2 Nigeria Logistics Infrastructure

Nigeria has relatively advanced transport infrastructure networks that cover extensive areas of the nation’s territory. Although overall transport infrastructure is inadequate, the country has made progress over the course of 2017 and 2018 in alleviating urban congestion, investing in critical infrastructure projects and increasing private sector participation in the development of transport arteries.

Due to its abundant petroleum revenues, Nigeria is better placed than many of its African neighbours to increase the share of fiscal resources going to infrastructure. The Government has also been advocating the increasing use of public-private partnerships for several transport projects.

Air Transport

According to the Nigerian Civil Aviation Authority (NCA) Nigeria is home to 20 airports, 23 active domestic airlines and it is served by 22 foreign carriers. Two of its largest airports are Murtala Muhammed International Airport in Lagos, and Nnamdi Azikiwe International Airport (NAIA) in Abuja; the former accounts for over 60% of total passenger and aircraft movements. Calabar, Kano and Port Harcourt are also home to international airports.

Ports

Nigeria is home to 853km of Atlantic Ocean coastline spanning seven southern states.

After a comprehensive reform of the port sector, beginning in 2000, the ports have undergone a major overhaul with operational management being converted to a landlord model. In the 10 years since 2006, as a result of public-private partnerships (PPPs) Deloitte reports that terminal operators made a combined N200bn ($646.6m) of investment in new port infrastructure. Major outlays included rubber-tyred gantry cranes, mobile harbour cranes, trucks, buildings, quays, inland container depots, terminal lighting, automated tracking systems, generators, plants and machinery. A number of key challenges remain, and there is also a need to improve both marine and landside access to ports.

Rail

Nigeria’s railway network is dilapidated and vastly underutilised. The Nigerian Rail Corporation (NRC) reports that the current network is comprised of eight lines, 3505km route of 1067-mm lines, as well as a 19km, 1067-mm gauge extension from Port Harcourt to the deepsea Onne Port, and 277km of standard, 1435-mm gauge track running between Ajaokuta and Warri via Itakpe.

In August 2017, the federal government announced it had begun a $41bn railway expansion plan aiming to boost economic diversification by improving shipping networks between seaports and the interior. The government plans to build two new railway lines: an 1100km line connecting its two largest cities, Lagos and the northern city of Kano, which will carry freight and passengers, as well as a coastal railway connecting Lagos to Calabar in the east.

Roads

Roads are the mainstay of Nigeria’s transport network. Nigeria has developed an extensive national network of roads and bridges. Nigeria’s roads carry more than 90 percent of domestic passengers and freight. Road network conditions are generally quite patchy, alternating between good, fair and poor across the country. Few areas remain unconnected to national backbones, and those are generally concentrated in the central, western and eastern parts of the country. Nigeria’s regional connections are fair, with a number of transnational corridors. These include connections to neighbouring countries like Niger, Chad, Cameroon and Benin, as well as coastal roads joining routes to Dakar in Senegal or Abidjan in Cote d’Ivoire. The Trans-Sahara Highway connects Nigeria with Algeria via Niger. A cross-African route, the Lagos Mombasa Highway, links Nigeria, Cameroon, the Central African Republic, the DRC, Uganda and Kenya. The country has adopted several important measures aimed at boosting private investment in the roads sector, including a tax incentives scheme and the establishment of new toll booths on major highways.