

# **NATIONAL SUGAR DEVELOPMENT COUNCIL**



**2018**

## **REPORT OF THE ANNUAL SURVEY ON INDUSTRIAL SUGAR AND ETHANOL CONSUMPTION AND MARKET PRICES IN NIGERIA**





*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 1<sup>st</sup> 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 2018. The survey exercise was carried out in thirty-four (34) States of the Federation including the FCT Abuja. Borno 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 has 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 in 2018 shows that Soft Drinks sub-sector is the leading consumer of industrial sugar in Nigeria using 344,417 metric tonnes which represent about 33% of total sugar consumption by industries. Food and Beverages sector followed with a consumption figure of 273,749 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 202,560 metric tonnes while Pharmaceutical sub-sectors accounted for 195,262 metric tonnes representing 19% and 18% of total industrial sugar consumption respectively. The least industrial consumer was the Dairy sub-sector which had a consumption figure of 41,890 metric tonnes representing just 4% of total industrial sugar consumption in 2018.

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 Food and Beverages sector utilizes ethanol as a raw material in their production processes as well.
4. During the period under review, the global international average sugar prices of both raw and refined sugar witnessed a marginally downward movement. For instance, the global price of raw sugar was above USD300/ton in January and the prices eventually decrease to an average of below USD300/ton in February and continue to decrease to close at USD278.85/ton in December, 2018. This represents about 11.66% decrease in the international price of raw sugar per metric ton. In the same vein, the international price of white refined sugar in January 2018 was USD371.65/ton. The price then declined to USD328.95/ton in May and rose to USD365.20/ton in October before decreasing to close at USD343.80/ton December. The sugar market price trend was influenced

mostly by changes in macro-economic factors such as currency movements and prices of other agricultural commodities.

Other factors responsible for the downward movement in both international raw and white refined sugar prices were high volume of cane production in the major sugar producing countries such as India and Thailand as well as global demand and supply and government policies.

5. Similarly, as witnessed in the international market, the prices of locally refined sugar (wholesale and retail) show a gradual southward movement in prices of the sugar. For instance, in the month of January 2018, a 50 kg bag of sugar was sold for N15,669.25 (Wholesale) while (Retail) price was N16,047.55. The downward trend continued and in March the wholesale price of sugar was N15,010.76/50kg bag and finally in December 2018, it was sold for N14,477. The average local prices of sugar for both wholesale and retail stood at N14,771.16/50kg bag and N15,055/50kg bag respectively in 2018.
6. Furthermore, the survey reveals 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 to 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 2018 and it covered only 34 States of the Federation including FCT. Borno 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 four (33) States of the Federation including the Federal Capital Territory (FCT), Abuja. Two States namely: 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 six major industrial areas for an effective coverage. The remaining (15) Southern States were grouped into six sub-zones with each covered by a Planning Officer of the Council. Similarly, Northern zone was sub-divided into six 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. Also, officers of the directorate cadre of the Policy, Planning Research and Statistics department of the National Sugar Development Council serve as the coordinators and Supervisors of the exercise.

### **3.3 Survey Instrument**

Principally, the survey instrument used 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.

### **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 as well as the quantity of ethanol used. 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 2018
1	ABIA	PHARMACEUTICALS	1,125
		FOOD & BEVERAGES	1,606
		BAKERY & CONFECTIONERY	2,460
		SOFT DRINKS	2,170
		DAIRY AND OTHERS	126
		<b>SUB-TOTAL</b>	<b>7,487</b>
2	ADAMAWA	PHARMACEUTICALS	0
		FOOD & BEVERAGES	4,186
		BAKERY & CONFECTIONERY	4,066
		SOFT DRINKS	341
		DAIRY AND OTHERS	1,324
		<b>SUB-TOTAL</b>	<b>9,917</b>
3	AKWA IBOM	PHARMACEUTICALS	0
		FOOD & BEVERAGES	1,408
		BAKERY & CONFECTIONERY	2,007
		SOFT DRINKS	706
		DAIRY AND OTHERS	560
		<b>SUB-TOTAL</b>	<b>4,681</b>
4	ANAMBRA	PHARMACEUTICALS	7,187
		FOOD & BEVERAGES	3,584
		BAKERY & CONFECTIONERY	3,136
		SOFT DRINKS	5,421
		DAIRY AND OTHERS	504
		<b>SUB-TOTAL</b>	<b>19,832</b>
5	BAUCHI	PHARMACEUTICALS	0
		FOOD & BEVERAGES	1,134
		BAKERY & CONFECTIONERY	2,682
		SOFT DRINKS	0
		DAIRY AND OTHERS	797
		<b>SUB-TOTAL</b>	<b>4,613</b>



S/N	STATE	SECTOR	QUANTITY USED IN METRIC TONNES 2018
6	BAYELSA	PHARMACEUTICALS	0
		FOOD & BEVERAGES	1,207
		BAKERY & CONFECTIONERY	1,371
		SOFT DRINKS	0
		DAIRY AND OTHERS	189
		<b>SUB-TOTAL</b>	<b>2,767</b>
7	BENUE	PHARMACEUTICALS	0
		FOOD & BEVERAGES	4,105
		BAKERY & CONFECTIONERY	3,375
		SOFT DRINKS	601
		DAIRY AND OTHERS	341
		<b>SUB-TOTAL</b>	<b>8,422</b>
8	BORNO	PHARMACEUTICALS	N/A
		FOOD & BEVERAGES	N/A
		BAKERY & CONFECTIONERY	N/A
		SOFT DRINKS	N/A
		DAIRY AND OTHERS	N/A
		<b>SUB-TOTAL</b>	<b>N/A</b>
9	CROSS - RIVER	PHARMACEUTICALS	0
		FOOD & BEVERAGES	1,490
		BAKERY & CONFECTIONERY	2,275
		SOFT DRINKS	0
		DAIRY AND OTHERS	309
		<b>SUB-TOTAL</b>	<b>4,074</b>
10	DELTA	PHARMACEUTICALS	0
		FOOD & BEVERAGES	1,421
		BAKERY & CONFECTIONERY	2,301
		SOFT DRINKS	1,879
		DAIRY AND OTHERS	330
		<b>SUB-TOTAL</b>	<b>5,931</b>

