB-TOTAL	3,971

S/N	STATE	SECTOR	QUANTITY USED IN METRIC TONNES 2017
21	KEBBI	PHARMACEUTICALS	0
		FOOD & BEVERAGES	531
		BAKERY & CONFECTIONERY	1,822
		SOFT DRINKS	0
		DAIRY AND OTHERS	530
		SUB-TOTAL	2,883
22	KOGI	PHARMACEUTICALS	0
		FOOD & BEVERAGES	718
		BAKERY & CONFECTIONERY	3,116
		SOFT DRINKS	0
		DAIRY AND OTHERS	450
		SUB-TOTAL	4,284
23	KWARA	PHARMACEUTICALS	320
		FOOD & BEVERAGES	2,280
		BAKERY & CONFECTIONERY	3,136
		SOFT DRINKS	2,005
		DAIRY AND OTHERS	437
		SUB-TOTAL	8,178
24	LAGOS	PHARMACEUTICALS	132,305
		FOOD & BEVERAGES	205,970
		BAKERY & CONFECTIONERY	96,926
		SOFT DRINKS	228,099
		DAIRY AND OTHERS	23,150
		SUB-TOTAL	686,447
25	NASARAWA	PHARMACEUTICALS	0
		FOOD & BEVERAGES	771
		BAKERY & CONFECTIONERY	2,848
		SOFT DRINKS	0
		DAIRY AND OTHERS	575
		SUB-TOTAL	4,194

S/N	STATE	SECTOR	QUANTITY USED IN METRIC TONNES 2017
26	NIGER	PHARMACEUTICALS	0
		FOOD & BEVERAGES	1,151
		BAKERY & CONFECTIONERY	2,650
		SOFT DRINKS	0
		DAIRY AND OTHERS	462
		SUB-TOTAL	4,263
27	OGUN	PHARMACEUTICALS	30,281
		FOOD & BEVERAGES	6,641
		BAKERY & CONFECTIONERY	7,035
		SOFT DRINKS	59,360
		DAIRY AND OTHERS	1,723
		SUB-TOTAL	105,040
28	ONDO	PHARMACEUTICALS	0
		FOOD & BEVERAGES	1,276
		BAKERY & CONFECTIONERY	2,210
		SOFT DRINKS	0
		DAIRY AND OTHERS	298
		SUB-TOTAL	3,784
29	OSUN	PHARMACEUTICALS	0
		FOOD & BEVERAGES	939
		BAKERY & CONFECTIONERY	1,804
		SOFT DRINKS	0
		DAIRY AND OTHERS	191
		SUB-TOTAL	2,934
30	OYO	PHARMACEUTICALS	16,456
		FOOD & BEVERAGES	11,402
		BAKERY & CONFECTIONERY	9,177
		SOFT DRINKS	15,269
		DAIRY AND OTHERS	644
		SUB-TOTAL	52,948

S/N	STATE	SECTOR	QUANTITY USED IN METRIC TONNES 2017
31	PLATEAU	PHARMACEUTICALS	NIL
		FOOD & BEVERAGES	NIL
		BAKERY & CONFECTIONERY	NIL
		SOFT DRINKS	NIL
		DAIRY AND OTHERS	NIL
		SUB-TOTAL	NIL
32	RIVERS	PHARMACEUTICALS	1,862
		FOOD & BEVERAGES	4,019
		BAKERY & CONFECTIONERY	2,970
		SOFT DRINKS	4,669
		DAIRY AND OTHERS	314
		SUB-TOTAL	13,834
33	SOKOTO	PHARMACEUTICALS	0
		FOOD & BEVERAGES	0
		BAKERY & CONFECTIONERY	2,480
		SOFT DRINKS	0
		DAIRY AND OTHERS	650
		SUB-TOTAL	3,130
34	TARABA	PHARMACEUTICALS	0
		FOOD & BEVERAGES	0
		BAKERY & CONFECTIONERY	2,220
		SOFT DRINKS	0
		DAIRY AND OTHERS	380
		SUB-TOTAL	2,600
35	YOBE	PHARMACEUTICALS	N/A
		FOOD & BEVERAGES	N/A
		BAKERY & CONFECTIONERY	N/A
		SOFT DRINKS	N/A
		DAIRY AND OTHERS	N/A
		SUB-TOTAL	N/A

			QUANTITY USED IN METRIC TONNES
S/N	STATE	SECTOR	2015
36	ZAMFARA	PHARMACEUTICALS	0
		FOOD & BEVERAGES	0
		BAKERY & CONFECTIONERY	1,892
		SOFT DRINKS	0
		DAIRY AND OTHERS	420
		SUB-TOTAL	2,311
37	ABUJA FCT	PHARMACEUTICALS	93
		FOOD & BEVERAGES	1,4222
		BAKERY & CONFECTIONERY	3,520
		SOFT DRINKS	5,530
		DAIRY AND OTHERS	555
		SUB-TOTAL	11,120
		GRAND TOTAL	1,063,447

