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IMPORT BANS AS AN ELEMENT OF NIGERIAN TRADE POLICY, A FAILED APPROACH

by

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A paper submitted to the Faculty of the Naval War College in partial satisfaction of the requirements of the Department of Joint Military Operations.

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1 November 2012

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Abstract

This paper examines the impact of the prohibited import list as a part of Nigerian trade policy. Since its adoption in the mid 1970s, the import bans have directly contributed to a higher cost of living, incentivized smuggling and corruption and reduced goods and product choice available to the consumer. By removing the bans and replacing them with a tariff comparative to similar, like products, Nigeria will reduce smuggling and customs corruption incentives, reduce the cost of living for all Nigerian's, effectively bring 4.1 million above the poverty line and increase legal revenues for the government. The net result will contribute to a more stable and secure Nigeria.

Introduction

During the mid-1970s Nigeria began adopting a more restrictive strategy of import prohibition, or bans, as an instrument of its overall trade policy. In 1978 the government placed seventy-six broad groups on the prohibited import band list. Although originally intended as a short-term measure aimed at protecting domestic industries and reducing the country's perceived dependence on imports, the import ban policy has continued to the present where as of October 2012 there remains twenty-four items on the prohibition list. Articles on the list include pork, beef, frozen poultry, refined vegetable oils, bagged cement, corrugated paper, textiles, used motor vehicles and furniture (appendix A).[1]

As a result of import prohibitions Nigeria has fostered a climate of reduced customs efficiency and port revenue collection while incentivizing smuggling practices and corruption. An additional byproduct has been the creation of an oligopoly among a small number of importers.[2] Resultant effects of the bans are an increase in the cost of imported goods due to the aforementioned inefficiencies and reduced competitiveness of Nigerian businesses based on a lack of available import materials needed to finish products and the uncertainty of delivery schedules. The net effect contributes to a higher cost of living and serves to keep over 4 million Nigerians below the poverty line.[3] By replacing import bans with tariffs comparable to similar products, the Government of Nigeria can effectively advance national stability. This analysis will focus solely on the Nigerian Customs Service (NCS) import prohibition list referenced in appendix A and not the absolutely prohibited import list which is comprised of moral and safety items characterized by goods and products such as pornography, consumer alcohols, nuclear and toxic waste and pistols.

Current Trade Policy

The current Nigerian trade policy of 2002 reflects the Government's belief of liberalization and global integration as a means to facilitate its rise in the international economic arena while improving its domestic economy. This view is shared by the World Trade Organization (WTO), created in 1995 from the former 1947 General Agreement on Tariffs and Trade (GATT) consortium. As a founding member of the WTO, Nigeria's trade policy reflects many views advocated by the organization. Specifically, some points from Section 2 Article 2.1 state:

- Integration of the Nigerian economy into the global market through the establishment of a liberal market economy;
- Progressive liberalization of the import regime to enhance competitiveness of domestic industries;
- Effective participation in trade negotiations to enhance the achievement of national economic gains in the multilateral trading system, as well as regional and bilateral agreements; and
- Promotion of regional integration and cooperation.[4]

Even more explicitly, the import policy (Article 2.6) describes a desire for efficiency and equal competition among domestic industries while reducing useless protections. The policy strives to echo WTO virtues by reducing or removing quantitative trade restrictions in all traded goods and services while simultaneously protecting domestic markets against inequitable trade practices. The government whishes to let the private sector lead while it adopts more of a facilitator role. Selected points from the import policy include:

- Liberalization that recognizes the need to protect domestic industries from unfair trade practices; promotion of conducive investment for foreign investment; and
- Control of smuggling.[5]

Although the language and stated methods of achieving Nigeria's long term goals of global economic integration, as prescribed in the trade policy of 2002, and vision of becoming one of the twenty largest economies by the year 2020 as declared in Nigerian Vision 20: 2020, espouse to be lassie-fare oriented, we continue to see an adherence to restrictive trade measures as a matter of course.[6] The prohibited import list is still a mainstay of operational trade practice regardless of rhetoric or written governmental policies. This practice is at odds with WTO initiatives and has been the source of growing friction between Nigeria and the global community as evidenced by the 2011 official statement from the U.S. representative to the WTO where U.S. concerns were voiced:

"We urge Nigeria to renew its efforts to reform its trade policies to better encourage its economic wellbeing. We are concerned by Nigeria's apparent departure from the open and market-based approach to development that Nigeria had been following. Nigeria continues to use restrictive trade measures, nontransparent valuation procedures, and nontransparent laws and regulations which raise the cost of trade and doing business."[7]