S/N	STATE	SECTOR	QUANTITY USED IN METRIC TONNES 2018
11	EBONYI	PHARMACEUTICALS	0
		FOOD & BEVERAGES	1,620
		BAKERY & CONFECTIONERY	1,531
		SOFT DRINKS	0
		DAIRY AND OTHERS	311
		<b>SUB-TOTAL</b>	<b>3,462</b>
12	EDO	PHARMACEUTICALS	0
		FOOD & BEVERAGES	1,591
		BAKERY & CONFECTIONERY	1,688
		SOFT DRINKS	0
		DAIRY AND OTHERS	322
		<b>SUB-TOTAL</b>	<b>3,601</b>
13	EKITI	PHARMACEUTICALS	0
		FOOD & BEVERAGES	1,009
		BAKERY & CONFECTIONERY	1,670
		SOFT DRINKS	0
		DAIRY AND OTHERS	288
		<b>SUB-TOTAL</b>	<b>2,967</b>
14	ENUGU	PHARMACEUTICALS	691
		FOOD & BEVERAGES	1,312
		BAKERY & CONFECTIONERY	4,517
		SOFT DRINKS	6,398
		DAIRY AND OTHERS	307
		<b>SUB-TOTAL</b>	<b>13,225</b>
15	GOMBE	PHARMACEUTICALS	0
		FOOD & BEVERAGES	890
		BAKERY & CONFECTIONERY	1,612
		SOFT DRINKS	0
		DAIRY AND OTHERS	611
		<b>SUB-TOTAL</b>	<b>3,113</b>

S/N	STATE	SECTOR	QUANTITY USED IN METRIC TONNES 2018
16	IMO	PHARMACEUTICALS	1,596
		FOOD & BEVERAGES	2,857
		BAKERY & CONFECTIONERY	3,086
		SOFT DRINKS	6,139
		DAIRY AND OTHERS	402
		<b>SUB-TOTAL</b>	<b>14,080</b>
17	JIGAWA	PHARMACEUTICALS	0
		FOOD & BEVERAGES	660
		BAKERY & CONFECTIONERY	2,310
		SOFT DRINKS	0
		DAIRY AND OTHERS	438
		<b>SUB-TOTAL</b>	<b>3,408</b>
18	KADUNA	PHARMACEUTICALS	1,698
		FOOD & BEVERAGES	4,412
		BAKERY & CONFECTIONERY	5,404
		SOFT DRINKS	5,590
		DAIRY AND OTHERS	918
		<b>SUB-TOTAL</b>	<b>18,022</b>
19	KANO	PHARMACEUTICALS	1,900
		FOOD & BEVERAGES	4,998
		BAKERY & CONFECTIONERY	5,786
		SOFT DRINKS	6,200
		DAIRY AND OTHERS	1,310
		<b>SUB-TOTAL</b>	<b>20,194</b>
20	KATSINA	PHARMACEUTICALS	0
		FOOD & BEVERAGES	1,111
		BAKERY & CONFECTIONERY	2,112
		SOFT DRINKS	0
		DAIRY AND OTHERS	760
		<b>SUB-TOTAL</b>	<b>3,983</b>

S/N	STATE	SECTOR	QUANTITY USED IN METRIC TONNES 2018
21	KEBBI	PHARMACEUTICALS	0
		FOOD & BEVERAGES	0
		BAKERY & CONFECTIONERY	2,039
		SOFT DRINKS	0
		DAIRY AND OTHERS	580
		<b>SUB-TOTAL</b>	<b>2,619</b>
22	KOGI	PHARMACEUTICALS	0
		FOOD & BEVERAGES	720
		BAKERY & CONFECTIONERY	3,184
		SOFT DRINKS	0
		DAIRY AND OTHERS	460
		<b>SUB-TOTAL</b>	<b>4,364</b>
23	KWARA	PHARMACEUTICALS	340
		FOOD & BEVERAGES	2,236
		BAKERY & CONFECTIONERY	3,107
		SOFT DRINKS	2,075
		DAIRY AND OTHERS	452
		<b>SUB-TOTAL</b>	<b>8,210</b>
24	LAGOS	PHARMACEUTICALS	129,190
		FOOD & BEVERAGES	201,860
		BAKERY & CONFECTIONERY	98,940
		SOFT DRINKS	221,160
		DAIRY AND OTHERS	24,240
		<b>SUB-TOTAL</b>	<b>675,390</b>
25	NASARAWA	PHARMACEUTICALS	0
		FOOD & BEVERAGES	768
		BAKERY & CONFECTIONERY	2,916
		SOFT DRINKS	0
		DAIRY AND OTHERS	565
		<b>SUB-TOTAL</b>	<b>4,249</b>

S/N	STATE	SECTOR	QUANTITY USED IN METRIC TONNES 2018
26	NIGER	PHARMACEUTICALS	0
		FOOD & BEVERAGES	1,186
		BAKERY & CONFECTIONERY	2,686
		SOFT DRINKS	0
		DAIRY AND OTHERS	470
		<b>SUB-TOTAL</b>	<b>4,342</b>
27	OGUN	PHARMACEUTICALS	35,160
		FOOD & BEVERAGES	7,128
		BAKERY & CONFECTIONERY	7,130
		SOFT DRINKS	60,118
		DAIRY AND OTHERS	1,064
		<b>SUB-TOTAL</b>	<b>110,600</b>
28	ONDO	PHARMACEUTICALS	0
		FOOD & BEVERAGES	820
		BAKERY & CONFECTIONERY	2,510
		SOFT DRINKS	0
		DAIRY AND OTHERS	322
		<b>SUB-TOTAL</b>	<b>3,652</b>
29	OSUN	PHARMACEUTICALS	0
		FOOD & BEVERAGES	870
		BAKERY & CONFECTIONERY	1,987
		SOFT DRINKS	0
		DAIRY AND OTHERS	227
		<b>SUB-TOTAL</b>	<b>3,084</b>
30	OYO	PHARMACEUTICALS	16,506
		FOOD & BEVERAGES	12,084
		BAKERY & CONFECTIONERY	10,220
		SOFT DRINKS	14,920
		DAIRY AND OTHERS	650
		<b>SUB-TOTAL</b>	<b>54,380</b>