TABLE 4.2 VOLUME OF ETHANOL USED BY INDUSTRIAL SECTORS

	SECTOR	VOLUME USED IN LITRES
1	PHARMACEUTICAL	1,129,000
2	FOOD AND BEVERAGES	1,797,980
	GRAND TOTAL	2,926,980

TABLE 4.3 TOTAL INDUSTRIAL SUGAR CONSUMPTION IN NIGERIA BY STATES

S/NO	STATE	QUANTITY USED IN (MT)
1	ABIA	8,016
2	ADAMAWA	9,978
3	AKWA IBOM	4,918
4	ANAMBRA	20,452
5	BAUCHI	4,957
6	BAYELSA	2,479
7	BENUE	8,262
8	BORNO	N/A
9	CROSS RIVER	4,549
10	DELTA	5,761
11	EBONYI	3,309
12	EDO	3,730
13	EKITI	2,956
14	ENUGU	13,296
15	GOMBE	3,184
16	IMO	14,312
17	JIGAWA	3,502
18	KADUNA	18,003
19	KANO	19,862
20	KATSINA	3,971
21	KEBBI	2,883
22	KOGI	4,284
23	KWARA	8,178
24	LAGOS	686,447
25	NASSARAWA	4,194
26	NIGER	4,263
27	OGUN	105,040
28	ONDO	3,784
29	OSUN	2,934
30	OYO	52,948
31	PLATEAU	NIL
32	RIVERS	13,834
33	SOKOTO	3,130
34	TARABA	2,600
35	YOBE	N/A
36	ZAMFARA	2,311
37	FCT ABUJA	11,120
	TOTAL	1,063,447

TABLE 4.4 RANKING OF STATES BY INDUSTRIAL SUGAR USAGE

S/No	STATE	QUANTITY USED (METRIC TONNES)
1	LAGOS	686,447
2	OGUN	105,040
3	OYO	52,948
4	ANAMBRA	20,452
5	KANO	19,862
6	KADUNA	18,003
7	RIVERS	13,834
8	IMO	13,312
9	ENUGU	13,296
10	FCT ABUJA	11,120
11	ADAMAWA	9,978
12	BENUE	8,262
13	KWARA	8,178
14	ABIA	8,016
15	DELTA	5,761
16	BAUCHI	4,957
17	AKWA IBOM	4,918
18	CROSS RIVER	4,549
19	KOGI	4,284
20	NIGER	4,263
21	NASSARAWA	4,194
22	KATSINA	3,971
23	EDO	3,730
24	ONDO	3,784
25	JIGAWA	3,502
26	EBONYI	3,309
27	GOMBE	3,184
28	SOKOTO	3,130
29	EKITI	2,956
30	OSUN	2,934
31	KEBBI	2,883
32	TARABA	2,600
33	BAYELSA	2,497
34	ZAMFARA	2,311
35	BORNO	NIL
36	PLATEAU	NIL
37	YOBE	NIL
	TOTAL	1,063,447

TABLE 4.5 SECTORAL CLASSIFICATION OF INDUSTRIAL SUGAR CONSUMPTION BY STATES

STATE	PHARMA.	FOOD & BEVERAGES	BAKERY & CONF.	SOFT DRINKS	OTHERS	TOTAL
ABIA	1,207	1,786	2,650	2,223	150	8,016
ADAMAWA	0	4,068	4,148	330	1,432	9,978
AKWA IBOM	0	1,495	2,030	743	650	4,918
ANAMBRA	7,394	3,477	3,363	5,681	537	20,452
BAUCHI	0	1,247	2,855	0	855	4,957
BAYELSA	0	1,145	1,041	0	293	2,479
BENUE	0	4,040	3,315	575	332	8,262
BORNO	NIL	NIL	NIL	NIL	NIL	NIL
C/RIVER	0	1,615	2,570	0	364	4,549
DELTA	0	1,350	2,100	1,995	316	5,761
EBONYI	0	1,672	1,342	0	295	3,309
EDO	0	1,610	1,748	0	372	3,730
EKITI	0	1,128	1,534	0	294	2,956
ENUGU	771	1,335	4,480	6,430	280	13,296
GOMBE	0	896	1,598	0	690	3,184
IMO	1,617	2,936	3,129	6304	326	14,312
JIGAWA	0	784	2,247	0	471	3,502
KADUNA	1,713	4,386	5,358	5,650	896	18,003
KANO	1,810	4,912	5,801	6,123	1,216	19,862
KATSINA	0	1,133	2,083	0	755	3,971
KEBBI	0	531	1,822	0	530	2,883
KOGI	0	718	3,116	0	450	4,284
KWARA	320	2,280	3,136	2,005	437	8,178
LAGOS	132,305	205,970	96,923	228,099	23,150	686,447
NASSARAWA	0	771	2,848	0	575	4,194
NIGER	0	1,151	2,650	0	462	4,263
OGUN	30,281	6,641	7,035	59,360	1,723	105,040
ONDO	0	1,276	2,210	0	298	3,784
OSUN	0	939	1,804	0	191	2,934
OYO	16,456	11,402	9,177	15,269	644	52,948
PLATEAU	NIL	NIL	NIL	NIL	NIL	NIL
RIVERS	1,862	4,019	2,970	4,669	314	13,834
SOKOTO	0	0	2,480	0	650	3,130
TARABA	0	0	2,220	0	380	2,600
YOBE	NIL	NIL	NIL	NIL	NIL	NIL
ZAMFARA	0	0	1,891	0	420	2,311
FCT ABUJA	93	1,422	3,520	5,530	555	11,120
TOTAL	195,829	278,135	197,194	350,986	41,303	1,063,447

