

## **COUNTRY PROFILE REPORT OF ITJ DIVISION, DGCI&S INDIA-NIGERIA BILATERAL TRADE RELATIONS**

### **INTRODUCTION & BRIEF ECONOMIC OVERVIEW**

The Federal Republic of Nigeria is a West African coastal state on the shores of the Gulf of Guinea, with Benin to the west, Niger to the north, Chad to the northeast, and Cameroon to the east and southeast. Nigeria is a member of the UN, ECOWAS, OAU, OPEC and is an ACP member state of the ACP-EU relationship. This report emphasises on India-Nigeria bilateral trade relations, inter-alia. As per available data from DGCI&S database India and Nigeria have noticeable bilateral trade relations. It has been observed that India's total export value with Nigeria has been 1.14% of India's exports in FY2022-23 and Nigeria ranked 28<sup>th</sup> as an export country partner.

2. Nigeria's economy is the largest in Africa, Nigeria is a leader in Africa as an energy power, financial market, in pharmaceuticals and in the entertainment industry. Nigeria has a highly developed financial services sector, with a mix of local and international banks, asset management companies, brokerage houses, insurance companies and brokers, private equity funds and investment banks IMF Executive Board Concludes Post Financing Assessment with Nigeria February 9, 2024, President Tinubu has moved ahead with important structural reforms: removing fuel subsidies and unifying the various official foreign exchange windows. He appointed a Presidential Fiscal Policy and Tax Reforms Committee to make proposals for raising domestic revenue to support investments in infrastructure, health, and education. To ease the impact of rapidly rising inflation on living conditions, the government has released cereals from the grain reserve, provided subsidized fertilizer to farmers, capped retail fuel and electricity prices—thus partially reversing the fuel subsidy removal—implemented a civil service wage award, and suspended the VAT on diesel.

**A snapshot of Nigeria's select economic indicators is as under.**

**TABLE - 1**

<b>Table 1. Nigeria: Selected Economic and Financial Indicators, 2022–25</b>				
	2022	2023	2024	2025
	Act.	Est.	Proj.	Proj.
<b>National income and prices</b>	(Annual percentage change, unless otherwise specified)			
Real GDP (at 2010 market prices)	3.3	2.9	3.0	3.1
Oil and Gas GDP	-19.2	1.4	2.5	3.8
Non-oil GDP	5.0	3.0	3.1	3.0
Non-oil non-agriculture GDP	6.2	3.8	3.4	3.3
Production of crude oil (million barrels per day)	1.38	1.46	1.47	1.52
Nominal GDP at market prices (trillions of naira)	202.4	245.3	305.4	355.2
Nominal non-oil GDP (trillions of naira)	190.4	229.8	278.9	326.7
Nominal GDP per capita (US\$)	2,202	1,699	1,219	1,271
GDP deflator	11.3	17.8	20.8	12.8
Consumer price index (annual average)	18.8	25.0	25.2	14.8