S/N	STATE	SECTOR	QUANTITY USED IN METRIC TONNES 2018
31	PLATEAU	PHARMACEUTICALS	0
		FOOD & BEVERAGES	208
		BAKERY & CONFECTIONERY	1,284
		SOFT DRINKS	789
		DAIRY AND OTHERS	197
		<b>SUB-TOTAL</b>	<b>2,478</b>
32	RIVERS	PHARMACEUTICALS	1,786
		FOOD & BEVERAGES	4,120
		BAKERY & CONFECTIONERY	3,122
		SOFT DRINKS	4,720
		DAIRY AND OTHERS	344
		<b>SUB-TOTAL</b>	<b>14,094</b>
33	SOKOTO	PHARMACEUTICALS	0
		FOOD & BEVERAGES	0
		BAKERY & CONFECTIONERY	2,690
		SOFT DRINKS	0
		DAIRY AND OTHERS	596
		<b>SUB-TOTAL</b>	<b>3,286</b>
34	TARABA	PHARMACEUTICALS	0
		FOOD & BEVERAGES	0
		BAKERY & CONFECTIONERY	2,317
		SOFT DRINKS	0
		DAIRY AND OTHERS	410
		<b>SUB-TOTAL</b>	<b>2,727</b>
35	YOBE	PHARMACEUTICALS	N/A
		FOOD & BEVERAGES	N/A
		BAKERY & CONFECTIONERY	N/A
		SOFT DRINKS	N/A
		DAIRY AND OTHERS	N/A
		<b>SUB-TOTAL</b>	<b>N/A</b>

			QUANTITY USED IN METRIC TONNES 2018
S/N	STATE	SECTOR	2015
36	ZAMFARA	PHARMACEUTICALS	0
		FOOD & BEVERAGES	0
		BAKERY & CONFECTIONERY	1,620
		SOFT DRINKS	0
		DAIRY AND OTHERS	411
		<b>SUB-TOTAL</b>	<b>2,031</b>
37	ABUJA FCT	PHARMACEUTICALS	103
		FOOD & BEVERAGES	1,402
		BAKERY & CONFECTIONERY	3,290
		SOFT DRINKS	5,260
		DAIRY AND OTHERS	570
		<b>SUB-TOTAL</b>	<b>10,625</b>
		<b>GRAND TOTAL</b>	<b>1,057,878</b>

**TABLE 4.2 VOLUME OF ETHANOL USED BY INDUSTRIAL SECTORS**

	SECTOR	VOLUME USED IN LITRES
1	PHARMACEUTICAL	1,111,000
2	FOOD AND BEVERAGES	2,926,980
	<b>GRAND TOTAL</b>	<b>4,037,980</b>

**TABLE 4.3 SECTORAL CLASSIFICATION OF INDUSTRIAL SUGAR USAGE BY STATES**

STATE	PHARMA.	FOOD & BEVERAGES	BAKERY & CONF.	SOFT DRINKS	OTHERS	TOTAL
ABIA	1,125	1,606	2,460	2,170	126	<b>7,487</b>
ADAMAWA	0	4,186	4,066	341	1,324	<b>9,917</b>
AKWA IBOM	0	1,408	2,007	706	560	<b>4,681</b>
ANAMBRA	7,187	3,584	3,136	5,421	504	<b>19,832</b>
BAUCHI	0	1,134	2,682	0	797	<b>4,613</b>
BAYELSA	0	1,207	1,371	0	189	<b>2,767</b>
BENUE	0	4,105	3,375	601	341	<b>8,422</b>
BORNO	NIL	NIL	NIL	NIL	NIL	<b>NIL</b>
C/RIVER	0	1,490	2,275	0	309	<b>4,074</b>
DELTA	0	1,421	2,301	1,879	330	<b>5,931</b>
EBONYI	0	1,620	1,531	0	311	<b>3,462</b>
EDO	0	1,591	1,688	0	322	<b>3,601</b>
EKITI	0	1,009	1,670	0	288	<b>2,967</b>
ENUGU	691	1,312	4,517	6,398	307	<b>13,225</b>
GOMBE	0	890	1,612	0	611	<b>3,113</b>
IMO	1,596	2,857	3,086	6139	402	<b>1,408</b>
JIGAWA	0	660	2,310	0	438	<b>3,408</b>
KADUNA	1,698	4,412	5,404	5,590	918	<b>18,022</b>
KANO	1,900	4,998	5,786	6,200	1,310	<b>20,194</b>
KATSINA	0	1,111	2,112	0	760	<b>3,983</b>
KEBBI	0	0	2,039	0	580	<b>2,619</b>
KOGI	0	720	3,184	0	460	<b>4,364</b>
KWARA	320	2,280	3,136	2,005	437	<b>8,178</b>
LAGOS	129,190	201,860	98,940	221,160	24,240	<b>675,390</b>
NASSARAWA	0	468	2,916	0	565	<b>3,949</b>
NIGER	0	1,186	2,686	0	470	<b>4,342</b>
OGUN	33,160	7,128	7,130	60,118	1,264	<b>108,800</b>
ONDO	0	820	2,510	0	322	<b>3,652</b>
OSUN	0	870	1,987	0	227	<b>3,084</b>
OYO	16,506	12,084	10,220	14,920	650	<b>54,380</b>
PLATEAU	0	208	1,284	789	197	<b>2,478</b>
RIVERS	1,786	4,122	3,122	4,720	344	<b>14,094</b>
SOKOTO	0	0	2,690	0	596	<b>3,286</b>
TARABA	0	0	2,317	0	410	<b>2,727</b>
YOBE	NIL	NIL	NIL	NIL	NIL	<b>NIL</b>
ZAMFARA	0	0	1,720	0	411	<b>2,131</b>
FCT ABUJA	103	1,402	3,290	5,260	570	<b>10,625</b>
<b>TOTAL</b>	<b>195,262</b>	<b>273,749</b>	<b>202,560</b>	<b>344,417</b>	<b>41,890</b>	<b>1,057,878</b>



**TABLE 4.4 TOTAL INDUSTRIAL SUGAR CONSUMPTION IN NIGERIA BY STATES**

<b>STATE</b>	<b>TOTAL</b>
ABIA	7,487
ADAMAWA	9,917
AKWA IBOM	4,681
ANAMBRA	19,832
BAUCHI	4,613
BAYELSA	2,767
BENUE	8,422
BORNO	NIL
C/RIVER	4,074
DELTA	5,931
EBONYI	3,462
EDO	3,601
EKITI	2,967
ENUGU	13,225
GOMBE	3,113
IMO	1,408
JIGAWA	3,408
KADUNA	18,022
KANO	20,194
KATSINA	3,983
KEBBI	2,619
KOGI	4,364
KWARA	8,178
LAGOS	675,390
NASSARAWA	3,949
NIGER	4,342
OGUN	108,800
ONDO	3,652
OSUN	3,084
OYO	54,380
PLATEAU	2,478
RIVERS	14,094
SOKOTO	3,286
TARABA	2,727
YOBE	NIL
ZAMFARA	2,131
FCT ABUJA	10,625
<b>TOTAL</b>	<b>1,057,878</b>

