



Country Targeting Strategy 2011/12

Country Intelligence

Nigeria



June 2011

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Country background and economic overview

British influence and control over what would become Nigeria and Africa's most populous country grew through the 19th century. A series of constitutions after World War II granted Nigeria greater autonomy; independence came in 1960. Following nearly 16 years of military rule, a new constitution was adopted in 1999, and a peaceful transition to civilian government was completed. The government continues to face the daunting task of reforming a petroleum-based economy, whose revenues have been squandered through corruption and mismanagement, and institutionalizing democracy. In addition, Nigeria continues to experience longstanding ethnic and religious tensions. Although both the 2003 and 2007 presidential elections were marred by significant irregularities and violence, Nigeria is currently experiencing its longest period of civilian rule since independence. The general elections of April 2007 marked the first civilian-to-civilian transfer of power in the country's history. In January 2010, Nigeria assumed a nonpermanent seat on the UN Security Council for the 2010-11 term.

Oil-rich Nigeria, long hobbled by political instability, corruption, inadequate infrastructure, and poor macroeconomic management, has undertaken several reforms over the past decade. Nigeria's former military rulers failed to diversify the economy away from its overdependence on the capital-intensive oil sector, which provides 95% of foreign exchange earnings and about 80% of budgetary revenues. Following the signing of an IMF stand-by agreement in August 2000, Nigeria received a debt-restructuring deal from the Paris Club and a \$1 billion credit from the IMF, both contingent on economic reforms. Nigeria pulled out of its IMF program in April 2002, after failing to meet spending and exchange rate targets, making it ineligible for additional debt forgiveness from the Paris Club. In November 2005, Abuja won Paris Club approval for a debt-relief deal that eliminated \$18 billion of debt in exchange for \$12 billion in payments - a total package worth \$30 billion of Nigeria's total \$37 billion external debt. Since 2008 the government has begun to show the political will to implement the market-oriented reforms urged by the IMF, such as modernizing the banking system, curbing inflation by blocking excessive wage demands, and resolving regional disputes over the distribution of earnings from the oil industry. GDP rose strongly in 2007-10 because of increased oil exports and high global crude prices in 2010. President JONATHAN has pledged to continue the economic reforms of his predecessor with emphasis on infrastructure improvements. Infrastructure is the main impediment to growth and in August 2010 JONATHAN unveiled a power sector blueprint that includes privatization of the state-run electricity generation and distribution facilities. The government also is working toward developing stronger public-private partnerships for roads. Nigeria's financial sector was hurt by the global financial and economic crises and the Central Bank governor has taken measures to strengthen that sector.

Country statistics

Indicator	Measure	Rank
Geography		
Area	923,768 sq km	32
	land: 910,768 sq km	
	water: 13,000 sq km	
Area comparative	Slightly more than twice the size of California	
Border countries	Benin 773km, Cameroon 1,690km, Chad 87km, Niger 1,497km	
Coastline	853 km	
Natural resources	natural gas, petroleum, tin, iron ore, coal, limestone, niobium, lead, zinc, arable land	
Land use	arable land: 33.02%	
	permanent crops: 3.14%	
	other: 63.84% (2005)	
Irrigated land	2,820 sq km (2003)	
Demographics and population development		
Population size	155,215,573 (July 2011 est.);	8
Population structure	0-14 years: 40.9%	
	15-64 years: 55.9%	
	65 years and over: 3.1% (2011 est.)	
Popn growth rate	1.935% (2011 est.)	59
Net migration rate	-0.1 migrant(s)/ 1,000 population (2010 est.)	122
Urbanization	50% (2010)	
	growth: 3.5% (2010 - 2015 est.)	
Sex ratio	1.04 male(s)/female (2011 est.)	
Life expectancy at birth	47.56 years (2011 est.)	220
Total fertility rate	4.73 children born/woman (2011 est.)	27
HIV prevalence rate	3.6% (2009 est.)	17
Literacy rate	68% (2003 est.)	
School life expectancy	9 years (2005)	
The economy		
Currency	Nigerian naira: 150.88/US\$ (2010 est.); 148.9 (2009 est.)	
GDP (PPP)	total: \$377.9 billion (2010 est.)	32
	growth: 8.4% (2010 est.); 7% (2009 est.)	15

