

MINISTRY OF EDUCATION AND SCIENCE OF UKRAINE  
SUMY STATE UNIVERSITY  
Academic and Research Institute of Business, Economics and Management  
Department of International Economic Relations

Bot Samuel  
**QUALIFICATION PAPER**

on the topic " NIGERIA EXPORT POTENTIAL AND WAYS TO REALIZE IT "  
Specialty 292 "International Economic Relations"

Student 4<sup>th</sup> course  
group ME-71an

Bot Samuel

It is submitted for the Bachelor's degree requirements fulfillment.

Qualifying Bachelor's paper contains the results of own research. The use of the ideas, results and texts of other authors has a link to the corresponding source.

Bot Samuel

Research advisor

Professor

PhD, Associate  
Domashenko M.D.

Sumy, 2021

## ABSTRACT

on bachelor's degree qualification paper on the topic  
« NIGERIA EXPORT POTENTIAL AND WAYS TO REALIZE IT »

student

Bot Samuel

The main content of the bachelor's degree qualification paper is presented on 38 pages, including references consisted of 32 used sources, which is placed on 3 pages. The paper contains 1 figures and 3 tables.

Keywords: POTENTIAL, EXPORT, EXPORT POTENTIAL, COMPETITIVENESS.

The purpose of the work is to analyze the dynamics of the efficiency of Nigeriya's foreign trade, study the trend and identify ways to improve all indicators of trade development, improve trade efficiency.

The object of the research are the main indicators that show the level of development of foreign trade.

Subject of study are the forms and methods of foreign trade research.

Methods that were used in the study of this work: abstract-logical, deduction, induction, theoretical generalization, statistical method, comparative analysis etc.

The information base of this work is – materials from the Internet resources, publications of Ukrainian and foreign authors, financial reports of international companies.

The main scientific results are:



1. Setting goals creation of export-oriented industries to manufacture of component products that come from the border.
2. Increase in the share of mechanical engineering products in exports.
3. Realization of the advantages received as a result of creation of unique high technologies, in particular in the aerospace industry , production from number and products of dual purpose, power branch , power engineering, electric welding.

The year of qualifying paper fulfillment is 2021.

The year of paper defense is 2021.



MINISTRY OF EDUCATION AND SCIENCE OF UKRAINE  
SUMY STATE UNIVERSITY  
Academic and Research Institute of Business, Economics and Management  
Department of International Economic Relations

APPROVED BY  
Head of the Department

\_\_\_\_\_  
(academic degree, academic rank)

\_\_\_\_\_  
(signature)                      (full name)

«\_\_» \_\_\_\_\_ 20\_\_ .

TASKS FOR BACHELOR'S DEGREE QUALIFICATION PAPER

(specialty 292 " International Economic Relations " )  
4<sup>th</sup> year course, group ME-71an

Bot Samuel

1. The theme of the paper is « Nigeria export potential and ways to realize it » approved by the order of the university from « 19 »\_ 04\_\_ 2021 № 0193 VI.
2. The term of completed paper submission by the student is 14.06. 2021
3. The purpose of the qualification paper is to analyze the dynamics of the efficiency of Nigeriya's foreign trade, study the trend and identify ways to improve all indicators of trade development, improve trade efficiency.
4. The object of the research are the main indicators that show the level of development of foreign trade.
5. The subject of the research are the forms and methods of foreign trade research.
6. The qualification paper is carried out on materials from the Internet resources, publications of Ukrainian and foreign authors, statistical databases.
7. Approximate qualifying bachelor's paper plan, terms for submitting chapters to the research advisor and the content of tasks for the accomplished purpose is as follows:

Chapter 1 The essence of foreign trade as a system of economic relations and its features functioning, deadline – 05.05.2021

Chapter 1 deals with researching the next tasks:

- to consider foreign trade as a system of economic relations;
- to define Main indicators of foreign trade.

Chapter 2 Practical aspect of export policy orientation, deadline – 01.06.2021

Chapter 2 deals with researching the next tasks:

- to analyze of the structure of exports of Nigeria;
- to analyze features of foreign trade activities of the federative Republic of Nigeria in modern conditions

Chapter 3 Development of agricultural exports: problems and prospects:

- to consider export of agricultural products as a strategy for diversifying the economy of Nigeria
- to define prospects for the development of export-oriented agricultural sectors.

8. Supervision on work:

Chapter	Full name and position of the advisor	Date, signature	
		task issued by	task accepted by
1	PhD, Associate Professor Domashenko M.D.		
2	PhD, Associate Professor Domashenko M.D.		
3	PhD, Associate Professor Domashenko M.D.		

9. Date of issue of the task: « \_\_\_\_ » \_\_\_\_\_ 20 \_\_

Research Advisor:

\_\_\_\_\_

(signature)

Domashenko M.D.

The tasks has been received:

\_\_\_\_\_

(signature)

Bot Samuel

## CONTENT

<b>INTRODUCTION</b>	7
<b>1 THE ESSENCE OF FOREIGN TRADE AS A SYSTEM OF ECONOMIC RELATIONS AND ITS FEATURES FUNCTIONING</b>	9
1.1 Foreign trade as a system of economic relations	9
1.2 Main indicators of foreign trade	11
<b>2 PRACTICAL ASPECT OF EXPORT POLICY ORIENTATION</b>	14
2.1 Analysis of the structure of exports of Nigeria	14
2.2 Features of foreign trade activities of the federative Republic of Nigeria in modern conditions	20
<b>3. DEVELOPMENT OF AGRICULTURAL EXPORTS: PROBLEMS AND PROSPECTS</b>	28
3.1 Export of agricultural products as a strategy for diversifying the economy of Nigeria	28
3.2 Prospects for the development of export-oriented agricultural sectors	32
<b>CONCLUSION</b>	35
<b>REFERENECEES</b>	37
<b>ADDITIONS</b>	41

## INTRODUCTION

Foreign trade, or quite often you can find international trade - is the primary form of international economic relations, which was initiated before the formation of a market economy and was its predecessor. At present, foreign trade occupies a leading position in the system of international relations. The exchange of goods and services at the international level is a prerequisite, consequence and cause of the international division of labor. In addition, foreign trade is a major factor in ensuring the stable functioning of the world farms. In its evolution, it has gone from single primitive forms of exchange - barter and to long - term large - scale trade and economic forms of cooperation.

If also talk about the impact of foreign trade in the modern world, it is, in general, in a display of international trade limits the dominance of monopolies and encourage competition. Growing competition from foreign firms is forcing local firms to move to high-quality production technologies that provide maximum profits and production of goods at minimum cost. In its turn, the transition to the new technology creates using the most advanced achievements in the field of science and technology, which in general contributes to improving the quality of products, increase productivity and economic and social development of the country in general. Free exchange of products allows a wider choice of goods and services. In recent years, the exchange between countries in the field of science and technology has become especially widespread , trade in traditional (machinery and equipment, insurance, tourism, resources) and new (collection, storage and transmission of information, consulting and consulting services, etc.) services is growing .