**TABLE 4.5 RANKING OF STATES BY INDUSTRIAL SUGAR USAGE**

<b>S/No</b>	<b>STATE</b>	<b>QUANTITY USED (METRIC TONNES)</b>
1	LAGOS	675,390
2	OGUN	108,800
3	OYO	54,380
4	KANO	20,194
5	ANAMBRA	19,832
6	KADUNA	18,022
7	RIVERS	14,094
8	IMO	14,080
9	ENUGU	13,225
10	FCT ABUJA	10,625
11	ADAMAWA	9,917
12	BENUE	8,422
13	KWARA	8,178
14	ABIA	7,487
15	DELTA	5,931
16	AKWA IBOM	4,681
17	BAUCHI	4,613
18	CROSS RIVER	4,074
19	KOGI	4,364
20	NIGER	4,342
21	KATSINA	3,983
22	NASSARAWA	3,949
23	ONDO	3,652
24	EDO	3,601
25	EBONYU	3,462
26	JIGAWA	3,408
27	SOKOTO	3,286
28	GOMBE	3,113
29	OSUN	3,084
30	EKITI	2,967
31	BAYELSA	2,767
32	TARABA	2,727
33	KEBBI	2,691
34	PLATEAU	2,478
35	ZAMFARA	2,131
36	BORNO	NIL
37	YOBE	NIL
	<b>TOTAL</b>	<b>1,057,878</b>

**TABLE 4.6 ALTERNATIVE SWEETNERS CONSUMED BY DIFFERENT INDUSTRIAL SECTORS**

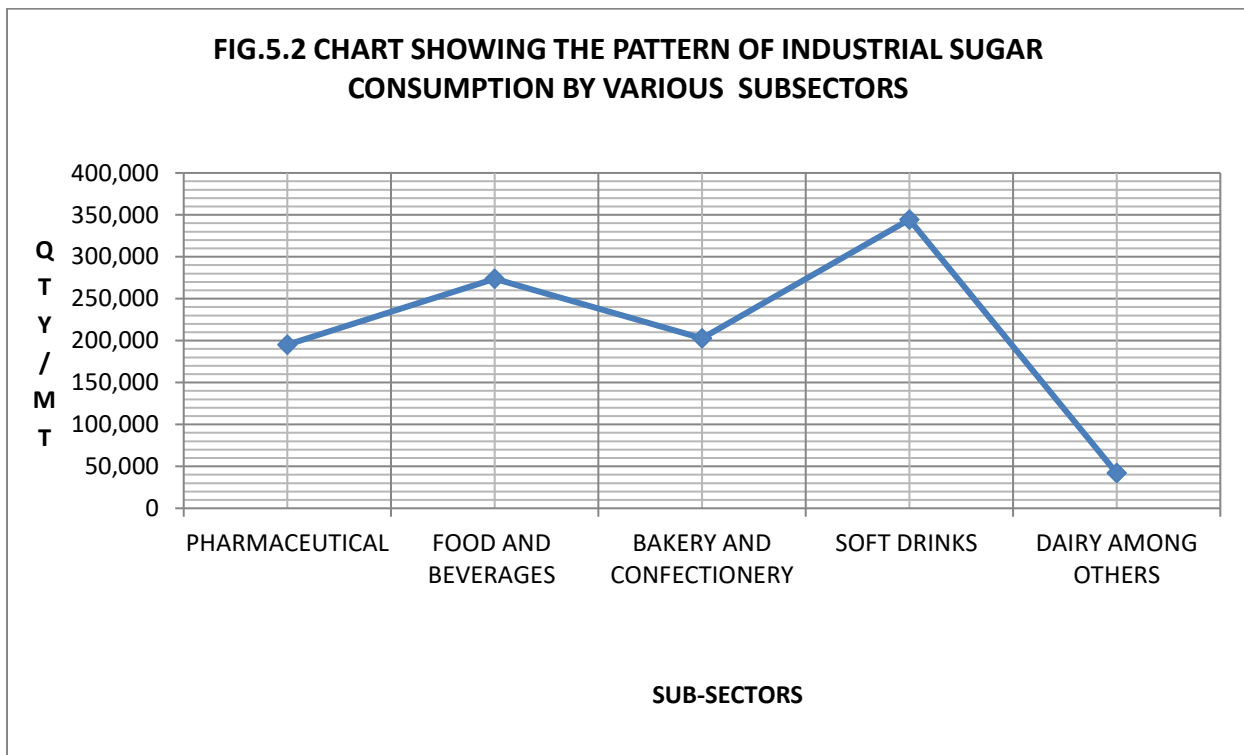
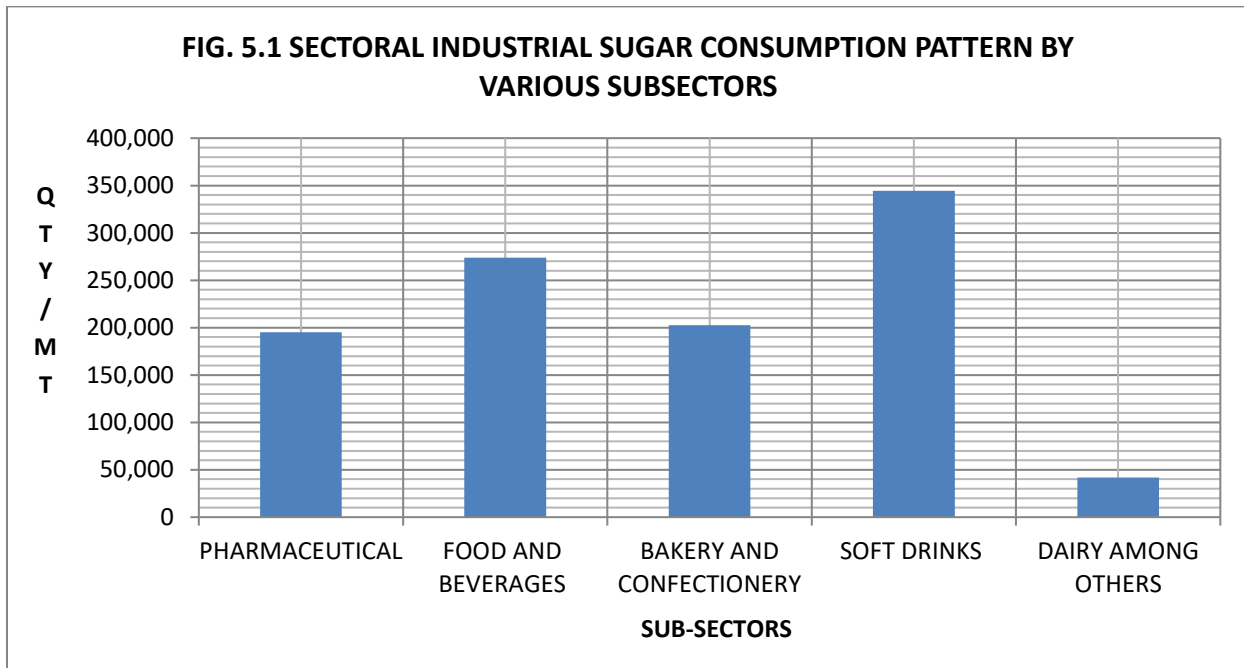
SECTOR	NAME OF SWEETNER	QUANTITY USED (KG)
PHARMACEUTICALS	GLUCOSE	9,980
	ASPERTAME	5,128
FOOD & BEVERAGES	GLUCOSE	3,478
	ACESULFAMME K.	500
	SUCRALOSE	N/A
SOFT DRINKS	ASPERTAME	2,750
	SUCRALOSE	N/A
<b>TOTAL</b>		<b>21,836</b>

