

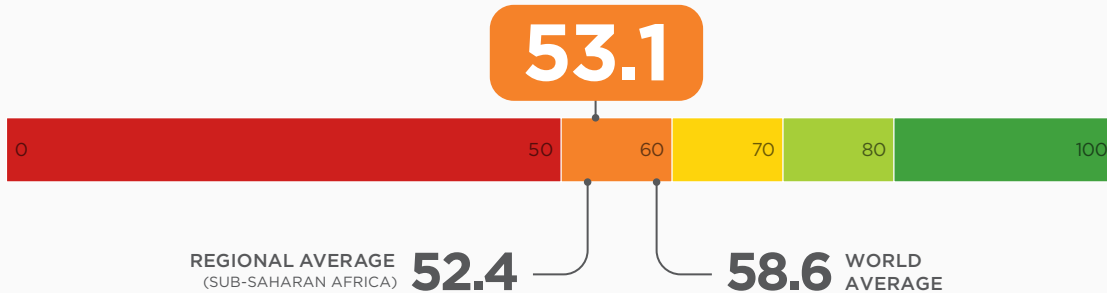
NIGERIA

WORLD RANK: **125** | REGIONAL RANK: **23**
 ECONOMIC FREEDOM STATUS: **MOSTLY UNFREE**

Nigeria's economic freedom score is 53.1, making its economy the 125th freest in the 2024 *Index of Economic Freedom*. Its rating has decreased by 0.8 point from last year, and Nigeria is ranked 23rd out of 47 countries in the Sub-Saharan Africa region. The country's economic freedom score is lower than the world average and higher than the regional average. Nigeria's economy is considered "mostly unfree" according to the 2024 *Index*.

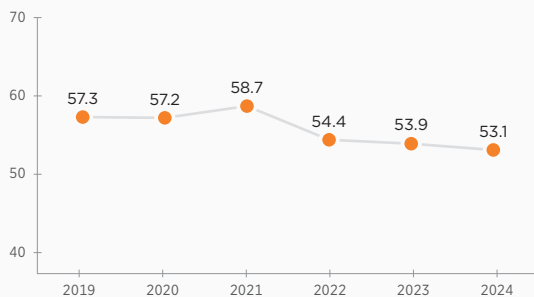
Structural changes that are needed to develop a more vibrant private sector or achieve more broadly based growth have not emerged. Oil continues to dominate the economy. The judicial system is susceptible to political interference, corruption is prevalent, and the rule of law is weak. Time-consuming and costly regulatory procedures still burden the entrepreneurial environment. Much of the formal labor force is employed in the public or energy sectors. The most recent available inflation rate is 18.8 percent.

ECONOMIC FREEDOM SCORE



HISTORICAL INDEX SCORE CHANGE (SINCE 1995): +5.8

RECENT FREEDOM TREND



QUICK FACTS

POPULATION:
211.4 million

GDP (PPP):
\$1.3 trillion
3.3% growth in 2022
5-year average growth rate: 1.8%
\$5,909 per capita

