



2025 National Trade Estimate Report on
**FOREIGN TRADE
BARRIERS**

*of the President of the United States
on the Trade Agreements Program*

UNITED STATES TRADE REPRESENTATIVE

NIGERIA

IMPORT POLICIES

Tariffs and Taxes

Tariffs

Nigeria's average Most-Favored-Nation (MFN) applied tariff rate was 12 percent in 2023 (latest data available). Nigeria's average MFN applied tariff rate was 15.9 percent for agricultural products and 11.4 percent for non-agricultural products in 2023 (latest data available). Nigeria has bound 19.7 percent of its tariff lines in the World Trade Organization (WTO), with an average WTO bound tariff rate of 120.5 percent.

Consistent with the Economic Community of West African States (ECOWAS) Common External Tariff (CET), Nigeria applies five tariff bands: (1) zero percent duty on essential social goods (*e.g.*, medicine); (2) 5 percent duty on essential commodities, raw materials, and capital goods; (3) 10 percent duty on intermediate goods; (4) 20 percent duty on consumer goods; and, (5) 35 percent duty on certain goods that the Nigerian Government has elected to afford greater protection. The CET was slated to be fully harmonized by 2020, but, in practice, some ECOWAS Member States have maintained deviations from the CET beyond the January 1, 2020 deadline.

Taxes

Nigeria maintains a number of supplemental taxes in addition to the duties on imports of certain goods, which significantly raises the effective tariff rate paid by importers. For example, Nigeria maintains a combined duty plus other associated import fees of 50 percent or more on 79 tariff lines. These include 17 tariff lines on which the combined duty plus other associated import fees reaches or surpasses the 70 percent limit set by ECOWAS.

Non-Tariff Barriers

Import Bans

The Nigeria Customs Service continues to ban the import of 25 different product categories. The list of prohibited imports currently includes: bird eggs; cocoa butter, powder, and cakes; pork; beef; live or dead birds; refined vegetable oil and fats; bottled water; spaghetti and other noodles; fruit juice in retail packs; tomatoes, tomato ketchup, and tomato sauces; nonalcoholic beverages (excluding energy drinks); bagged cement; beer and stout; all medicaments falling under Harmonized System headings 3003 and 3004; soaps and detergents; mosquito repellent coils; paper board; used motor vehicles more than 12 years old; ball point pens; most types of footwear; bags and suitcases; used clothing; and certain spirits and alcohols. The import ban list can be found on the Nigeria Customs Service's "[Prohibited Items List During Import.](#)"

Customs Barriers and Trade Facilitation

Nigeria ratified the WTO Trade Facilitation Agreement (TFA) in January 2017. Nigeria's notification on the use of customs brokers was due to the WTO in December 2020, according to Nigeria's self-designated TFA implementation schedule. Nigeria submitted an incomplete notification with respect to the use of

customs brokers on November 25, 2022, and the United States will seek further information and encourage Nigeria to submit a revised notification with complete information.

The Nigeria Customs Service's practices continue to present major obstacles to trade. Importers report inconsistent application of customs regulations; lengthy clearance procedures, often due to outdated manual processing systems; and corruption. These factors sometimes contribute to product deterioration and result in significant losses for importers of perishable goods. Disputes among Nigerian Government agencies over the interpretation of regulations often cause delays, and frequent changes in customs guidelines slow the movement of goods through Nigerian ports. The customs authority has attempted to automate its processes, but many basic customs procedures are still paper-based and require an unreasonably long time to complete. On September 2, 2020, the Nigerian Government approved a \$3.1 billion customs modernization project that would include the automation of paper-based customs processes. The project was to be completed in 36 months and executed via a public-private partnership through a 20-year concession. This project has experienced implementation delays and is the subject of domestic litigation.

TECHNICAL BARRIERS TO TRADE / SANITARY AND PHYTOSANITARY BARRIERS

Transparency

Transparency of the regulatory system in Nigeria is a concern. U.S. companies have raised concerns that some regulations are issued as final measures without a clear process or period for public comment on draft regulations. Nigeria has not consistently notified draft technical regulations to the WTO Committee on Technical Barriers to Trade. Further, Nigeria has not consistently notified draft measures to the WTO Committee on Sanitary and Phytosanitary Measures. Additionally, Nigeria is not consistent in the implementation of technical regulations and sanitary and phytosanitary measures, which can create confusion and undermine compliance.

Import Certificates

Nigeria requires that all food, drug, cosmetic, and pesticide imports be accompanied by certificates from manufacturers, third-party certifiers, or exporters' national authorities, depending on the product. These certificates must attest that the product is safe for human use and consumption, even though certificate-issuing authorities do not inspect every shipment of exported food product. However, Nigeria's limited capacity to review certificates, carry out inspections, and conduct testing has resulted in delays in the clearance of food imports and has diverted imports to informal channels. Since 2019, the United States has sought to negotiate import permits for the export of several categories of U.S. food and agricultural products. Nigeria has been slow to approve these requests.

GOVERNMENT PROCUREMENT

U.S. companies have expressed concerns about corruption and a lack of transparency in procurement processes in Nigeria.

