NCMC

NCMC Cocoa Digest

Nigeria's Authoritative Weekly Intelligence on Cocoa Markets, Policy & Sustainability

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From the NCMC Secretariat. This week the NCMC reiterates Nigeria's institutional readiness for the EU Deforestation Regulation (EUDR), which applies to large and medium operators from 30 December 2026. Following the European Commission's 4 May 2026 implementation package — updated FAQs, draft delegated act on product scope, and a scheduled Information System relaunch in June — the compliance clock is now firm. The Secretariat is intensifying its leadership of the National Traceability System (NTS) in partnership with State Governments and the National Space Research and Development Agency (NASRDA), and continues to engage cocoa-producing States on geolocation, due-diligence data flows and the National Single Window (NSW) Phase II rollout for non-oil exports expected Q2–Q3 2026. Even as ICE futures retreat on rising warehouse stocks and a renewed surplus outlook, our strategic message to operators is unchanged: quality, traceability and backward integration are Nigeria's premium pathway. Operators not yet on the NSW platform and DDS-ready must act this quarter.

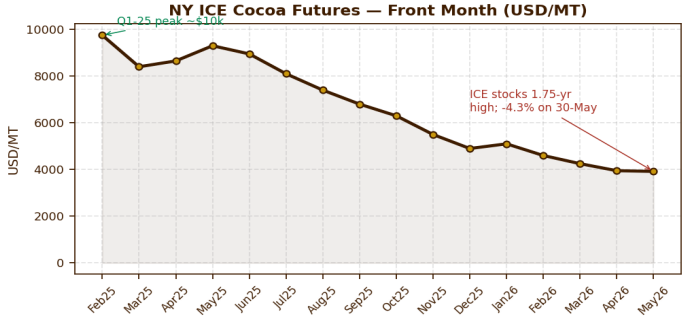
▶ EXECUTIVE INTELLIGENCE SUMMARY

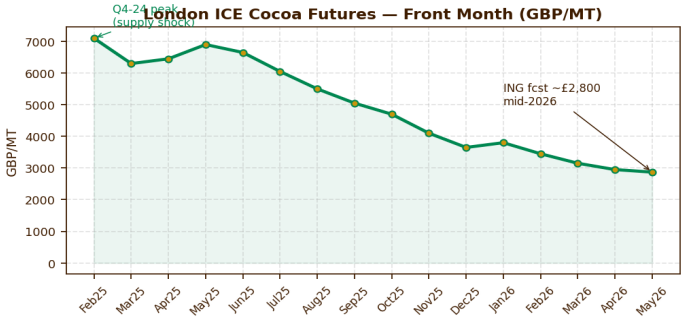
#	Signal	Intelligence
1	**Prices ↓ sharply**	NY July26 cocoa fell −4.32% on 30 May to ~$3,920/MT as ICE warehouse inventories rose to a 1.75-year high (2.75m bags). London #7 dropped −3.66% [1][8].
2	**Surplus revised ↑**	StoneX raised 2025/26 surplus to +247kt and projects 2026/27 surplus at +149kt; ICCO Feb-26 bulletin confirms 2024/25 surplus of 75kt [3][8].
3	**Nigeria crop ↓**	Nigerian 2025/26 output forecast −11% to 305,000 MT from 344,000 MT — weather, ageing stock and pest pressure cited [4].
4	**EUDR ✔ on track**	EU Commission 4-May package: relaunch of Information System in June 2026; 30 Dec 2026 enforcement for large/medium operators confirmed [5][6].
5	**Capacity ✔ added**	Sunbeth Global Concepts inaugurates 70,000-MT cocoa processing plant in Akure, Ondo State (12 May 2026); AfDB approves $200m facility for BOI (18 May) [7][9].

