

Required Report: Required - Public Distribution

Date: July 28, 2025

Report Number: NI2025-0013

Report Name: Exporter Guide Annual

Country: Nigeria

Post: Lagos

Report Category: Exporter Guide

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Report Highlights:

Nigeria remains a compelling export market with a growing population and a still maturing consumer-oriented food and beverage market. Consumer purchasing power remains constrained by high inflation, stagnant wages, and an economy that is still recovering from shocks in 2023. Nigerians, particularly those in urban areas, have favorable views of imported food and agricultural products, and domestic food processors seek stable supplies of food ingredient imports to bridge domestic production gaps. This report serves as a guide for U.S. exporters interested in exploring the Nigerian market. It provides an overview of the market, import food standards & regulations, import procedures, market trends, and useful contacts.

Market Fact Sheet

Executive Summary

Nigeria is the most populous country in Africa. With its large consumer base and growing population, it is expected to remain an important market for food and agricultural exporters. However, persistent macroeconomic, political, security, and consumer purchasing power challenges are stifling export prospects. The value of imported agricultural and related products was estimated to be about \$6 billion in 2024, a marginal increase from the previous year. In 2024, U.S. agricultural and related exports were \$315 million, a 35 percent increase compared to 2023. U.S. agricultural and related products export face strong competition from exporters from the European Union (EU), Asia (e.g., China, India), the United Kingdom (UK), and South African (SA).

Consumer-Oriented Food Products

In 2024, consumer-oriented food exports were \$1.7 billion, a 6 percent increase from 2023, with the United States accounting for only 4 percent or about \$69 million (Figure 1). While Nigeria has a large, growing, and young population, ineffective macroeconomic policies, weak transportation and cold chain infrastructure, insecurity, and the lack of foreign exchange continue to hold back consumer purchasing power.

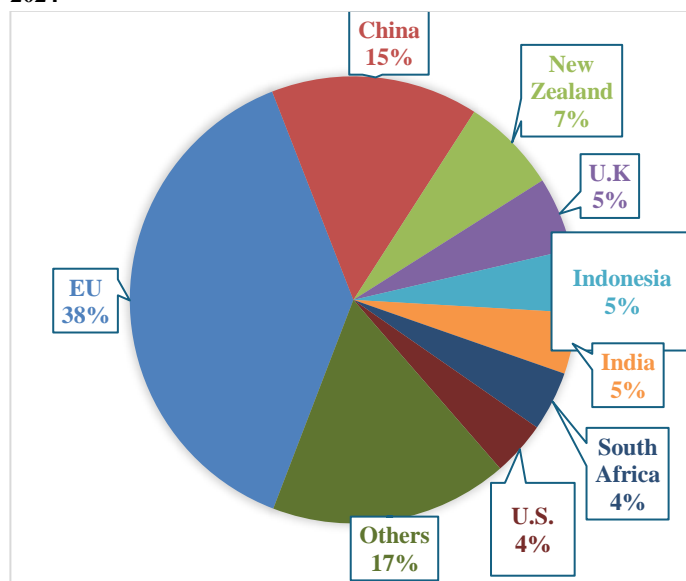
Composition of Food Market Sector

Retail Food: The retail food sector is fragmented and relies on informal sales. It is estimated that 80 percent of food shopping is conducted in traditional open markets. However, more consumers are shifting to supermarkets and brick and mortar grocery stores, especially in larger cities.

Food Processing: The sector is dominated by small and medium enterprises (SMEs) which import raw materials not locally available. Small scale processors are dominant focusing mainly on primary processing, such as cleaning, sorting, and packaging, with limited value addition. Most multinational food processing companies use third party distributors due to the difficulty of doing business in Nigeria.

Food Service: The quick service restaurants (QSRs) sub-sector grew at an annual average of 25 percent. Snack and fast-food consumption are estimated at more than \$250 million and growing 20 percent annually.

