

Impact of International Trade on Balance of Payment Position in Nigeria

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ABSTRACT

This paper examined the impact of international trade on the balance of payments position in Nigeria over the period 1986 to 2025. The study was motivated by the persistent volatility in Nigeria's external sector, characterized by recurrent current account deficits, changing trade patterns, and shifts in trade policy over time. The paper adopted an ex-post facto research design, while the Quantile Autoregressive Distributed Lag Model was used to estimate both the long-run and short-run median dynamics. Preliminary analysis showed that the variables were integrated at mixed orders, making the chosen estimation technique appropriate. The findings revealed that export intensity exerted a positive and significant impact on the balance of payments position, indicating that stronger export performance improved the country's external position. Import penetration had a negative and significant impact, implying that rising dependence on imports weakened the balance of payments position. Tariff rate produced a positive and significant impact, showing that trade policy remained relevant at driving favourable balance of payments position. It therefore recommended that the Federal Ministry of Industry, Trade and Investment, the Nigerian Export Promotion Council, the Central Bank of Nigeria, and the Bank of Industry should intensify export diversification and provide targeted support for export-oriented production. It also recommended that the Federal Ministry of Finance, the Nigeria Customs Service, and the Nigerian National Petroleum Company Limited should reduce harmful import dependence through selective import management, while tariff reforms should be strategically aligned with domestic production objectives.

Keywords: International trade, Balance of payments position, Current account balance, Export intensity, Import penetration

JEL Codes: F13, F32, F32, F14, F14

INTRODUCTION

International trade has long been recognised as a fundamental driver of economic growth and development, shaping the economic fortunes of nations through the exchange of goods, services, and capital across borders. Globally, the volume of international trade has expanded dramatically over the past several decades, with the World Trade Organization reporting that merchandise trade volumes grew by approximately 2.7 percent in 2023 despite ongoing geopolitical tensions and supply chain disruptions, while services trade demonstrated remarkable resilience with a 9.1 percent expansion in the same year (World Trade Organization, 2024). This expansion reflects the deepening integration of national economies into global value chains, where production processes are fragmented across multiple countries, and the increasing importance of trade in services, particularly digital services, which have become essential components of modern commerce. Advanced economies continue to dominate global trade flows, accounting for approximately 60 percent of world merchandise exports, yet emerging markets and developing economies have steadily increased their share, contributing to the diversification of global trade patterns and the emergence of new regional trading blocs (Onono, 2024). The contemporary trade shape is characterized by several networks of bilateral and multilateral agreements, the rise of mega-regional partnerships, and the increasing influence of non-tariff measures that shape market access and competitive dynamics across sectors and regions.

In Sub-Saharan Africa, international trade presents both opportunities and challenges for economic transformation and development. The region's trade performance has been marked by persistent structural constraints, including heavy reliance on primary commodity exports, limited export diversification, and relatively low integration into global value chains compared to other developing regions (Torrejón-Flores *et al.*, 2026). Recent estimates indicate that Sub-Saharan Africa's share of global merchandise exports remained below 3 percent in 2024, despite the region's vast natural resources and growing population of over 1.2 billion people, highlighting the untapped potential for trade-led growth (Mallick 2025). The implementation of the African Continental Free Trade Area, which became operational in 2021, represents a historic effort to boost intra-African trade from its current level of approximately 15 percent of total African trade to an estimated 25 percent by 2030, potentially creating a continental market worth over \$3 trillion (Economic Commission for Africa, 2024). However, the region continues to face significant trade-related challenges, including inadequate infrastructure, high trade costs, restrictive regulatory environments, and vulnerability to external shocks that periodically disrupt export revenues and import capacity (World Bank, 2024). Countries across Sub-Saharan Africa are increasingly pursuing trade policy reforms, negotiating preferential trade agreements, and investing in trade facilitation measures to enhance their competitiveness and expand market access, yet progress remains uneven across the region.

Nigeria's experience with international trade reflects the broader patterns observed across Sub-Saharan Africa while exhibiting unique characteristics shaped by its position as the region's largest economy and a major oil exporter. As Africa's most populous nation with over 220 million people, Nigeria has maintained a significant presence in regional and global trade, with its trade performance heavily influenced by fluctuations in crude oil prices, which account for approximately 85 percent of export revenues and over 50 percent of government revenue (Central Bank of Nigeria, 2024). The Nigerian economy demonstrated export intensity of 19.89 percent of GDP in 2024, a notable recovery from the historic low of 8.12 percent recorded in 2020 during the pandemic, though still below the peak of 41.70 percent achieved in 1991 when oil prices were favourable and production levels were robust (World Bank, 2025). This volatility in export performance highlights the economy's vulnerability to commodity price cycles and the challenges of achieving sustainable export diversification beyond petroleum products. Import penetration in Nigeria stood at 21.88 percent of GDP in 2024, reflecting the country's continued dependence on foreign goods to meet domestic consumption and production needs across various sectors, from manufacturing inputs and machinery to consumer goods and food items (IndexMundi, 2025). The pattern of import penetration has fluctuated considerably over the study period, reaching a high of 25.16 percent in 1989 before declining to 8.23 percent in 2020 amid foreign exchange constraints and import restrictions, then rebounding to 22.73 percent in 2023 as economic activities normalized (World Bank, 2025). Nigeria's tariff rate, applied weighted mean for all products, declined from an extremely high level of 91.27 percent in 1995 to 9.48 percent in 2025, reflecting the country's gradual integration into the global trading system through participation in the World Trade Organization, implementation of the Economic Community of West African States Common External Tariff, and broader trade liberalization reforms aimed at enhancing competitiveness and attracting foreign investment. Despite these reforms, Nigeria's trade regime continues to feature various non-tariff barriers, import restrictions, and foreign exchange management policies that influence trade flows and shape the country's external sector performance.

The balance of payments position serves as a comprehensive record of a country's economic transactions with the rest of the world, capturing all flows of goods, services, income, and financial transfers between residents and non-residents over a specific period. Globally, balance of payments dynamics have undergone significant transformations in recent years, driven by shifts in trade patterns, volatile capital flows, exchange rate adjustments, and the lingering effects of the pandemic on economic activities (International Monetary Fund, 2024).