Consequently, foreign trade - it's tools by means of which carried out the development of specialization, increasing the productivity of resources and power production, which leads to an increase in the volume of production

Now we can say that the topic of my course work is quite relevant, because in today's global economic environment, foreign trade occupies a leading position, and

is an important means of maintaining ties between countries, as for Nigeriya, the development of foreign trade is a way to integrated society.

The object of the work are the main indicators that show the level of development of foreign trade.

The subject of the work are the forms and methods of foreign trade research.

The purpose of the work is to analyze the dynamics of the efficiency of Nigeriya's foreign trade, study the trend and identify ways to improve all indicators of trade development, improve trade efficiency.

In accordance with the goal there is a need to solve the following tasks :

- find out the essence of foreign trade;
- determine what characterizes foreign trade;
- make an analysis of all indicators of foreign trade;
- to study the specifics of the development trend of Nigeria's foreign trade;
- identify problems and prospects for Nigeria's development in the world economy.



# 1. THE ESSENCE OF FOREIGN TRADE AS A SYSTEM OF ECONOMIC RELATIONS AND ITS FEATURES FUNCTIONING

## 1.1 Foreign trade as a system of economic relations

World economic relations are realized in the world market, which is a sphere of established international economic relations. They are manifested in the world market through the main forms of IEA - international trade, which is based on foreign trade of individual countries, international labor migration, international capital movements, as well as monetary relations.

These forms are connected among themselves, influence one to another, creating additional incentives for mutual development and a single cohesive system. Thus, for example, trade creates conditions for international investment and movement of capital, in its turn provides incentive for the creation of new trade links and migration of labor. Thus, the basis and central link of world economic relations has always been and is international trade. International Trade - the concept is very broad and covers trade in all countries in general, and if the same talk about the foundation and of its components, it should be noted that in the basis of international trade is the foreign trade of individual countries. According to Jeffrey Sachs, foreign trade currently accounts for 80 % of all international economic relations. Foreign trade for each country is an opportunity to integrate into the world market and develop the country's potential. It is a form of communication between a producer of one country and consumers of different countries. The principles of foreign trade originated a long time ago, for example, initially the exchange of goods between countries was carried out as follows: a small part of the country's products was involved, and the exchange itself was carried out mainly between neighboring land and not always been established and regulated. Later, in the era of capitalism, when each country's exports had to exceed its imports, foreign trade took on new features - certain primitive agreements began to be concluded between countries to avoid

some problems and prevent the risk of non-delivery of goods after payment. That is, it was during this period that foreign trade acquired a new significance, and also stimulated the deepening of production differentiation, which, in the end, led to its departure beyond national borders. Initially, only the most developed countries took part in the exchange of goods, and only with the development of commodity production did more and more countries become involved in it, which led to the emergence of the world market. Experts attribute the origin of the world market to the XVI century, when capitalism was at the manufacturing stage of development. But already at the beginning of the XIX century. The world market was characterized by well- developed forms of trade, economic and financial relations. Thus, we can say that foreign trade single country has become an impetus to the emergence of established international economic relations, which in turn is the key to the functioning of the global market.

As I have already pointed out, foreign trade is a form of international trade for the national economy of a certain country. Foreign trade (FT) is trade of one country with others, which consists of paid export (export) and import (import) of goods and services [7]. Foreign trade is the basic direction of economic activity subjects of foreign economic activity (FEA). Foreign trade operations account for 80% of all operations involving foreign economic activity subjects of the world economy. This means that in external trade in the first place, and reveals the main content of economic activity subjects of foreign trade.

Foreign trade is a relationship between the subjects of foreign economic activity on the purchase and sale of goods, capital, labor and services. The specific content of foreign trade finds its expression in the activities of different actors of the world economy.

On the criterion of entities that carry out foreign trade operations can be identified:

1. Foreign trade of the state is a set of export-import operations of a separate country, ie operations of purchase and sale of goods and services from one country to another .

2. External trade in individual subjects of foreign economic activity - is a set of export- import operations, which makes each of them separately, not the country in general, and separate its subject one or another industry [7].

## **1.2 Main indicators of foreign trade**

The country's foreign trade is characterized by certain indicators. Therefore, the main indicators include:

1. On the criteria of volume of foreign trade sub 'objects FEA distinguished:

1.1. Export - is the sale of goods across the state border, to another country and their movement across the customs border of the country - the location of the exporter - the country that sells the goods. It can be measured as the number of funds so and the number of sales. To export may also belong to the sale of goods and services to foreign residents without their removal by overseas countries merchant exporter.

1.2. Re-export - is the sale of goods, which most were brought to the territory of the country from another country, but now they have to be re- sales. The volume of re-exported goods included to the composition of exports and recorded as exports

1.3. Imports of foreign economic activity - is buying goods from foreign entities and their import to the territory of the importing country , including the purchase of goods, which are intended for personal use by national organizations and agencies that are on -line cranes importer. Import calculated as and in value, so also in quantity units.

1.4. Re-import of foreign trade entities is the import of goods that were previously exported from the country and were not subject to processing.

1.5. The foreign trade turnover of the subjects of foreign economic activity is an indicator that characterizes the volume of foreign trade of the country, ie it is the sum of exports and imports for a certain period of time, usually calculated for 1 year.

1.6. The volume of foreign trade of foreign economic activity - assessment of export or import of goods in constant prices one period (usually a year) to obtain information about the movement of commodity weight without impact fluctuation in prices.

1.7. General sale of foreign economic activity - made world designations trade turnover of considering the cost of transit goods. Shows the total foreign import, export and transit of goods, ie calculated as the sum of exports, imports and transit.

1.8. Special trade is the net foreign trade turnover, ie goods and services that have been finally exported (exported) and imported, which are not subject to re-export and re-import.

If we take the classification of indicators by the criterion of structure, then distinguish :

- Commodity structure of foreign trade - includes the division into commodity structure of exports and imports. Structure of exports - this division and unification for certain features together goods that are intended for export from the country and the commodity structure of imports - according systematization for certain features groups of goods imported to the country.

- The geographical structure of foreign trade is also divided separately into the structure of exports and imports. If you also take in general, is the geographical structure - is the distribution of goods to countries with which they are delivered, or where they are exported.

- The institutional structure of foreign trade is the distribution of foreign trade, which depends on the subjects and methods of export-import operations.

According to the criterion of the effectiveness of foreign trade operations , the following indicators are distinguished :

- The trade balance is the difference between the value of exports and imports of goods over a period of time (month, quarter, year). In this regard, there are: - a positive trade balance - this means that the value of exports exceeds the value of imports, ie the country exports more ; - a negative balance of trade balance of subjects of foreign economic activity - cost imports
  - greater than the value of exports, ie the purchase of goods or services exceeds their sales.
  - Foreign trade condition index - the indicator is calculated as the ratio of export prices to imported goods. If this figure is  $> 1$ , then for each unit of exported goods you can buy more imported, and vice versa. If the indicator = 1, it means equilibrium in export-import operations.