The total quantity of sugar consumed in each State on sectoral basis is presented in Tables 4.1 and 4.3 while Table 4.2 represents the volume of ethanol used by industrial sectors. Table 4.4 shows the classification of quantity of sugar consumed on State by State basis. The data obtained from the thirty-four (34) States of the Federation including the FCT Abuja covered in the survey were also presented in order by ranking of States' industrial consumption, starting with the highest figure; in Table 4.5. According to the result, Table 4.6 showed the quantities of alternative sweeteners namely: Glucose, Aspartame, Acesulfamme K Sucralose etc., used by different industrial sectors. Table 4.7 presented the overall National Industrial Sugar Consumption by all Sectors covered during the survey.

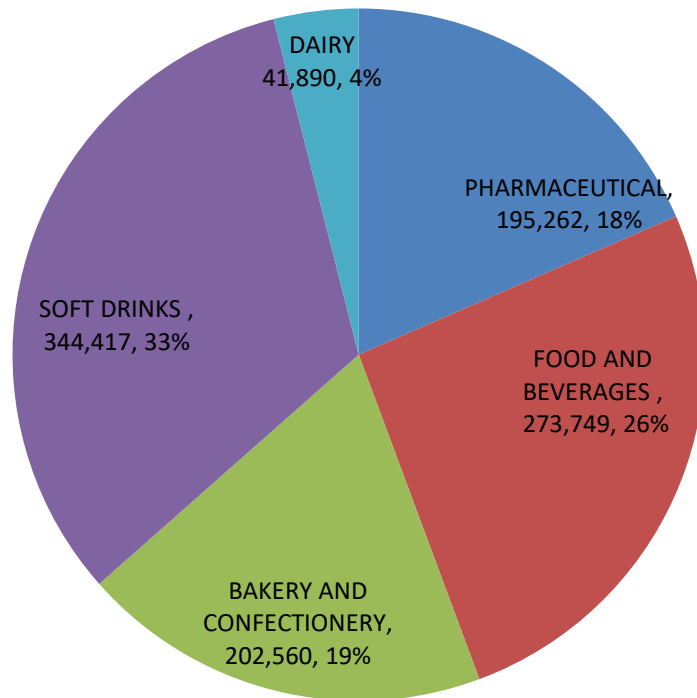
**TABLE 4.7 NATIONAL INDUSTRIAL SUGAR CONSUMPTION BY SECTORS**

	SECTOR	QUANTITY USED IN (MT) 2018
1	PHARMACEUTICAL	195,262
2	FOOD AND BEVERAGES	273,749
3	BAKERY AND CONFECTIONERY	202,560
4	SOFT DRINKS	344,417
5	DAIRY AMONG OTHERS	41,890
	<b>GRAND TOTAL</b>	<b>1,057,878</b>

