

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 0.67% of India's exports in FY2024-25 and Nigeria ranked 36th 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

Table 1. Nigeria: Selected Economic and Financial Indicators, 2022–25				
	2022	2023	2024	2025
	Act.	Est.	Proj.	Proj.
National income and prices	(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
Investment and savings	(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
Consolidated government operations	(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 ¹	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
Money and credit	(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
External sector	(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) ²	119.9	110.1	109.1	114.0
Gross international reserves (US\$ billions, CBN definition) ³	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.				
¹ Gross debt figures for the Federal Government and the public sector include overdrafts from the Central Bank of Nigeria (CBN).				
² Includes both public and private sector.				
³ 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 Netherlands, Spain, India, United States and Indonesia. On the other hand five major import partners of Nigeria are China, Singapore, Belgium, India and United States. Major five exported goods of Nigeria are (i) Petroleum oils and oils obtained from bituminous, (ii) Natural gas, liquefied; (iii) Urea, (iv) Cocoa beans, whole or broken, raw or roasted 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) Tanks and other armoured fighting vehicles, mot; (iii) Durum wheat, (iv) Automobiles with diesel engine displacing more and (v) Raw cane sugar, in solid form.

4. Nigeria's total exports globally in 2020 were of the order of US\$ 34900 million. It scaled up to US\$ 52,362 million in 2024. Exports from Nigeria had steeply increased by 35.33% 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 2020 to 2024, the annual average compound rate of growth of exports was 10.67%.

5. Nigeria's total imports from the world in 2020 were of the order of US\$ 55,455 million and it was US\$ 40,968 million in 2024. During the period from 2020 to 2024, the annual average compound rate of growth of imports was -7.29%.

6. Nigeria faced an overall Balance of Trade deficit in 2020 and in 2021 and it stood at USD -20,555 million in 2020. However, Balance of Trade improved to USD 11,394 million in 2024. During the period from 2020 to 2024, the annual average compound rate of growth of total volume of trade was 0.81%.

A snapshot of Nigeria's overall Trade Statistics is presented in Table 2 and Figure 1 below.

TABLE - 2

**NIGERIA'S TOTAL EXPORTS AND IMPORTS, VOLUME OF TRADE AND BALANCE OF TRADE
BETWEEN 2020 TO 2024**

(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
2020	34900		55455		90,356		-20555
2021	47232	35.33	52068	-6.11	99,300	9.90	-4837
2022	63417	34.27	60671	16.52	1,24,088	24.96	2745
2023	65129	2.70	65048	7.21	1,30,177	4.91	81
2024	52362	-19.60	40968	-37.02	93,329	-28.31	11394

**Annual
Compound
Growth
Rate**

10.67

-7.29

0.81

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

SOURCE : UN COMTRADE PUBLICATION

Figure - 1



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 an investment base of about \$20 billion. The figures on the amount of Nigeria's investment in India if any are not known. Nigeria ranked 36th as an export destination of India in FY 2024-25. India exported to Nigeria almost 0.67% of its total export value in FY 2024-25. In the same financial year imports from Nigeria was 1.11% of India's total import value. Nigeria was the 25th largest import partner of India in FY 2024-25. Almost 0.81% 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 2024-25.

8. Indo- Nigeria total volume of bilateral trade in FY 2020-21 was of the order of US\$ 8807.27 million. It scaled to US\$ 10962.86 million in FY 2024-25. The annual compound growth rate of total volume comprising both exports and imports during the period from 2020-21 to 2024-25 had been of the order of -5.63%.

9. It is seen from the available figures that between 2020-21 and 2024-25, India had a deficit Balance of Trade with Nigeria. Exports from India to Nigeria increased steeply by 48.75% in FY 2021-22 followed by a decline in growth rate of exports in FY 2022-23 to 10.64%. The annual average compound rate of growth of Exports was -1.55% during the period under review. On the other hand, imports from Nigeria to India increased by 81.43% in FY 2021-22 just after the pandemic hit year but subsequently declined in 2022-23 & 2023-24 registering negative growth rates of -34.97% and -36.80% respectively. During the period from 2020-21 to 2024-25, the annual average compound rate of growth of imports was 9.04%.

A snapshot of India's merchandise trade statistics w.r.t. Nigeria is presented in Table 3 Figure 2.