Figure 1. Market Share of Consumer-Oriented Exports in 2024



Strengths	Weaknesses	Top Consumer-oriented Products Based on Growth Trends
		<ul style="list-style-type: none"> Prepared foods Seafood products Wine and related products Distilled spirits Dairy products Processed fruits and vegetables Pet foods Spices
<ul style="list-style-type: none"> Africa's largest consumer market Familiarity with U.S./European foods; English language used. Favorable view of the United States. 	<ul style="list-style-type: none"> Weak consumer purchasing power. Volatile currency; foreign exchange shortages. Banking, credit, and finance challenges. 	
Opportunities <ul style="list-style-type: none"> Increasing urbanization Lifting of government-imposed forex restrictions. Strong market for food and beverage imports. 	Threats <ul style="list-style-type: none"> Insecurity and weak infrastructure. Cold chain, logistics, and distribution limit export growth outside of cities. Government import bans on some food items. 	

SECTION I. MARKET OVERVIEW

Population and Key Demographic Trends

Nigeria's 230 million people account for about 50 percent of West Africa's estimated 450 million people. With a population estimated by some to reach 400 million by 2050, Nigeria could become one of the five most populous countries in the world. Over half of the population resides in urban areas, with urbanization growing at about 4 percent annually. The country is relatively young with about 20 percent aged 15-24 years and the national median age of just 18.4 years.

Economy

[The African Development Bank](#) projected economic growth to reach 3.4 percent in 2025, up from 3.2 percent in 2024, citing improved security, higher oil production, and stronger consumer demand. Nigeria's economy has long depended on oil production and energy exports as its major driver of foreign exchange. According to a Nigerian press [report](#), the International Monetary Fund recently revised Nigeria's economic growth forecast down to 3.0 percent for 2025 from its earlier projection of 3.4 percent, citing weakening oil supply as one of the reasons. The government has sought to diversify the economy away from energy production with mixed results. The National Bureau of Statistics' [Consumer Price Index report for May 2025](#) pegged food inflation at 21.14 percent on a year-on-year basis. This was 19.52 percent points lower compared to the 40.66 percent recorded in May 2024. This large decline was primarily due to the [government's decision to rebase its inflation index](#) rather than an actual decrease in food prices. Rising costs of farm inputs, lower production, financing shortages, high energy costs, and insecurity have continued to increase food prices. These factors have decreased private sector investment and weakened household earnings and spending.

Overall Business Climate

In a [report](#) by the World Bank, Nigeria was ranked 131 out of 190 economies on the ease of doing business. The country continues to suffer from a myriad of institutional challenges limiting direct foreign investment in domestic agricultural production, food processing, and cold chain and transportation. Several parts of the country suffer from insecurity and high crime rates. Public institutions are perceived by many to be corrupt and inefficient. The government has frequently enacted, modified, and annulled economic and trade policies with little notice or public input. The country has not made necessary infrastructure investments to foster business development, including strengthening the power grid, road transportation, and cold chain networks. The lack of foreign exchange makes it difficult for businesses to import necessary materials for domestic manufacturing.

Agricultural Trade

The agriculture sector's low performance is due to continued insecurity in farming areas, weak public and market infrastructure, inadequate access to credit, unfavorable government policies, low adoption of technology, rising cost of inputs, and trade restrictions. Over decades, government import substitution policies meant to boost domestic agriculture and food processing have been largely unsuccessful, while contributing to higher domestic prices. To increase domestic food production, the government has implemented several trade protectionist measures including import bans and foreign exchange restrictions.

Since at least the 1970s, [Nigeria has maintained](#) agricultural trade bans, [including import bans](#) on 11 agricultural and related categories, covering hundreds of specific products specified by harmonized system (HS) codes. In addition, import of catfish is banned (though not included on the [list of items prohibited during imports](#)). It also maintains relatively high tariffs, import duties, and additional levies on imports. While the government has stated that these policies are meant to reduce imports, address its balance of payment challenge, and promote domestic agricultural production, it has instead led to declining agricultural sector investment, smuggling, and food price inflation.