In addition to the U.S. statement, further views on Nigeria's conflicting trade practices were highlighted by the African News when in July of 2012 it published a summary of the remarks by the Chairperson of the Trade Policy Review Body of the WTO, Ambassador Mario Matus, at the Fourth WTO Trade Review in Geneva:

"He [Matus] added that certain measures taken by Nigeria might not be compatible with its WTO commitments in such areas like import prohibition and restrictions,…"[8]

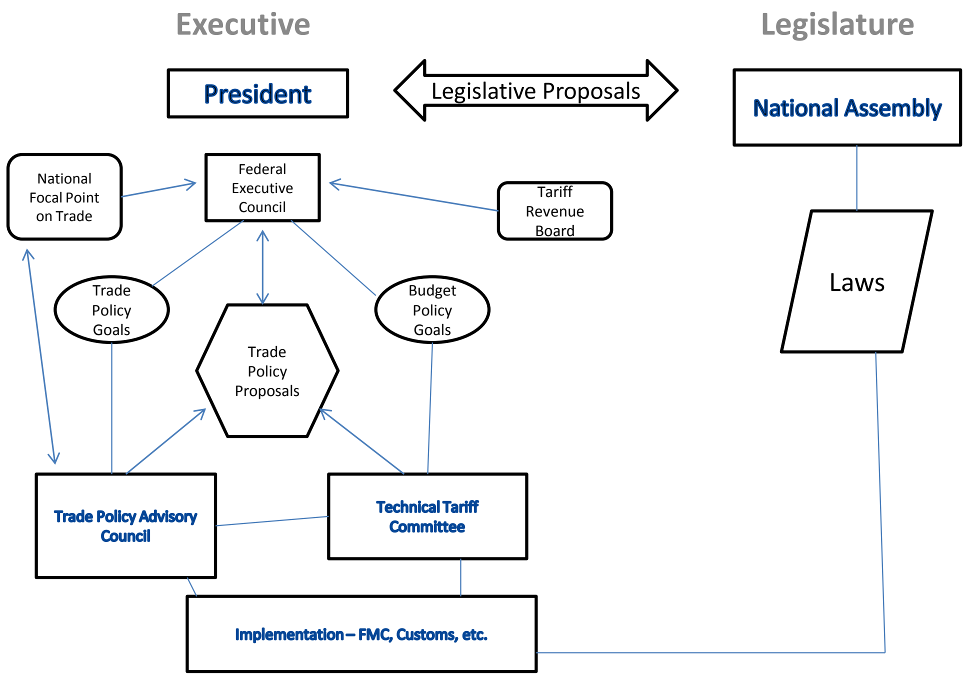
Trade Policy Implementation

Although a detailed examination of the decision and implementation mechanism of import prohibitions is beyond the scope of this analysis, there is considerable merit in a brief discussion outlining the policy making process in an attempt to target where to productively engage the Government of Nigeria (GON) in efforts to reform the policy. By learning where and how the decision is made, the U.S. can more effectively marshal the appropriate tool from the elements of national power, Diplomacy, Information, Military, Economic, Financial, Intelligence or Law Enforcement, and apply one or a combination of them, into the proper channels.

Nigeria alleges to follow a rigid, collaborative process of trade policy formulation incorporating numerous government ministries and boards headed by the Federal Ministry of Commerce (FMC). After input is collected and coordination has occurred among the various ministries, such as Finance (FMF), Co-operation and Integration in Africa (FMCIA) and Commerce (FMC), trade policy recommendations are then forwarded to the Federal Executive Council and ultimately to the President. The National Assembly then ratifies the policies (figure 1).[9]

Figure 1

The Formal Trade Policy-Making Process in Nigeria



Source: Kehinde Ajayi and Philip Osafo-Kwaako, (2006), The Role of Research in Trade Policy Formulation: The Case of Nigeria's Adoption of the ECOWAS Common External Tariff, Original source: Ruffer et al., (2004), The Political Economy of Trade Policy in Nigeria

In application however, the process is disjointed, complicated, non-transparent and characterized by a makeshift methodology. The referenced structure is vulnerable, characterized by nepotism, corruption and is routinely subject to influence from special interest consortiums swaying privileged political leaders. A benefactor style, or culture of favors, has emerged as a shadow structure in its stead, possibly due in part to the atrophy of a civilian run administration under years of military rule. The net result is a very corrupt and inefficient system.[10]

Aiding to the undermining of the system is the common practice of the President granting special import licenses to items on the prohibited import list with no consistency or regulatory precedence. The President is the only government official who can grant a waiver or effectively effect change to the import ban policy.[11] Therefore, the executive branch, specifically the President of Nigeria, is where the focus of effort must be placed. To try and engage only through military channels or at lower levels such as the FMC, would just serve to obfuscate the matter. Efforts to reform the prohibition policy must be focused toward the executive level.