Consumer price index (end of period)	21.3	31.1	17.1	15.0
<b>Investment and savings</b>	(Percent of GDP)			
Gross national savings	20.2	19.7	20.2	21.8
Public	-2.3	-1.6	-0.1	-0.2
Private	22.5	21.2	20.3	22.0
Investment	19.9	19.2	19.5	21.2
Public	2.5	3.1	3.3	3.6
Private	17.5	16.1	16.3	17.6
<b>Consolidated government operations</b>	(Percent of GDP)			
Total revenues and grants	9.1	9.4	10.8	10.9
<i>Of which: oil and gas revenue</i>	3.8	4.3	5.4	5.1
<i>Of which: non-oil revenue</i>	4.8	4.9	5.3	5.8
Total expenditure and net lending	14.5	14.8	15.1	15.5
<i>Of which: fuel subsidies</i>	2.2	0.9	0.8	0.1
Overall balance	-5.4	-5.4	-4.3	-4.5
Non-oil primary balance	-6.9	-7.0	-6.6	-6.4
Public gross debt <sup>1</sup>	38.7	45.6	44.5	44.3
<i>Of which: Fx debt</i>	8.5	15.6	16.7	17.9
FGN interest payments (percent of FGN revenue)	90.4	83.4	81.1	79.2
<b>Money and credit</b>	(Change in percent of broad money at the beginning of the period, unless otherwise specified)			
Broad money (percent change; end of period)	17.4	24.2	17.4	14.9
Net foreign assets	-11.5	-5.6	-13.0	3.3
Net domestic assets	28.8	29.8	30.4	11.5
<i>Of which: Claims on consolidated government</i>	26.2	9.1	3.1	1.6
Credit to the private sector (y-o-y, percent)	19.9	20.2	20.6	16.5
Velocity of broad money (ratio; end of period)	3.6	3.5	3.6	3.7
<b>External sector</b>	(Annual percentage change, unless otherwise specified)			
Current account balance (percent of GDP)	0.2	0.5	0.7	0.6
Exports of goods and services	35.9	-12.6	-3.1	-5.2
Imports of goods and services	14.2	-13.2	-0.5	-1.9
Terms of trade	12.6	-7.9	-1.6	-3.2
Price of Nigerian oil (US\$ per barrel)	99.0	82.4	81.2	77.4
External debt outstanding (US\$ billions) <sup>2</sup>	119.9	110.1	109.1	114.0
Gross international reserves (US\$ billions, CBN definition) <sup>3</sup>	36.6	27.9	23.8	26.3
(equivalent months of imports of G&Ss)	6.6	5.0	4.4	4.9
Sources: Nigerian authorities; and IMF staff estimates and projections.				
<sup>1</sup> Gross debt figures for the Federal Government and the public sector include overdrafts from the Central Bank of Nigeria (CBN).				
<sup>2</sup> Includes both public and private sector.				
<sup>3</sup> Based on the IMF definition, the gross international reserves are \$8.2 billion lower in 2023.				

**Source :** IMF Executive Board Concludes Post Financing Assessment with Nigeria February 9, 2024.

## **FOREIGN TRADE**

3. As per recent available inputs on WITS (World Integrated Trade Solution), the five major merchandise export partners of Nigeria are India, Spain, France, Netherlands and Canada. On the other hand five major import partners of Nigeria are China, Netherlands, India, Belgium and United States. Major five exported goods of Nigeria are (i) Petroleum oils and oils obtained from bituminous (ii) Natural gas, liquefied, (iii) Floating or submersible drilling or production (iv) Urea and (v) Petroleum gases and other gaseous hydrocarbons. On the other hand major five imported goods of Nigeria are (i) Petroleum oils, etc, (excl. crude); preparation, (ii) Durum wheat, (iii) Automobiles with diesel engine displacing more (iv) Other medicaments of mixed or unmixed products, and (v) Raw cane sugar, in solid form.

4. Nigeria's total exports globally in 2018 were of the order of US\$ 62,400 million. It had scaled up to US\$ 63,417 million in 2022. Exports from Nigeria had steeply increased by 35.34% in the year 2021 just after the initial serious impact of Covid-19 pandemic followed by another 34.27% increase in 2022. During the period from 2018 to 2022, the annual average compound rate of growth of exports was 0.40%.

5. Nigeria's total imports from the world in 2018 were of the order of US\$ 43,012 million and had touched US\$ 60,671 million mark in 2022. During the period from 2018 to 2022, the annual average compound rate of growth of imports was 8.98%.

6. Nigeria faced an overall Balance of Trade deficit from 2020 and 2021 and it had declined from USD 19,388 million in 2018 to USD 2746 million in 2022. During the period from 2018 to 2022, the annual average compound rate of growth of total volume of trade was 4.16%.