Nigeria's current account balance has exhibited extreme fluctuations over the past four decades, swinging from a substantial surplus of 20.79 percent of GDP in 2005 to a deficit of 3.70 percent in 2020, before recovering to a surplus of 9.17 percent in 2024 and moderating to 5.70 percent in 2025, reflecting the economy's excessive dependence on volatile oil export revenues and its limited capacity to maintain stable external balances across commodity price cycles (World Bank, 2025). This volatility has been accompanied by chronic foreign exchange shortages during periods of oil price declines, with Nigeria's external reserves falling from \$43.8 billion in 2014

to \$23.8 billion by 2016 as oil prices collapsed from over \$100 per barrel to below \$30 per barrel, forcing severe import compression and capital controls that disrupted economic activities across sectors (Central Bank of Nigeria, 2024). The structural composition of Nigeria's trade flows worsens these balance of payments challenges, with crude oil and gas accounting for approximately 85 percent of total exports in 2024 while non-oil exports remain marginal despite decades of diversification rhetoric, leaving the current account balance excessively vulnerable to global energy market dynamics beyond domestic policy control (Nigerian Export Promotion Council, 2024). Simultaneously, Nigeria's import structure reflects deep-seated productive capacity constraints, with the country importing substantial volumes of refined petroleum products despite being an oil producer, alongside manufactured goods, machinery, food items, and intermediate inputs that collectively sustain high levels of import dependence (IndexMundi, 2025).

In light of these persistent external sector vulnerabilities, Nigerian policymakers have implemented numerous policy measures and strategic programs aimed at strengthening the balance of payments position and enhancing external sector resilience over successive administrations. The government has pursued comprehensive national development plans and economic reform programs designed to address balance of payments challenges, including the National Economic Empowerment and Development Strategy launched in 2004, the Vision 20:2020 development blueprint introduced in 2009, and the Economic Recovery and Growth Plan implemented from 2017 to 2020, all of which identified external sector stability as a critical macroeconomic objective requiring coordinated policy interventions (National Planning Commission, 2023). Despite these extensive policy interventions and reform efforts spanning nearly three decades, Nigeria's balance of payments position has not demonstrated the fundamental improvement in stability and sustainability that policymakers envisioned.

The relationship between international trade and balance of payments position represents a fundamental nexus in macroeconomic theory and policy, with trade flows serving as primary determinants of current account outcomes while also influencing capital and financial account dynamics through their impact on foreign exchange earnings, import financing requirements, and investor perceptions of external sustainability.

Given that a stable and sustainable balance of payments position is a critical foundation for macroeconomic stability, external sector resilience, and long-term economic growth, it is imperative to examine how key dimensions of international trade, represented by export intensity, import penetration, and tariff rate, have influenced Nigeria's balance of payments position.

LITERATURE REVIEW

Conceptual Clarifications

International trade

International trade represented a fundamental economic activity involving the exchange of goods and services across national boundaries, driven by comparative advantage, resource endowments, and varying production capabilities among nations (Krugman & Obstfeld, 2024). Scholars conceptualized international trade through multiple dimensions that captured different aspects of trade engagement and policy orientation. Export intensity was defined by Chen and Wang (2024) as the ratio of total exports of goods and services to gross domestic product, measuring the extent to which a country's economic output was directed toward foreign markets and reflecting the degree of export orientation in the production structure. This metric captured how deeply integrated an economy was into global trade networks and the relative importance of external demand in driving economic activity.

Import penetration was conceptualized by Andersson and Berg (2023) as the proportion of total imports of goods and services relative to gross domestic product, indicating the degree to which domestic consumption and production relied on foreign-sourced goods and services. This measure reflected the openness of an economy to imported products and the extent of domestic market exposure to international competition. Rodriguez and Martinez (2025) described import penetration as a key indicator of trade liberalization outcomes and domestic industrial competitiveness.

Tariff rate, specifically the applied weighted mean tariff across all products, was defined by Thompson and Davies (2024) as the average customs duty levied on imported goods, weighted by the value of imports in each product category, representing a primary trade policy instrument that governments employed to regulate import flows, protect domestic industries, and generate fiscal revenue. This emphasized tariffs as price-based barriers that influenced the cost competitiveness of imported goods relative to domestic alternatives.

For purposes of this study, international trade was operationally defined as the multidimensional engagement of Nigeria's economy with global markets, measured through export intensity capturing foreign market orientation, import penetration reflecting import dependence, and tariff rate representing trade policy stance over the period 1986 to 2025.

Balance of payment Position

Balance of payments position represents a comprehensive measure of a country's external sector health, reflecting the net outcome of all economic transactions between domestic residents and foreign entities over a specified period (International Monetary Fund, 2024). Scholars conceptualized balance of payments position through the current account balance as the primary indicator of external sector sustainability and macroeconomic equilibrium. The current account balance was defined by Obstfeld and Rogoff (2024) as the broadest measure of a country's trade in goods and services, income flows, and current transfers with the rest of the world, expressed as a percentage of gross domestic product, capturing whether a nation was a net saver or borrower in the global economy. This metric encompassed the trade balance, net income from foreign investments, and net transfer payments, providing a comprehensive view of external sector performance.

Blanchard and Acalin (2023) characterized the current account balance as the difference between national savings and domestic investment, reflecting macroeconomic imbalances that required financing through capital account transactions or changes in foreign exchange reserves. Lane and Milesi-Ferretti (2024) described the current account balance as a flow measure that captured changes in a country's net foreign asset position, with persistent deficits indicating rising external liabilities and potential vulnerability to sudden stops in capital flows.

Krugman and Obstfeld (2024) conceptualized the current account balance as a critical indicator of external sustainability, where large and prolonged deficits signalled unsustainable borrowing patterns while substantial surpluses reflected excess savings or underinvestment in domestic productive capacity. The World Bank (2023) defined the current account balance relative to GDP as measuring the net resources a country made available to or received from the rest of the world, providing insights into external financing needs and foreign exchange pressures. For purposes of this study, balance of payments position was operationally defined as Nigeria's external sector performance measured through the current account balance as a percentage of gross domestic product, capturing the sustainability of external transactions.

Underpinning Theory

The theoretical underpinning for this study was rooted in the Heckscher-Ohlin factor endowment theory of international trade, which provided a comprehensive framework for understanding how countries' resource endowments shaped their trade patterns and external sector outcomes. The Heckscher-Ohlin theory posited that nations exported goods that intensively utilized their abundant factors of production while importing products that required intensive use of their scarce factors, with trade patterns fundamentally determined by differences in relative factor endowments across countries rather than technological variations (Ohlin, 1933). This theoretical perspective suggested that factor abundance influenced comparative advantage through its effect on relative factor prices, where abundant factors commanded lower prices and conferred cost advantages in producing goods that used those factors intensively, leading countries to specialize in such products for export while importing goods intensive in scarce, expensive factors. The significance of this theory for the present study resided in its explanation of how Nigeria's natural resource abundance, particularly in crude oil, shaped export intensity patterns and determined the composition of foreign exchange earnings, while capital and technological scarcities relative to industrialized economies explained persistent import penetration in manufactured goods, machinery, and technology-intensive products, with the balance of payments position ultimately reflecting

whether export revenues from resource-abundant sectors sufficiently financed import requirements driven by factor scarcities in manufacturing and industrial capabilities.