TABLE 4.6 ALTERNATIVE SWEETNERS CONSUMED BY DIFFERENT INDUSTRIAL SECTORS

SECTOR	NAME OF SWEETNER	QUANTITY USED (KG)	PRICE (N)/KG
PHARMACEUTICALS	GLUCOSE	5,128	N/A
	ASPERTAME	4,890	N/A
FOOD & BEVERAGES	GLUCOSE	4,860	N/A
	ACESULFAMME K.	N/A	N/A
	SUCRALOSE	N/A	N/A
SOFT DRINKS	ASPERTAME	475	N/A
	SUCRALOSE	N/A	N/A
TOTAL		15,353	

The total quantity of sugar consumed in each State on sectoral basis is presented in Table 4.1 while Table 4.2 represents the volume of ethanol used by industrial sectors; Table 4.3 shows the classification of quantity of sugar consumed on State by State basis. The data obtained from the thirty-three (33) States of the Federation including the FCT Abuja covered in the survey were presented in chronological order starting with the highest figure; in Table 4.4. According to the result, Table 4.5 shows the sectoral classification of industrial sugar consumption by States while Table 4.6 represents the quantities of alternative sweeteners namely: Glucose, Aspartame, Acesulfamme K Sucralose etc., used by different industrial sectors.

TABLE 4. 7 NATIONAL INDUSTRIAL SUGAR CONSUMPTION BY SECTORS

	SECTOR	QUANTITY USED IN (MT)
1	PHARMACEUTICAL	195,829
2	FOOD AND BEVERAGES	278,135
3	BAKERY AND CONFECTIONERY	197,194
4	SOFT DRINKS	350,986
5	DAIRY AMONG OTHERS	41,303
	GRAND TOTAL	1,063,447

From Table 4.7, the Soft Drinks sub-sector accounted for the highest consumption of sugar. The sector consumed 350,986 metric tons of sugar or 33% of total, followed by the Food and Beverages sub-sector which had 278,135 metric tons or 26% of total industrial sugar usage. Bakery/Confectionery and Pharmaceutical sectors accounted for 197,194 metric tonnes or 19% and 195,829 metric tons or 18% of total industrial sugar consumption in 2017 respectively. The sector that consumed the least is Dairy which accounted for only 41,303 metric tons representing just 4% of total industrial sugar consumed by industries during the period under review.