### **BILATERAL TRADE WITH INDIA**

#### **Merchandise Trade**

7. The Republic of India and the Federal Republic of Nigeria have built strategic and commercial ties. Both are members of the Commonwealth of Nations and the Non-Aligned Movement. India has a High Commission in Abuja and a Consulate in Lagos, and Nigeria has a High Commission in New Delhi. India is Nigeria's leading investor, with a investment base of about \$20 billion. The figures on the amount of Nigeria's investment in India if any are not known. Nigeria ranked 28th as an export destination of India in FY 2022-23. India had exported to Nigeria almost 1.14% of its total export value in FY2022-23. In the same financial year imports from Nigeria was 0.93% of India's total import value. Nigeria was the 25th largest import partner of India in FY 2022-23. Almost 1.05% of India's total international trade value of goods was between India and Nigeria as has been recorded in DGCI&S data base for FY 2022-23.

8. Indo- Nigeria total volume of bilateral trade in FY 2018-19 was of the order of US\$ 13,889.92 million. It had scaled to US\$ 11,852.87 million in FY 2022-23. The annual compound growth rate of total volume comprising both exports and imports during the period from 2018-19 to 2022-23 had been of the order of -3.89%.

9. It is seen from the available figures that between 2018-19 and 2022-23, India has had a deficit Balance of Trade with Nigeria. Exports from India to Nigeria increased steeply by 48.75% in FY2021-22 followed by 10.64% deceleration. The annual average compound rate of growth of Exports was 14.47% during the period under review. On the other hand, imports from Nigeria to India increased by 81.45% in FY 2021-22 just after the pandemic hit year and subsequently declined by 34.97 in 2022-23. During the period from 2018-19 to 2022-23, the annual average compound rate of growth of imports was negative at -11.45%.

10. Additionally, from **Tables 4 & 5** presented below the following are stated:

- a. **(i) Petroleum Products. (ii) Drugs Formulations Biologicals,** and **(iii) Two And Three Wheelers** had occupied the top three slots in India's exports to Nigeria in FY 2022-23. **Petroleum Products** had occupied the bulk 47.19% share of India's total exports to Nigeria in FY2022-23.
- b. **(i) Petroleum Crude. (ii) Petroleum Products** and **(iii) Cashew.** were the three major commodities in India's imports list from Nigeria in the year 2022-23, India had imported a significant amount of **Petroleum Crude** from Nigeria with a share of 90.54% of total imports from Nigeria recorded in 2022-23.
- c. A snapshot of Nigeria's overall Trade Statistics is presented in **Table 2 & 3 and Figure 2 & 3 below.**

**“NOTICE”**

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**TABLE - 2**

**NIGERIA'S TOTAL EXPORTS AND IMPORTS, VOLUME OF TRADE AND BALANCE OF TRADE**

**BETWEEN 2018 TO 2022**

**(Figures in USD Million)**

Year	Exports	Percentage Growth in Exports	Imports	Percentage Growth in Imports	Volume of Trade	Percentage Growth in Vol. of Trade	Balance of Trade
2018	62400		43012		1,05,412		19388
2019	53618	-14.07	47369	10.13	1,00,987	-4.20	6249
2020	34900	-34.91	55455	17.07	90,355	-10.53	-20555
2021	47232	35.34	52068	-6.11	99,300	9.90	-4836
2022	63417	34.27	60671	16.52	1,24,088	24.96	2746
<b>Annual Growth Rate</b>	<b>Compound</b>	<b>0.40</b>		<b>8.98</b>		<b>4.16</b>	