However, the Heckscher-Ohlin framework faced criticisms from scholars including Leontief (1953) and Krugman (1979), who remained unconvinced by the theory's limited emphasis on technology differences, economies of scale, and institutional factors that significantly influenced trade patterns beyond simple factor proportion considerations. This generated further arguments by new trade theorists and contemporary scholars including Rodrik (2023) and Baldwin (2024), who advanced perspectives emphasizing increasing returns to scale, global value chains, and the role of industrial policy in transforming productive structures beyond constraints imposed by existing factor endowments.

Empirical Review

Recent empirical literature on the impact of international trade on balance of payment position had increasingly treated the balance of payments through related external sector indicators such as the current account balance and trade balance. This was because trade variables such as trade openness, services trade, terms of trade, imports, exports, and tariff related uncertainty usually transmitted their effects through the current account component of the balance of payments. The studies reviewed below therefore focused on how specific dimensions of international trade shaped external balance outcomes across countries and regions, while also showing the methodological and contextual limits that should be considered when drawing lessons for the present study.

Torrejón-Flores *et al.* (2026) examined 161 countries from 1996 to 2023 to determine how revealed comparative advantage in services trade, relative to manufacturing trade, influenced current account balances. Using Bayesian model averaging to select controls and estimating the current account equation with multiple econometric methods, the authors found that greater relative specialization in services trade had a negative and significant relationship with current account balances in emerging market economies, while the effect was not statistically significant in advanced economies. The implication was that an economy's trade composition mattered greatly for balance of payment outcomes, since a shift toward less productive or more restricted export segments could weaken the current account even when trade expanded. This study contributed a useful structural dimension to the present topic by showing that not all forms of export expansion improved external balance. Yet the focus on relative services advantage versus manufacturing exports made the study less directly aligned with tariff rate or merchandise import penetration, and cross-country comparability may have been affected by persistent data limitations in services trade measurement.

The most recent evidence was provided by Jakubik and Wei (2026), who investigated how trade policy uncertainty affected the current account balance in the United States using a local projection framework that controlled for domestic and global macroeconomic factors as well as enacted trade policy changes. The study found that trade policy uncertainty shocks generated a statistically significant but temporary positive effect on the current account balance, mainly because imports contracted more sharply than exports, with durable goods being particularly affected. From a savings and investment perspective, uncertainty raised precautionary private savings and modestly reduced investment. The important lesson from this study was that tariff related trade policy disturbances could alter balance of payments position, but the improvements were only short lived and came at broader macroeconomic cost. This made the paper highly relevant to studies using tariff rate as a proxy for international trade. However, the analysis focused on uncertainty surrounding trade policy rather than the direct level of tariffs or trade flows themselves, and the U.S. economy's size and reserve currency status reduced the ease of applying its conclusions to smaller open developing economies.

A more sectorally diverse perspective was offered by Dixit *et al.* (2025), who studied India's services trade, economic growth, and current account dynamics using post-globalisation data drawn from World Development Indicators and Reserve Bank of India sources. The authors combined the Balance of Payments Constrained Growth model with autoregressive distributed lag cointegration, Johansen cointegration, and impulse response analysis. Their results showed that the services sector played a stabilising role in mitigating current account deficits, even though India's actual growth exceeded the balance of payments equilibrium growth rate. Sectoral decomposition further revealed that insurance, construction, telecommunication, transport, and travel services

exhibited strong long run linkages with current account dynamics. This study was particularly important because it moved beyond merchandise trade and showed that services exports could improve balance of payments position when they generated durable external earnings. Still, its emphasis on India's services trade structure made it less applicable to economies where goods trade and commodity exports dominated the external sector. The approach also focused on broad sectoral balances rather than direct tariff or import penetration measures.

Camarero *et al.* (2025) investigated current account determinants in a globalized world using 26 developed and emerging economies from 1972 to 2021. Their empirical strategy relied on cointegration based modelling that addressed endogeneity, cross-sectional dependence, serial correlation, and structural instability, while also introducing the effect of imbalances in third countries. The results highlighted the importance of external drivers, including oil shocks and spillovers from third-country imbalances, in explaining external disequilibria. The study was useful to the present review because it demonstrated that balance of payment position had been shaped not only by domestic macroeconomic conditions but also by trade linked global interdependence and external demand conditions. That wider framing supported the argument that international trade variables could not be interpreted in isolation from global trade transmission mechanisms. Nevertheless, the model was a broad determinants framework rather than a direct test of export intensity, import penetration, or tariff rate, and the long sample covering several structural regimes could have obscured more recent post-pandemic trade patterns of developing economies.

Mallick (2025) reassessed the sustainability of India's current account deficit using annual data from 1960 to 2019 and applied threshold cointegration, Engle Granger cointegration, and nonlinear ARDL techniques. The study found a long run equilibrium relationship between exports and imports, confirming a degree of sustainability, but it also revealed that once the current account deficit crossed a threshold of about 3 percent, exports and imports adjusted asymmetrically to short run shocks. More specifically, imports required stronger policy restraint in the short run to restore sustainable adjustment, whereas export promotion remained essential for long run balance. This evidence was valuable to the present study because it directly tied the balance of payments position to the separate behaviour of exports and imports, which aligned closely with export intensity and import penetration style measures. At the same time, the analysis focused on a single economy with its own structural trade profile, and its main concern was sustainability of the deficit rather than the full multidimensional effects of tariffs or wider trade policy instruments.

Köse and Emre (2024) provided another trade based explanation of external balance by analysing Turkey's current account balance through the roles of terms of trade and the real exchange rate. Using a structural vector autoregression model, the study examined how oil prices, real exchange rate, terms of trade, industrial production, foreign direct investment, and the current account interacted over time. The findings showed that the exchange rate, industrial production, and especially terms of trade exerted positive and significant short run effects on the current account balance, while variance decomposition revealed that exchange rate and production variables accounted for the largest explanatory shares. The study was useful to the present review because terms of trade captured a core international trade mechanism through which export prices relative to import prices affected balance of payments position. Where export prices improved relative to import prices, the external balance tended to strengthen. However, the evidence came from a single country with a long standing structural current account deficit and a distinctive energy import profile, making broad comparison difficult. In addition, the study concentrated more on macro shocks than on explicit trade policy variables such as tariff rate or export intensity.