Adoption of the Import Prohibition Policy

The prominent argument for the GON's adoption of the import ban policy is that it protects domestic industries which would otherwise be unable to compete with goods in the international marketplace either due to labor costs, inefficiencies in the manufacturing process or costs of raw materials. Key unions such as the National Association of Cottage Industrialists of Nigeria (NACIN) strongly lobby in favor of the bans as a means to protect small to medium sized businesses which would otherwise be undermined by the import of certain goods. They also argue increased job creation for graduates as a result of the bans.[12]

Numerous actors in the private sector have also weighed in over the years. One such coalition, the Nigerian Trade Network (NTN), has been formed to directly engage the Presidency in efforts to ensure the bans exist and continue to offer protection from competition for their business interests. Civil organizations that champion the plight of the rural poor Nigerian population, have also expressed a desire to retain prohibitive trade practices. This position may be a result of a mistrust of perceived foreign financial influences on Nigeria, whose objectives do not always consider the benefits to Nigerians.[13] Although this view is hard to quantify, or even rationalize at times, it none the less becomes reality as perceptions and ingrained beliefs can be hard to reverse.

Impact of the Import Bans

Taking a more macro look at the effect import bans have had on the Nigerian population, we realize the protectionist policy has failed. For the first example, focus is placed on the direct impact to the average Nigerian household. According to the National Statistical Institute and data from Nigeria's household expenditure survey, 65.4% of a household's total expenditure is spent on food items. Approximately 13-15% of that is affected by the bans while nearly an additional 10% impacts non-food items for a total of 23-25%. To summarize, roughly 24% of the average Nigerian household expenditures are directly impacted by the import bans. This is regardless of the level of household income (figure 2).[14]

Figure 2

Household expenditure patterns, by income quartile

		Coverage by Income			
Food	**National**	**0-25**	**25-50**	**50-75**	**75-100**
Total food items	65.37	71.17	68.5	66.11	60.58
Food items under bans	13.47	14.19	13.79	13.43	13.01
Staples	5.73	6.60	5.97	4.75	5.14
Meat	6.23	6.94	6.87	6.60	6.72
Beverage	0.64	0.40	0.62	0.67	0.72
Non Food Frequent	**National**	**0-25**	**25-50**	**50-75**	**75-100**
Total frequent items	24.76	21.18	23.17	24.42	27.44
Frequent items under bans	4.31	4.84	4.58	4.24	3.70
Household supplies	3.13	3.97	3.64	3.20	2.43
Medicaments	0.91	0.84	0.88	0.99	0.90
Non Food Less Frequent	**National**	**0-25**	**25-50**	**50-75**	**75-100**
Total less frequent items	9.87	7.65	8.34	9.47	11.97
Less frequent under bans	5.42	5.61	6.02	6.3	7.29
Textile and clothing	5.13	4.61	4.86	5.05	5.56
A/C refrigerator-freezer	0.13	0.01	0.03	0.04	0.29
Total Under Bans	**23.2**	**24.64**	**24.39**	**23.97**	**24**

Source: Volker Treichel, Mombert Hoppe, Olivier Cadot and Julien Gourdon, (2010) The World Bank Policy Note No. 28, Import Bans In Nigeria Create Poverty

The importance of how much Nigerian household expenditures are impacted by the bans becomes clear when comparing the prohibition policy to other regional countries that do not have import bans. Because of the ad hoc nature of issuing special import licenses to items on the prohibited list, numerous consequences are realized such as smuggling, delays to delivery, limited raw material supplies available to finish goods, corruption and a reduction in variety and quality of products. These factors in turn contribute to increased prices which are felt by the consumer. The consequences of the bans will be broken out in more detail; however, for illustrative purposes when comparing Lagos in Nigeria to a regional city sharing similar characteristics, Nairobi Kenya, the point is made. Based on prices from the Economist Intelligence Unit (EIU), in 2010 a basket of selected consumer goods was compared in the world's largest cities. This comparison shows the basket in Lagos costs 77% more for goods affected by the bans than the basket in Nairobi. For the goods not affected by bans, it is only 15% more expensive in Lagos. This price gap is substantial and directly impacts every Nigerian consumer (figure 3).[15]