The Public Procurement Act of 2007 established the Bureau of Public Procurement (BPP) as the regulatory authority responsible for the monitoring and oversight of public procurement in Nigeria. Only majority Nigerian-owned companies may bid on procurements above ₦2.5 million (approximately \$1,600 thousand), up to ₦100 million (approximately \$64,000 thousand) for goods, and up to ₦1 billion (approximately \$640,000 thousand) for services and works. Above those thresholds, both majority foreign-owned and majority Nigerian-owned companies may engage in competitive bidding. Nigerian Government

agencies do not always follow procurement guidelines, despite the requirement that no procurement proceedings are to be formalized until the procuring entity has ensured that funds are available to meet the obligations and has obtained a “Certificate of ‘No Objection’ to Contract Award” from the BPP.

Executive Order 5 of 2018 added restrictions and obligations for public procurement related to science, engineering, and technology. The order is designed to bolster the Public Procurement Act of 2007 and directs government offices to grant preference to Nigerian suppliers.

Foreign companies may be subject to requirements that include the use of a local partner firm or requirement to join a consortium.

Nigeria has made modest progress on its pledge to conduct open and competitive bidding processes for government procurement. The BPP has made a variety of procurement procedures and bidding information publicly available on its website. However, Nigeria’s National Assembly operates its own procurement process that is not subject to BPP oversight and lacks transparency. Although U.S. companies have won contracts in various sectors, difficulties in receiving payments are common and can discourage firms from bidding. Foreign government-subsidized financing arrangements appear in some cases to be a crucial factor in the award of government procurements.

Nigeria is neither a Party to the WTO Agreement on Government Procurement (GPA), nor an observer to the WTO Committee on Government Procurement.

INTELLECTUAL PROPERTY PROTECTION

Nigeria has taken steps to improve its legal framework for intellectual property (IP) protection. On January 30, 2019, Nigeria enacted the Federal Competition and Consumer Protection Act, which includes provisions designed to combat trademark counterfeiting, and on May 21, 2021, Nigeria enacted the Plant Variety Protection Act, creating a legal framework and administrative structure for the protection of plant varieties. On March 17, 2023, the Nigerian President signed the Copyright Act, 2022 into law. The Copyright Act, 2022 includes provisions addressing technological protection measures, remuneration, and broadcasting rights and provides anti-piracy penalties, with a view toward implementing the World Intellectual Property Organization (WIPO) Copyright Treaty, WIPO Performances and Phonograms Treaty, Beijing Treaty on Audiovisual Performances; and Marrakesh Treaty to Facilitate Access to Published Works for Persons Who Are Blind, Visually Impaired, or Otherwise Print Disabled. The United States has urged Nigeria to consider whether additional amendments are needed to ensure Nigerian copyright law is in compliance with all IP treaties to which Nigeria is a party.

Counterfeit goods, including pharmaceuticals, automotive parts, and other consumer goods, remain widely available in Nigeria and often threaten the health and safety of consumers. The Nigerian National Agency for Food and Drug Administration and Control is, however, active in enforcement efforts, including frequent raids of facilities distributing and manufacturing counterfeit goods covered by the agency’s mandate. In addition, online infringements and pirated software, music, and video recordings are prevalent. IP enforcement remains inadequate due to chronically insufficient resources for enforcement agencies, porous borders, entrenched trafficking systems that make enforcement difficult, and corruption. Public awareness is low regarding the role of IP in Nigeria’s economy, despite the benefits Nigeria has seen from its growth as a regional hub for the African film, music, and fashion industries and despite the harm to consumers from counterfeit products. The Nigerian Copyright Commission and the Federal Competition and Consumer Protection Commission, often in partnership with the U.S. Embassy, have taken steps to raise awareness about IP.

SERVICES BARRIERS

Nigeria prohibits foreign firms from participating in reinsurance of risks in the oil and gas sector. Although the regulator may waive this prohibition, all local reinsurance capacity must be fully exhausted. Nigeria also imposes 5 percent mandatory reinsurance cession requirements in favor of the Africa Reinsurance Corporation and the WAICA Reinsurance Corporation.

The Advertising Regulatory Council of Nigeria Act was enacted on August 20, 2022. The Act replaced the Advertising Practitioners Council of Nigeria, which functioned like a trade association, with the Regulatory Council, which has sweeping regulatory and enforcement powers. The Act prescribes mandatory registration for any person or company engaging in any form of advertising in Nigeria and requires all advertisements to be approved before publication.

ELECTRONIC COMMERCE / DIGITAL TRADE BARRIERS

Data Localization

The National Information Technology Development Agency (NITDA) Guidelines for Nigerian Content Development in Information and Communication Technology require all foreign and domestic businesses to store all data concerning Nigerian citizens within Nigeria. The NITDA Guidelines further require that businesses host all government data locally, unless officially exempted. However, the requirements do not seem to be rigorously enforced which causes uncertainty for businesses seeking to comply with the requirements.