Foreign trade as an independent sector of the economy can not function , which is why there are a number of standards, regulations, laws under which the exchange of goods and services, which in turn ensure the stability of international trade. But to ensure this stability, it is necessary to carry out state regulation of foreign trade. The basic principle on which operates each state are: restriction of imports ( applied duty quotas, licenses and other trade restrictions) and an increase in the volume of exports ( provided certain export subsidies). According to this, all instruments of state regulation are divided in two categories - customs and not bonded. It is also worth noting that the state in order to protect its domestic market from foreign goods may pursue a policy of protectionism - strict application of trade restrictions. This policy has both positive aspects - the development, support and promotion of domestic producers, and negative - can lead to increased monopoly, which in turn will reduce the competitiveness of certain goods, as well as stagnant economic development. That is why most countries choose a combination of two policies, protectionism and *frytrederstva* - free trade - which involves minimal interference of the state in the course of commodity processes [17].

## 2. PRACTICAL ASPECT OF EXPORT POLICY ORIENTATION

### 2.2 Analysis of the structure of exports of Nigeria

According to 2017 data, Nigeria's economy was the largest on the African continent, generating about 67.6% of the total GDP of West African countries. At the same time, the GDP of Nigeria in 2017 amounted to USD 375.8 billion, South Africa was in second place (USD 349.5 billion). According to a number of international organizations and agencies, Nigeria is gradually recovering from the recession, showing moderate GDP growth (according to preliminary data, Nigeria's GDP growth was 2.1% in 2018). In the medium term, growth forecasts for Nigeria's economy are also positive: 1.9-2.4% in 2019 and 1.9-2.1% for the period until 2023.

Analysis of the structure of Nigeria's GDP shows that the service sector has the largest share (56.4% of GDP as of 2017), followed by agriculture (21.1%), and third by manufacturing and construction (13.3%). and the extractive industry - only 9.2% of GDP, with 9.1% accounted for by the oil and gas sector, and 0.1% of GDP - by the extraction of other types of resources. It is expected that as the situation in the global oil products market stabilizes, the share of the oil and gas sector and related sectors (certain types of services, construction) will increase. It should be noted that the economic indicators of Nigeria are highly dependent on fluctuations in oil prices, since the basis of the country's exports is formed by two main commodity items - crude oil, including gas condensate (commodity item "2709") in 2017 amounted to about 81.0% of the country's total exports, in second place - petroleum gases and other gaseous hydrocarbons (commodity item "2711") (14.0%). Nigeria is currently recovering from the economic crisis triggered by the fall in world oil prices in the second half of 2014. The subsequent period of economic recession in 2015-2016 was the first for the country in the last 20 years.

Objectively, Nigeria is going through a rather difficult stage of its economic development - the country is experiencing an increase in the unemployment rate (according to estimates at the end of 2018 it reached 23%), inflationary processes

have intensified - for example, consumer price inflation for food products reached 18% at the end of 2017. Moreover, as a measure to stabilize the foreign trade balance against the backdrop of a sharp decline in exports, the Nigerian government began to actively take measures to reduce imports and protect domestic producers, which in the short term also spurred the growth of domestic prices.

After the rejection of the pegging of the national currency to the US dollar in favor of a more flexible exchange rate regime in 2016, the exchange rate of Nigeria's currency, the naira (NGN), changed sharply (a one-time growth of about 50%, from 200 to 300 naira per US dollar) ... Nevertheless, the interventions of the Central Bank of Nigeria aimed at maintaining the national currency exchange rate, as well as strengthening positive trends in the country's economy, are leading to a gradual decrease in the intensity of inflationary processes (the official exchange rate as of January 15, 2018 was 306.35 naira per \$ 1 . USA and 349,913 naira for 1 euro). For reference: Due to the gradual stabilization of the economy, the difference between the official naira rate and the black market rate is decreasing - by the end of 2018 it was about 17% (the black market rate is 358-360 naira per US \$ 1). The measures taken by foreign exchange regulation (the need to obtain permission from the central bank to make payments in favor of non-residents, restrictions on the purchase of foreign currency by importers) in Nigeria in practice lead to the fact that many Nigerian companies use barter schemes when importing. On the other hand, Nigerian importing companies are more active in promoting the country's exports in order to receive their own foreign exchange earnings. Thus, in recent years, when negotiating the supply of products to Nigeria, the advantage is given not only to lower price offers, but also to projects involving counter-deliveries of products from Nigeria. The recovery of Nigeria's position is facilitated by rising world oil prices, an increase in oil production in the country and growing demand from the private sector, as well as a number of government measures implemented since the beginning of 2017 as part of the Economic Recovery and Growth Plan 2017-2020 aimed at reducing dependence from the oil-producing sector, diversification of the

vectors of industrial development, tightening of monetary policy, further de-bureaucratization of administrative procedures and attraction of foreign investment in infrastructure projects through the provision of tax incentives and exemptions.

The Economic Recovery and Development Plan aims to invest \$ 30 billion in infrastructure in Nigeria by 2020. The implementation of such large-scale plans is impossible without attracting private capital, including in the form of foreign investment, therefore, tax incentives are provided for a number of industries and areas of activity that have received the status of "innovative" or export-oriented (exemption from income tax for a period of up to 5 years, taxable base in the amount of expenditures on R&D and infrastructure, etc.). Nigeria is one of the 5 West African countries most attractive to foreign investors, accounting for about 6% of total foreign direct investment in Africa (more only in Angola and Egypt). Currently, there is a revival of business activity and a trend towards an increase in the volume of foreign investment in Nigeria. In the three quarters of 2018, about 65 investment projects were announced in Nigeria for a total of \$ 73.1 billion . Investors from the UAE were ready to invest in the economy of Nigeria - 18 billion US dollars (25%), France - 16 billion US dollars (22%), Nigeria - 14.3 billion US dollars (20%), Great Britain - 9, USD 1 billion (12%) and other countries - USD 15.7 billion (21%). However, as practice shows, in the conditions of Nigeria, the actual inflow of investments is carried out more slowly than the announced plans, there are constant adjustments taking into account the changing situation. In this regard, as a rule, the most patient and large investors who are ready to bear significant costs at certain stages of business development in Nigeria are successful. On average, the annual volume of foreign direct investment in Nigeria is estimated at between 1 and 2 billion US dollars, the rest of the investment is in more dynamic forms in the form of portfolio investment. The extractive sector of the economy of Nigeria is traditionally of the greatest interest to investors.