Figure 3

Price-gap calculations, Lagos vs. Nairobi (percent)

	Clothing	Staples	Protein	Beverages	Household supplies	Personal Care products	Total
Banned products	115	178	30	-7	67	194	92
Other	15	61	-24	-26	-12	-17	15

Source: Economist Intelligence Unit (EIU), PRMTR calculations

Another example of the negative effects resulting from the import ban policy can be seen in a major contributor to the construction industry, the import of bagged cement. Although bagged cement is on the prohibited list, as previously discussed, special import licenses are granted for this item. The licenses issued by customs are arbitrary and inconsistent. The entire system is fraught with corruption. To further take advantage of the degraded customs system, a few cement importers conspire to keep imports at low levels and prices artificially high. The resulting oligopoly manipulates the system with the end result being construction costs higher than what would be seen if there were no import bans.[16]

Similar examples exist for textiles and cooking oils. In the textile industry, one of Nigeria's major non-oil commercial sectors where the import bans have been established to help protect local merchants, there is little evidence of that actually occurring. Textile bans have been substantial and consistent; however, from the height of the industry's production during the 1980's where there were 175 factories, a steady drop has occurred to where only 10 production centers remained in 2004. This equates to a drop in employment from 350,000 to 40,000 textile workers.[17] The impact is felt by the consumer, the Nigerian people.

To summarize, the import ban policy directly impacts every Nigerian household. The consumer endures increased prices of goods and fewer choices of products. The import bans serve to protect a few business owners and help a small number who choose to manipulate the policy for their own profit, but when looking at the overwhelming and widespread negative result on Nigeria as a whole, the conclusion that import bans are a failed aspect of trade policy, becomes evident.

Smuggling

In addition to the rampant corruption in the customs system regarding the enforcement (or lack of) the import ban policy and the ad hoc nature of issuing special import licenses for prohibited imports, smuggling and all its associated ill-effects, has been incentivized. For evidence of this we look to Benin, Nigeria's neighbor to the West. Due to the import ban policy, Benin has stockpiled Nigerian restricted goods and a shadow/illegal import system has been established. Cotonou port, Benin's economic center, officially shows 13% of its traffic originating from or is destined to Nigeria. However, the unofficial number of containers heading to Nigeria is 75%. After adjusting for import data, 3.5 million tons of cargo is smuggled into Nigeria. This equates to 5 billion US dollars annually and represents one-sixth of Nigeria's total global imports.[18]

As a result, local Nigerian businesses are forced to deal with unfair competition. The smuggled goods are less expensive due to circumventing customs duties and domestic taxes. The goods are sold cheaply, however they are usually plagued by inferior quality.[19]

An additional result of the estimated 15% of Nigerian total imports that are smuggled in is the loss of revenue which could be collected by the Nigerian Customs Service (NCS). World Bank studies indicate that an additional US $200 million could be collected in revenue from the smuggled items on the import ban list.[20] Because of the bans, customs agents spend a large portion of their time physically inspecting containers. In 2009 the Nigerian Port Authority had to shut down Lagos port in efforts to tackle the backlog of shipping. Currently, vessels wait 30 days or more to clear port terminals with an average associated cost of US $500,000 per vessel.[21]

The backlog in the ports reduces capacity and storage facilities and increases transportation costs throughout the entire value chain. An example is the cost to move an overland load of chemicals from Apapa Port to Kano being US $5,000 – $6,000. Because of the cargo being on the banned list, the incentive for smuggling is very high. The demand in Nigeria is simply too great. The route is fret with corruption, illegal border crossing procedures and bribery. The illegal importers, or ones who have obtained the special import licenses through nefarious means often have to stock pile inventory for 6 months or greater. Characteristic of smuggling, supply is erratic and unreliable.[22] All these factors conspire to; according to the World Bank's 2012 economic profile of Nigeria, rank Nigeria 149 out of 183 global economies regarding the ease of trading across borders.[23]

A work around to the bans has emerged with the technique of cargo abandonment. Here, an importer of prohibited goods who does not possess a special import license simply abandons the cargo in port and later purchases the seized cargo at auction. The price is lower and the process is quicker than normal import procedures. A similar technique is if the smuggler declares an undervalued cargo, or omits the banned portion of his import claim. If caught, he simply abandons the cargo only to repurchase at auction which again, is cheaper and easier even after accounting for penalty fees. This practice is so common that in 2009 a customs official stated that out of 50 containers searched; only one importer came forward to claim his cargo. These techniques add to customs being bogged down, ports backlogged. Inefficiencies and associated costs are increased.[24]