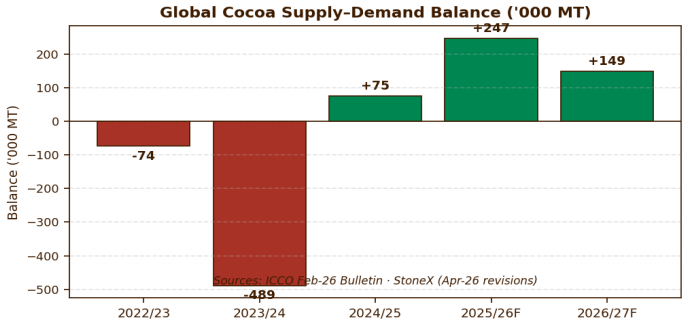
▶ COCOA DASHBOARD — Week to 29 May 2026

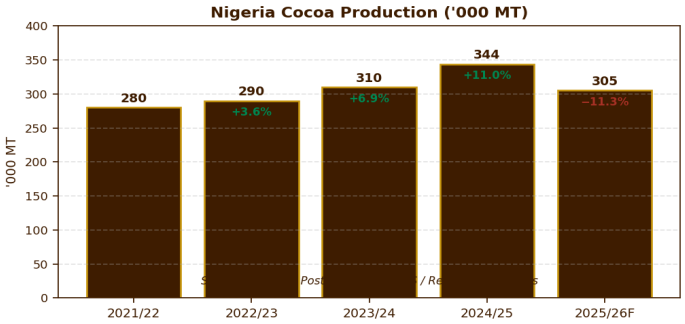
Indicator	Value	Status	Source	Date
London ICE Cocoa (Jul-26)	£2,872 /MT	INDUSTRY SOURCE	ICE Futures Europe / Barchart	30 May 2026
NY ICE Cocoa (Jul-26)	$3,920 /MT	INDUSTRY SOURCE	ICE Futures US / Barchart	30 May 2026
Nigeria FOB Cocoa (est.)	$3,950–4,050 /MT	INDICATIVE*	Trader desk; NY ICE basis	29 May 2026
USD / NGN (CBN official)	■1,373.87	OFFICIAL DATA	Central Bank of Nigeria	19–20 May 2026
EUR / NGN (CBN official)	■1,585.51	OFFICIAL DATA	Central Bank of Nigeria	31 May 2026
GBP / NGN (CBN official)	■1,824.57	OFFICIAL DATA	Central Bank of Nigeria	31 May 2026
Lagos–Rotterdam freight (40ft)	$2,150–2,350	INDICATIVE*	Drewry WCI / Freightos benchmark	28 May 2026
Lagos–Hamburg freight (40ft)	Unavailable this week — verify via Drewry/Freightos	INDICATIVE*	Trade press	—

*INDICATIVE rows are derived estimates. Verify before trading or contracting.









▶ WEEK-ON-WEEK PRICE NARRATIVE

Week-on-Week Narrative. Cocoa futures retraced sharply into the close of May. On 30 May, July NY cocoa shed 177 points (−4.32%) to settle near $3,920/MT, with London #7 off 113 points (−3.66%) to about £2,870/MT, as ICE-monitored warehouse inventories rose to 2,745,277 bags, the highest in 1.75 years [1]. The retreat extends a multi-month decompression from the 2024 supply-shock peaks: the NY benchmark is now nearly 60% off its Q1-2025 highs above $10,000/MT. Côte d'Ivoire port arrivals through 24 May reached 1.64 MMT, +2.5% YoY [8]. Demand signals are mixed — Hershey and Mondelez Q1 earnings beat expectations [8], yet StoneX has nudged the 2026/27 surplus estimate to +149kt from +267kt, citing El Niño risk. The composite picture: prices likely range-bound near the new equilibrium (~$3,800–4,400) until West African mid-crop quality data clarifies in June.