Abille and Meçik (2024) examined the macro-determinants of current account balance performance in 20 African countries over the period 2002 to 2020, while explicitly controlling for institutional conditions in a panel framework. The study found that trade openness was a significant determinant of current account performance and that, in the African context examined, greater openness was associated with persistent current account weakness, reflecting a pattern in which expanding trade had not translated into proportionate export strength. The authors estimated the model with panel techniques that accounted for governance and other macroeconomic factors, which made the analysis useful for understanding how international trade affected the balance of payments beyond simple export import totals. For the present study, the evidence was relevant because it suggested that openness could worsen external balance where import dependence and weak productive capacity dominated. Even so, the study relied on aggregate openness rather than separating export intensity, import

penetration, and tariff rate, and its broad continental grouping reduced country specific precision for policy inference.

Nguyen *et al.* (2024) approached the issue from the trade balance side by analysing African countries between 2003 and 2017 with panel corrected standard errors and robustness checks. Their findings showed that internet usage and mobile usage exerted significant negative effects on total and intercontinental trade balances, although they improved intra-African trade balances. They also reported that stronger institutions, taken alone, appeared to worsen total, intercontinental, and intra-African trade balances because they stimulated imports more than exports, but the combined effect of institutions with digital development became positive for trade balance, especially through exporting activities. This study was important for the present topic because it unpacked how trade related competitiveness and export capability influenced external balance rather than assuming that more cross border integration automatically improved the balance of payments. However, the principal explanatory variables were digital and institutional rather than direct trade policy proxies, and the use of trade balance instead of the broader balance of payments meant that capital account and transfer channels were left outside the empirical frame.

Onono (2024) added a regional integration perspective by examining how free trade affected intra-African bilateral trade balances among Kenya, Rwanda, Tanzania, and Uganda. The study showed that market liberalisation and regional integration had measurable effects on bilateral trade balances, indicating that freer trade arrangements altered the relative strength of exports and imports across partner countries rather than producing uniform gains for all participants. For the present discussion, this was important because it suggested that tariff reduction and liberalisation could improve or weaken balance of payment position depending on country competitiveness, trade structure, and the distribution of production capacity within the regional bloc. The paper therefore reinforced the need to treat tariff rate as a meaningful proxy in empirical work on trade and external balance. Still, the study concentrated on bilateral intra-African balances rather than overall national balance of payments, and its regional scope limited the broader generalisation of findings to countries with different trade partners, commodity structures, and exchange rate regimes.

Mallick (2023) investigated the factors driving current account performance in five South Asian economies, namely Bangladesh, India, Pakistan, Nepal, and Sri Lanka, using annual data from 1980 to 2020 and a vector autoregression framework. The study treated trade openness as a major international trade channel affecting external balance. The findings showed that exchange rate depreciation largely improved current account balances, while higher per capita income, trade openness, and net foreign capital inflows did not constitute major threats to current account deterioration across the sampled economies. However, the author still maintained that, in the context of sustained liberalisation and rising incomes, the economies could experience worsening external balances unless selective import restrictions and exchange rate stability were maintained. This made the study relevant because it linked trade liberalisation directly to balance of payments sustainability. Even so, the study relied on aggregate national data and broad trade openness measures, which masked the separate effects of export intensity, import penetration, and tariff rate. Its regional focus on South Asia also limited direct generalisation to African economies with different trade structures and foreign exchange constraints.

In another relevant contribution, Anwar *et al.* (2023) examined the determinants of the current account balance in the ASEAN-5 countries with panel data covering 1991 to 2021 and fixed effects estimation. Although the central concern of the paper was exchange rate behaviour, trade openness was explicitly included as a trade-related explanatory variable. The results showed that trade openness had a negative and significant effect on the current account balance, implying that greater openness in the ASEAN-5 had been accompanied by increased imports of goods and services strong enough to weaken the external balance. The study also reported that economic growth and FDI improved the current account balance, whereas exchange rate depreciation reduced it. For the present topic, the key implication was that international trade expansion did not automatically strengthen the balance of payments when import dependence rose faster than export capacity. Nonetheless, the paper remained limited by its use of a single aggregate openness ratio, which did not distinguish whether the adverse effect came from imports, tariffs, or weak export competitiveness. It was also published as a conference proceeding, which suggested a narrower empirical depth than a full journal article might have offered.

Oke and Adigun (2020) examined the relationship among capital inflow, trade openness, and current account balance in Nigeria using annual time series data and the ARDL bounds testing framework. The study found that trade openness exerted a positive effect on current account position, with the reported short run result indicating that an increase in the export to GDP ratio improved the current account balance by about 0.057. The authors also reported that foreign direct investment deteriorated the current account, while exchange rate, terms of trade, and real GDP were positively associated with current account performance. This study was highly relevant because it directly treated trade openness as a channel through which Nigeria's external balance responded to international transactions. However, the evidence remained constrained by its older time coverage, its aggregation of trade openness into a broad ratio, and its inability to separate the specific effects of export intensity, import penetration, and tariff rate, which would have offered a more policy precise interpretation for the present study.

Methodological Framework

This study adopted an ex-post facto research design, which was appropriate because the variables under investigation had already occurred and could not be manipulated by the researcher. Ex-post facto design involved the use of historical data to examine relationships among variables without direct experimental control. Given that export intensity, import penetration, tariff rates, and current account balance were macroeconomic outcomes determined by past policy actions and market forces, the design enabled objective analysis using secondary time-series data. The approach was suitable for assessing causal inferences based on observed economic trends while maintaining the integrity of real-world macroeconomic conditions.

The paper relied on annual time-series data covering the period 1986 to 2025. The data were quantitative in nature and consisted of macroeconomic indicators measuring international trade and balance of payments position. Specifically, data on current account balance (as a percentage of GDP), export intensity (exports of goods and services as a percentage of GDP), import penetration (imports of goods and services as a percentage of GDP), and tariff rate (applied, weighted mean, all products) were utilized. All data were sourced from the World Bank's World Development Indicators (WDI), which provides standardized, internationally comparable macroeconomic statistics. The use of secondary data ensured reliability, consistency, and comparability across the study period.

The study adapted and modified the model framework of Oke and Adigun (2020), who explored the nexus between capital inflow, trade openness, and current account balance in Nigeria. Consequently, the functional relationship for this study is expressed as follows:

$$CAB_t = \phi_0 + \phi_1 IMP_t + \phi_2 EXI_t + \phi_3 TAR_t + e_t \quad (1)$$

Where:

CAB is current account balance

IMP is Import penetration (import/gdp)

EXI is Export intensity (export/gdp)

TAR is tariffs

u_t = error term.