In terms of foreign trade turnover, Nigeria occupies one of the leading places on the African continent, and until 2014 there was a significant positive foreign trade



balance. Since the bulk of Nigeria's merchandise exports are traditionally oil and petroleum products, then with a decrease in oil production and supplies for export, the country's foreign trade balance after 2014 significantly decreased and even at a certain stage acquired a negative value. Currently, there is a gradual increase in Nigeria's oil production (from 1.5 million barrels / day at the beginning of 2017 to 1.8 million at the end of 2018). If the country reaches pre-crisis indicators in 2019, in the medium term, one can expect a revival and growth in foreign trade, as well as a gradual growth in domestic consumption. Despite the fact that Nigeria is an exporter of oil, the country depends on imports of petroleum products, which account for almost a third of imports (28% of total imports in 2017). The reason for this paradox is the lack of production capacity in the Nigerian refining sector. Another feature of imports is its concentration on several main commodity items. For example, the 15 largest commodity items account for almost 50% of Nigeria's imports (2017), while a number of them are food items (wheat, sugar, frozen fish, condensed milk and cream and dried). China is the largest supplier of goods to Nigeria. Other smaller suppliers include some Asian countries (India, Korea, Indonesia), European Union countries (Belgium, Netherlands, Germany, UK, France, Italy, Spain, etc.), North America (USA, Canada) and South America (Brazil). Also, some of the goods are steadily coming from Africa (South Africa), the Middle East (UAE) and the CIS (Russia). In turn, the export of Nigeria is a classic vivid example of the dominance of oil and gas positions, and in the form of raw materials (two commodity positions provide 95% of all exports of goods).

Other relatively large export positions of Nigeria are both goods related to petrochemicals (distillation of coal tar, petroleum products, nitrogen fertilizers, ethylene polymers) and agricultural products (cocoa beans, seeds and fruits of other oilseeds, tobacco products, nuts, natural rubber), shipbuilding, energy (electricity). The largest sales markets for Nigeria at the end of 2017 are India (17.9% of Nigeria's exports), the United States (12.7%), the countries of the European Union (Spain, Netherlands, France, Great Britain, Italy, Sweden, Germany, Portugal - in total

35.7%), African countries (South Africa, Togo, Cote d'Ivoire, Senegal - a total of 9.4%), other Asian countries (Indonesia, China, Japan - a total of 6.2%), as well as Canada (3 , 4%), Brazil (1.4%), Turkey (1.0%).

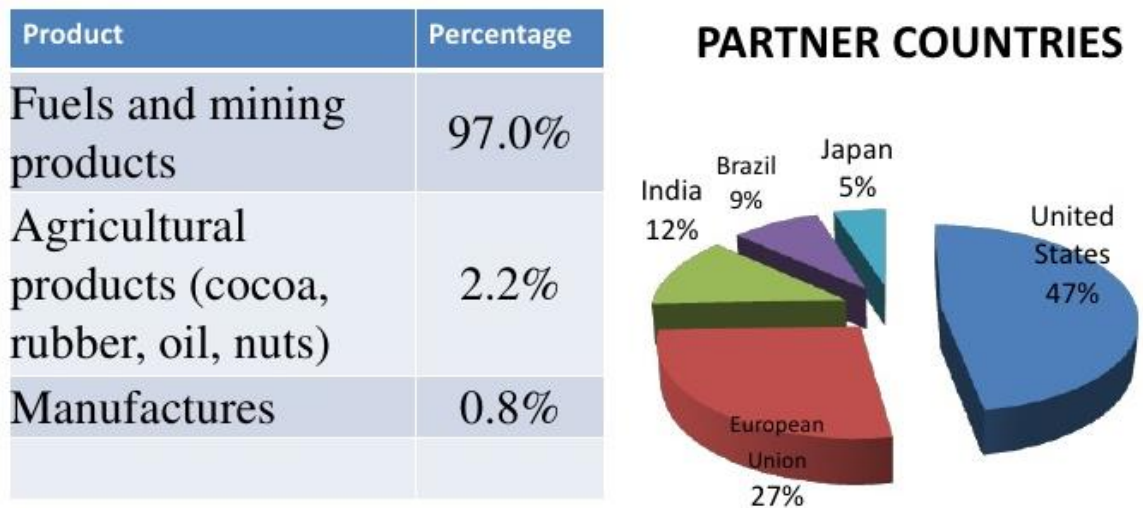


Figure 2.1 Nigeria export data

Nigeria's product classification is based on the International Harmonized Commodity Description and Coding System (HS codes). Import duties are set by the Common External Tariff (CET Tariff), which can be found on the website of the Nigerian Customs Service. Taking into account the membership of Nigeria in the Economic Community of West African States (ECOWAS), it should be borne in mind that all products imported into the territory of this community, in addition to the import customs duty, are subject to an additional fee of 0.5% ([http : //www.ecowas.int/doing-business-in-ecowas/vat-customs/](http://www.ecowas.int/doing-business-in-ecowas/vat-customs/)). In addition to the above duties, more than 170 commodity items are subject to additional customs duties ranging from 5% to 65%. For reference: The goods for which an additional fee is levied, in particular, include: wheat flour (65%), table salt (60%), tobacco products (50%), alcoholic beverages (50%), tomato paste and puree ( 10%), raw beet sugar (50%), etc. The full list of commodity items is given in the Unified External Tariff in the "Levy" column. When importing certain commodity items into Nigeria, VAT

and (or) excise taxes are also charged, which are reflected in the Unified External Tariff (column "Value Added Tax" and "Excise Duty", respectively). The standard VAT rate in Nigeria is 5%. At the same time, in accordance with the Value Added Tax Act (No. 102, 1993), basic foodstuffs, medical and pharmaceutical products, books and educational materials, children's products, fertilizers, agricultural machinery are exempted from VAT. and agricultural vehicles, machinery and equipment for use in special export zones, tractors, plows and implements purchased for agricultural purposes.

The standard rate of excise tax is 20% and applies, in particular, to such commodity items as alcoholic beverages and tobacco products. Non-tariff regulation of foreign economic activity is an important component of the Recommendation: Practice shows that in a number of cases, irrelevant and (or) contradictory information is encountered on the official websites of departments. In this regard, when working out the export of specific commodity items to Nigeria, it is recommended to officially request information on the current rates of customs duties, fees, taxes, excise taxes from the Nigerian Customs Service. P ealizatsi I state external policy is to apply tariff regulation (bans and (or) the time constraints on the import of certain types of goods, the use quotas, licensing, maintenance and regulation al.). Thus, according to the Import Prohibition List published on the website of the Nigerian Customs Service, the import of certain commodity items is prohibited into the country, in particular: poultry and poultry by-products, including poultry, including fresh and frozen poultry carcasses (codes HS: 0105.1100 - 0105.9900, 0106.3100 - 0106.3900, 0207.1100 - 0207.3600, 0210.9900), beef, pork, lamb, including salted, dried and smoked meat and offal ( HS codes : 0201.1000 - 0204.5000, 02.2000, 0210.1000) in shell (HS code: 0407, excluding hatching eggs), spaghetti and noodles (HS codes: 1902.11.0000 - 1902.30.0000), tomato paste and canned tomatoes for retail sale (HS codes: 2002100000, 2002902000, 2002909000), fruit juice in retail packages (HS codes: 2009.11.0012 - 2009.11.0013, 2009.9000.99), water, including mineral and carbonated water containing sugar or

other sweetening substances , ice (HS codes: 2201.1000 - 2201.90.00), other soft drinks (HS codes: 2202.10.00 - 2202.9000.99, excluding energy drinks and dietary supplements in liquid form, such as Power Horse, Red Ginseng, 2202.9000.91), beer and porters in bottles, cans or other packaging (HS codes: 2203.0010.00 - 2203.0090.00), certain pharmaceuticals from groups 3003 and 3004, corrugated paper and cardboard, boxes and other containers made of corrugated paper and cardboard (HS codes: 4808.1000, 4819.1000), hollow glass bottles with a volume of more than 150 ml used for packaging drinks (HS codes: 7010.9021.29 and 7010.9031.00), etc.