Advantages and Challenges

Advantages	Challenges
Large domestic market of more than 230 million and the additional regional West African market of about 450 million.	Limited physical presence of U.S. agricultural companies; limited U.S. exporter knowledge of the market.
Increasing urbanization and rising levels of female employment support demand for retail food shopping.	U.S. food products have shorter shelf life; long transit/clearing times.
Western-style retail sector, and a trend toward greater demand for healthy foods are creating market similarity and easing transactions.	U.S. products are generally higher priced compared to competitors; traditional trade links and shipping routes favor Europe.
Consumers are increasingly demanding higher quality foods; food processors perceive imported food ingredients as high quality.	High tariffs, levies, quotas, import prohibitions on poultry, beef, and pork, and other products.
Given weak domestic production, SMEs seek imported ingredients to package shelf-stable foods for a growing population.	It is difficult for exporters to utilize credit financing, such as USDA's GSM-102 program.
Nigerian buyers attend trade shows in the United States and visit US Pavilions at international trade shows.	Lack of foreign exchange availability.

SECTION II. EXPORTER BUSINESS TIPS

- The National Agency for Food and Drug Administration and Control (NAFDAC) is the lead agency for registering and regulating processed and semi-processed food and agricultural products.
- The Customs Service inspects all goods at the point of entry and collects duties.
- Clearing procedures are not always followed as written. Prior to exporting, U.S. exporters should partner with local firms to facilitate export documentation, approvals, inspections, and consignment clearance. Exporters can face unclear, bureaucratic, and unusual practices when dealing with officials.
- Nigerians have embraced smartphones and e-commerce. Online purchasing and home delivery services are gradually becoming mainstream. Exporters should consider e-commerce and technology platforms to market products and conduct consumer research.

- Due to the diversified nature of food imports, exporters should explore consolidated shipping of mixed containers rather than requiring importers to order large volumes.
- The market is price sensitive, so exporters should be willing to offer small-sized packaging and expect sales of smaller quantities.
- Importers sometimes seek exclusive distribution agreements from exporters.
- Trade show participation can raise awareness of your product(s) and meet with prospective importers, retailers, and distributors. U.S. exporters may consider attending the Food and Beverage West Africa trade show, June 9 – 11, 2026 in Lagos. For more information about participation and registration, click [here](#).
- Those seeking to export products derived from genetic engineering must ensure they first apply for biosafety permit and receive approval prior to shipping.

SECTION III: IMPORT FOOD STANDARDS & REGULATIONS AND IMPORT PROCEDURES

Customs Clearance

U.S. exporters should reference the most recent [FAIRS Annual Country Report](#) and [FAIRS Export Certificate report](#) or contact the FAS-Lagos office regarding export document concerns.

Documents Generally Required by the Country Authority for Imported Food

General [import documents](#) required to receive clearance for goods imported into the country are a bill of lading, commercial invoice, exit note, Form “M,” packing list, single goods declaration, product certificate, and certificate of origin.

All processed food and semi-processed food items and beverages for import shall acquire [NAFDAC](#) certificate of registration (see [guideline for registration of imported food products in Nigeria](#)). Importers can import mixed containers of consumer-oriented products, without NAFDAC registration, in limited quantities under [NAFDAC’s global listing for supermarket](#) items. [Animal feed](#) and pet food products shall be registered with the Veterinary Medicines and Allied Products Directorate of NAFDAC and obtain a marketing authorization number before import and sale. No importer is permitted to import [milk and dairy products](#), [wines](#), [spirits drink](#), and [feed supplements, feed concentrates, feed additives, premixes, and fish meal](#) without authorization from NAFDAC.