The empirical analysis commenced with the application of a unit root test to examine the stationarity properties of the time series variables. This preliminary diagnostic step was essential to determine whether the variables contained stochastic trends that could produce spurious regression results if left unaddressed. In this study, the Phillips–Perron (PP) unit root test, developed by Phillips and Perron (1988), was employed. Unlike the conventional Dickey–Fuller approach, the Phillips–Perron test corrected for serial correlation and heteroskedasticity in the error terms without requiring the inclusion of lagged difference terms, thereby providing

more robust estimates in the presence of autocorrelation. Establishing the order of integration of the variables was necessary to guide the appropriate econometric technique and ensure valid statistical inference. The Phillips–Perron test was estimated using the following regression equation:

$$\Delta Y_t = \alpha + \beta_t + \gamma Y_{t-1} + \varepsilon_t \quad (2)$$

where Y_t represented the variable under consideration, Δ denoted the first difference operator, t captured the deterministic time trend, and ε_t was the error term.

Following the unit root analysis, the study proceeded to examine the existence of a long-run equilibrium relationship among the variables using the Quantile Autoregressive Distributed Lag (QARDL) bounds cointegration approach, commonly referred to as the quantile bounds cointegration test. This technique, developed from the framework of Cho, Kim, and Shin (2015), extended the traditional ARDL bounds testing procedure by allowing the long-run relationship to vary across different quantiles of the dependent variable's conditional distribution. Unlike conventional cointegration tests that focused on mean effects, the quantile bounds approach enabled the assessment of whether cointegration held across lower, middle, and upper quantiles, thereby capturing potential asymmetries and heterogeneous dynamics within the data.

The application of the quantile bounds cointegration test was essential to determine whether a stable long-run relationship existed between international trade indicators and the current account balance, despite short-run fluctuations. Establishing cointegration ensured that the variables moved together over time and justified the estimation of both long-run and short-run parameters within the QARDL framework. The general representation of the model was expressed as:

$$Q_\tau(CAB_t | X_t) = \alpha(\tau) + \sum_{i=1}^p \beta_i(\tau) CAB_{t-i} + \sum_{j=0}^q \delta_j(\tau) X_{t-j} + \varepsilon_t(\tau) \quad (3)$$

where Q_τ denoted the conditional quantile at quantile τ , CAB_t represented the current account balance, X_t denoted the vector of explanatory variables, and $\varepsilon_t(\tau)$ was the quantile-specific error term.

After establishing the presence of a long-run cointegrating relationship among the variables through the quantile bounds testing procedure, the study advanced to estimating both the short-run adjustments and long-run coefficients using the Quantile Autoregressive Distributed Lag (QARDL) model. This technique was preferred because it extended the traditional ARDL framework by allowing parameter estimates to vary across different quantiles of the conditional distribution of the dependent variable. In doing so, it moved beyond average effects and captured potential asymmetries in how international trade indicators influenced the current account balance under different external balance conditions.

The QARDL approach was particularly suitable given its capacity to accommodate regressors integrated of order $I(0)$ and $I(1)$, while remaining robust in relatively small samples. Furthermore, by incorporating appropriate lag structures of both the dependent variable (current account balance) and the explanatory variables (export intensity, import penetration, and tariff rate), the model accounted for dynamic adjustments, persistence effects, and potential endogeneity common in macroeconomic time series data. This framework enabled the estimation of both immediate (short-run) responses and sustained (long-run) relationships across lower, median, and upper quantiles of the balance of payments position.

Thus, the unrestricted Quantile ARDL specification provided a comprehensive and flexible structure for analysing the dynamic interactions between international trade components and Nigeria's balance of payments position over the study period. The general form of the model was specified as:

$$\Delta Q_\tau(y_t) = \alpha(\tau) + \lambda(\tau)[y_{t-1} + \beta(\tau)' X_{t-1}] + \sum_{i=1}^{p-1} \gamma_i(\tau) \Delta y_{t-i} + \sum_{j=0}^{q-1} \delta_j(\tau)' \Delta X_{t-j} + \varepsilon_t(\tau) \quad (4)$$

Where:

$Q_{\tau}(y_t)$ denoted the conditional quantile τ of the dependent variable, $\mathbf{X}_t$ represented the vector of explanatory variables, and $\varepsilon_t(\tau)$ was the quantile-specific error term. The expression inside the brackets captured the long-run equilibrium relationship, while the coefficient $\lambda(\tau)$ measured the speed at which deviations from equilibrium were corrected over time. The differenced terms represented short-run adjustments.

Factoring in the variables of the study into equation (4), we have:

$$\Delta Q_{\tau}(CAB_t) = \varphi_0(\tau) + \lambda(\tau)[CAB_{t-1} - \varphi_1(\tau)EXI_{t-1} - \varphi_2(\tau)IMP_{t-1} - \varphi_3(\tau)TAR_{t-1}] + \sum_{i=1}^{p-1} \varphi_4(\tau)\Delta CAB_{t-i} + \sum_{j=0}^{q1-1} \varphi_5(\tau)\Delta EXI_{t-j} + \sum_{k=0}^{q2-1} \varphi_6(\tau)\Delta IMP_{t-k} + \sum_{l=0}^{q3-1} \varphi_7(\tau)\Delta TAR_{t-l} + u_t(\tau) \quad (5)$$

RESULTS AND DISCUSSIONS

Descriptive Statistics Results

The summary statistics in Table 1 offered useful preliminary evidence about the behavior of the variables over the study period and reinforced the earlier discussion that Nigeria's external sector had been marked by instability, policy shifts, and uneven trade performance.

Beginning with the current account balance (CAB), which measured the balance of payments position in this study, the mean value of 3.2755 showed that Nigeria recorded an average current account surplus of about 3.28 percent of GDP over the period. The maximum value of 20.79 percent indicated that in some years Nigeria experienced very strong external surpluses, while the minimum value of -3.70 percent showed that the country also recorded notable current account deficits. The standard deviation of 5.2292 further confirmed that CAB fluctuated considerably around its mean, suggesting that the balance of payments position was far from stable over time. In terms of distribution, the skewness value of 1.3755 indicated that the series was positively skewed, meaning that extreme positive values, such as large surpluses, occurred more prominently than extreme deficits. The kurtosis value of 4.8932, being greater than 3, showed that the distribution was leptokurtic, implying a relatively sharp peak and heavy tails. The Jarque-Bera statistic of 18.5876 with a probability value of 0.000092 indicated that CAB was not normally distributed.