5.0 DATA PRESENTATION IN CHARTS

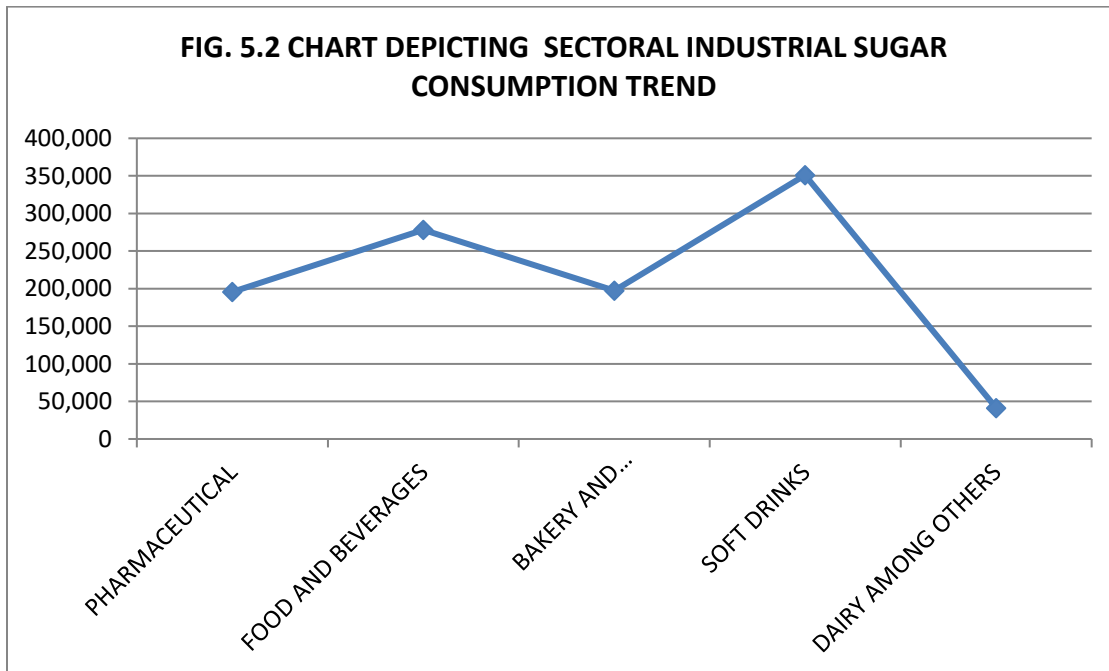
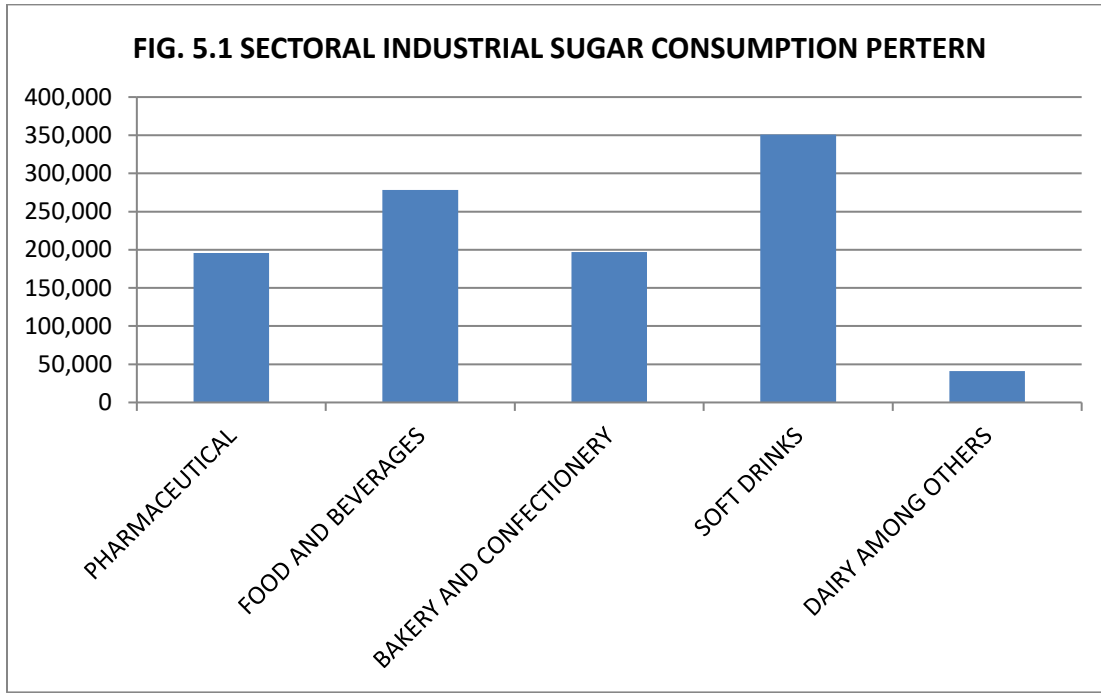


