

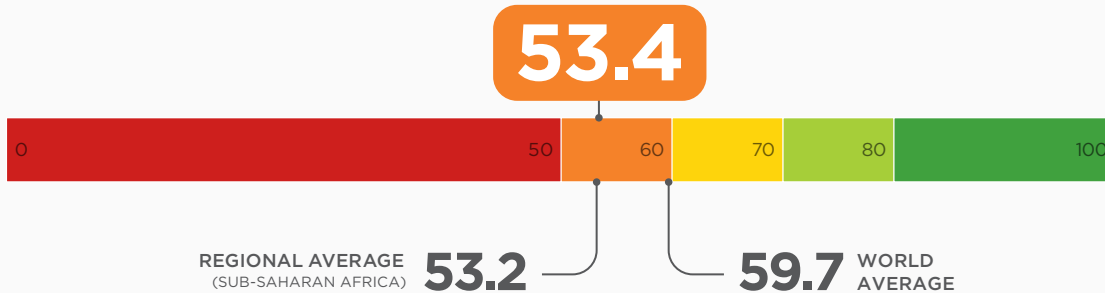
NIGERIA

WORLD RANK: **127** | REGIONAL RANK: **24**
 ECONOMIC FREEDOM STATUS: **MOSTLY UNFREE**

Nigeria's economic freedom score is 53.4, making its economy the 127th freest in the 2025 *Index of Economic Freedom*. Its rating has increased by 0.3 point from last year, and Nigeria is ranked 24th 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 2025 *Index*.

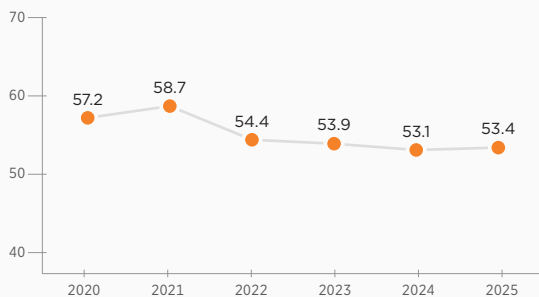
The structural changes that are needed to develop a more vibrant private sector or achieve more broad-based growth in Nigeria have not emerged. Oil continues to dominate the economy. The judicial system is susceptible to political interference, corruption is prevalent, and the rule of law is weak. The entrepreneurial environment remains burdened by time-consuming and costly regulatory procedures. Much of the formal labor force is employed in the public or energy sectors.

ECONOMIC FREEDOM SCORE



HISTORICAL INDEX SCORE CHANGE (SINCE 1995): +6.1

RECENT FREEDOM TREND



QUICK FACTS

POPULATION:
222.2 million

GDP (PPP):
\$1.4 trillion
2.9% growth in 2023
3-year average growth rate: 3.3%
\$6,367 per capita

