

# Nigeria

# intra-Africa trade & tariff profile 2019



## 1. Introduction

Nigeria is part of two Regional Economic Communities (RECs) - the Economic Community of West Africa (ECOWAS) and the Community of Sahel-Saharan States (CEN-SAD).

- ECOWAS has 15 member states. All member states are part of the ECOWAS Free Trade Area (FTA), 14 of which are in the process of implementing the ECOWAS Common External Tariff (CET). Qualifying imports from approved ECOWAS producers are imported into Nigeria duty-free, and Nigeria applies the ECOWAS CET on imports from outside the REC.
- CEN-SAD currently has 24 member states aspiring to establish an Economic Union which includes the free movement of goods, services and commodities. There is currently no free trade agreement in place.



## 2. Intra-Africa trade

For 2019, 20% of Nigeria's world exports & 7% of world imports were to and from the rest of Africa. Intra-Africa exports amounted to US\$11 billion (57% more than in 2018) & intra-Africa imports to US\$3 billion (more than double the imports in 2018).

The main export products are crude petroleum oils, base metal tubing, vessels (floating structures & light-vessels, cruise ships), cigarettes, electrical energy. 52% of Nigeria's intra-Africa exports are crude petroleum oils. The main import products are laboratory glassware, petroleum oils,

propylene polymers & frozen fish. Laboratory glassware accounts for 47% of Nigeria's intra-Africa imports. Nigeria mainly trades with Ghana, South Africa, Eswatini & Ivory Coast - accounting for 75% of Nigeria's intra-Africa total trade.

### Main destination markets

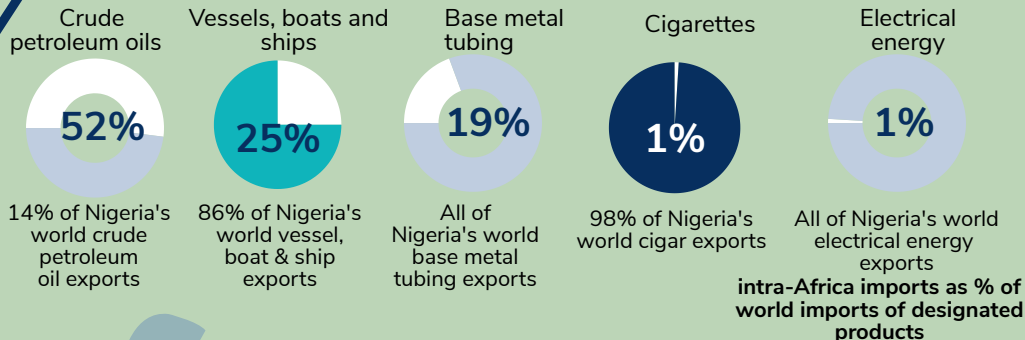
Ghana, South Africa, Ivory Coast & Cameroon