FIG. 5.3 PIE CHART SHOWING SUGAR CONSUMPTION IN PERCENTAGES BY INDUSTRIAL SUB –SECTORS

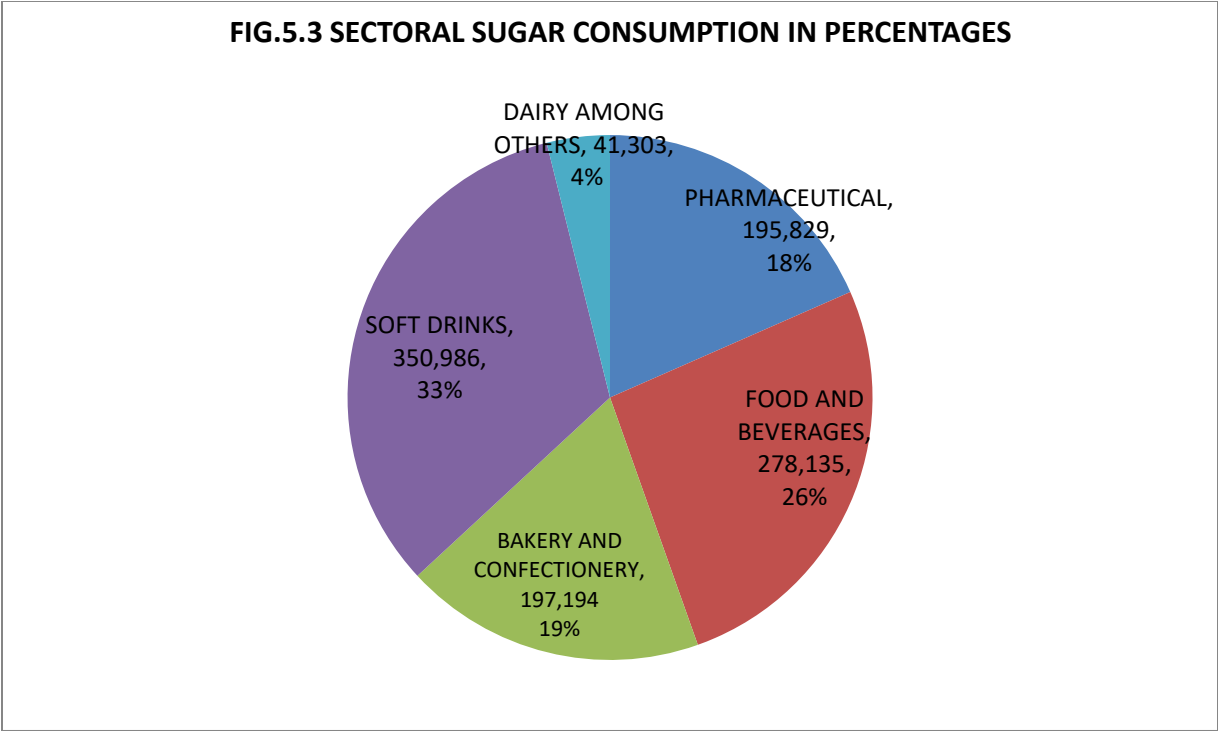
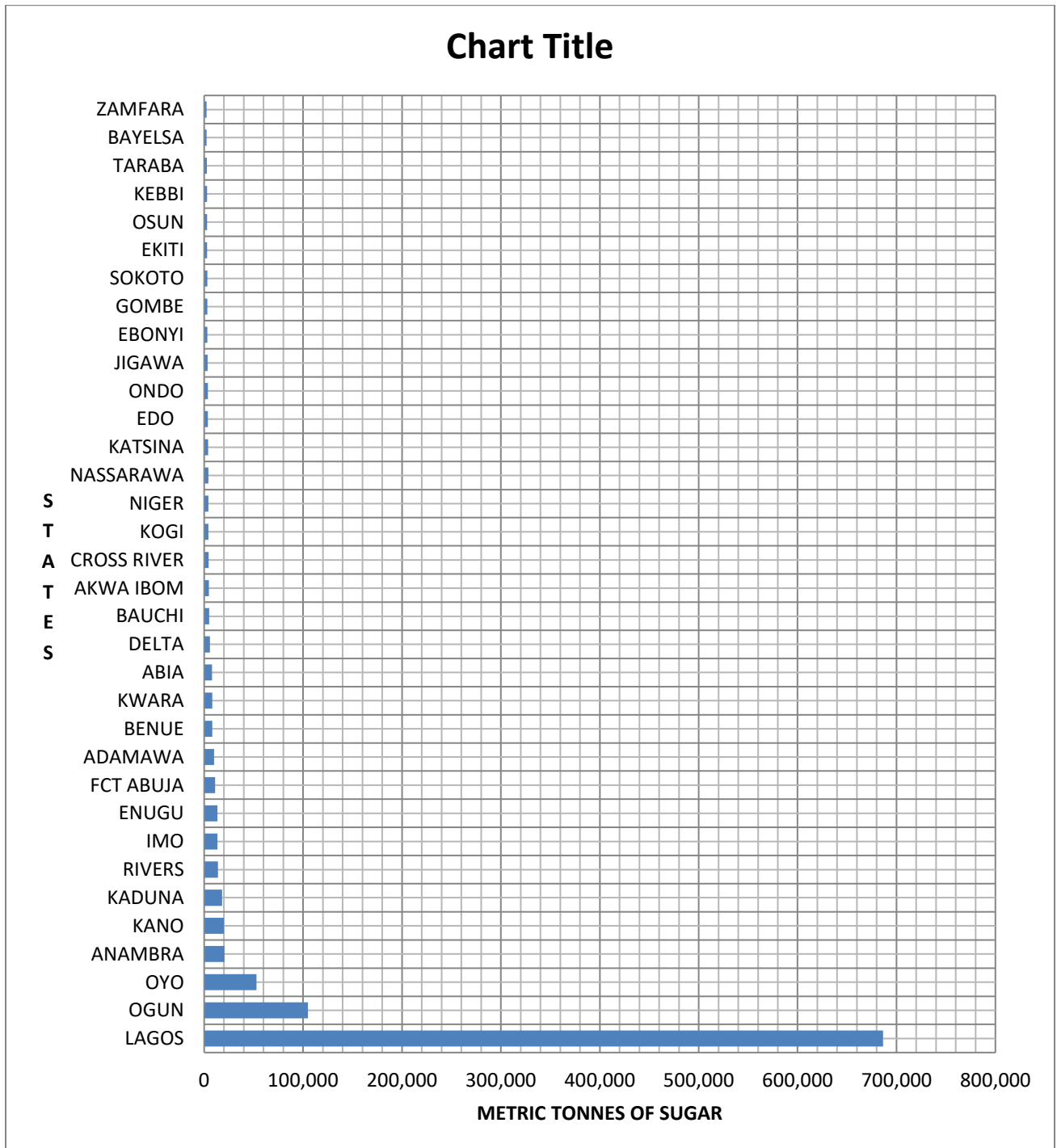


FIG.5.4 BARCHART SHOWING INDUSTRIAL SUGAR USAGE BY STATES



6.0 DOMESTIC AND INTERNATIONAL MARKET PRICE MONITORING

In order to meet up with its statutory obligation in providing the general public with current sugar prices, the Council continued with market price monitoring in five (5) major cities in Nigeria namely; Abuja, Lagos, Kano, Yola and Ilorin where Council has its Head office, Zonal and Liaison Offices. The NSDC normally monitor prices on weekly basis through random selection of wholesalers and retailers in some markets in the places mentioned to obtain sugar prices.