These examples only focus on the monetary increased cost of goods passed on to the consumer as a direct result of the trade ban policy. In addition to less quality, more inefficiencies, reduced product choice and higher prices of goods, one cannot forget the social impact of corruption and increased crime associated with smuggling. The problem contributes to destabilizing the nation and causes the population to lose faith in elected officials and government policies. It breads disdain for authority and a culture of accepting crime and graft as "business as usual." Combine these negative effects with the previously discussed increase to Consumer Price Index (CPI) for the average household in Nigeria, and the conclusion that the import ban policy is a failed part of Nigeria's overall trade strategy, becomes obvious. The solution, Nigeria should illuminate the NCS Prohibited Import List and replace it with comparable like product tariffs.

Removal of the Import Bans

By removing the import bans, smuggling incentives will be decreased, NCS collection revenues will increase, port revenues will increase due to higher efficiencies, transaction and transportation costs will decrease due to reduced port delays, cost of living will fall due to lower prices of goods and NCS resources can be redirected to standard boarder control and facilitating more efficient trade practices.[25] If we examine the impact of replacing the banned import items with a tariff closer to what is placed on similar like products, say 15%, importers would be prompted to ship items directly to Lagos vice Cotonou since it would now be less expensive. The increase in legal shipping would result in higher port and NCS revenues, conservatively valued at US $200 million.[26]

This additional revenue could be used to increase port efficiency. The incentive for senior Customs officials would exist because of the new tariffs. Their revenues would grow with a larger customer base so they in turn would seek to increase that base in efforts to create more revenues. More ships importing legal goods, more income. If coupled with a reformed auction policy, smuggling incentives for banned import goods could be greatly decreased. Figure 4 illustrates the effect of a 15% tariff on two major banned products, textiles and vegetable oils.

Figure 4

Possible Impact of a 15% Tariff Policy Change on Textiles and Vegetable Oils

Import Item	Benefits Transferred to Nigeria (US $ million)	Import Duties (US $ per ton)	Port Fees (US $ per ton)	Total Benefits (US $ per ton)
Textiles	66.0	180	40	220
Vegetable Oils	53.8	67.5	40	107.5

Source: Gael Raballand and Edmond Mjekiqi, (2010) Nigeria's Trade Policy Facilitates Unofficial Trade but Not Manufacturing

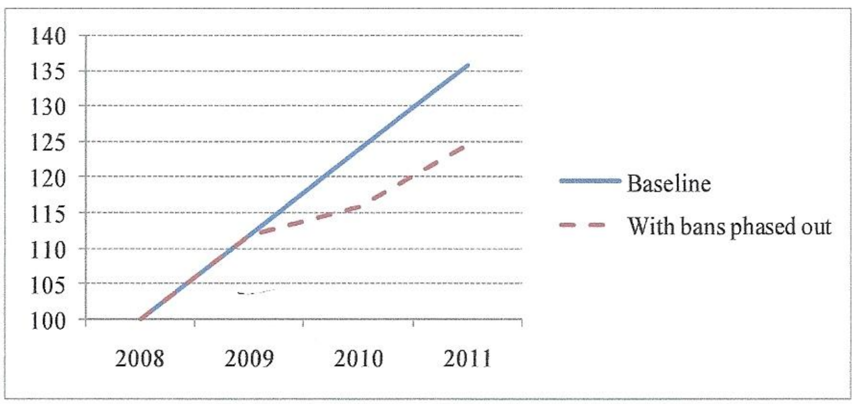
Note: Calculations assume that with a 15 percent tariff, 50 percent of flows will be redirected to Lagos.

A 2010 a World Bank study showed that the impact of replacing the bans with a tariff equivalent to like products on Nigerian household real income would result in an average increase of 9.4%. The increase is felt throughout all quartiles of income distribution, but it is particularly significant for the 1st quintile, or poorest of Nigerians. Here it approaches 10%, partly due to the product mix purchased by the group.[27]

Although poverty statistics are not officially reported by the Government of Nigeria, based on a 2010 household survey conducted by the World Bank, a poverty head count ratio of US $1.25 a day, would place 67.5% of Nigerians at the poverty line. By removing the bans and using the mentioned tariff of similar products (15%) a 2.48% point reduction would be realized. That would bring the poverty level down to 65% of the population. Based on a conservative population estimate of 167 million Nigerians, that equates to roughly 4.1 million rising out of poverty. The GON would then receive greater revenues from the increased taxes paid by these citizens.[28] Figure 5 depicts Nigerian CPI and compares it to a phase out of import bans. Internal stabilization is enhanced by decreased poverty, mostly due to reduced crime and increased support of the government and its policies. If the population is faring better, the country tends to be more stable and in turn, can focus attention outward and contribute to regional stability, security and prosperity.