**NOTE : Figures relate to calendar year (January to December)**

**SOURCE : UN COMTRADE PUBLICATION**

**Figure - 1**

**NIGERIA'S Exports, Imports and BoT 2018-2022**



**TABLE - 3**

**INDIA'S MERCHANDISE EXPORTS & IMPORTS w.r.t. NIGERIA**

**FY 2018-2019 to 2022-2023**

**(Value in USD Million)**

Year	Exports from India to Nigeria	Percentage Growth in Exports	Imports from Nigeria to India	Percentage Growth in Imports	Volume of Trade	Percentage Growth in Vol. of Trade	Balance of Trade
2018-19	3005.21		10884.71		13889.92		-7879.50
2019-20	3609.91	20.12	10213.61	-6.17	13823.52	-0.48	-6603.70
2020-21	3134.89	-13.16	5672.38	-44.46	8807.27	-36.29	-2537.49
2021-22	4663.17	48.75	10291.58	81.43	14954.75	69.80	-5628.41
2022-23	5159.44	10.64	6692.65	-34.97	11852.09	-20.75	-1533.21
<b>Annual Compound Growth Rate</b>		<b>14.47</b>		<b>-11.45</b>		<b>-3.89</b>	

**NOTE : Figures relate to Financial Year (April to March)**

**SOURCE : DGCI&S, M/o C&I**

**Figure 3**

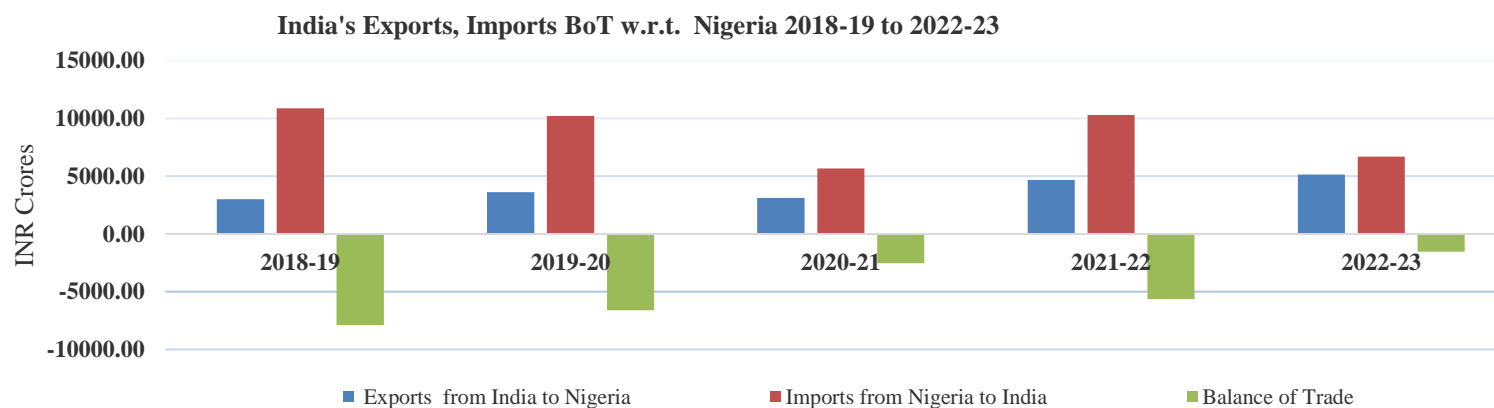


TABLE -4

**INDIA'S MAJOR ITEMS OF MERCHANDISE EXPORTS TO NIGERIA  
2018-2019 TO 2022-2023 AND THEIR GROWTH RATES**

(Value in USD Million)