## 5.0 DATA PRESENTATION IN CHARTS

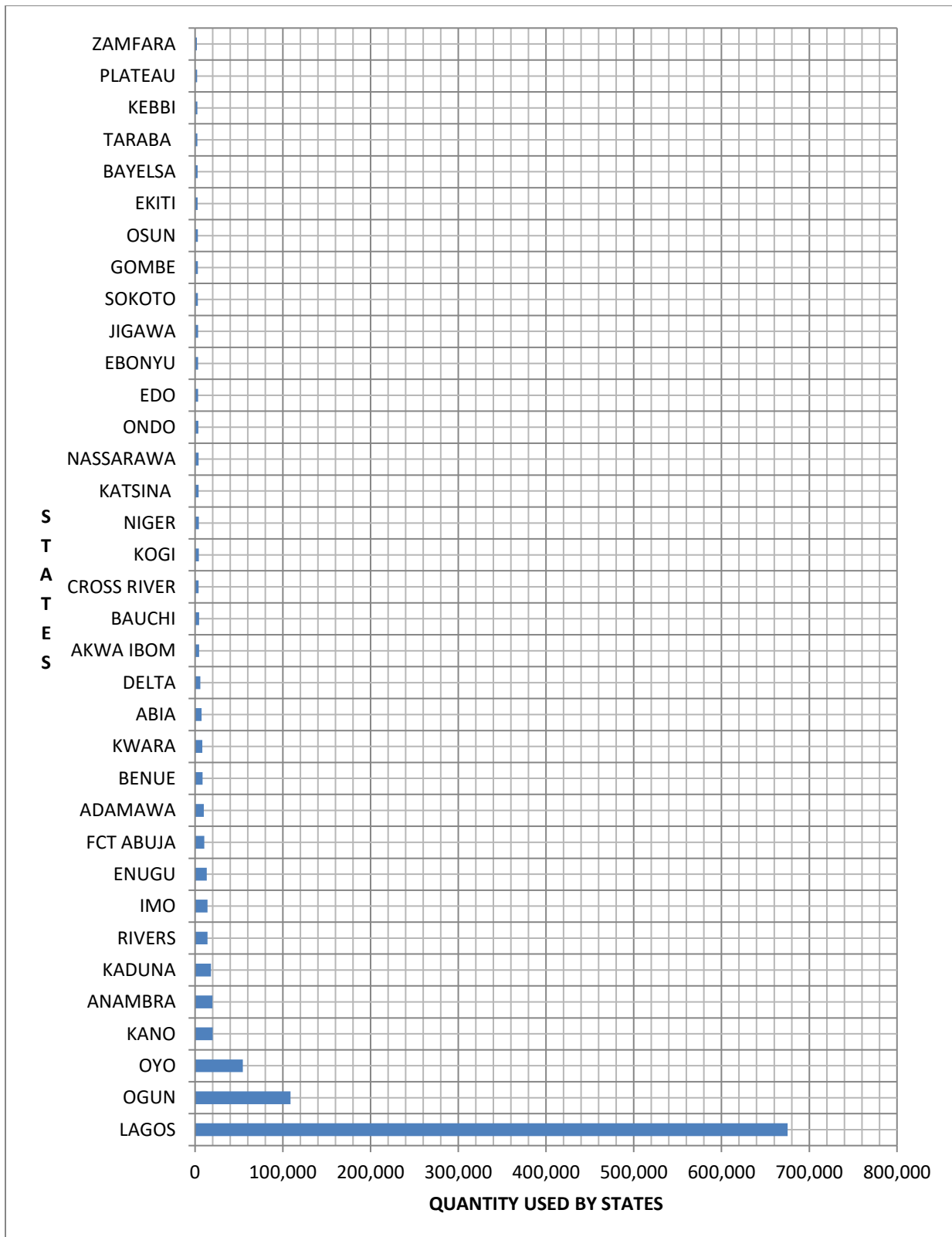


**FIG. 5.3 CHART SHOWING SECTORAL INDUSTRIAL SUGAR CONSUMPTION IN PERCENTAGES**



From the above figure, the Soft Drinks sub-sector accounted for the highest consumption of sugar. During the period under review, the sector consumed 344,417 metric tons of sugar or 33% of total sugar consumed. This is followed by the Food and Beverages sub-sector which had 273,749 metric tons or 26% of total industrial sugar usage. Bakery/Confectionery and Pharmaceutical sectors accounted for 202,560 metric tonnes or 19% and 195,262 metric tons or 18% of total industrial sugar consumption in 2018 respectively. The sector that consumed the least is Dairy which accounted for only 41,890 metric tons representing just 4% of total industrial sugar consumed by industries during the period under consideration. Figure 5.4 is a bar chart showing the pattern of industrial sugar consumption by each State.

**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 market 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 major markets in the places mentioned above 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 to initiate policy intervention as required. During the year under review, the National Sugar Development Council was able to generate the following data on sugar prices at both local and international markets. The weekly, monthly, quarterly and annual data generated were collated and analyzed as presented in the figures below:

**TABLE 6.1 INTERNATIONAL MONTHLY AVERAGE SUGAR PRICES IN USD/MT**

<b>MONTH</b>	<b>RAW SUGAR \$/MT</b>	<b>WHITE SUGAR \$/MT</b>
JANUARY	311.36	371.65

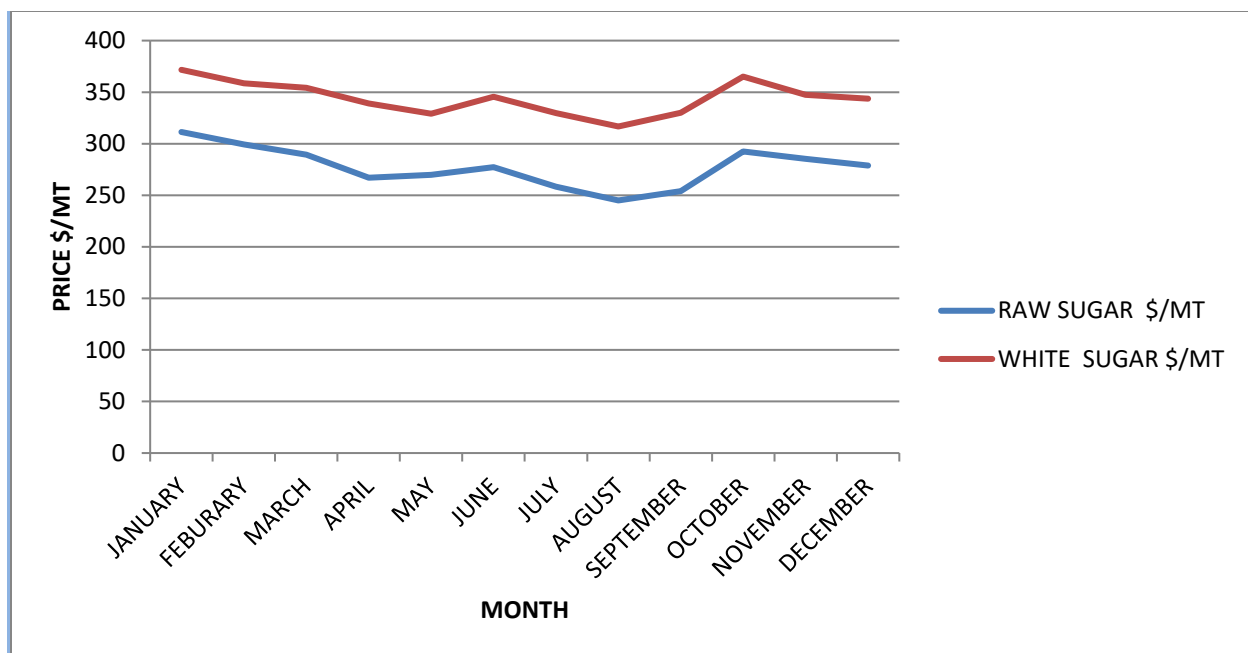
FEBURARY	299.19	358.51
MARCH	289.27	354.23
APRIL	266.95	339.12
MAY	269.93	328.95
JUNE	277.38	345.47
JULY	258.46	329.63
AUGUST	244.99	316.71
SEPTEMBER	254.12	329.90
OCTOBER	292.57	365.20
NOVEMBER	285.46	347.48
DECEMBER	278.85	343.80
<b>AVERAGE</b>	<b>277.37</b>	<b>344.22</b>