Figure 5

Path of the CPI with and without the elimination of import bans



Source: Volker Treichel, Mombert Hoppe, Olivier Cadot and Julien Gourdon, (2012) The World Bank Policy Note No. 28, Import Bans In Nigeria Create Poverty

Conclusions

Nigeria's adoption of a protectionist import trade policy may be a reaction to a legacy of colonial rule. Regardless of the reason, its practical application is contrary to Nigeria's stated vision of economic liberalization, global integration and ascension to become one of the world's top twenty economies. The import bans were enacted as a temporary measure initiated in the mid 1970s, however, the government continues to cling to them. They were instilled without economic research or solicited input from experts in the field or other government ministries. They appeal to a more simplistic, seemingly, "common sense" approach which emphasizes a need to protect local industry. After closer examination however, the results are somewhat counterintuitive.

In practical application, the import bans have hurt the consumer by increasing the cost of living, reducing selection, undermining local markets and incentivizing smuggling. Corruption and nepotism have been promoted in the customs system and with officials holding public office. The policy has drawn criticism from the international community and does not help Nigeria obtain its economic goals. The small groups it's helped are few in number, rank high in privilege and have abused the system to enrich themselves at the expense of the rest of the population. Resources, such as customs personnel and time, have been overburdened in failed efforts to enforce the policy, resulting in a cycle of more smuggling, port backlogs, higher cargo transportation costs and increased corruption. It is a circular cycle with the average Nigerian paying the cost. The chain must be broken.

By eliminating the import ban prohibition list, and resultantly the corrupt/ad hoc practice of issuing special import licenses, coupled with introducing a tariff equivalent to similar products on the former banned items, smuggling would significantly decrease, and the government of Nigeria's revenues would grow. The port would prosper with increased traffic and quicker throughput. The cost of living would decrease and many Nigerians would feel the effect of gaining real income. The artificial barrier of trade import bans is hampering growth and prosperity in Nigeria.

Once the level of smuggling decreases, corruption incentives in the Nigerian customs system will be reduced and increased stability and security would follow. The NCS could focus on improving and enforcing security for Nigeria's borders as they would now have increased resources and no longer be consumed with enforcing the bans. The GON would be the recipient of increased revenues from two areas. First, as mentioned, the direct increased normal import duties associated with a significant up-tick in legal shipping because Lagos has been made more financially attractive as the port of destination for goods bound for internal Nigeria vice heading to Cotonou and then being smuggled in. The second would come from the increased taxes collected from citizens leaving poverty due to the reduced cost of living. With these increased revenues, GON can further fund port and border security and efficiency efforts, all of which would contribute to their 20:20 vision. Stability and security promote a healthy business environment. A nation that has made the commitment to such a specific economic goal will see the value in this reinvestment of newly found revenues into areas which continue to bring increased growth and prosperity.

By lifting a substantial amount of the population out of poverty, Nigeria will again be contributing to internal security and stability. When raising the quality of life by reducing the cost of staple goods, crime rates are lowered and the stress on a family is reduced. More taxes are collected and GON revenues increase. These revenues can be reinvested in infrastructure, social programs etc. The net result is a people more satisfied with the government and the services it's providing them. This in turn contributes to internal stability and security.

The points made to remove the trade import bans and replace them with comparable tariffs have at their core, a foundation in logical economic theory characterized by clear cause and effect relationships. The decision to retain the bans is rooted in emotion and plagued by an isolationist/protectionist mindset. It's been exposed for being detrimental to the entire country of Nigeria. The ban policy has held back the country and should be ended.

The challenge lays in presenting this argument to the appropriate officials and injecting it into the right channels where it will be understood, internalized, endorsed and implemented.

Recommendations

The legislative office, specifically the President of Nigeria, must be the ultimate audience where the case is made to end the import bans and replace them with like product tariffs. As detailed earlier, decisions regarding the import ban list ultimately lie with the President. Special import licenses and other corrupt practices undoubtedly occur below his level; however, he is the ultimate decision maker. He needs to be persuaded by the argument that with ban removal, much greater benefits will be achieved. He will reduce corruption and smuggling incentives, lower poverty levels, increase revenues and promote security and stability. If all efforts to promote the ban removal policy are aimed at the NCS and other ministries, the message could be lost. This problem must be framed in a more, whole of government approach, one where more than just the military aspect of the tools of US national power and influence is applied.