Internet Services

The NITDA Guidelines also require information and communications technology companies to use Nigerian businesses for the provision of at least 80 percent of all value-added services on their networks. The NITDA Guidelines define “value-added service” vaguely, creating uncertainty for businesses seeking to comply with the measure. Though Nigeria has largely declined to enforce the NITDA Guidelines, periodic threats of repercussions for non-compliance remain a concern.

On June 13, 2022, NITDA published a draft “Code of Practice for Interactive Computer Service Platforms/Internet Intermediaries,” which came into force on December 26, 2022. It also requires digital service platforms with more than 1 million users in Nigeria to incorporate in and have a physical contact address in Nigeria.

Digital Services Taxes

The 2021 Finance Act introduced a new tax regime for non-resident companies providing digital services and products to persons in Nigeria, including both income and VAT taxes. The 2020 Finance Act first introduced income tax obligations for non-resident companies providing digital goods and services in Nigeria. U.S. companies have expressed concerns about the impact of the tax.

OTHER BARRIERS

Bribery and Corruption

Corruption remains a substantial barrier to trade and investment in Nigeria. Corruption and lack of transparency in tender processes are of great concern to U.S. companies. U.S. firms experience difficulties

in day-to-day operations as a result of inappropriate demands from officials for “facilitative” payments. Efforts to strengthen anticorruption measures have been hampered by inter-ministerial infighting and partisan politics. Questions also remain regarding the Nigerian justice system’s capacity to achieve convictions and appropriate sentencing for corruption-related crimes.

Foreign Exchange Controls

Foreign exchange limitations have negatively impacted investment as well as trade. Restrictive measures have hampered some U.S. companies’ abilities to import finished or semi-finished goods for use in their Nigerian operations. Moreover, Nigeria’s policies have increased challenges for projects developed with international financing that include U.S. dollar–denominated debt obligations, as borrowers have struggled to secure the necessary foreign exchange to meet those obligations.

In addition, Nigerian importers report they sometimes must agree to schemes to produce domestically in order to be allocated import permits by the government and to access foreign exchange through the Nigerian Foreign Exchange Market to source similar products from abroad.

However, the Nigerian Government has taken steps to address these limitations. On June 14, 2023, the Central Bank of Nigeria (CBN) introduced a market-based foreign exchange regime, collapsing its multiple official exchange rates into one, the “Nigerian Foreign Exchange Market.” On October 13, 2023, the CBN reversed its eight-year-old restriction on access to U.S. dollars for the importation of 43 items such as rice, meat, poultry, vegetable oil, fertilizer, dairy products, maize, sugar, and several steel products (although, as noted in the *Import Bans subsection*, some of these products remain on the Nigeria Customs Service’s Prohibited Items List).

The CBN had accrued an estimated \$7 billion in backlog of foreign currency orders for companies trying to repatriate their earnings over the past years. In March 20, 2024, the CBN announced it had settled \$4.6 billion of claims that had been “validated” by an audit conducted by an international auditing firm on behalf of the CBN. The remaining estimated \$2.4 billion of backlog was still under investigation by the CBN for their validity as of December 31, 2024.

Despite the liberalization of the foreign exchange market, the CBN maintains stringent controls over the repatriation of funds. Companies report that the approval process for the repatriation of funds remains a significant barrier to investment by U.S. entities, as it is frequently subject to delays and denials.

Maritime Trade

Delays caused by congestion and the poor condition of access roads, combined with corruption and an insufficient number of digital cargo scanners, make operations at Nigerian ports among the most expensive in the world. According to shipping industry reports, the 30-day average delay to clear a container ship makes Apapa in Lagos among the most expensive ports for shipments from the United States. Lagos ports also lack adequate space, and ships often wait for days—in some cases weeks or months—before being able to berth and discharge their contents.

The \$1.5 billion Lekki Deep Sea Port commissioned in Lagos on April 1, 2023 was expected to reduce the pressure on the inefficient Apapa and Tin Can ports but has yet to attract enough traffic. Traffic gridlock at the Apapa main port in Lagos continues to impact U.S. exports. Maritime crime in the Gulf of Guinea emanating from Nigeria diminished in 2022 but still has a deleterious effect on U.S. exports to Nigeria.

To help address some of these challenges, in August 16, 2023 the Government of Nigeria established the Ministry of Marine and Blue Economy and moved Nigeria’s two maritime-focused and revenue-gathering

agencies, the Nigerian Maritime Administration and Safety Agency (NIMASA) and the Nigerian Ports Authority (NPA), out from the Ministry of Transportation and into the new Ministry. Leadership of the new ministry has vocally advocated for the use of technology in Nigerian ports, including cargo tracking to promote efficiency and ease of doing business. The U.S. Coast Guard (USCG) partners with NIMASA to strengthen Nigeria's ability to improve port security conditions and thereby facilitate U.S. exports to Nigeria.

Export Ban

The Nigeria Customs Service enforces an export ban on a number of products, including maize, timber, raw hides and skin, scrap metals, and unprocessed rubber latex. The export ban list can be found on the Nigeria Customs Service's "[Prohibited Items List During Export.](#)"

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