Importers of [plant products](#) shall obtain a quarantine permit of entry from the Nigeria Agricultural Quarantine Service (NAQS). Importers of [animal and animal products](#) shall obtain an import permit from the chief veterinary officer, Federal Department of Veterinary and Pest Control Services and notify NAQS of the import permit details. Importers of genetically engineered products (GE) shall acquire a [biosafety permit from the National Biosafety Management Agency \(NBMA\)](#).

Country Language Labeling Requirements

The labeling of pre-packaged food manufactured, imported, exported, sold, distributed, or consumed in Nigeria are regulated under [NAFDAC’s Pre-Packaged Food \(Labeling\) Regulations of 2022](#). Food products are to be labeled in English and may include any other language and shall carry “best-before” or expiration

dates where applicable. Please refer to the [2025 FAIRS Annual Country Report](#) for further details.

Tariffs and Free Trade Agreements

According to the [World Trade Organization](#), Nigeria's tariffs on agricultural products (WTO's definition) averaged 16.3 percent compared to non-agricultural products at 12.2 percent. Nigeria implements the Economic Community of West African States (ECOWAS) Common External Tariffs and import adjustment taxes. The Government of Nigeria also charges value added tax, excise taxes, port development levy, comprehensive import supervision scheme, and the ECOWAS trade liberalization scheme levy which increases the total effective tariff paid by importers.

Nigeria is a signatory to the ECOWAS Trade Liberalization Scheme and African Continental Free Trade Agreement (AfCFTA). Nigeria is a member of the World Trade Organization (WTO). The U.S – Nigeria Trade and Investment Framework Agreement (TIFA) serves as the main bilateral forum on trade and investment issues. The governments of Nigeria and the United States recently launched the [U.S. – Nigeria Commercial and Investment Partnership](#) to deepen trade and investment ties. The Partnership will focus on five areas which include agriculture.

Trademarks and Patents

The Trademarks Registry of the Federal Ministry of Industry, Trade, and Investment is responsible for issuing patents, trademarks, and copyrights. Once conferred, a patent conveys the exclusive right to make, import, sell, use a product, or apply a patented process. Nigeria has legislation to check copyright and trademark violations and enforce international best practices, but infringement and violation of intellectual property rights in the form of counterfeiting and piracy continues to be a concern. For further details, refer to the [2025 FAIRS Annual Country Report](#).

SECTION IV: MARKET SECTOR STRUCTURE AND TRENDS

Market Structure

Nigeria's retail sector is driven by food and beverage sales and consists of supermarkets, convenience stores and small grocery stores, and traditional open-air markets, accounting for two percent, 25 percent, and 73 percent of retail food sales, respectively. Lagos state and Abuja have the highest concentration of organized retail stores. There is also a fair share of organized stores in other cities such as Kaduna, Port Harcourt, Ibadan, and Enugu.

SMEs dominate the domestic food processing industry. The sector also has some large international companies operating inside Nigeria, including Tolaram's joint venture with Kellogg's to produce snacks and breakfast cereals. However since 2023, several non-food consumer-oriented international companies announced plans to divest operations in Nigeria due to unfavorable macroeconomic conditions. It is difficult for the local food processing industry to compete with imported brands due to weak infrastructure, scarcity of raw materials, and high operating costs. International brands are perceived as higher quality and are frequently cheaper than domestically produced processed foods. Processed foods from large multinationals are usually imported and distributed by domestic franchisees and distributors. FAS-Lagos estimates that about 80 percent of the larger food processing, intermediate foods, and ingredient companies are

headquartered in Lagos.

Food service operations can generally be categorized as either standardized and regulated or traditional unregulated operations. The standardized operations are formalized with business names and organized structures, whose operations are usually in urban areas, large-scale, and certified by authorities. These can be single-branch eateries or QSR chains that provide minimal table service to customers.

- Major food service operators in Nigeria are seeking franchise opportunities to represent U.S. companies in Nigeria, especially in the QSR sector.
- The country has national brands; there are also international QSR brands including KFC, Pizza Hut, Krispy Kreme, Burger King, and Cold Stone Creamery.
- The HRI sector faces insecurity challenges. Many HRI establishments are attached to budget hotels, which are operated by Nigerians and South African investors.
- Upscale restaurants serving continental or ethnic (e.g., steak houses, Asian, Tex-Mex, Lebanese, etc.) cuisine are frequently associated with boutique hotels.