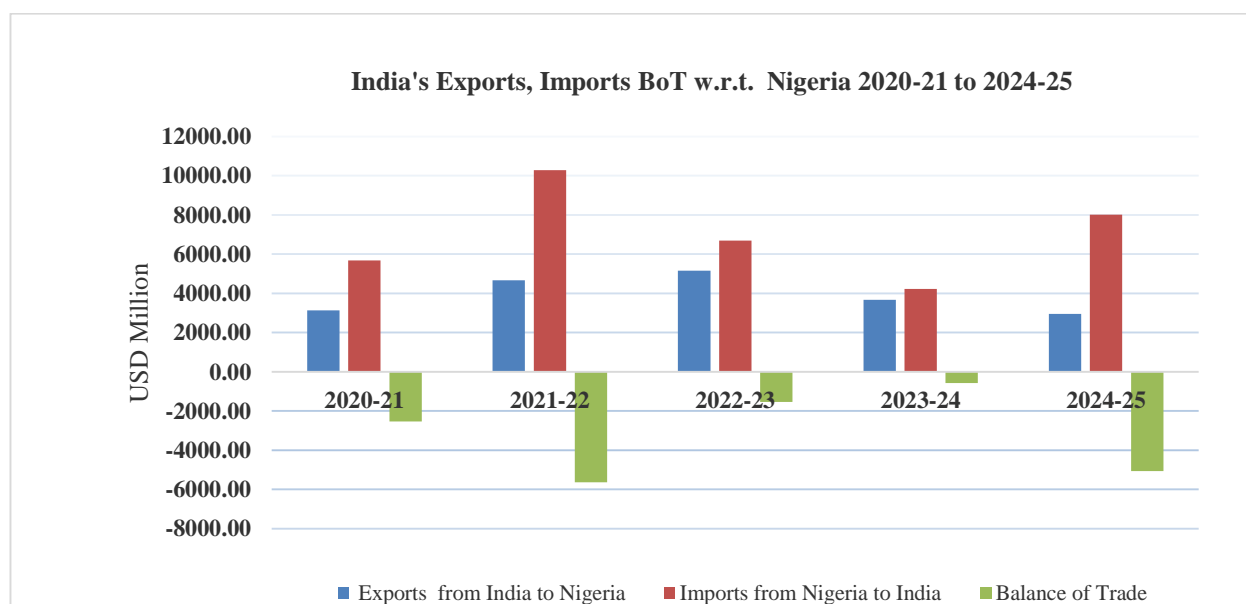
TABLE - 3
INDIA'S MERCHANDISE EXPORTS & IMPORTS w.r.t. NIGERIA
FY 2020-2021 to 2024-2025

(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
2020-21	3134.89		5672.38		8807.27		-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
2023-24	3663.52	-28.99	4229.81	-36.80	7893.33	-33.40	-566.29
2024-25	2945.50	-19.60	8017.36	89.54	10962.86	38.89	-5071.86
Annual Compound Growth Rate		-1.55	9.04		5.63		

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

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

Figure 2



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

a. **(i) Drug Formulations, Biologicals(ii)Two and Three Wheelers, and(iii) Indl. Machinery for Dairy etc** occupied the top three slots in India's exports to Nigeria in FY 2024-25.**Drug Formulations, Biologicals** occupied 15.75% share of India's total exports to Nigeria in FY2024-25.

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 2024-25, India imported a significant amount of **Petroleum Crude** from Nigeria with a share of 77.79% of total imports from Nigeria recorded in 2024-25.

TABLE -4
INDIA'S MAJOR ITEMS OF MERCHANDISE EXPORTS TO NIGERIA
2020-2021 TO 2024-2025 AND THEIR GROWTH RATES

(Value in USD Million)