The Chief of Mission to Nigeria should continue efforts to put pressure on the President and his office directly, always citing the overwhelming benefits to ending the import bans. The Interagency and all the collective engagement occurring in Nigeria could be another source to echo the same message. By stressing one theme and one message, perhaps some ground could be made to influence the executive office. High level direct dialogues with the President are opportunities not to be missed in conveying the consistent, specific message of eliminating the import bans. Enlisting the help of regional/global partners and allies to echo this message could be an additional, indirect technique.

An often overlooked ally to USAFRICOM could be found in the US private industry sector. Large companies already working with Nigeria would realize the benefits of replacing the import ban policy with a tariff. Increased legal trade opportunities to new markets are an attractive business model. This group is a powerful ally and should not be ostracized, but sought out in attempts to combine and complement efforts to engage the President or gain his ear on the issue of removing the import ban policy.

Although the Nigerian President was previously identified as the level where import ban policy would be changed, that does not mean we should underestimate the power and influence of the USAFRICOM Commander and his engagement with the Nigerian Chief of Defense or his equivalent. The theme of ending the protectionist practice and stopping the import bans could be strongly expressed here and hopefully work its way unimpeded to the executive level of government.

If all these avenues, as well as international and regional endeavors continue to put pressure on Nigeria to replace their import bans with tariffs, the net result would be a more secure, stable and prosperous Nigeria. Actions promoting import ban removal from the World Trade Organization and its US representative are ongoing. With invigorated and increased efforts from USAFRICOM and the USG Interagency, success may be achieved when Nigeria is free from an import prohibition list.

Appendix A

Nigerian Customs Service (NCS) Import Prohibition List as of October 2012

1. Live or dead birds including frozen poultry
2. Pork beef
3. Birds eggs
4. Refined Vegetable oils and fats
5. Cocoa butter, powder and cakes
6. Spaghetti/noodles
7. Fruit juice in retail packs
8. Waters, including mineral waters and aerated waters containing added sugar or sweetening matter or flavored, ice snow and beer and stout (bottled, canned or otherwise packed)
9. Bagged cement
10. Medicaments falling as indicated below:

    a. Paracetamol tablets and syrups
    b. Cotrimoxazole tablets syrups
    c. Metronidazole tablets and syrups
    d. Chloroquine tablets and syrups
    e. Haematinic formulations; ferrous Sulphate and ferrous Gluconate tablets, Folic acid tablets, vitamin B complex tablet [except modified released formulations]
    f. Multivitamin tablets, capsules and syrups [except special formulations]
    g. Aspirin tablets [except modified released formulation and soluble aspirin]
    h. Magnesium trisilicate tablets and suspensions
    i. Piperazine tablets and syrups
    j. Levamisole tablets and syrups
    k. Clotrimazole cream
    l. Ointments – Penecilin/Gentamycin
    m. Pyrantel Pamoate tablets and syrups

n. Intravenous fluids [Dextrose, normal saline, etc.]

11. Waste pharmaceuticals
12. Soaps and detergents
13. Mosquito repellant coils
14. Sanitary wares of plastics (but excluding baby feeding bottles) and flushing cistern and waterless toilets
15. Rethreaded and used pneumatic tires (but excluding used truck tires rethreading of sized 11.00 x 20 and above
16. Corrugated paper and paper boards – and cartons, boxes and cases made from corrugated paper and paper boards - toilet paper, cleaning or facial tissue - (excluding baby diapers and incontinent pads for adult use) and exercise books
17. Telephone re-charge cards and vouchers
18. Textile fabrics of all types and articles thereof and yarn falling under the following H.S. Codes remain under import prohibition;
    a. African print [Printed Fabrics] e.g. Nigeria wax, Hollandaise, English Wax, Ankara and similar Fabrics
    b. Carpets and rugs of all types
19. All types of foot wears and bags including suitcases of leather and plastics [**but excluding safety shoes used in oil industries, hospitals, fire fighting and factories, sports shoes, canvass shoes all completely knocked down (CKD) blanks and parts**]
20. Hollow Glass Bottles of a capacity exceeding 150mls (0.15 liters) **of a kind used for packaging of beverages by breweries and other beverage and drink companies**
21. Used Compressors, used air conditioners and used fridges/freezers
22. Used motor vehicles above **fifteen (15) years from the year of manufacture**
23. Furniture – **but excluding baby walkers, laboratory cabinets such as microscope table, fume cupboards, laboratory benches, stadium chairs, height adjustments device, base sledge, seat frames and control mechanism, arm guide and head guides - also excluded are; skeletal parts of furniture such as blanks, upholstered or unfinished part of metal, plastics, veneer, chair shell etc. - also excluded are**

motor vehicle seats and seats other than garden seats or camping equipment, convertible into beds

24. Ballpoint pens

Source: Nigerian Customs Service (NCS) official website, https://www.customs.gov.ng/ProhibitionList/import.php

Notes

1. Ademola Oyejide, A. Ogunkola and A. Bankole, “Import Prohibition as a Trade Policy Instrument: The Nigerian Experience,” *World Trade Organization* Case Study 32 (2012): 1.