▶ MARKET INTELLIGENCE & CROP UPDATE

Global Supply / Demand Snapshot

• 2024/25 closed in surplus at +75kt — production 4.728 MMT vs grindings 4.606 MMT (ICCO Feb-26) [3].
• 2025/26 surplus revised up to +247kt (StoneX, Apr-26) on Ivorian arrivals tracking +2.5% YoY [8].
• 2026/27 surplus trimmed to +149kt on emerging El Niño risk; price ranges may widen [8].
• Demand stabilising: Hershey, Mondelez Q1 better-than-feared despite elevated retail prices [8].

Ghana & Côte d'Ivoire

• Ghana COCOBOD cut producer price to GH¢41,392/tonne (~US$3,580) in February — a 28% reduction tied to global price reset; new bill will index farmgate to ≥70% of FOB [10].
• Côte d'Ivoire shipments to ports at 1.64 MMT through 24 May — +2.5% YoY; mid-crop quality variable [8].

Nigeria Crop & Quality Update

• 2025/26 output forecast 305,000 MT (−11%) from 344,000 MT — delayed rainfall, wind damage to flowers/cherelles, ageing stock [4].
• Quality monitoring under CRIN advisory remains stable; premium bean differential holding for Ondo and Cross River origin lots.
• Government reaffirms ambition to reclaim top-tier producer status; new processing investments (see Page 4) reinforce backward integration narrative.

Port Logistics: Apapa / Tin-Can

• Drewry WCI 40ft composite at US$2,286 (7 May) — directional benchmark for Lagos–Rotterdam; trade-press estimates put the lane at $2,150–2,350 [2].
• Nigerian Ports Authority confirms no major congestion at Apapa/Tin-Can berths; exporters report standard turnarounds for May.
• Vessel schedule reliability remains the primary lane risk; book 4–6 weeks ahead.

▶ WHAT THIS MEANS FOR NIGERIAN EXPORTERS

Exporters should expect the lower price plateau to persist into the June mid-crop window, with downside skew if ICE stocks continue to build. Nigeria's quality premium and EUDR-ready geolocation status are now the dominant lever for protecting margins. Lock in FX repatriation strategy at the current ₦1,373/$ CBN window, and use the price softness to re-engage European buyers on annual offtake conversations anchored on certified, DDS-ready beans.

▶ EUDR, TRACEABILITY & SUSTAINABILITY

EUDR Implementation Tracker

• 4 May 2026 package released by EU Commission: simplification review, updated FAQs, draft delegated act on product scope, Information System updates [5].
• Commission to relaunch the EUDR Information System in June 2026; further functionality rolled out summer 2026 [5].
• 30 December 2026 firm enforcement date for large & medium operators; 30 June 2027 for SMEs [6].
• Operators must furnish high-precision geolocation coordinates per plot of land alongside legal & deforestation-free production evidence [6].

National Task Force on EUDR / Joint Steering Committee, National Traceability System

• White Paper on EUDR compliance as competitive advantage remains the FG's strategic communication to EU counterparts [11].
• NTS standing update: An MoU has been signed between the Federal Ministry of Agriculture and Food Security and NASRDA for the National Traceability System (NTS), in partnership with cocoa-producing States, with a pilot underway. The NTS will also cater for value chains of other agricultural exports under EUDR [11][12].
• FG reaffirmed commitment at January 2026 Abuja stakeholder roundtable; Ondo State EUDR Compliance Committee active.

Traceability & Certification

• NASRDA SAR satellite monitoring scope expanding to additional cocoa LGAs in Ondo, Cross River, Edo and Osun [12].
• Rainforest Alliance certification pipeline active for premium Nigerian lots.
• Geolocation bottleneck remains in Taraba and parts of Cross River — coverage gap to be closed in NTS Phase II.