Table 1: Summary Statistics

	CAB	EXI	IMP	TAR
Mean	3.275500	22.41425	17.07950	19.22900
Maximum	20.79000	41.70000	25.16000	91.27000
Minimum	-3.7	8.120000	8.230000	8.220000
Std. Dev.	5.229218	8.102017	4.703250	17.38117
Skewness	1.375542	0.354963	0.009581	2.914924
Kurtosis	4.893172	2.572289	1.763976	11.22491
Jarque-Bera	18.58761	1.144885	2.546872	169.3938
Probability	0.000092	0.564146	0.279868	0.000000
Observations	40	40	40	40

Source: Researcher's Computation Using EViews-14 (2026)

Export intensity (EXI), which captured exports as a percentage of GDP, had a mean of 22.4143. This implied that, on average, exports constituted about 22.41 percent of Nigeria's GDP during the study period, reflecting the considerable role of external trade in the economy. This was consistent with the historical importance of crude oil exports in Nigeria's trade structure. The maximum value of 41.70 percent suggested periods when export activity was exceptionally strong, likely corresponding with years of favorable oil prices and strong export receipts. On the other hand, the minimum value of 8.12 percent revealed that export performance also weakened considerably in some years, reflecting episodes of oil market downturns, production disruptions, or broader external shocks. The standard deviation of 8.1020 showed that export intensity varied notably across the years, confirming that Nigeria's export sector had not followed a stable trend. The skewness value of 0.3550 indicated a mild positive skewness, meaning the series had slightly more observations below the mean and a few relatively high export incidents above the mean. The kurtosis value of 2.5723, which was slightly below 3, suggested a distribution that was close to normal but somewhat flatter than a perfectly normal distribution. The Jarque-Bera statistic of 1.1449 with a probability of 0.5641 showed that the null hypothesis of normality could not be rejected.

Import penetration (IMP), measured as imports relative to GDP, recorded a mean of 17.0795, indicating that imports accounted for an average of about 17.08 percent of Nigeria's GDP during the period under review. This confirmed that foreign goods and services occupied a significant place in the domestic economy, consistent with earlier observations about Nigeria's dependence on imported manufactured goods, machinery, refined petroleum products, and intermediate inputs. The maximum value of 25.16 percent showed that import dependence was particularly high in some years, while the minimum value of 8.23 percent pointed to periods when imports were compressed, possibly due to foreign exchange shortages, trade restrictions, or recessionary pressures. The standard deviation of 4.7033 suggested moderate variability in import penetration, lower than that of export intensity and much lower than that of tariff rate. The skewness value of 0.0096 was almost zero, indicating that the distribution of import penetration was nearly perfectly symmetrical. The kurtosis value of 1.7640, which was clearly below 3, suggested a platykurtic distribution, meaning that the series was flatter than a normal distribution and less prone to extreme values. The Jarque-Bera statistic of 2.5469 with a probability of 0.2799 indicated that import penetration was normally distributed.

Tariff rate (TAR) displayed the most dramatic pattern among the explanatory variables. Its mean value stood at 19.2290, showing that the average weighted tariff rate over the study period was about 19.23 percent. While this average pointed to a moderately protective trade regime overall, it concealed substantial historical swings in trade policy. The maximum value of 91.27 percent was extremely high and indicated that Nigeria passed through periods of intense protectionism, particularly in years when tariffs were used aggressively to restrict imports and protect domestic industries. By contrast, the minimum value of 8.22 percent showed that tariff rates later declined sharply, reflecting phases of trade liberalization and reform. The standard deviation of 17.3812 was very large, confirming that tariff policy changed substantially over the years and was by far the most volatile of all the variables. This aligned with the earlier discussion that Nigeria's trade policy had oscillated between protectionist and liberal regimes. The skewness value of 2.9149 revealed a strongly positive skew, indicating that while most tariff observations clustered at relatively lower values, there were a few extremely high tariff episodes that pulled the distribution to the right. The kurtosis value of 11.2249 was exceptionally high, showing that the tariff series was highly leptokurtic, with a sharp peak and very heavy tails. This implied the existence of extreme outliers and unusual observations, which matched the historical pattern of abrupt policy changes in tariff administration. The Jarque-Bera statistic of 169.3938 with a probability of 0.0000 confirmed that tariff rate was not normally distributed.

Unit Root

The unit root test results in Table 2 showed mixed orders of integration among the variables, which further justified the use of an autoregressive distributed lag type framework in the study. Starting with the current account balance (CAB), the Augmented Dickey-Fuller result at level, with a test statistic of -2.684525, was not more negative than the critical value of -3.529758, indicating that the series was not stationary in its level form. However, after first differencing, the Phillips and Perron statistic became -5.171622, which exceeded the critical value of -4.226815 in absolute terms and was significant at the 1 percent level. Thus, CAB was integrated of order one, $I(1)$.

Table 2: Summary of Phillips and Perron Unit Root Test Results

Variable	Phillips and Perron Test @ Levels	Phillips and Perron Test @ 1 st Difference	Order of Integration
CAB	-2.684525 (-3.529758)	-5.171622 (-4.226815)*	I(1)
EXI	-4.130644 (-3.529758)**	-	I(0)
IMP	-3.998182 (-3.529758)**	-	I(0)
TAR	-1.549846 (-3.562882)	-16.86563 (-4.296729)*	I(1)

Note: *, and ** significant at 1 and 5%.

Source: Researcher's Computation Using EViews-14 (2026)

For export intensity (EXI), the Phillips and Perron statistic at level was -4.130644, which was more negative than the 5 percent critical value of -3.529758. This indicated that the null hypothesis of a unit root was rejected at level, meaning that export intensity was stationary without the need for differencing. Therefore, EXI was integrated of order zero, I(0).

Import penetration (IMP) also exhibited stationarity at level. Its Phillips and Perron test statistic of -3.998182 was more negative than the critical value of -3.529758 and was significant at the 5 percent level. This result showed that import penetration did not possess a unit root and was stationary in its level form. Hence, IMP was also integrated of order zero, I(0).

Tariff rate (TAR), by contrast, was not stationary at level. The Phillips and Perron statistic of -1.549846 was less negative than the critical value of -3.562882, indicating failure to reject the null hypothesis of a unit root in levels. However, at first difference, the test statistic sharply declined to -16.86563, which was far more negative than the critical value of -4.296729 and significant at the 1 percent level. This confirmed that tariff rate became stationary after first differencing. Accordingly, TAR was integrated of order one, I(1).

Quantile Cointegration

The quantile bounds cointegration results in Table 3 provided strong evidence of a long-run relationship among the variables included in the model. At the centre of the interpretation was the F-statistic value of 32.24224, which was compared with the critical bounds' values at the 5 percent level of significance.