Sl. No.	Name of the Merchandise Commodities	Value of Exports					Annual Growth Rates			
		2020-21	2021-22	2022-23	2023-24	2024-25	21-22 over 2020-21	22-23 over 2021-22	23-24 over 2022-23	24-25 over 2023-24
1	DRUG FORMULATIONS, BIOLOGICALS	499.41	504.05	433.76	436.13	464.02	0.93	-13.95	0.55	6.40
	Share in total export	15.93	10.81	8.41	11.90	15.75				
2	TWO AND THREE WHEELERS	325.03	440.60	252.26	217.45	188.42	35.56	-42.75	-13.80	-13.35
	Share in total export	10.37	9.45	4.89	5.94	6.40				
3	INDL. MACHNRY FOR DAIRY ETC	166.68	189.56	189.83	160.69	187.84	13.73	0.14	-15.35	16.90
	Share in total export	5.32	4.07	3.68	4.39	6.38				
4	COTTON FABRICS, MADEUPS ETC.	97.72	152.04	141.23	144.78	147.09	55.59	-7.11	2.51	1.60
	Share in total export	3.12	3.26	2.74	3.95	4.99				
5	PETROLEUM PRODUCTS	198.43	1232.89	2434.69	1032.81	133.40	521.32	97.48	-57.58	-87.08
	Share in total export	6.33	26.44	47.19	28.19	4.53				
6	ELECTRIC MACHINERY AND EQUIPME	118.65	176.12	136.82	109.63	115.74	48.44	-22.31	-19.87	5.57
	Share in total export	3.78	3.78	2.65	2.99	3.93				
7	PRODUCTS OF IRON AND STEEL	80.6	87.56	69.57	58.02	81.76	8.64	-20.55	-16.60	40.92
	Share in total export	2.57	1.88	1.35	1.58	2.78				
8	ACCUMULATORS AND BATTERIES	27.52	51.22	62.94	76.85	71.78	86.12	22.88	22.10	-6.60
	Share in total export	0.88	1.10	1.22	2.10	2.44				
9	MOTOR VEHICLE/CARS	143.03	175.68	145.70	88.81	68.47	22.83	-17.07	-39.05	-22.90
	Share in total export	4.56	3.77	2.82	2.42	2.32				
10	BULK DRUGS, DRUG INTERMEDIATES	67.36	74.47	70.25	65.20	64.16	10.56	-5.67	-7.19	-1.59
	Share in total export	2.15	1.60	1.36	1.78	2.18				
	Total Export to Nigeria	3134.89	4663.17	5159.44	3663.52	2945.50	48.75	10.64	-28.99	-19.60

NOTE : Figures relate to each Financial Year (April to March)
SOURCE : DGCI&S, M/o C&I

TABLE-5
INDIA'S MAJOR ITEMS OF MERCHANDISE IMPORTS FROM NIGERIA
2020-2021 TO 2024-2025 AND THEIR GROWTH RATES
(Value in USD Million)

Sl. No.	Name of the Merchandise Commodities	Annual Growth Rates					Value of Imports			
		2020-21	2021-22	2022-23	2023-24	2024-25	21-22 over 2020-21	22-23 over 2021-22	23-24 over 2022-23	24-25 over 2023-24
1	PETROLEUM CRUDE	4890.88	8591.21	6059.58	3401.05	6236.97	75.66	-29.47	-43.87	83.38
	Share in total imports	86.22	83.48	90.54	80.41	77.79				
2	PETROLEUM PRODUCTS	648.17	1421.29	333.66	588.61	1406.34	119.28	-76.52	76.41	138.92
	Share in total imports	11.43	13.81	4.99	13.92	17.54				
3	CASHEW	38.82	49.60	104.80	92.05	110.67	27.77	111.29	-12.17	20.23
	Share in total imports.	0.68	0.48	1.57	2.18	1.38				
4	FERTILEZERS MANUFACTURED		145.17	85.69		107.26		-40.97	-100.00	
	Share in total import	0.00	1.41	1.28	0.00	1.34				
5	SHIP, BOAT AND FLOATING STRUCT					29.60				
	Share in total import	0.00	0.00	0.00	0.00	0.37				
6	SESAME SEEDS	23.99	1.05	3.64	49.75	20.81	-95.62	246.67	1266.76	-58.18
	Share in total import	0.42	0.01	0.05	1.18	0.26				
7	PULSES	0.52	0.59		4.62	15.51	13.46	-100.00		235.62
	Share in total import	0.01	0.01	0.00	0.11	0.19				
8	FINISHED LEATHER	13.35	9.05	12.79	11.61	12.47	-32.21	41.33	-9.23	7.37
	Share in total import	0.24	0.09	0.19	0.27	0.16				
9	ALUMINIUM, PRODUCTS OF ALUMINM	5.45	4.62	19.77	16.60	11.35	-15.23	327.92	-16.03	-31.61
	Share in total import	0.10	0.04	0.30	0.39	0.14				
10	SPICES	13.85	16.95	19.38	25.48	9.67	22.38	14.34	31.48	-62.05
	Share in total import	0.24	0.16	0.29	0.60	0.12				
	Total Import from Nigeria	5672.38	10291.58	6692.65	4229.81	8017.36	81.43	-34.97	-36.80	89.54

NOTE : Figures relate to each Financial Year (April to March)
SOURCE : DGCI&S, M/o C&I

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