Indicator	Measure	Rank
	per capita: \$2,500 (2009 est.)	178
GDP composition	agriculture: 31.9%	
	industry: 32.9%	
	services: 35.2% (2010 est.)	
Labour force	48.33 million (2009 est.) ≈ SA's total population	11
	unemp rate: 4.9% (2007 est.)	45
Labour force by occupation	agriculture: 70%	
	industry: 10%	
	services: 20% (1999 est.)	
Poverty rate	70% (2007 est.)	
Gross investment (% of GDP)	11.6% (2010 est.); 30.8% of GDP (2009 est.)	147
Public debt	13.4% of GDP (2010 est.)	119
Inflation rate	13.9% (2010 est.); 11.5% (2009 est.)	206
Commercial bank prime rate	18.36% (Dec 2009); 15.48% (Dec 2008)	38
Agricultural products	cocoa, peanuts, cotton, palm oil, corn, rice, sorghum, millet, cassava (tapioca), yams, rubber; cattle, sheep, goats, pigs; timber; fish	
Industries	crude oil, coal, tin, columbite; rubber products, wood; hides and skins, textiles, cement and other construction materials, food products, footwear, chemicals, fertilizer, printing, ceramics, steel	
Electricity	production: 21.92 billion kWh (2007 est.)	69
	consumption: 19.21 billion kWh (2007 est.)	69
Oil	production: 2.211 million bbl/day (2009 est.); 2.25 million bbl/day (2011 forecast, Stanley Morgan)	15
	consumption: 280,000 bbl/day (2009 est.)	46
	exports: 2.327 million bbl/day (2007 est.)	6
	imports: 170,000 bbl/day (2007 est.)	52
	reserves: 37.5 billion bbl (1 Jan 2010 est.)	10
Natural gas	production: 32.82 billion cu m (2008 est.)	26
	consumption: 12.28 billion cu m (2008 est.)	44
Current account balance	\$27.77 billion (2010 est.)	14
Trade	exports: \$77.33 billion (2010 est.)	39

Indicator	Measure	Rank
	imports: \$34.18 billion (2010 est.)	55
Export commodities	petroleum and petroleum products 95%, cocoa, rubber	
Import commodities	machinery, chemicals, transport equipment, manufactured goods, food and live animals	
Export partners	US 35.08%, India 10.43%, Brazil 9.32%, Spain 7.19%, France 4.65% (2009)	
Import partners	China 14.89%, US 8.88%, Netherlands 8.18%, South Korea 5.46%, UK 4.63%, France 4.19% (2009)	
Reserves of forex & AU	\$43.36 billion (2010 est.)	29
FDI stock	at home: \$67.23 billion (2010 est.);	49
	abroad: \$.071 billion (2010 est.);	57
Communications		
Telephones	main lines in use: 1.419 million (2009 est.)	67
	mobile cellular: 73.009 million (2009 est.)	16
Internet	country code: .ng	
	hosts: 1,378 (2010)	163
	users: 43.989 million (2009)	9
Transportation		
Airports	54 (2009)	87
	with paved runways: 38	
	with unpaved runways: 16	
Pipelines	condensate 26 km; gas 2,565 km; liquid petroleum gas 97 km; oil 3,424 km; refined products 4,090 km (2010)	
Railways	3,505 km	49
Roadways	193,200 km	26
Ports and terminals	Bonny Inshore Terminal, Calabar, Lagos	

Data sources

Central Intelligence Agency [CIA]; *the World Factbook*. www.cia.org. Accessed: June 28 – 30, 2011