Exporter Decision Dashboard

Decision Factor	Status	Action Required
EU Market Access (DDS)	URGENT	Complete geolocation; register on NTS p
Price Timing	MONITOR	Range $3,800–4,400/MT; mid-crop pivot
FX Repatriation	REVIEW	CBN 90-day rule; reconcile with banker
NSW Registration	ACT NOW	Onboard before Q3 2026 export module
Quality Premium	LEVERAGE	Pursue Rainforest / DDS-ready buyers
AfDB Finance	EXPLORE	$200m BOI facility — apply via BOI

▶ COMPLIANCE ACTION THIS WEEK

Cocoa exporters with shipments scheduled after 30 December 2 workflow against the EU Information System relaunch this June. coordinator via the NCMC Secretariat (www.ncmc.gov.ng) to

▶ POLICY & REGULATION

1. NCMC Secretariat

The Secretariat is intensifying State engagement on NTS pilot rollout (Ondo, Cross River, Edo, Osun first wave) and convening sector stakeholders on DDS readiness. Operators may reach the Secretariat at www.ncmc.gov.ng or +234 813 627 2300.

2. National Single Window (NSW)

Phase I (imports) live since 27 March 2026; 7,567+ users onboarded. Phase II for non-oil exports — including cocoa — is targeted for Q2–Q3 2026 [13]. Exporters should register now at nsw.gov.ng with valid TIN.

3. CBN / FX Policy

CBN 90-day repatriation rule for export proceeds remains in force. Official window for week: USD/NGN ₦1,373.87 · EUR/NGN ₦1,585.51 · GBP/NGN ₦1,824.57 [14][15]. Exporters should reconcile with their bankers and avoid parallel-market settlement of cocoa proceeds.

4. Export Certification — NAFDAC / SON / NCS

SON's SONCAP and Import Permit processes migrated to NSW from 31 March 2026 — phytosanitary and quality clearances for cocoa remain unchanged this week [13]. NAFDAC and NCS: no new developments this week.

▶ GREEN FINANCE, CARBON & DEVELOPMENT FINANCE

DFI Finance Deals & Facilities

• AfDB approves $200m financing facility for Nigeria's Bank of Industry on 18 May 2026 — earmarked for infrastructure, agro-food processing, health, pharmaceuticals and green industrialisation (including climate-smart agriculture) [7].
• BII (UK): $40.5m partnership previously enabled Johnvents to double processing to 30,000 MT in Ondo State [9].
• NEXIM Bank: non-oil export rediscounting facility remains accessible to licensed cocoa exporters.
• World Bank L-PRES & IFAD VCDP: rural value-chain co-financing windows open; engage State commissioners of agriculture.

Carbon, Climate Finance & Insurance

• Nigeria Carbon Market Framework unveiled at Abu Dhabi Sustainability Week 2026 — phased design, voluntary entry point, transition path to domestic compliance regime; targets $2.5bn climate investment by 2030 [16].
• Smallholder aggregation models (Solidaridad-style) emerging as the practical channel for cocoa-belt carbon credits, given high origination costs at farm level [17].
• Agricultural insurance: NAIC products available for cocoa but uptake is low; advocacy for index-based weather products specific to the cocoa belt remains a policy gap [18].

▶ FINANCE OPPORTUNITY OF THE WEEK

AfDB / BOI $200m climate-resilient agro-processing facility (approved 18 May 2026). Eligible cocoa processors, value-added confectionery firms and backward-integration operators should engage the Bank of Industry to position for sub-facilities supporting climate-smart agriculture, renewable energy and energy-efficient processing. Apply via boi.ng with project bankability documentation; NCMC Secretariat can provide letters of strategic alignment on request (www.ncmc.gov.ng) [7].

▶ VALUE-ADDITION, BACKWARD INTEGRATION & EXTENSION

1. Processing & Value-Addition

Sunbeth Global Concepts inaugurated a 70,000 MT/yr cocoa processing facility in Akure, Ondo State on 12 May 2026 — alongside an 80,000-tonne cashew unit. The plant is structured for export-grade butter, powder and liquor, directly aligned with FG's non-oil revenue agenda [9].

Johnvents expansion (BII-backed) lifted capacity to 30,000 MT, deepening the Ondo processing cluster [9].

FG reiterates the value-capture arithmetic: raw beans ~$3,900/MT today; processed intermediates can reach $30,000/MT; finished chocolate $50,000/MT [9].