Distribution Channels

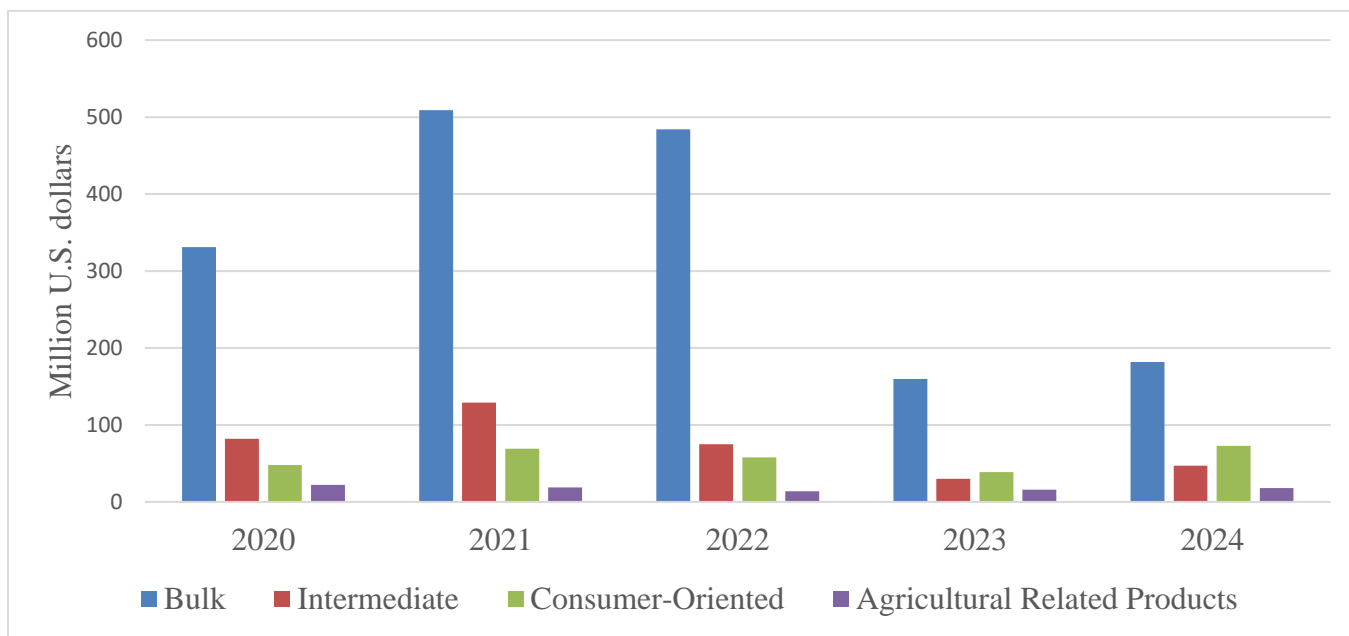
- An importer may serve as the U.S. exporter's appointed agent and sole representative, or they may import consolidated containers from various consumer-oriented food exporters.
- Retailers purchase more than 80 percent of consumer-oriented foods from importers and wholesalers located in traditional open markets.
- Increase in the range of in-store offerings for consumers such as fresh foods (including local foodstuff, fruits, and vegetables), take-away food service, bakery, and confectioners' corners, etc. Many supermarket outlets are also dedicating corners to these new offerings, and in most cases supply of local foodstuff, fresh fruits and vegetables are contracted to local producers.
- Street stores and kiosks offer low prices to attract more consumers.
- Online retailing is an emerging trend. Consumers (especially the young) in urban areas are utilizing mobile payments, restaurant and grocery delivery applications, and e-commerce.