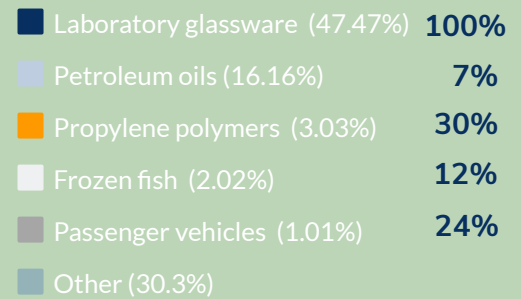
### Main source markets



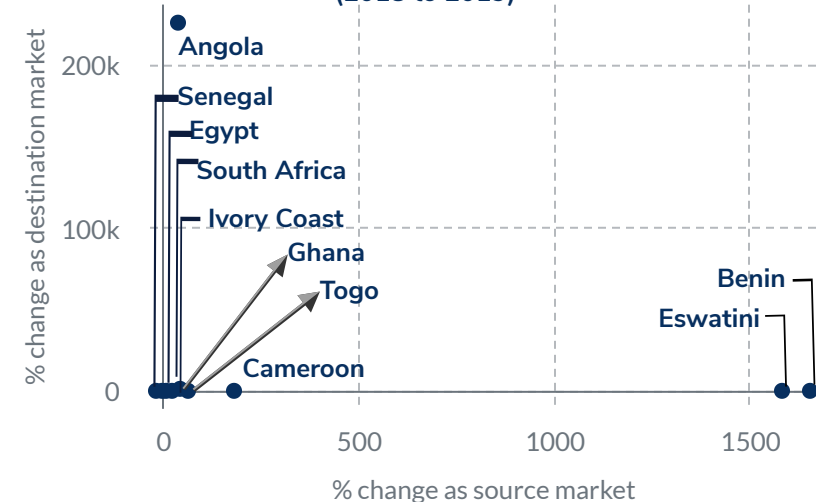
### Nigeria's intra-Africa trade 2019



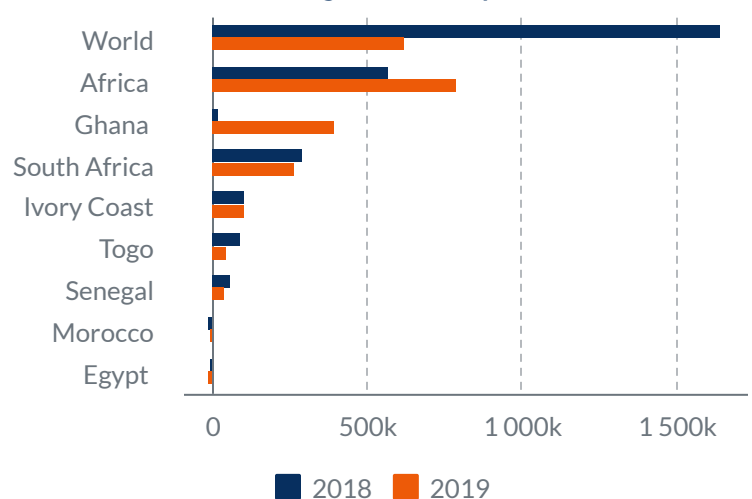
intra-Africa imports as % of world imports of designated products



### % change in exports to & imports from main African trade partners (2018 to 2019)



### Trade balance with designated trade partners 2018 & 2019



**3. Intra-Africa tariffs & non-tariff cost of trade**  
 Qualifying goods from ECOWAS member states enter Nigeria duty-free, while imports from CEN-SAD countries, which are not ECOWAS member states (including Egypt, Morocco, Somalia & Tunisia) and the rest of Africa are levied the MFN applied duty, which is the ECOWAS CET. The ECOWAS CET has five tariff bands - duty-free, 5%, 10%, 20% and 35%.

9% of Nigeria's world exports (43% of intra-Africa exports) are to African countries not ECOWAS member states. Export products include crude petroleum oils & vessels for breaking up - accounting for 74% & 20% of Nigeria's intra-Africa exports respectively. Other exports include floating platforms, liquified gas & urea. 67% of Nigeria exports to African countries outside ECOWAS go to South Africa, 19% to Cameroon, and 12% to Angola.

5% of Nigeria's world imports (80% of intra-Africa imports) are sourced from outside ECOWAS. Nigeria mainly imports laboratory glassware (58% of intra-Africa imports) from African countries outside ECOWAS countries. Other import products include polypropylene, chemical products & preparations, liquified butanes & apples. 63% of Nigeria's imports from non-ECOWAS countries are sourced from Eswatini, and 20% from South Africa.

**MFN duty categories & % of national tariff lines in each category**

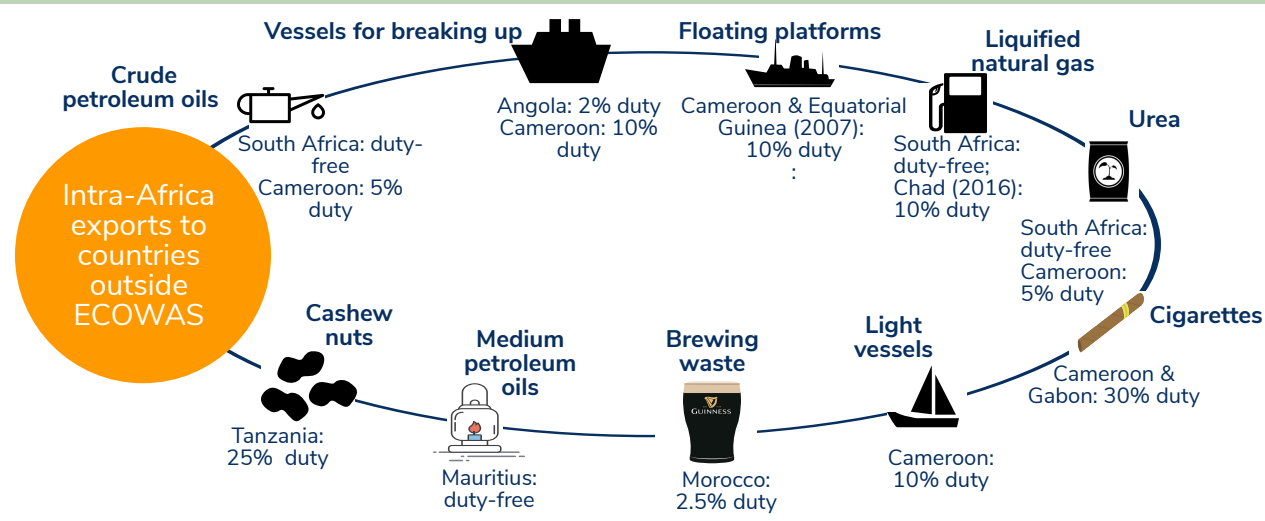
**Duty-free 2%**  
 medicaments; crude petroleum oils; mineral and chemical fertilisers; printed books; newsprint in roll or sheets; newspapers or journals; human blood; articles of apparel and clothing accessories