**TABLE 6.2 INTERNATIONAL MONTHLY AVERAGE SUGAR PRICES IN N/MT**

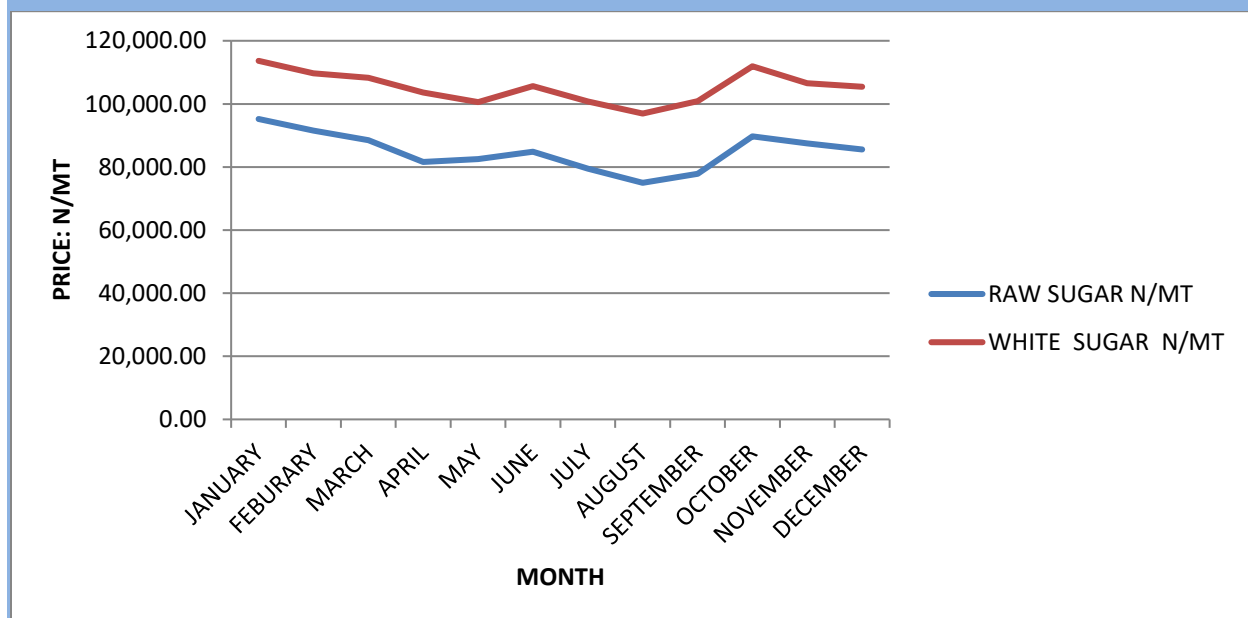
<b>MONTH</b>	<b>RAW SUGAR N/MT</b>	<b>WHITE SUGAR N/MT</b>
JANUARY	95,209.36	113,643.22
FEBURARY	91,514.52	109,659.80
MARCH	88,451.90	108,317.20
APRIL	81,594.30	103,636.36
MAY	82,548.42	100,597.74
JUNE	84,839.61	105,661.12
JULY	79,498.73	100,806.83
AUGUST	74,984.94	96,935.28
SEPTEMBER	77,827.11	100,859.82
OCTOBER	89,666.45	111,925.20
NOVEMBER	87,524.57	106,540.37
DECEMBER	85,587.31	105,443.78
<b>AVERAGE</b>	<b>84,937.27</b>	<b>105,335.56</b>

**FIG.6.1 INTERNATIONAL MONTHLY RAW AND WHITE SUGAR PRICES IN \$/MT**





**FIG.6.2 INTERNATIONAL MONTHLY AVERAGE SUGAR PRICES IN \$/MT**



**TABLE 6.3 MONTHLY AVERAGE PRICES OF LOCAL SUGAR IN N/50KG BAG**

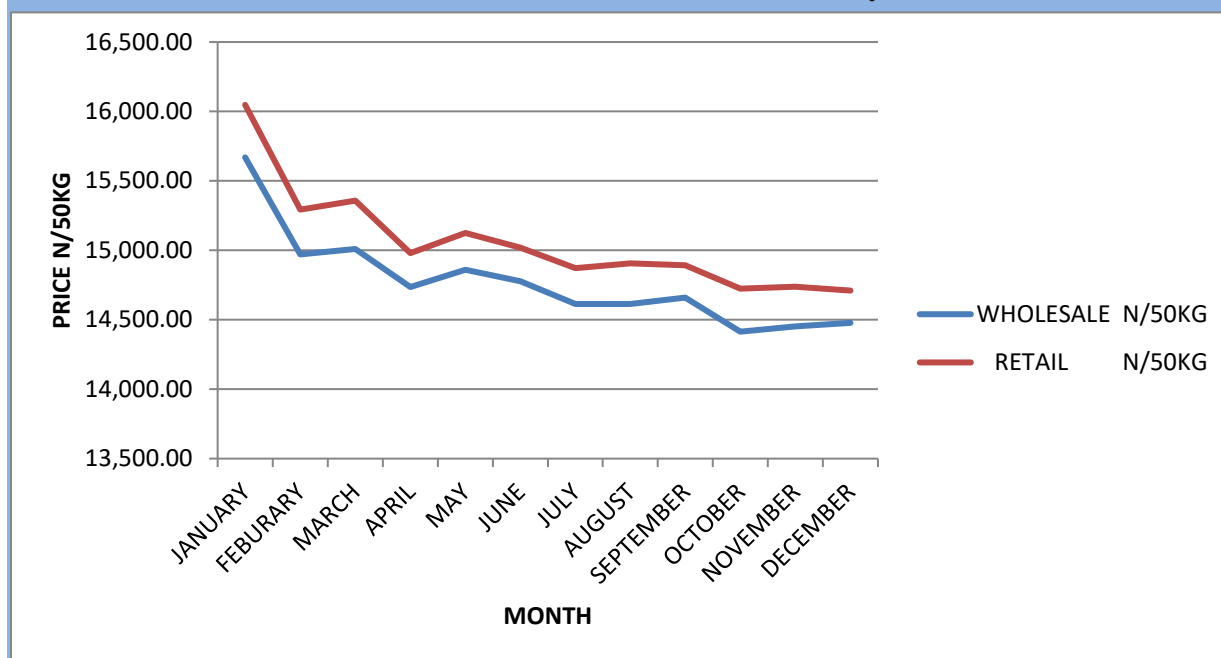
<b>MONTH</b>	<b>WHOLESALE ₦/50KG</b>	<b>RETAIL ₦/50KG</b>
JANUARY	15,669.25	16,047.55
FEBURARY	14,971.25	15,292.50
MARCH	15,010.76	15,357.49
APRIL	14,735.00	14,980.00
MAY	14,860.00	15,125.15
JUNE	14,778.00	15,018.40
JULY	14,613.30	14,871.66
AUGUST	14,613.30	14,907.00
SEPTEMBER	14,660.00	14,893.00
OCTOBER	14,414.00	14,724.00
NOVEMBER	14,452.00	14,738.00
DECEMBER	14,477.00	14,710.00
<b>AVERAGE</b>	<b>14,771.16</b>	<b>15,055.40</b>