The international sugar prices of raw and refined sugar were monitored on daily basis from various sources including the Council's website; ISA Daily Prices and Monthly Market Reports as well as Statistical Bulletin from the International Sugar Organization. The monthly and annual average prices of sugar are also collated and posted on the Council's website and published in the Sugar News, a Quarterly Newsletter of the National Sugar Development Council (NSDC). The Monitoring of sugar price movement also helps Council initiate policy intervention as required.

TABLE 6.1 MONTHLY AVERAGE PRICES OF SUGAR N/50KG BAG IN LOCAL MARKET

MONTH	WHOLESALE ₦/50KG	RETAIL ₦/50KG
JANUARY	19,010	19,383
FEBURARY	19,112.50	19,375
MARCH	18,774.80	19,044
APRIL	18,161.60	18,508.35
MAY	17,585	17,890
JUNE	17,644	17,928
JULY	17,605	17,855
AUGUST	17,564.50	17,822.50
SEPTEMBER	17,242	17,610
OCTOBER	16,195	16,515

NOVEMBER	16,070	16,342.50
DECEMBER	15,644	15,952
AVERAGE	17,551	17,852

FIG. 6.1 MONTHLY AVERAGE SUGAR PRICES (N/50KG BAG)

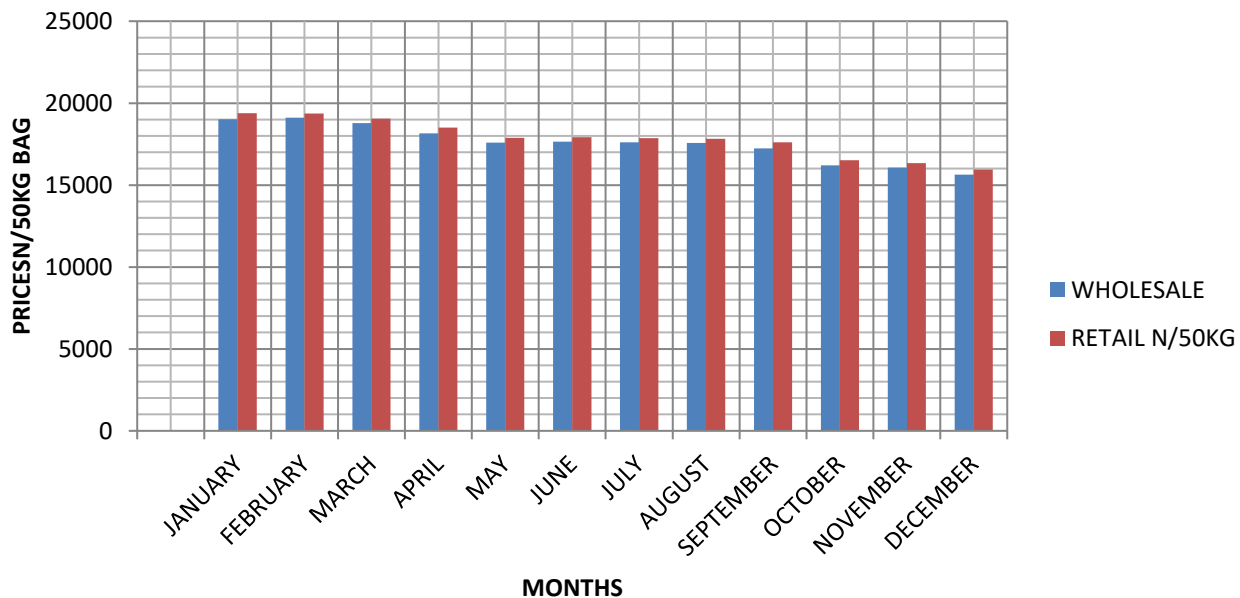


FIG.6.2 MONTHLY WHOLESALE AND RETAIL PRICES OF N50KG BAG

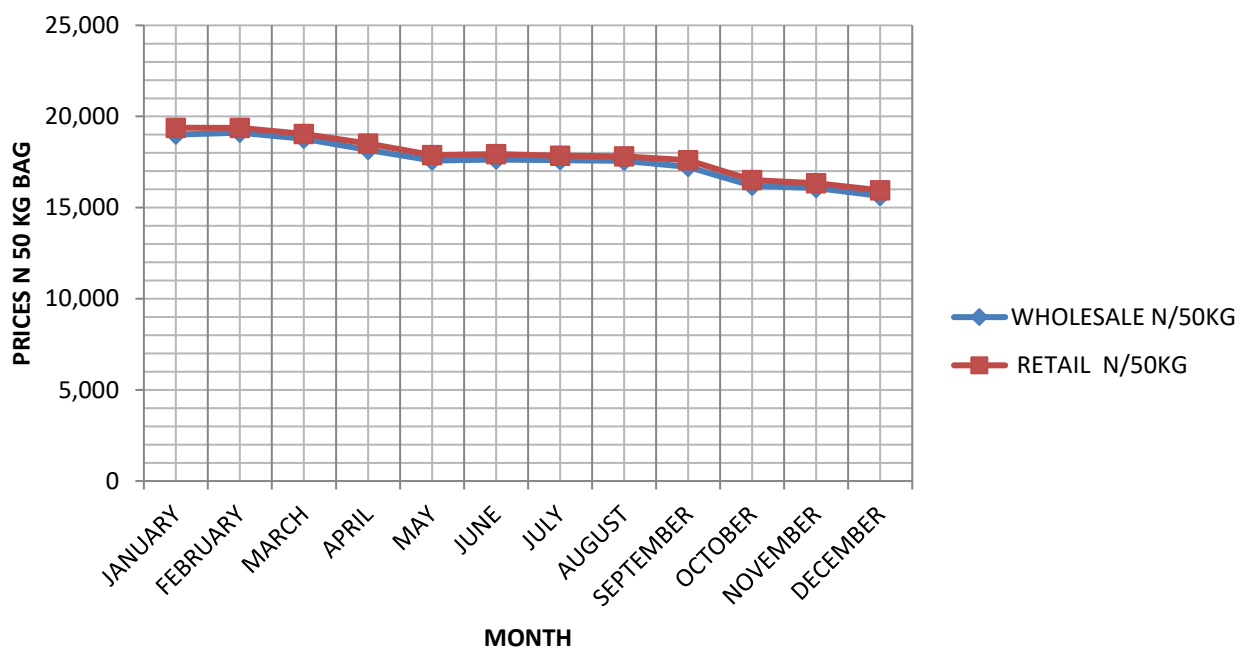


FIG.6.3 INTERNATIONAL MONTHLY RAW AND WHITE SUGAR PRICES IN \$/MT

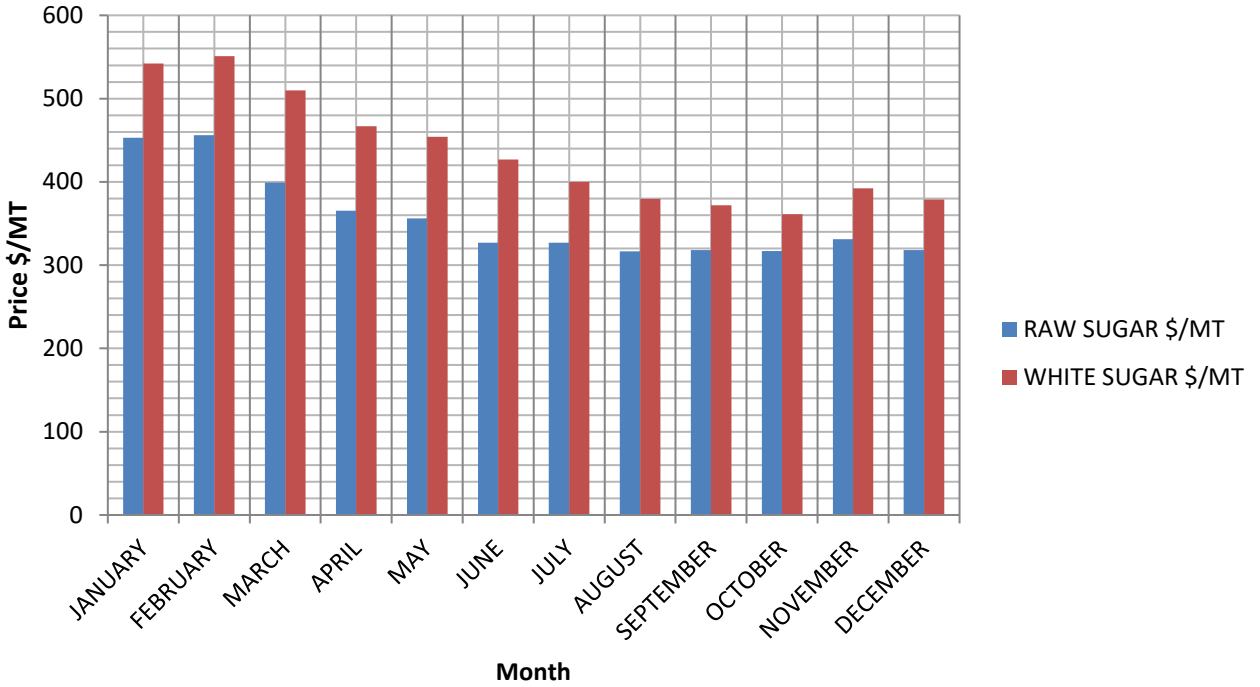


FIG.6.4 INTERNATIONAL MONTHLY SUGAR PRICES IN \$/MT

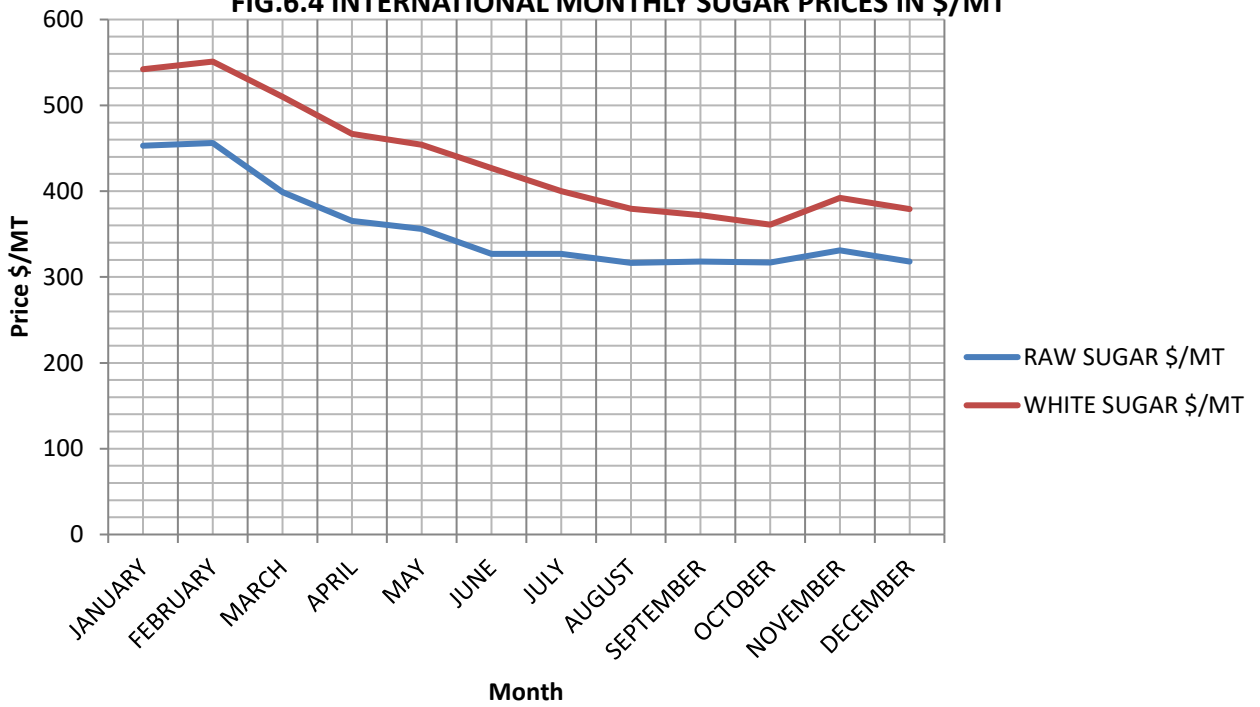


TABLE 6.2 INTERNATIONAL MONTHLY AVERAGE SUGAR PRICES IN USD/MT

MONTH	RAW SUGAR \$/MT	WHITE SUGAR \$/MT
JANUARY	453	542
FEBURARY	456.16	551
MARCH	399.06	510