Market Trends

Despite eroding purchasing power, Nigerians are shifting towards more flexible pattern of eating convenient and healthy foods and beverages. Food manufacturers are creating small packages to address lower consumer purchasing power and to capture a greater share of the informal market. Foodservice providers are adjusting their menus and prices to attract more patronage, and their packaging to make them more compatible with sales through multiple channels. Food retail, food processing, and food service businesses are expanding their online channels, embracing large e-commerce platforms such as Glovo and Chowdeck, and coordinating with delivery service providers to meet online shopping demand. Increasing digital consciousness, rapid urbanization, and proliferation of smartphones are anticipated to influence this growth.

SECTION V: AGRICULTURAL AND FOOD IMPORTS

Figure 2. U.S. Agricultural and Related Products Export to Nigeria (2020 - 2024)



Source: USDA Global Agricultural Trade System

U.S. Agricultural and Related Exports

U.S. agricultural and related products export to Nigeria increased by 30 percent in 2024 compared to 2023 due to the competitive pricing and quality of bulk exports. U.S. consumer-oriented exports increased by 85 percent due to improved macroeconomic conditions. In 2024, wheat accounted for about 46 percent of U.S. agricultural exports. Table 1 shows the U.S. market share of selected food and beverage exports to Nigeria with values and percentages approximated to the nearest whole number. Industry sources estimated global consumer-oriented products and other food exports to be higher than the recorded value as some imported products enter the market unrecorded, undervalued, or concealed. Informal entry is high due to the country's porous borders, high tariffs, import prohibitions, and protectionist trade measures.

Table 1. Selected Food and Beverage Exports to Nigeria

	Global exports (millions \$ USD)			U.S. Exports (millions \$ USD)			U.S. Market Share		
	2022	2023	2024	2022	2023	2024	2022	2023	2024
Dairy Products	759	568	639	2	-	4	0%	0%	1%
Soup and Other Preparations	194	168	218	23	24	24	12%	14%	11%
Bakery Goods, Cereals & Pasta	77	150	97	1	1	-	1%	1%	0%
Processed Vegetables	123	203	73	1	1	-	1%	1%	2%
Fruit & Vegetable Juices	32	33	50	-	-	-	0%	0%	0%
Distilled Spirits	39	48	45	6	5	5	15%	10%	11%
Fresh Fruit	79	60	42	-	1	-	0%	1%	0%
Spices	44	51	40	-	1	-	0%	1%	0%
Condiments & Sauces	58	43	38	-	-	-	0%	0%	0%
Coffee, Roasted & Extracts	27	27	34	-	-	-	0%	1%	0%
Non-Alcoholic Bev. (ex. Juices)	40	29	29	2	1	1	5%	1%	5%

coffee & tea)									
Chocolate & Cocoa Products	29	35	26	-	-	-	0%	0%	0%
Processed Fruit	82	81	18	-	-	1	0%	0%	7%
Tea	19	16	16	-	-	-	0%	0%	0%
Chewing gum & Candy	8	7	10	-	-	-	0%	0%	0%
Tree Nuts	28	45	8	-	-	-	0%	0%	0%
Wine & Related Products	15	8	6	5	3	3	33%	37%	44%
Dog & Cat Food	6	5	5	1	1	-	17%	12%	3%
Seafood Products	885	694	696	13	10	7	1%	1%	1%

Sources: Trade Data Monitor LLC and USDA Global Agricultural Trade System

SECTION VI: KEY CONTACTS AND FURTHER INFORMATION

1) FAS Office in Lagos, Nigeria

U.S. Consulate

2 Walter Carrington Crescent Lagos, Nigeria

Tel: +234 01 460 3485

AgLagos@usda.gov

2) Key Government Contacts

[National Agency for Food and Drug Administration and Control](#)

[Nigeria Agricultural Quarantine Service](#)

[Federal Government of Nigeria single window for trade](#)

Attachments:

No Attachments