

Nigeria

Capital: Abuja
Population: 148,000,000 (2007 estimate)
GDP:* \$191.4 billion (2006 estimate)
Currency: Nigerian naira
Language: English



Summary

	2006	2007	2008(estimated)
Total Market Size	1100	1320	1500
Total Local Production	300	320	325
Total Exports	0	0	0
Total Imports	800	1000	1175
Imports from the U.S.	250	300	350

(Note: Figures in millions of dollars)

Estimates from industry contacts

Exchange rate: 118 naira to 1 USD

As part of its efforts to privatize public enterprises, the Government of Nigeria has divested its stake in Peugeot Automobiles Nigeria (PAN) Limited, Anambra Motor Manufacturing Company (ANAMCO) and Steyr Nigeria Limited to private investors. Nevertheless, the future of domestic automobile production after privatization remains very uncertain. The current size of the market does not justify the level of installed capacity. Nigerian car plants will need to generate interest from foreign partners to inject new capital and extend their reach to the rest of Africa.

Current Market Trends

Used vehicle imports account for nearly 80% of total imports, a sustained percentage for 2008. In the past 5 years, U.S. imports have taken a leading market share position reaching nearly 70% of all used vehicle imports into Nigeria. Factors driving this favorable lead include the falling U.S. dollar, which makes cars imported from the United States more affordable than those from Europe. Additionally, Nigerians perceive U.S.-assembled automobiles usually referred to as “American Specs” in local parlance, as being well built as well as possessing options and exceptional features that appeal to auto consumers.

Government’s regulation only allows cars not above 8 years old to be imported into Nigeria through seaports and airports. Imports through land borders from neighboring countries are illegal and is punishable under the law. Nevertheless, large numbers of vehicles especially those above 8 years, continue to be smuggled into the country with the help of corrupt customs officials.

There are no restrictions to imports and tariffs range from 20-30%. Clearing at the seaports remains a challenge and could take 2-3 weeks to complete. U.S. companies that are interested in exploring export opportunities in Nigeria are advised to contact the U.S. Commercial Service at the American Consulate in Lagos, Nigeria for assistance.

Current Demand

Best Prospects:

- Used vehicles (cars and trucks) and used car spare parts.
- Car care products, such as car wax, carburetor/injector cleaners, fuel/oil treatments, polishes, body fillers, paints, grease removers, masking tape, transmission oils and radiator coolants.
- Car diagnostic equipment.

Available Market Research

Overview of Used Car Spare Parts in Nigeria (Aug 2005)
Nigerian Haulage Industry (Aug 2006)

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