When exporting goods to the Nigerian market, please note that, according to the SON Conformity Assessment Program (SONCAP), newly imported goods controlled by the SONCAP system must be inspected for compliance with Nigerian quality standards in order to be admitted to the market. The SONCAP Certificate of Conformity (SC) is mandatory for customs clearance of goods in accordance with the import requirements of the Federal Government of Nigeria.

When exporting food (including drinks), medicines, medical devices, veterinary drugs, cosmetic products, chemicals to Nigeria, it must be borne in mind that these categories of goods must be certified by the registration authority - the National Agency of Nigeria for the Management and Control of Food Use and medicines (National Agency for Food & Drug Administration & Control - NAFDAC). The application for registration is filed directly by the manufacturer of the goods, and if it is located outside Nigeria, on behalf of a company registered in Nigeria or an individual authorized by the manufacturer

## **2.2 Features of foreign trade activities of the federative Republic of Nigeria in modern conditions**

In Nigeria, since the beginning of reforms (in 1999) in the national economy as a whole and in the foreign trade strategy in particular, focused on the openness of

foreign trade, there has been a fairly stable growth of indicators of economic development. Activating by the State foreign trade activity has made a significant contribution to improving the efficiency of the functioning of the national companies and individual industries and the use of modern technologies. With taking into account the above, the theme study and analysis of the characteristics of the foreign trade activity of one of the largest countries in Western area of Africa seems quite relevant and with practical and scientifically the hibernation of.

Important to our opinion, it is a question of assessing the impact of foreign trade of Nigeria on the development of its economy. According to the territorial structure of the state with a developing ehkon about - Mika on the coast of the Gulf of Guinea, an area of about 924 thousand sq. M. km, is a federal republic. By the size of the territory, it belongs to the 32nd place among the countries of the world and 14th among the states of Africa. The population of Nigeria in 2018 left almost 200 million people, according to this indicator, the country is in seventh place in the world.

On 18 November 1960 city of Nigeria joined to the General Agreement on Trade and Tariffs, since 1971 it is - a member of the Organization of the countries - exporters of oil ( of The organization of the Petroleum Exporting Countries , OPEC), and with the beginning of the 1995 city of - Member of the World trade organization. The daily quota is considered our state in the OPEC is approximately 2,2 million barrels. In January 1994 city of Nigeria acceded to the Convention of ECOWAS on the general external tariff.

Approximately 40 % area of the country with a tropical climate, is used in the agricultural sector, which makes it possible to produce and to export sorghum, cashew, cocoa, ar a- Heath , shea butter, ginger, okra, papaya and some other plant products. In Niger minutes - tion soil explored substantial mineral deposits and mineral resources (oil, natural gas, tin, iron ore, niobium, lead, coal and limestone . Zinc, etc.), a large portion of which are exported.

The active phase of growth in production and supplies to the external market of hydrocarbons falls on the 70s. XX century. Prior to this period, Nigeria's exports were dominated by agricultural products. The agricultural sector provided employment for about three quarters of the working population of the state. During the activation of hydrocarbon resources extraction process significantly reduced the area of arable land and reduced production Agricultural products. The Federal Republic of Nigeria has become sensitive to the fluctuations of market prices on oil. When this on the background of significant rates of growth of the population to meet the country needs, and already densely populated, there is a need of the importing - various goods, in that those products are food, tobacco products and others. In addition to that, due to the low one-level scientific technical and technological development in Nigeria has always been a need to import high-tech products (equipment, transport vehicles, chemicals, other) with a high degree of processing and availability that depend on the structure of imports.

Today, the largest state - trade partner of Nigeria was England. In 1960 immediately after the proclamation of the sovereignty of the Federal Republic of Nigeria implemented a number of measures to diversify its foreign trade strategy, including a few changed the list of countries - trade partners. At the present time, Nigeria States with various countries Nigeria has approximately 100 countries around the world each year. By major foreign trade partners also act as Germany, France, Netherlands, Canada, Japan, Italy and Spain. Given the small volume of exports and imports of Nigeria of its share in the total volume of international trade is relatively low, that is demonstrated in Table 1, the dynamics of changes of foreign trade indicators of Nigeria and its share in world exports and imports in the 2014-2017

Thus, Nigeria in 2014-2017 . not only had an insignificant share in the global volume of exports and imports, but also reduced it during the specified period from 0.53 to 0.27 % and from 0.3 to 0.25 %, respectively.

Table 2.1 - The dynamics of the foreign trade of Nigeria and its share of in the total volume of world exports and imports in 2014–2017, billion US dollars [1]

<b>Indicators of Nigeria</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
Export	97	81.9	46.9	49.2
Import	54.9	61	53.4	50.6
Foreign trade turnover	151.9	142.9	100.3	112.4
World export volume	18 301	17 779	18 494	18 561
The volume of world imports	18 409	18 641	18 641	18 494
Share of the country's exports in world exports, %	0.53	0.46	0.25	0.27
Share of the country's import in world import, %	0.30	0.32	0.29	0.25

According to the volume of gross domestic product (GDP), which in 2016 city of was calculated in the amount of 485 billion dollars. United States, it takes quite a prestigious 24th place among all countries of the world. But per capita GDP is only \$ 2.64 thousand, which.. Acc t - exists in the world ranking 177 th place. In 2016 g. specific weight foreign turnover Nigeria (100.3 billion dollars. USA) in the amount of GDP Pictures (485 billion dollars. USA) is equal to 20.7 %. It is believed that this figure determines how the foreign trade activity of the country promotes its economy - cal growth. When this foreign trade has a tangible positive impact on the pace of economic development of the state only in that case, if achieved and exceeded the proportion of the Z - EMA foreign trade turnover to GDP at a rate of about 25 % [2].

Based on the above information, it can be concluded that Nigeria's foreign trade in modern conditions is not yet an effective tool to influence the growth of the national economy. There is therefore an urgent need for the implementation of n, p prospects for a set of operational measures to diversify and stimulate foreign trade, pre zhde total exports, the activities of the country. Describing the problem of exports of federates in - Noah Republic of Nigeria should be noted that the oil and oil products in its economy - valuable natural resources, is a leader in the export of the country, providing more than 90% of its total volume. Among the countries - exporters of hydrocarbons Referring e - my contact state takes the 8th place in the world. Although in the large-scale efforts to liberalize foreign trade, the relevant

article of export is under strict government control. The main regulatory and supervisory authority in this area of activity is the National Oil Corporation of Nigeria (NNOC).