Sl. No.	Name of the Merchandise Commodities	Value of Exports					Annual Growth Rates			
		2018-19	2019-20	2020-21	2021-22	2022-23	19-20 over 2018-19	20-21 over 2019-20	21-22 over 2020-21	22-23 over 2021-22
<b>1</b>	<b>Petroleum Products</b>	<b>179.21</b>	<b>277.33</b>	<b>198.43</b>	<b>1232.89</b>	<b>2434.69</b>	<b>54.75</b>	<b>-28.45</b>	<b>521.32</b>	<b>97.48</b>
	Share in total export	5.96	7.68	6.33	26.44	47.19				
<b>2</b>	<b>Drugs Formulations Biologics</b>	<b>385.73</b>	<b>386.37</b>	<b>499.41</b>	<b>504.05</b>	<b>433.76</b>	<b>0.17</b>	<b>29.26</b>	<b>0.93</b>	<b>-13.95</b>
	Share in total export	12.84	10.70	15.93	10.81	8.41				
<b>3</b>	<b>Two And Three Wheelers</b>	<b>240.18</b>	<b>322.98</b>	<b>325.03</b>	<b>440.60</b>	<b>252.26</b>	<b>34.47</b>	<b>0.63</b>	<b>35.56</b>	<b>-42.75</b>
	Share in total export	7.99	8.95	10.37	9.45	4.89				
<b>4</b>	<b>Indl. Machinery For Dairy Etc.</b>	<b>217.18</b>	<b>199.66</b>	<b>166.68</b>	<b>189.56</b>	<b>189.83</b>	<b>-8.07</b>	<b>-16.52</b>	<b>13.73</b>	<b>0.14</b>
	Share in total export	7.23	5.53	5.32	4.07	3.68				
<b>5</b>	<b>Motor Vehicle/Cars</b>	<b>192.47</b>	<b>220.66</b>	<b>143.03</b>	<b>175.68</b>	<b>145.70</b>	<b>14.65</b>	<b>-35.18</b>	<b>22.83</b>	<b>-17.07</b>
	Share in total export	6.40	6.11	4.56	3.77	2.82				
<b>6</b>	<b>Cotton Fabrics, Madeups Etc.</b>	<b>43.09</b>	<b>74.92</b>	<b>97.72</b>	<b>152.04</b>	<b>141.23</b>	<b>73.87</b>	<b>30.43</b>	<b>55.59</b>	<b>-7.11</b>
	Share in total export	1.43	2.08	3.12	3.26	2.74				
<b>7</b>	<b>Electric Machinery And Equipments</b>	<b>99.69</b>	<b>268.81</b>	<b>118.65</b>	<b>176.12</b>	<b>136.82</b>	<b>169.65</b>	<b>-55.86</b>	<b>48.44</b>	<b>-22.31</b>
	Share in total export	3.32	7.45	3.78	3.78	2.65				
<b>8</b>	<b>Paper, Paper Board And Products</b>	<b>59.54</b>	<b>55.78</b>	<b>45.07</b>	<b>126.95</b>	<b>78.50</b>	<b>-6.32</b>	<b>-19.20</b>	<b>181.67</b>	<b>-38.16</b>
	Share in total export	1.98	1.55	1.44	2.72	1.52				
<b>9</b>	<b>Bhulk Drugs, Drugs Intermediates</b>	<b>59.69</b>	<b>50.27</b>	<b>67.36</b>	<b>74.47</b>	<b>70.25</b>	<b>-15.78</b>	<b>34.00</b>	<b>10.56</b>	<b>-5.67</b>
	Share in total export	1.99	1.39	2.15	1.60	1.36				
<b>10</b>	<b>Products Of Iron And Steel</b>	<b>99.86</b>	<b>121.94</b>	<b>80.60</b>	<b>87.56</b>	<b>69.57</b>	<b>22.11</b>	<b>-33.90</b>	<b>8.64</b>	<b>-20.55</b>
	Share in total export	3.32	3.38	2.57	1.88	1.35				
	<b>Total export to NIGERIA</b>	<b>3005.21</b>	<b>3609.91</b>	<b>3134.89</b>	<b>4663.17</b>	<b>5159.44</b>	<b>20.12</b>	<b>-13.16</b>	<b>48.75</b>	<b>10.64</b>

NOTE : Figures relate to each Financial Year (April to March)

SOURCE : DGCI&amp;S, M/o C&amp;I

**TABLE -5**  
**INDIA'S MAJOR ITEMS OF MERCHANDISE IMPORTS FROM NIGERIA**  
**2018-2019 TO 2022-2023 AND THEIR GROWTH RATES**

(Value in USD Million)