2. Backward Integration — Seedlings & Inputs

CRIN has distributed 300,000+ hybrid seedlings (Tc1–Tc8) in the current farm season; target is 500,000/season. Seed gardens are active in all 14 cocoa-producing States [19].

Fertiliser and agrochemical supply for the upcoming pod-set window is stable but input cost inflation remains a margin pressure for smallholders.

3. Extension Services & AgriTech

• Digital extension: NASRDA satellite-derived advisories piloting in Ondo and Cross River; payload integrates pest pressure, canopy health and pod-set windows [12].
• Aggregator-led traceability (e.g. Zowasel pilot) has paid sustainability premiums to farmers and is replicable for cooperative clusters.
• Precision spraying and drone trials underway in Ondo; commercial readiness still 18–24 months away.

▶ RESEARCH HIGHLIGHT — CRIN HYBRIDS

CRIN's TC-1 through TC-8 hybrids yield 1,500–2,300 kg/ha versus productivity uplift. Combined with adoption of geo-mapped farm to reclaiming a top-tier global producer position [19].

▶ FARMER INTELLIGENCE, MARKET SCENARIOS & TRADE EVENTS

▶ KEY MESSAGE FOR COCOA FARMERS THIS WEEK

This week (English): Cocoa prices have fallen sharply on rising warehouse stocks. Mid-crop quality and traceability documentation are now the most reliable margin lever. Engage your cooperative on NTS registration and prepare deforestation-free declarations early — buyers will pay a premium for DDS-ready lots.

Harshen Hausa: Farashin koko ya fadi sosai a wannan mako sakamakon karuwar ajiyar koko a rumbunan ajiya. Inganci da takardun bin diddigi sune mabudin samun riba mai kyau yanzu. Ku tuntubi kungiyarku don yin rajista a tsarin NTS, ku kuma shirya takardun nuna cewa noman ba ya lalata gandun daji — masu siye za su biya kudi mai yawa don kayan da ke da takardun DDS.

Market Scenario Outlook — 6-Month Horizon

Scenario	Trigger	London Outlook	NY Outlook	Nigeria Impact
BEAR (30%)	Surplus widens; stocks > 3m bags	£2,400–2,700	$3,300–3,700	Premium farmgate squeezed; backward-integration thesis tested
BASE (50%)	Surplus +200–250kt; West Africa arrivals	£2,800–3,200	$3,800–4,400	Range-bound; quality premium holds; FX stable
BULL (20%)	El Niño hits mid-crop; demand rebound	£3,300–3,900	$4,500–5,500	Margin recovery for early-locked sellers; FX upside

Scenario probabilities are indicative editorial estimates by the NCMC Secretariat based on triangulated public sources. Not financial advice.

Upcoming Trade Events & Deadlines

Event	Date	Location	Relevance
EU EUDR Information System relaunch	June 2026	Brussels / online	DDS submission test window opens for operators
NCMC State Engagement (NTS Phase II)	Jun–Jul 2026	Akure, Calabar, Benin	State pilot site selection and exporter onboarding
World Cocoa Conference (WCC)	Oct 2026	TBC (West Africa)	Annual industry policy convening — secure delegate slots now
EUDR enforcement — large/medium operators	30 Dec 2026	EU-wide	Hard compliance date; shipments thereafter require DDS

▶ REFERENCES & DISCLAIMER

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Content Notes — Data Gaps This Week.
• Nigeria FOB price is INDICATIVE — derived from NY ICE basis less standard differential; verify with licensed buying agent before contracting.
• Lagos–Hamburg freight rate unavailable in public composite indices this week; cross-check via direct lane quotes (Drewry, Freightos, GoComet) before booking.
• CBN EUR and GBP official rates are dated 31 May 2026; USD rate is closing rate for the trading week ended 22 May.
• No discrete CAN/CFAN bulletin this week; updates included reflect standing positions.

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