So, until the 70s. of the last century, agricultural products in Nigeria were the main export position. After the oil industry took the leading position in the economy of this country, agriculture became of secondary importance. However, agriculture TBE n - ny sector still provides employment for about 70% of the total working population Fe- derativnoy Republic of Nigeria. The main items of exports Nigeria today are oil, cocoa and timber, as shown in Table 2. The largest and countries - trade partners of Nigeria in its exports, as shown in Figure 1 are considered and n diya (21 %), the Netherlands ( 14%) and Spain (11 %).

Table 2.2 - Commodity structure of Nigeria's exports in 2019 [3]

<b>Product</b>	<b>Volume, USD</b>	<b>Share in total export volume , %</b>
Oil & Mineral Fuels (oil and mineral fuels)	93.0 billion	53
Ships & Boats (ships and boats)	2.0 billion	12
Explosives (explosive substance)	2.0 billion	12
Cocoa (cocoa)	1.0 billion	6
Textile Articles (textile products)	712 million	four
Industrial Machinery (Industrial Equipment)	631 million	four
Hides & Leather (skins and leather)	591 million	four
Oil Seeds (oil seeds)	558 million	3
Cotton (cotton)	197 million	one
Aluminum (aluminum)	149 million	one

Major products in imports of the Federal Republic of Nigeria - machines, , consumer goods and food products. This can be concluded taking into account the indicators presented in table 2.3.

A significant part of the imports come from the EU, in particular from the Netherlands, was led and- Britain, France and Germany.

In terms of imports, Nigeria is intensively developing trade relations with countries such as China, India and South Korea. After US, India is the second on the largest importer nigerian oil. Foreign trade in the global economy has become an



important factor in socio-economic development of the countries of the world. Nigeria participated in an international exchange commodity and services plays an increasingly significant role in economic development.

Table 2.3 - Merchandise structure import Nigeria in 2019

Product	Volume, billion dollars. USA	Share in total import volume, %
Oil & Mineral Fuels (oil and mineral fuels)	7.6	24
Industrial Machinery (Industrial Equipment)	7.0	22
Motor Vehicles & Parts (cars and parts)	4.0	13
Electrical Machinery (electric cars)	3.5	eleven
Cereals (flakes)	2.4	eight
Plastics (plastics)	2.0	6
Iron & Steel Articles (products of iron and steel)	1.8	6
Iron & Steel (iron steel)	1.3	four
Seafood (seafood)	1.0	3
Sugar & Confectionery (sugar and confectionery)	1.0	3

The influence of the external on the socio-economic situation of the analyzed state in the West Africa lies in the fact that:

1) activation of export activities logically entails the need for povysh e SRI output of export products, the organization of co-production and, consequently, an increase in attracted to these is lei workforce that will lead to an increase in percentage of employment of the working population;

2) the import of high-tech activities in the country of delivery of products creates the preconditions for national companies to increase the quality of similar made of countries goods or in the organization of their production with the aim of import substitution;

3) export activity ensures the supply of foreign currency, which and with - uses for import purchases and solve the many social problem in health, education and infrastructure of the country;

4) import supply in the country of high-tech products allow to increase tehnological level of national production, as well as literacy and professionalism;

5) foreign trade with cacao conditions and activates the development of small and medium-sized businesses, which, increasing participation in foreign trade, increases the volume and effectiveness of their activities;

6) promoting the participation in international trade allows the state to have a position of payments balance, eliminate many of the economic and social problems.

Thus, the Federal Republic of Nigeria is interested in stepping up its participation in the international division of labor and has broad opportunities to achieve this goal. The country has enormous natural resources that provide relatively low costs for their extraction; a large labor force and relatively low cost of production and - bochey force at all levels.

However, there are difficulties and national problems, negatively affecting on the isolation and - term foreign trade in the State. First, after the intensification of oil production and its export, the country became strongly dependent on the supply of hydrocarbons abroad and world prices for it. At the same time, oil products account for over 90% of the country's export structure. Secondly, on the Nigerian soil has not been created or not the development of financial, transport, log and - -terrorist and communication infrastructure in the area of foreign trade. This circumstance does not allow export-oriented enterprises to actively supply a number of competitive high-quality goods to the foreign market. In this second area is not developed and not taken any state in - dedicatory program of financing, crediting and subsidizing exporters.

In order to increase the volume and improve the efficiency of Nigeria's foreign trade, according to the authors, it is necessary to organize a number of events. In particular, the Federal Republic with - audience Nigeria should define and implement a set of measures for the diversification of their exports. Rural economy, growing at Nigerians still recognized VBR potential source for increasing exports. At the state level different use all the arsenal of tools for the development of the rural economy and industry in the future, that will enhance the stability of the national economy and reduce dependence the country from fluctuations in world prices on

hydrocarbons. It is necessary to develop state programs to support and facilitate the development of small and medium-sized businesses; on financing, subsidizing and lending to companies that carry out export activities or have the potential for its implementation, which will stimulate the growth of the country's export volume. Large-scale measures of state support are required for the creation and development of financial, transport, industrial infrastructure aimed at developing the export of finished high - quality products with a high degree of processing. For both with - baring state highly labor force is very important to find and involve additional source and funding of educational programs, which in future will make it possible competitive exports of manufactures production and development. At the present time, Nigeria has significant potential and huge perturbation Well - Nosta for stimulation of foreign trade activities in the long term. However, for their e f - efficient use of needed qualitative and quantitative leap in the economic the development of a significant adjustment strategy of development of foreign trade in the State, directed ennoy first of all to build the export of processed and finished products.

From the point of view of the authors, an important direction for the expansion and development of foreign trade of the analyzed state, contributing to the implementation of the existing foreign economic potential, will be the activation of the country's participation in international economic integration and entry into various integration groups, for example, the Andean Community, the Economic Community of West African States (ECOWAS) and others. An increase in the share of foreign trade turnover in Nigeria's GDP will give impetus and create additional conditions for the growth of the national economy. Despite today surmounted national problem in the socio-economic sphere, this country must continue to actively positioner - himself on the world scene as a state, exhibiting a willingness to participate and update themselves to the efforts of the countries of the world in addressing global social and economic problems.

### 3. DEVELOPMENT OF AGRICULTURAL EXPORTS: PROBLEMS AND PROSPECTS

#### **3.1 Export of agricultural products as a strategy for diversifying the economy of Nigeria**

The economies of many African countries since independence have been focused on the export of one or two goods. African countries have become a kind of extractive appendage of economically developed countries, buying raw materials at low prices, but selling manufactured goods at high prices. Also, fluctuations in world prices for major export goods significantly influenced the budget of African states. National governments have tried to design and implement strategies for economic diversification and specialization. However, the fulfillment of these tasks required huge government spending, which, in turn, depended on government revenues - the sale of mono goods. In every region of Africa, there are several countries whose exports are particularly dependent on a particular commodity. A strong dependence is observed in oil-producing countries: in North Africa it is Algeria (97.5% of export earnings), Libya (91.2%); in West Africa - Nigeria (90.1%); in Central Africa - Angola (96.7%), Chad (92.5%), Equatorial Guinea (92.4%), Gabon (78.7%) and the Republic of Congo (72.1%). These countries are in dire need of diversification of the economy in general and exports in particular: the one-sided orientation of the economy leads to the inappropriate use of natural resources, restrains the development of their own manufacturing industry, keeps developing countries dependent on external economic factors, for example, price fluctuations for the main export product. The mono-commodity of exports creates a disproportionate development of the economy and obliges to satisfy a significant share of the needs of the population of countries through imports. In most of these countries, the population is mostly engaged in agricultural production, therefore, the growth of exports of agricultural products is important not only for the economic, but also for the social development of countries.