Sl. No	Name of the Merchandise Commodities	Value of Imports					Annual Growth Rates			
		2018-19	2019-20	2020-21	2021-22	2022-23	19-20 over 2018-19	20-21 over 2019-20	21-22 over 2020-21	22-23 over 2021-22
<b>1</b>	<b>Petroleum Crude</b>	<b>9432.34</b>	<b>8972.73</b>	<b>4890.88</b>	<b>8591.21</b>	<b>6059.58</b>	<b>-4.87</b>	<b>-45.49</b>	<b>75.66</b>	<b>-29.47</b>
	Share in total imports	86.66	87.85	86.22	83.48	90.54				
<b>2</b>	<b>Petroleum Products</b>	<b>1187.03</b>	<b>1060.44</b>	<b>648.17</b>	<b>1421.29</b>	<b>333.66</b>	<b>-10.66</b>	<b>-38.88</b>	<b>119.28</b>	<b>-76.52</b>
	Share in total imports	10.91	10.38	11.43	13.81	4.99				
<b>3</b>	<b>Cashew</b>	<b>121.42</b>	<b>45.25</b>	<b>38.80</b>	<b>49.60</b>	<b>104.80</b>	<b>-62.73</b>	<b>-14.25</b>	<b>27.84</b>	<b>111.29</b>
	Share in total imports.	1.12	0.44	0.68	0.48	1.57				
<b>4</b>	<b>Fertilizers Manufactured</b>	<b>9.18</b>			<b>145.18</b>	<b>85.69</b>	<b>-100.00</b>			<b>-40.98</b>
	Share in total import	0.08			1.41	1.28				
<b>5</b>	<b>Aluminim. Products Of Aluminium</b>	<b>24.14</b>	<b>14.30</b>	<b>5.45</b>	<b>4.62</b>	<b>19.77</b>	<b>-40.76</b>	<b>-61.89</b>	<b>-15.23</b>	<b>327.92</b>
	Share in total import	0.22	0.14	0.10	0.04	0.30				
<b>6</b>	<b>Spices</b>	<b>15.32</b>	<b>10.39</b>	<b>13.85</b>	<b>16.95</b>	<b>19.38</b>	<b>-32.18</b>	<b>33.30</b>	<b>22.38</b>	<b>14.34</b>
	Share in total import	0.14	0.10	0.24	0.16	0.29				
<b>7</b>	<b>Finshed Leather</b>	<b>18.64</b>	<b>12.42</b>	<b>13.35</b>	<b>9.05</b>	<b>12.79</b>	<b>-33.37</b>	<b>7.49</b>	<b>-32.21</b>	<b>41.33</b>
	Share in total import	0.17	0.12	0.24	0.09	0.19				
<b>8</b>	<b>Lead And Products Made of Lead</b>	<b>15.34</b>	<b>7.90</b>	<b>6.19</b>	<b>8.25</b>	<b>9.46</b>	<b>-48.50</b>	<b>-21.65</b>	<b>33.28</b>	<b>14.67</b>
	Share in total import	0.14	0.08	0.11	0.08	0.14				
<b>9</b>	<b>Other Wood And Wood Products</b>	<b>13.60</b>	<b>11.60</b>	<b>6.33</b>	<b>8.31</b>	<b>8.97</b>	<b>-14.71</b>	<b>-45.43</b>	<b>31.28</b>	<b>7.94</b>
	Share in total import	0.12	0.11	0.11	0.08	0.13				
<b>10</b>	<b>Natural Rubber</b>	<b>0.72</b>	<b>1.20</b>	<b>0.70</b>	<b>2.84</b>	<b>6.19</b>	<b>66.67</b>	<b>-41.67</b>	<b>305.71</b>	<b>117.96</b>
	Share in total import	0.01	0.01	0.01	0.03	0.09				
	<b>Total import from NIGERIA</b>	<b>10884.71</b>	<b>10213.61</b>	<b>5672.38</b>	<b>10291.58</b>	<b>6692.65</b>	<b>-6.17</b>	<b>-44.46</b>	<b>81.43</b>	<b>-34.97</b>

**NOTE : Figures relate to each Financial Year (April to March)**

**SOURCE : DGCI&S, M/o C&I**