2. Gael Raballand and Edmond Mjekiqi, “Nigeria’s Trade Policy Facilitates Unofficial Trade but Not Manufacturing,” *The World Bank* Putting Nigeria to Work: A Strategy for Employment and Growth Chapter 6 (2010): 210.

3. Volker Treichel, Mombert Hoppe, Oliver Cadot and Julien Gourdon, “Import Bans in Nigeria Create Poverty,” *The World Bank* Policy Note No. 28 (2012): 1.

4. Pamela Ehigiene, “Trade Policy and the Poverty Reduction in Nigeria” (Master’s Thesis., Maastricht Graduate School of Governance, 2007): 26.

5. Ibid., 28.

6. *World Trade Organization*, “Trade Policy Review: Nigeria,” June 30, 2011, 3.

7. *World Trade Organization*, “Trade Policy Review: Nigeria Statement of the U.S. Representative,” June 28, 2011, 2.

8. “Nigeria; WTO Applauds Government,” *African News,* July 9, 2011, 1.

9. Kehinde Ajayi and Philip Osafo-Kwaako. "The Role of Research in Trade Policy Formulation: The Case of Nigeria’s Adoption of the ECOWAS Common External Tariff." (2006): 15.

10. Ibid., 16.

11. *World Trade Organization*, “Trade Policy Review: Nigeria,” June 30, 2011, 40.

12. Ademola Oyejide, A. Ogunkola and A. Bankole, “Import Prohibition as a Trade Policy Instrument: The Nigerian Experience,” *World Trade Organization* Case Study 32 (2012): 3.

13. Kehinde Ajayi and Philip Osafo-Kwaako. "The Role of Research in Trade Policy Formulation: The Case of Nigeria’s Adoption of the ECOWAS Common External Tariff." (2006): 21.

14. Volker Treichel, Mombert Hoppe, Oliver Cadot and Julien Gourdon, “Import Bans in Nigeria Create Poverty,” *The World Bank* Policy Note No. 28 (2012): 2.

15. Ibid., 2.

16. Gael Raballand and Edmond Mjekiqi, “Nigeria’s Trade Policy Facilitates Unofficial Trade but Not Manufacturing,” *The World Bank* Putting Nigeria to Work: A Strategy for Employment and Growth Chapter 6 (2010): 210.

17. Anthony Osae-Brown, “Nigeria’s Tariffs, High and Unproductive,” *Business Day*, November 30, 2010.

18. Gael Raballand and Edmond Mjekiqi, “Nigeria’s Trade Policy Facilitates Unofficial Trade but Not Manufacturing,” *The World Bank* Putting Nigeria to Work: A Strategy for Employment and Growth Chapter 6 (2010): 222.

19. Ibid., 217.

20. Ibid., 205.

21. Ibid., 219.

22. Ibid., 210.

23. *International Bank for Reconstruction and Development / The World Bank*, “Doing Business in a More Transparent World Economy Profile: Nigeria,” 2012, 78.

24. Gael Raballand and Edmond Mjekiqi, “Nigeria’s Trade Policy Facilitates Unofficial Trade but Not Manufacturing,” *The World Bank* Putting Nigeria to Work: A Strategy for Employment and Growth Chapter 6 (2010): 220.

25. Volker Treichel, Mombert Hoppe, Oliver Cadot and Julien Gourdon, “Import Bans in Nigeria Create Poverty,” *The World Bank* Policy Note No. 28 (2012): 1.

26. Gael Raballand and Edmond Mjekiqi, “Nigeria’s Trade Policy Facilitates Unofficial Trade but Not Manufacturing,” *The World Bank* Putting Nigeria to Work: A Strategy for Employment and Growth Chapter 6 (2010): 225.

27. Volker Treichel, Mombert Hoppe, Oliver Cadot and Julien Gourdon, “Import Bans in Nigeria Create Poverty,” *The World Bank* Policy Note No. 28 (2012): 4.

28. Ibid., 4.

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