In 1971, Nigeria joined the Organization of the Petroleum Exporting Countries (OPEC); in the same way, the first national oil company, the Nigeria National Petroleum Corporation (NNOC), was created to control the industry. Since then, oil sales have become the main source of hard currency. The share of crude oil exports in foreign exchange earnings increased from 2.5% in 1961-1962. to 90.1% in 2017. Due to the volatility of prices for hydrocarbons, the economy of Nigeria experienced permanent ups and downs. Thus, while the oil price fell from 94.1 in 2008 to 60.8 dollars per barrel in 2009, the country's GDP fell by almost 19% compared to the previous year (from 208.06 billion dollars to \$ 169.48 billion). A similar situation was repeated in 2015, when the oil price was \$ 49.5 per barrel (in 2014 - \$ 96 per barrel), while GDP fell from \$ 568.5 billion in 2014 to 494 , \$ 6 billion in 2015. In 2016, the oil price became even lower (\$ 40.1 per barrel), and GDP fell to \$ 404.6 billion [15].

In Nigeria, there have been several attempts to diversify export earnings through agricultural development. In the post-colonial period, all the governments of Nigeria adopted documents aimed at the development of agriculture, but the country still does not receive any significant foreign exchange earnings from agricultural exports. For the period from 2001 to 2017 the average value of agricultural exports was 3.4% of the country's total exports (\$ 3 billion). However, in 2012, its value was \$ 16.5 billion, or 14.5%, mainly due to the proceeds from the sale of cocoa, which amounted to \$ 3.8 billion, or 22.9% of all agricultural exports. ... The cocoa industry is Nigeria's second largest foreign exchange earner after crude oil; more than 2 million people are employed along the entire value chain. It must be said that Nigeria is one of the ten largest producers of cocoa beans in the world [16], but the cultivation of the crop is not given due attention.

The main buyers of cocoa are the Netherlands, Indonesia, Germany, Malaysia, Belgium. An important place in the export of agricultural products belonged to the skins of animals (cattle, sheep, goats). In Nigeria, the production of footwear and bags is developing, which are located in Aba, Kano and Lagos, and the development

of this industry has reduced the import of shoes from \$ 127.7 million in 2010 to \$ 62.4 million in 2017. the share of animal skins was about 21.8%; sales peaked in 2010 (\$ 3 billion), then exports gradually decreased, and in 2017 the amount of skins exports amounted to \$ 67.9 million. Basically, skins are sold to Italy, Spain, and India [17]. The third most important agricultural export commodity is oilseeds. Until the 1980s, Nigeria's oil palm production and exports accounted for 15.0% to 20.0% of the country's total exports. However, at present, their share is on average for the period 2006 - 2017. accounted for only 11.2% of all exported agricultural products. The peak of sales was observed in 2013, and the amount of export revenue amounted to \$ 879 million, but by 2017 it had decreased to \$ 180 million.

Nigeria produces 1 million tons of palm oil per year and ranks fifth among the largest producing countries after Indonesia (41 million tons), Malaysia (39.5 million tons), Thailand (2.9 million tons) and Colombia (1.5 million tons) [18]. The main importers are China, Japan, Turkey. Fruits and nuts in the structure of agricultural export products are increasing in importance. If in 2006 their share accounted for only 3.9% (\$ 9 million), then by 2017 it was already 8.3% (\$ 32 million). The most important of the group of nuts is peanuts, for the production of which Nigeria ranked third in the world until 1969, behind only India and China. In 1961, 1.4 million hectares were occupied by peanuts, in 2016 the area almost doubled - to 2.7 million hectares. Peanut production in 1961 amounted to 1.5 million tons, in 1980 - 0.4 million tons, in 2016 - 3 million tons, i.e. doubled. The main importers of these products are Vietnam and India. During the period under review, tobacco sales increased sharply: if in 2006 the amount of tobacco sales amounted to only \$ 0.9 million, then in 2017 it increased to \$ 102.4 million. Generally, tobacco is sold by Nigeria within the ECOWAS community (\$ 91.6 million). The major importers of these products in 2017 were Niger (\$ 26.9 million), Cote D'Ivoire (\$ 24.5 million), Guinea (\$ 9.8 million), Cameroon (\$ 8.4 million). .) and Ghana (\$ 7.5 million). Milk and dairy products are another significant product for Nigeria in terms of trade among ECOWAS countries, but exports in trade with the Economic Community

decreased from \$ 17.5 million in 2014 to \$ 5.7 million in 2017. According to 2018 data, trade in Nigeria's milk with ECOWAS countries nevertheless increased to \$ 9.5 million. Ghana became the main importer of products (\$ 3.7 million). So, in the export of agricultural products, the following positions are highlighted for subsequent analysis: cocoa, oil seeds and fruits, fruits and nuts, tobacco, animal skins, milk. Consider the current situation in these sub-sectors. Current state of production of export agricultural goods Nigeria owns an area of 92.4 million hectares, 70.8 million hectares of which are agricultural land, including arable land, pastures and meadows, forests, etc. In the period from 1961 to 2015 there were significant changes in the composition of agricultural land: the area of arable land increased by 43.6%, meadows and pastures - by 16.5%. The total land area remained practically unchanged.

The increase in the area of arable land in the country as a whole is associated with the need to meet the growing demand of the population for food (due to the increase in its number) by expanding the cultivated areas under the main food crops, as well as to expand the area under export crops. According to the Food and Agriculture Organization of the United Nations (FAO), in a comparable estimate, agricultural production in Nigeria increased 5.2 times from 1961 to 2014, while gross crop production also increased 5.2 times, and livestock - 4.9 times [19]. Considering the dynamics of the area allotted for the cultivation of export crops, note an increase in the area allocated for cocoa by 1.7 times (from 700 thousand hectares in 1970 to 1192 thousand hectares in 2017), oilseeds - 1.4 times, fruits and nuts - 1.75 times. As for tobacco, in the 1970s. about 21 thousand hectares were allotted for culture, and in 2017 the area was only 9.8 thousand hectares, i.e. the area of culture has decreased by more than 2 times. The area under export products, except for tobacco, is increasing, but this does not mean that the efficiency of their production is increasing. Almost all cultivated crops in Nigeria have low yields due to insufficient mechanization of labor, the use of outdated growing technologies, poor quality seed material, etc., and in order to increase the gross yield, they expand

the land for their planting. The dynamics of the gross collection of export products demonstrates an increase in this indicator for cocoa, oilseeds and fruits and nuts. Nigeria has significant livestock resources, including cattle, sheep and goats, pigs, and poultry. Cattle breeding is of the greatest importance. The main export product received is animal skins (cattle, sheep, goats, pigs, horses, mules, etc.), the second most important is milk. For more than 50 years (from 1961 to 2017), the number of animals has undergone significant changes. The number of goats increased - 125 times (from 623 thousand to 78.0 million heads), pigs - 11.7 times (from 640 thousand to 7.5 million heads), sheep - 41.7 times (from 1 million to 42.5 million heads), cattle - 3.45 times (from 6 million to 20.7 million heads). The extremely low productivity of animals is noteworthy. So, in 2016, in Nigeria, the average milk yield per cow was 2,370 kg (on average in West Africa - 2,868 kg, in Africa as a whole - 5,343 kg), however, an increase in gross livestock production indicators can be achieved due to an increase in livestock.