**TABLE 6.4 MONTHLY AVERAGE PRICES OF LOCAL SUGAR IN N/MT**

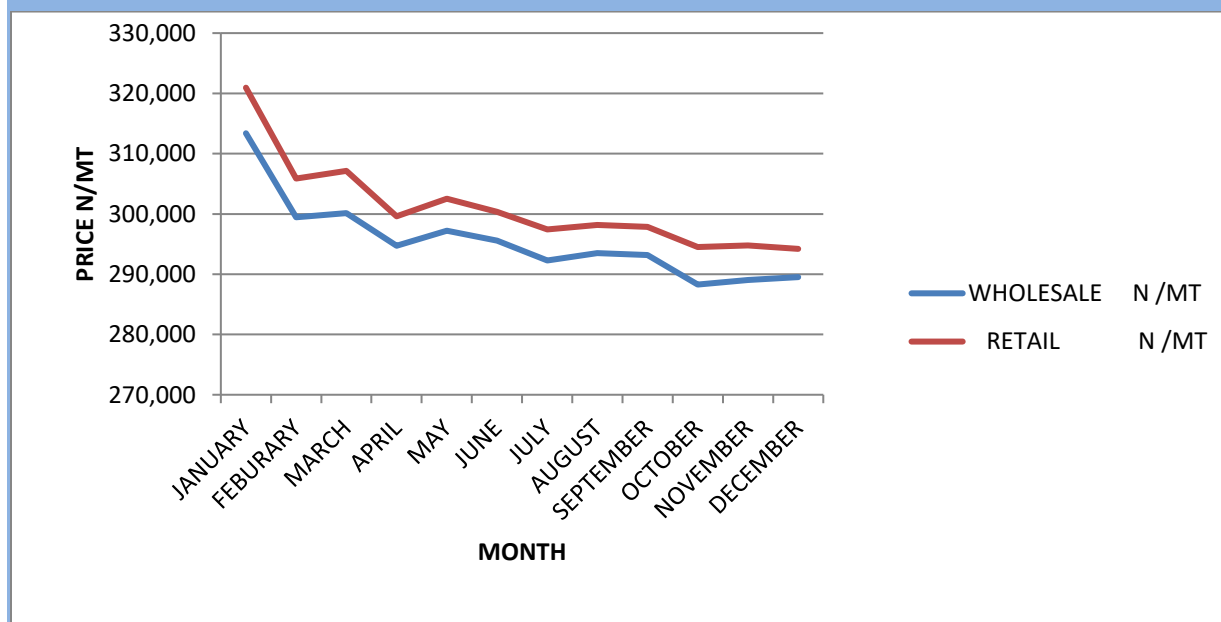
<b>MONTH</b>	<b>WHOLESALE ₦/MT</b>	<b>RETAIL ₦/MT</b>
JANUARY	313,383.00	320,949.00
FEBURARY	299,425.00	305,850.00
MARCH	300,120.04	307,149.10
APRIL	294,700.00	299,600.00
MAY	297,200.00	302,503.00
JUNE	295,560.00	300,368.00
JULY	292,266.00	297,433.34.00
AUGUST	293,480.00	298,145.00
SEPTEMBER	293,202.00	297,868.00
OCTOBER	288,283.00	294,484.00
NOVEMBER	289,026.00	294,760.00
DECEMBER	289,532.00	294,200.00
<b>AVERAGE</b>	<b>295,515.04</b>	<b>301,109.10</b>



**FIG.6.3 MONTHLY AVERAGE LOCAL SUGAR PRICES IN N /50KG**



**FIG.6.4 MONTHLY AVERAGE PRICES OF LOCAL SUGAR IN N/MT**



During period under review, i.e year 2018, the global average sugar prices of both raw and refined sugar witnessed a downward movement. For instance, the global

average price of raw sugar was USD311.36/ton in January and the prices eventually decrease to an average of USD299.19/ton in February and continue to decrease to USD278.85/ton in December, 2018. This represents about 11.66% decrease in the international average price of raw sugar per metric ton. In the same vein, the international price of white refined sugar in the month of January 2018 was USD371.65/ton. This then declined to USD328.95/ton in May and rose to USD365.20/ton in October before decreasing to USD343.80/ton in December.

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 as well as global demand and supply dynamics as well as vagaries of government policies.

Similarly, as witnessed in the international market, the prices of locally refined sugar (wholesale and retail) show a gradual downward movement in average prices of the sugar. For instance, in the month of January 2018 a 50 KG bag of sugar was sold at an average of N15,669.25 (Wholesale) while (Retail) price was N16,047.55. In March, the average wholesale price of sugar was N15,010.76/50kg bag and finally in December 2018, it was sold for N14,477. The annual average local prices of sugar for both wholesale and retail stood at N14,771.16/50kg bag and N15,055/50kg bag respectively in 2018.

## **CONCLUSION**

With the successful completion of the survey on industrial sugar consumption and market price monitoring in Nigeria, data on the nation's industrial sugar consumption pattern as well as the domestic and international sugar prices for the period have been obtained and analyzed. 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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