



**Voluntary Report** – Voluntary - Public Distribution **Date:** April 30, 2024

Report Number: NI2024-0007

**Report Name:** Review of Agricultural Import and Export Restrictions

Country: Nigeria

Post: Lagos

**Report Category:** Trade Policy Monitoring

Prepared By: FAS-Lagos Staff

Approved By: Christopher Bielecki

### **Report Highlights:**

Nigeria maintains several lists of agricultural and related products prohibited from trade, including at least two export lists and one import list. The scope of many products on these lists is not always well described, leading to misinterpretation and confusion. The lists are also maintained by different government agencies, each with their own mandates. Trade prohibitions on specific products may be enforced, waived, superseded, or disregarded according to other government actions, as well as, on a case-by-case basis. According to contacts, the Customs Service's import and export prohibition lists are enforced on a more consistent basis than the Export (Prohibition) Act. U.S. exporters should take note of these trade prohibitions, gather the latest information from local trade contacts, and understand the opaque nature of Nigeria's trade regulations.

# **Nigeria's Trade Authorities**

Nigeria has several trade regulatory authorities each with different roles and responsibilities, which can lead to confusion and misunderstanding. The <u>Nigeria Customs Service (NCS)</u> has overall enforcement responsibilities for food and agricultural products entering and leaving ports of entry. The <u>National Agency for Food and Drug Administration and Control</u> (NAFDAC) is responsible for registering food products and food processing facilities, including imports. NAFDAC also regulates the "global listing" of retail food and beverage items that can be imported in limited quantities by certain importers, without full product registration if certain basic requirements are met. In addition, the <u>Standard Organization of Nigeria</u>, the <u>Nigeria Ports Authority</u>, and the <u>Nigeria Agricultural Quarantine Service</u> assist in enforcing and regulating food and agricultural trade.

# **Import Prohibitions**

The NCS maintains the "Prohibited Items List During Import" containing 25 product categories, which include 11 agricultural and related product categories, specified by Harmonized System (HS) code. Legislation empowers the government to modify this list at its discretion by adding or subtracting items through customs, excise notices, and other government announcements. These items are prohibited to be imported from all countries. FAS-Lagos does not consider that any agricultural and related product categories were placed on this list due to sanitary phytosanitary reasons, nor the result of efforts to protect human, animal, plant, and/or environment health.

In addition, the NCS maintains the "Goods: The Importation of which is Absolutely Prohibited" containing 20 product categories, including one agricultural and related category, "Spirits." No HS codes are provided. There are several product exceptions to the spirits prohibition, including brandy, gin, rum, and whisky. For more information on the specific description of these exemptions, visit the list.

# All Foreign Exchange Restrictions on Imports Lifted

In 2023, the government lifted all restrictions on sourcing foreign exchange to import specific items. In 2015, the Central Bank of Nigeria (CBN) began imposing foreign exchange restrictions on 43 products, including several agricultural and related products. The policy restricted the allocation of foreign currency from official sources but did not prohibit imports. The policy led importers to source foreign currency at less favorable rates on the parallel (unofficial) market. Several products on the foreign exchange import restriction list were also (and remain) on the NCS' "Prohibited Items List During Import."

### **Export Prohibitions**

The NCS also maintains the "Prohibited Items List During Export" containing seven product categories. Three are agricultural and related categories; corn, timber, and hides and skins. By volume, corn is the most important product prohibited from export. In MY2024/25, corn production was estimated at 11 million metric tons (MMT) while consumption was projected at 11.5 MMT. According to contacts, the imbalance of corn production and consumption led to this export prohibition.

The Export (Prohibition) Act of 1989 was enacted to reportedly ensure adequate local consumption. According to contacts, the Act has not been updated, and does not appear to be closely enforced. It "absolutely" prohibits exports of beans, cassava tuber, maize, rice, yam tuber, and all products or derivatives of these five items. Common names are used; no HS codes are provided in the Act. In addition, it prohibits exports of "all imported food items." Despite the Act, the government has voiced public support promoting exports of cassava, beans, and possibly other derivative products on this list. As a result, contacts reported that the Export (Prohibition) Act list is not closely enforced relative to the NCS' import and export prohibition list.

### **Attachments:**

No Attachments.