UNEMPLOYMENT:
9.8%

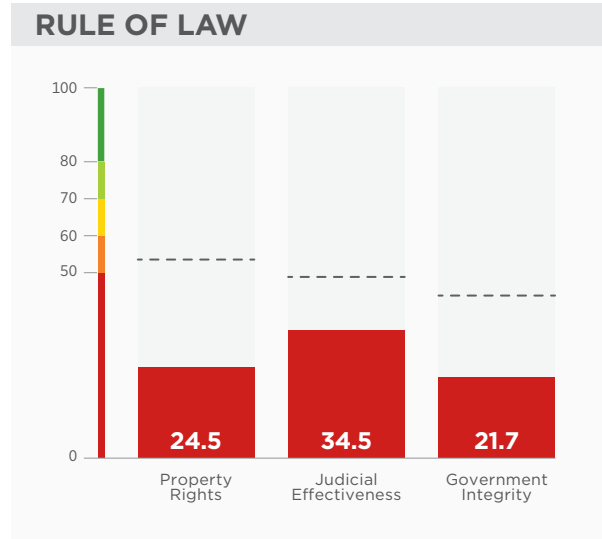
INFLATION (CPI):
18.8%

FDI INFLOW:
-\$187.0 million

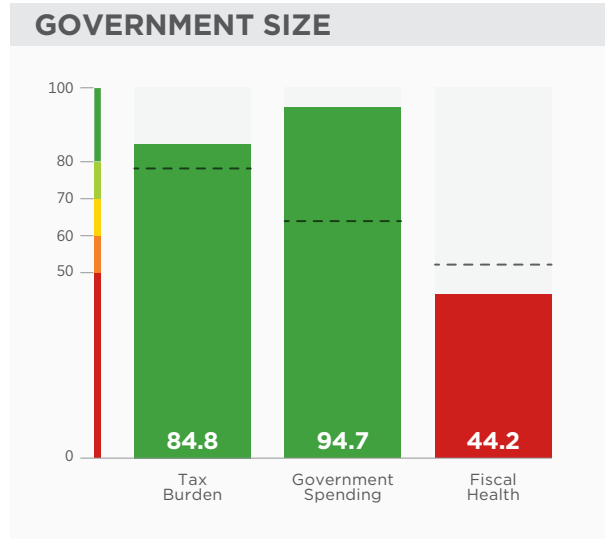
PUBLIC DEBT:
39.6% of GDP

2022 data unless otherwise noted. Data compiled as of October 2023.

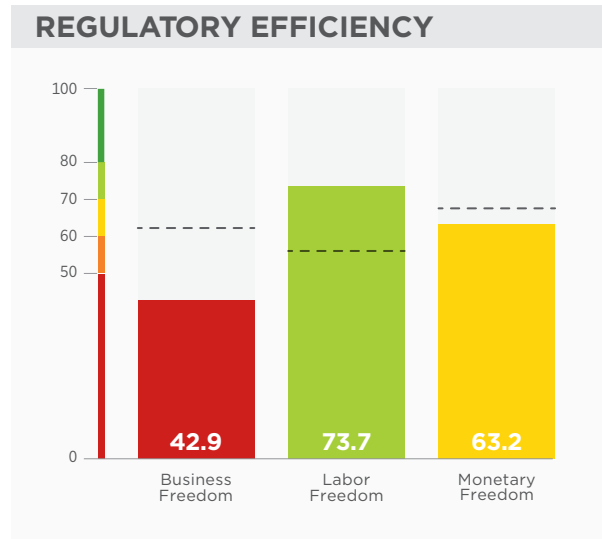
12 ECONOMIC FREEDOMS | NIGERIA



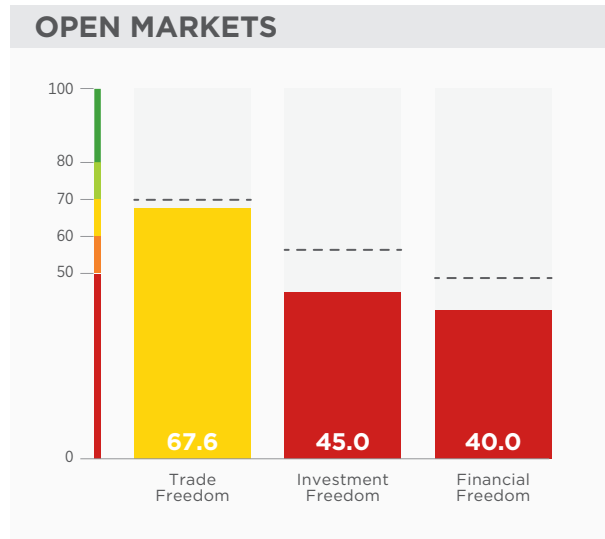
The overall rule of law is weak in Nigeria. The country's property rights score is below the world average; its judicial effectiveness score is below the world average; and its government integrity score is below the world average.



The top individual income tax rate is 24 percent, and the top corporate tax rate is 30 percent. The tax burden equals 6.7 percent of GDP. Three-year government spending and budget balance averages are, respectively, 13.3 percent and -5.7 percent of GDP. Public debt amounts to 39.6 percent of GDP.



Nigeria's overall regulatory environment is relatively well institutionalized but lacks efficiency. The country's business freedom score is far below the world average; its labor freedom score is above the world average; and its monetary freedom score is below the world average.



The trade-weighted average tariff rate is 8.7 percent. Bureaucratic delays continue to serve as barriers to trade and investment. The financial sector is dominated by banking and growing unevenly across the country. Nonperforming loans continue to be a problem.