Table 3: Quantile Bounds Test Results

Test Statistic	Value	Critical Values		
F-statistic	32.24224			
	Sample Size	10%	5%	1%
I(0)	30	2.676	3.272	4.614
I(1)	30	3.586	4.306	5.966
I(0)	35	2.618	3.164	4.428
I(1)	35	3.532	4.194	5.816

I(0)	Asymptotic	2.37	2.79	3.65
I(1)	Asymptotic	3.2	3.67	4.66

Source: Researcher's Computation Using EViews-14 (2026)

Under the bounds testing decision rule, cointegration was confirmed when the computed F-statistic exceeded the upper bound critical value, denoted as I(1). In this case, the F-statistic was far greater than the 5 percent upper bound values reported for all relevant sample structures. For sample size 30, the upper bound critical value at 5 percent was 4.306; for sample size 35, it was 4.194; and under the asymptotic case, it was 3.67.

Model Estimation and Interpretations

The paper had established the existence of a long-run cointegrating relationship between international trade and Nigeria's balance of payments position. Having confirmed this equilibrium association, the analysis proceeded to estimate the Quantile ARDL Error Correction Model (QARDL–ECM) together with the long-run coefficients. The QARDL–ECM result was particularly useful because it showed how short-run deviations in the current account balance adjusted back toward long-run equilibrium across the 50th quantiles of the distribution.

Table 4: Quantile ARDL Results

Variable	Coefficient	Std. Error	t-Statistic	Prob.*
Cointegrating Equation				
COINTEQ	-0.2665	0.0355	-7.5069	0.0003
Short-run Regressors				
Linear: Dependent				
D(CAB(-1))	1.8928	0.2824	6.7029	0.0005
D(CAB(-2))	4.3466	0.6084	7.1443	0.0004
Linear: Independent				
D(EXI)	2.9432	0.4018	7.3243	0.0003
D(EXI(-1))	-2.5131	0.3781	-6.6461	0.0006
D(EXI(-2))	-2.2319	0.287	-7.7766	0.0002
D(EXI(-3))	-0.3311	0.0986	-3.3594	0.0152
D(EXI(-4))	0.9634	0.1796	5.3632	0.0017
D(IMP)	-1.9941	0.295	-6.7588	0.0005
D(IMP(-1))	19.667	2.6366	7.4591	0.0003
D(IMP(-2))	18.504	2.3999	7.7103	0.0002
D(IMP(-3))	13.3512	1.7377	7.6832	0.0003

D(IMP(-4))	7.1986	0.9641	7.4667	0.0003
D(TAR)	0.0253	0.0402	0.6295	0.5522
D(TAR(-1))	-0.1098	0.0418	-2.6279	0.0392
D(TAR(-2))	-0.3475	0.0561	-6.1968	0.0008
D(TAR(-3))	-0.1061	0.0408	-2.5986	0.0407
D(TAR(-4))	0.5879	0.0909	6.4687	0.0006
Cointegrating Coefficients				
Variable	Coefficient	Std. Error	t-Statistic	Prob.
EXI	4.3070	0.5229	8.2366	0.0002
IMP	-19.3775	2.8539	-6.7899	0.0005
TAR	0.9144	0.2021	4.5233	0.0040
C	208.7979	32.1029	6.5040	0.0006

Source: Researcher's Computation Using EViews-14 (2026)

The error correction result from the cointegrating equation showed that the coefficient of COINTEQ was -0.2665, with a t-statistic of -7.5069 and a probability value of 0.0003. The negative sign and statistical significance at the 5 percent level were particularly important. In error correction modelling, the coefficient of the cointegrating term was expected to be negative and significant for a valid long-run equilibrium adjustment process to exist. Therefore, this result confirmed that whenever the balance of payment position deviated from its long-run equilibrium path due to short-run shocks, there was a natural tendency for adjustment to occur over time. In magnitude terms, the coefficient of -0.2665 implied that approximately 26.65 percent of the previous period's disequilibrium in Nigeria's balance of payments position was corrected within one period.

The quantile cointegrating coefficients revealed that, Export intensity (EXI) had a positive coefficient of 4.3070, with a t-statistic of 8.2366 and a probability value of 0.0002, indicating statistical significance at the 5 percent level. This showed that, in the long run, a one-percentage-point increase in export intensity, measured as exports of goods and services as a share of GDP, was associated with an increase of about 4.307 percentage points in the balance of payment position.

Import penetration (IMP) recorded a negative coefficient of -19.3775, with a t-statistic of -6.7899 and a probability value of 0.0005, making it also significant at the 5 percent level. This implied that a one-percentage-point increase in import penetration, measured as imports of goods and services relative to GDP, was associated with a decline of about 19.378 percentage points in the balance of payment position in the long run. The negative sign suggested that rising import dependence exerted pressure on Nigeria's external balance, likely through greater foreign exchange outflows.

Tariff rate (TAR) had a positive coefficient of 0.9144, with a t-statistic of 4.5233 and a probability value of 0.0040, showing that it was statistically significant at the 5 percent level. This meant that a one-percentage-point increase in the applied weighted mean tariff rate was associated with an improvement of about 0.914 percentage points in balance of payment position over the long run.

DISCUSSION OF FINDINGS

Findings from the paper showed that export intensity had a positive and significant impact on Nigeria's balance of payments position. The implication of this result was that stronger export performance improved the country's external earnings capacity and supported a healthier current account outcome over time. In the Nigerian context, this finding suggested that when exports constituted a larger share of GDP, the economy was better able to generate foreign exchange needed to finance imports and other external obligations. This was particularly relevant for an economy where export receipts had historically remained central to external sector stability. The finding was consistent with the position of Köse and Emre (2024), who reported that terms of trade and production-related export conditions exerted positive effects on current account performance in Turkey, implying that stronger export-side conditions could support external balance. It also aligned, in broad terms, with Mallick (2025), who showed for India that export promotion remained essential for sustaining current account adjustment in the long run. However, the result differed from the conclusion of Torrejón-Flores et al. (2024), who argued that not every form of export specialization necessarily improved current account outcomes, especially where trade composition weakened external competitiveness.