APRIL	365.42	466.62
MAY	356	454
JUNE	327	427
JULY	327	400
AUGUST	316.42	379.50
SEPTEMBER	318	372
OCTOBER	317	361
NOVEMBER	331	392.11
DECEMBER	318	379
AVERAGE	357	436

During period under review, ie year 2017, the global average sugar prices of both raw and refined sugar witnessed a downward movement. For instance, the global price of raw sugar was USD453/ton in January and the prices eventually decrease to an average of USD318/ton in December, 2017. This represents about 29.8% decrease in the international tonnage price of raw sugar. Similarly, international price of white refined sugar in the month of January 2017 was USD 542/ton. The price then declined to USD379/ton in December. This represents about 30% decrease in the international price of white refined sugar. The sugar market price trend was influenced mostly by changes in macro-economic factors such as currency movements and prices of other agricultural commodities. The downward movement in both international raw and white refined sugar prices was as a result of high volume of cane production in the major producing countries such as India and Thailand.

Similarly, as witnessed in the international market, the prices of locally refined sugar (wholesale and retail) show a gradual downward movement in prices of the sugar. For instance, in the month of January 2017 a 50 KG bag of sugar was sold for N19,010 (Wholesale) while (Retail) price was N19,383/50kg bag. The downward trend continued to April when the wholesale price of sugar was N18,161/50kg bag and finally in December 2017, it was sold for N15,644/50kg bag . The average local prices of sugar for both wholesale and retail stood at N17,551/50kg bag and N17,852/50kg bag respectively in 2017.

CONCLUSION

With the successful completion of the survey on industrial sugar consumption and market price monitoring in Nigeria, a fairly reliable data on the nation's industrial sugar consumption pattern as well as the domestic and international sugar prices for the period have been obtained. This information will go into our databank and shall also be posted on our website as usual. The data are now available for planning purposes and policy articulation. It is also available for investors wishing to go into the sugar sub-sector who may need information on both the level of industrial sugar consumption by different sectors and sale prices, for investment planning and forecasting purposes.

We wish to thank the Executive Secretary and Management for approving the necessary funds for the execution of the survey. The efforts and dedication of the Policy, Planning, Research and Statistics Department Staff who participated in the various data gathering and analysis are also commendable as well.

Finally, we wish to express the Council's appreciation to the industrial sector, sugar users and traders especially companies and organizations that responded to our questionnaires. Without their inputs, this exercise would not have been possible.

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