UNEMPLOYMENT:
3.1%

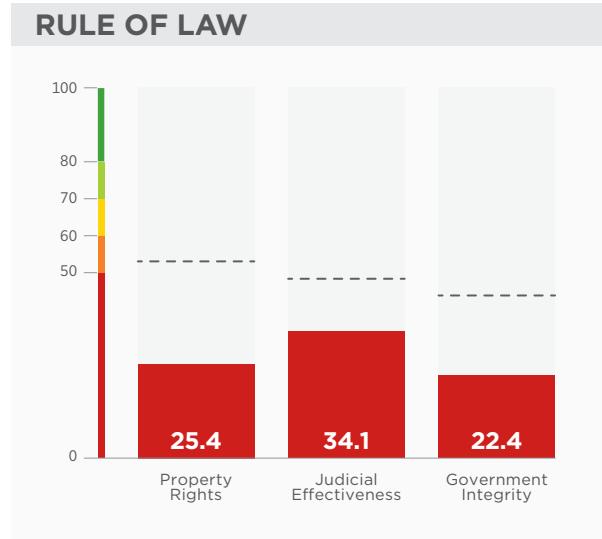
INFLATION (CPI):
24.7%

FDI INFLOW:
-\$187.0 million

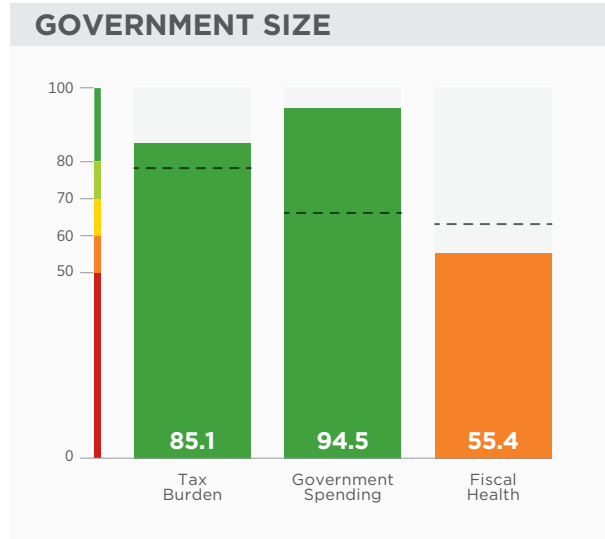
PUBLIC DEBT:
46.4% of GDP

2023 data unless otherwise noted. Data compiled as of November 2024.

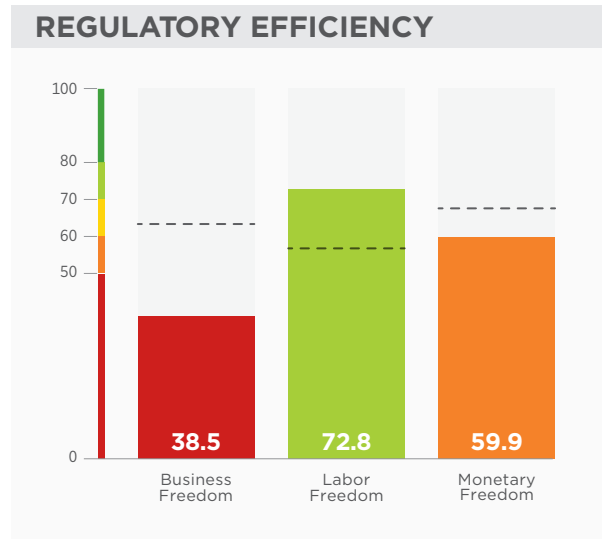
12 ECONOMIC FREEDOMS | NIGERIA



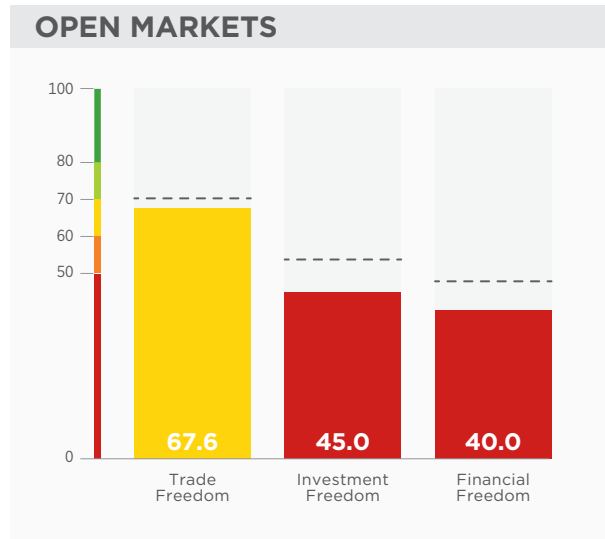
The overall rule of law is weak in Nigeria. The country's property rights score is below the world average; its judicial effectiveness score is below the world average; and its government integrity score is below the world average.



The top individual income tax rate is 24 percent, and the top corporate tax rate is 30 percent. The tax burden equals 4.1 percent of GDP. Three-year government spending and budget balance averages are, respectively, 13.5 percent and -5.0 percent of GDP. Public debt amounts to 46.4 percent of GDP.



Nigeria's overall regulatory environment is poorly institutionalized and inefficient. 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. Persistent 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 remain a problem.