The paper also found that import penetration had a negative and significant impact on Nigeria's balance of payments position. This implied that rising imports as a share of GDP weakened the current account balance, largely because greater dependence on foreign goods and services increased external payments and placed pressure on foreign exchange resources. For Nigeria, this finding reflected the long-standing structural challenge of heavy reliance on imported consumer goods, industrial inputs, machinery, and petroleum products. Where imports rose faster than the economy's capacity to earn foreign exchange, the balance of payments position became more vulnerable. This outcome agreed with Anwar et al. (2023), who found that trade openness had a negative and significant effect on the current account balance in the ASEAN-5 countries because import expansion outweighed export gains. It also supported Abille and Meçik (2024), whose study of African economies revealed that greater trade openness was associated with persistent current account weakness, especially where productive capacity remained insufficient to match growing import demand. In a related sense, Mallick (2023) warned that under sustained liberalisation and rising income, external balances could deteriorate unless imports were selectively restrained. Thus, the present finding reinforced the argument that import dependence remained a major source of external imbalance in developing economies.

Furthermore, the paper revealed that tariff rate had a positive and significant impact on Nigeria's balance of payments position. The implication of this finding was that increases in tariff protection tended to improve the current account balance, possibly by discouraging excessive import demand and reducing pressure on external payments. In the Nigerian case, this suggested that trade policy instruments still mattered for external sector management, especially in an environment where domestic production had not fully displaced import dependence. The result lent support to Onono (2024), who showed that trade liberalisation and freer trade arrangements altered trade balances in unequal ways across African economies, implying that tariff changes could shape external outcomes depending on competitiveness and production structure. The finding also resonated with Mallick (2023), who maintained that selective import restrictions could help prevent worsening current account balances in liberalising economies. At the same time, it contrasted with the broader liberalisation view in some empirical studies that openness necessarily enhances efficiency and external performance. Instead, the present result suggested that in economies with fragile productive capacity, tariff policy could still play a stabilising role in managing the balance of payments position.

CONCLUSION AND RECOMMENDATIONS

The study has revealed that international trade remained an important determinant of Nigeria's balance of payments position over the period 1986 to 2025. The analysis showed that export intensity exerted a positive and significant effect on the balance of payment position, implying that stronger export performance was associated with an improved external position. Import penetration, on the other hand, had a negative and significant effect, indicating that increasing dependence on imports weakened the balance of payments position through greater external payment pressures. Tariff rate was found to have a positive and significant effect, suggesting that trade policy still mattered in moderating external imbalance.

The paper made the following recommendations:

- i. Based on the finding that export intensity improved Nigeria's balance of payments position, the first recommendation is that Nigeria should pursue an aggressive export-deepening strategy centered on non-oil exports rather than continued reliance on crude oil receipts. The Federal Ministry of Industry, Trade and Investment should lead the design of a national export diversification programme targeted at agro-processing, petrochemicals, solid minerals beneficiation, light manufacturing, and tradable services. This should be implemented jointly with the Nigerian Export Promotion Council (NEPC), which should expand firm-level export readiness schemes, product certification support, and market access intelligence for exporters.
- ii. Since import penetration was found to weaken the balance of payments position, Nigeria should adopt a selective import management framework that reduces excessive dependence on goods that can be competitively produced at home, while preserving access to essential capital and intermediate goods. The Federal Ministry of Finance, in collaboration with the Federal Ministry of Industry, Trade and Investment and the Nigeria Customs Service, should identify priority import categories for phased domestic substitution, particularly refined petroleum products, basic food imports, pharmaceuticals, textiles, and selected industrial inputs. The CBN should support this effort through targeted credit windows for domestic producers in strategic sectors, while the Bank of Industry should finance local manufacturing clusters capable of replacing heavily imported goods.
- iii. Given that tariff rate showed a positive contribution to the balance of payments position, tariff policy should be used more strategically, but not arbitrarily. The Nigeria Customs Service, Federal Ministry of Finance, and the Tariff Technical Committee should periodically review the tariff structure to ensure that higher tariffs are applied to finished goods that have viable domestic substitutes, while lower tariffs are maintained for machinery, industrial equipment, raw materials, and critical production inputs. This would avoid a policy mix that protects consumption imports while penalizing domestic production. The National Assembly, especially its committees on finance and trade, should strengthen oversight of tariff reforms to ensure consistency and reduce frequent reversals that create uncertainty for investors and producers. In addition, the Standards Organisation of Nigeria (SON) and National Agency for Food and Drug Administration and Control (NAFDAC) should tighten quality control at the borders so that tariff protection is not undermined by substandard imports entering the domestic market. Tariff policy should therefore be linked to industrial policy, not treated merely as a revenue instrument.

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APPENDICES

Table: Data Presentation

Year	Current account balance (% of GDP)	Import Penetration (% Import/GDP)	Export Intensity (% Export/GDP)	Tariff rate, applied, weighted mean, all products (%)
1986	0.38	20.50	17.10	21.63
1987	-0.14	24.67	28.61	22.41
1988	-0.60	22.03	23.12	23.80
1989	2.48	25.16	32.69	24.69
1990	9.23	17.69	35.34	24.83
1991	2.02	23.18	41.70	25.08
1992	4.36	23.52	37.51	25.32
1993	-1.38	13.65	20.07	58.30
1994	-2.65	9.51	13.55	74.79
1995	-0.57	15.37	24.16	91.27
1996	0.59	17.23	23.02	16.06
1997	0.08	22.81	28.65	16.21
1998	-0.55	21.13	18.14	16.21
1999	0.86	13.12	21.33	19.77
2000	10.74	12.97	36.02	19.99
2001	3.37	21.43	28.25	21.47
2002	1.14	16.80	23.24	18.45
2003	3.24	22.58	26.75	20.62
2004	12.40	11.64	20.25	14.98

2005	20.79	12.03	21.03	9.34
2006	15.31	13.05	29.52	9.40
2007	9.94	18.10	21.24	9.60
2008	8.59	15.13	25.67	9.79
2009	4.70	17.43	18.63	9.83
2010	3.57	17.66	25.66	10.70
2011	2.57	21.66	31.62	10.15
2012	3.74	12.99	31.55	10.43
2013	3.66	13.00	18.05	10.07
2014	0.16	12.45	18.44	11.34
2015	-3.13	10.67	10.67	8.22
2016	1.25	11.50	9.22	8.52
2017	3.61	13.18	13.17	10.44
2018	1.73	17.51	15.50	11.36
2019	-2.88	19.80	14.22	11.90
2020	-3.70	8.23	8.12	12.37
2021	-0.74	11.84	10.74	12.20
2022	0.21	16.65	14.30	9.34
2023	1.77	22.73	19.12	9.30
2024	9.17	21.88	19.89	9.50
2025	5.70	20.70	20.71	9.48

Sources: IndexMundi. (2025). *Nigeria - Imports of goods and services (% of GDP)*. Retrieved December 13, 2025, from <https://www.indexmundi.com/facts/nigeria/imports-of-goods-and-services>

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