**5% duties 37%**  
 live beef animals; harvesting machinery; live poultry; copper wire; flat-rolled alloy steel; passenger motor vehicles; motor cycles; sugar or beets seeds; barley seeds

**10% duties 23%**  
 iron, non-alloy or stainless steel wire; fresh fish; animal drawn vehicles; rice; woven cotton fabrics; vegetable oils and fats; cotton yarn; telephone sets; coffee; grand pianos

**20% duties 36%**  
 fish fillets; fruit juices; male suits and shirts; copper wire; flour; fresh grapes; sanitary towels; milk and cream; stoves; curtains; lettuce; woven fabrics

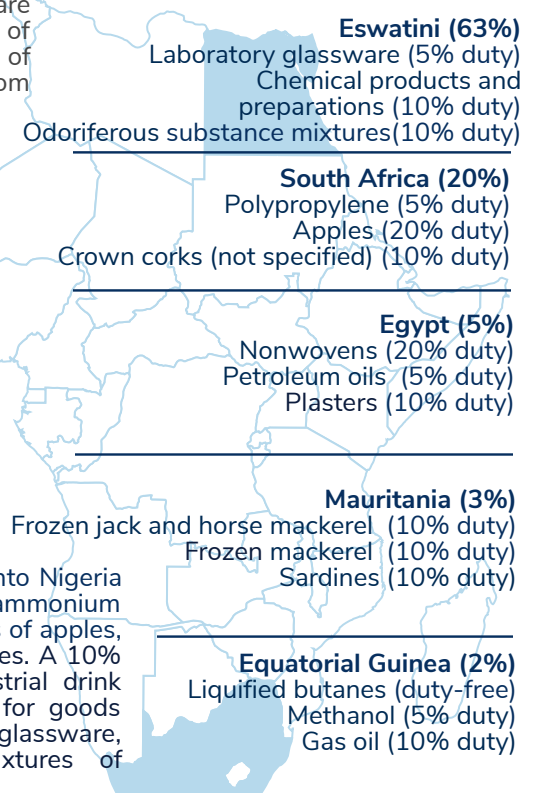
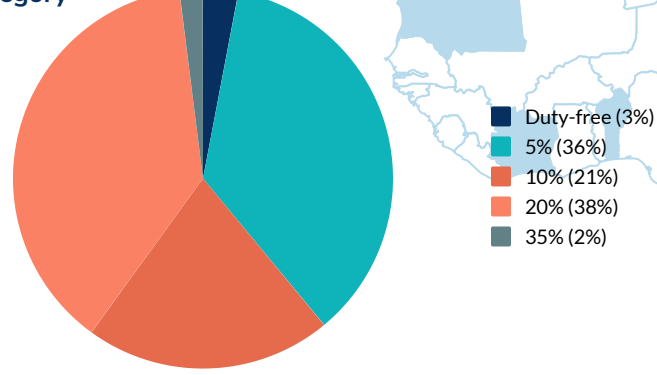
**35% duties 2%**  
 soap; buttermilk; meat and edible offals; groundnuts; oil; sheep or goat meat; bread; pastry; cakes; chocolates



**Nigeria's imports from outside ECOWAS and corresponding import duties**

All of Nigeria's world imports of laboratory glassware are sourced from non-ECOWAS African countries; also 94% of world imports of apples, 67% of chemical products, 46% of liquified butanes, and 44% of polypropylene are sourced from African countries outside ECOWAS.

**Categories of MFN duties & % of 2019 imports in each category**



Of the top 20 import products, on 2 products are imported into Nigeria duty-free. These products include liquified butanes and diammonium phosphate. The highest tariffs (20%) are applicable to imports of apples, non-wovens, undenatured ethyl alcohol and passenger vehicles. A 10% duty is levied on imports of frozen fish, crude salt, industrial drink extracts, plasters, crown corks (not specified) and chassis for goods vehicles. A 5% duty is applied to imports of laboratory glassware, polypropylene, chemical products & preparations, mixtures of odoriferous substances, lubricating oils and methanol.

**The non-tariff cost of bilateral trade between Nigeria & designated trade partners**

The ESCAP-World Bank trade cost database includes the cost of transportation and the time to complete import procedures and obtain necessary information as non-tariff costs affecting bilateral trade between trade partners. The data shows that the cost of agricultural trade between Nigeria with all countries (except Russia and Germany) is more than the cost of manufacturing trade. The costs of trade in agricultural products between Nigeria and African countries like Senegal, Algeria, Egypt, Ghana & Ivory Coast is more than that between Nigeria and non-African countries such as Brazil, UK, Germany, China, France and Russia. Nigeria's manufacturing trade with Algeria, Egypt, South Africa & Senegal is more costly than manufacturing trade with France, UK, Brazil and China.