### **3.2 Prospects for the development of export-oriented agricultural sectors**

As can be seen from the analysis, there are prospects for the development of agriculture in Nigeria: in dynamics, the production of goods is growing noticeably, which is in demand both in the domestic and foreign markets - inland and world. However, the dynamic development of the industry is hampered by many problems, the first of which is the lack of funding to support the most important sectors of agriculture. The development of the agricultural sector in Africa is in line with regional and global commitments of African countries, for example, many programs for economic transformation of the economy take into account the Sustainable Development Goals.

At the regional level, CAADP is taken into account, an outcome of the 2003 Maputo Declaration, which focused on improving agricultural productivity and food security on the continent. CAADP sets the recommended level of public investment



in the agriculture sector at 10 percent of national budgets and increases agricultural productivity by at least 6 percent<sup>1</sup>. For 2018, 44 African countries have already signed the CAADP Agreement to allocate 10 percent of their national budgets to agriculture, and 39 countries have developed national investment plans for agriculture and food security. Since the launch of CAADP, government spending on agriculture has doubled. Countries that later joined CAADP achieved farm productivity growth of 3 to 5.7% and GDP growth of 2.4 to 3.5%. Analysis of data from the federal budget of Nigeria showed that the greatest support was provided in 2009 and amounted to 3.09%, but then the share of financing for agriculture decreased, and by 2016 it amounted to 0.63% or 43.5 billion naira (142 million dollars .) [twenty]. As you can see, the indicator is significantly different from the one planned under the CAADP agreement.

So, for Nigeria, the main source of foreign exchange is the sale of petroleum products; agricultural products rank second in the country's export structure. Increasing the share of agricultural products in Nigeria's exports is critical to diversification. The dependence of Nigeria's budget on oil exports reduced the importance of agriculture for the Nigerian economy, but its share in the structure of GDP in 1981–2016 was at least 20%. Nigeria's labor and natural resources make it possible to develop the agricultural sector in order to increase its importance in the country's economy. In the process of analyzing the export of agricultural products, it was determined that the greatest importance in it belongs to cocoa, oilseeds, fruits and nuts, tobacco, animal skins and milk. The products are in demand in both continental and world markets. Nigeria has significant agricultural land and the ability to expand land to increase the production of agricultural exports. The analysis revealed that almost all quantitative indicators of the efficiency of agricultural production are increasing, such as: livestock, areas under crops, gross harvest. However, the quality indicators practically do not change (milk yield per head, crop yield from 1 ha of agricultural land). This situation is primarily due to the lack of

financing for agriculture in general and in the context of industries important for ensuring food security and exports.

The cocoa industry is Nigeria's second largest foreign exchange earner after crude oil; more than 2 million people are employed along the entire value chain. Nigeria maintains its position as one of the largest producers of cocoa beans in the world, but crop cultivation has not received due attention. At the moment, there is not a single document in Nigeria that would regulate the development of the cocoa sector in the country. Neither the formed Cocoa Association in Nigeria, created to meet the needs of farmers, stakeholders, partners in the sustainable development of the sector, nor Nigeria's accession to the International Cocoa Organization on October 10, 2018 as a producer of this commodity, nor the holding of the First Nigerian International Cocoa Summit in August 2017, the situation has not changed. Nigeria can play a leading role in cocoa production in Africa, but this requires a phased industry revitalization plan with specific activities and funding sources. The development of the industry will be facilitated by attracting young people as a workforce, strengthening and supporting the Cocoa Research Institute in Nigeria, introducing international best practices and using innovation and technology to develop the cocoa sector. Detailed work is also needed in other sectors of agriculture regarding the production of important export crops. The steps taken in agricultural policy have not yet been crowned with success: in the "Plan for Economic Recovery and Growth" adopted by the Government, there are no strategic developments on how to increase the production of basic agricultural products, which are emphasized in this Program. The government of Nigeria should pay attention to increasing financing for the agricultural sector in the amounts specified in the CAADP and create detailed plans for the further development of export- significant agricultural products.

## CONCLUSION

From all the above we can conclude that having a high export potential, Nigeriya is still not using it effectively enough compared to other countries.

The development of Nigeria's foreign trade takes place under the influence of a set of internal and external factors, and the share of negative factors prevails. Low competitiveness swirl goods and services is one of the determining factors that hinders effective promotion of goods on international markets.

It identifies priority task on the development of exports , creation of export-oriented industries to manufacture of component products that come from the border ; increase in the share of mechanical engineering products in exports; realization of the advantages received as a result of creation of unique high technologies , in particular in the aerospace industry , production from number and products of dual purpose , power branch , power engineering , electric welding , etc.; providing various types of science-intensive services in industries where Nigeriya has highly qualified specialists and world - class achievements;

It is important to direct the efforts of entrepreneurs in time to those niches where Nigeriya has the potential to restructure enterprises and transfer them to new technologies. At the same time , the state was also further improve trade regime (which applies, in particular, reduction of tariff and non-tariff barriers , simplification of administrative procedures, improving customs regulation , creation of infrastructure support exporting) will promote intensification and foreign trade. Also consider very important to improve the conditions for investment with the aim of promoting the involvement of new technologies, development of advanced sectors of industry, in fact including through implementation of joint investment projects.

Unfortunately, the economy Nigeriya is characterized by high material - and energy consumption of products, low level of productivity of labor and

environmental production, a large proportion of obsolete equipment and technologies that require upgrading.

Rapid global economic processes, typical for today significantly impact on the development of the country. It was the introduction of innovative models of real sector of economy will create conditions for significantly g at improving the efficiency of use of scientific and technological potential, improving its organizational structure according to the conditions of the market, will help enhance the innovative activity of industrial enterprises and, as a result , increase their competitiveness at on world markets.

The geographical diversification of Ukrainian exports is not so much focused process as a result of the loss of Nigeriya traditional market sales, pushing products to new foreign markets and the stagnation of domestic voltage.

The current pace of innovation and scientific and technological development makes it almost impossible to create the latest competitive advantages for Nigeriya. In extremely not lost scientific and technological base, entire scientific trends and schools of basic science, the revival of which - a very long and expensive process.

At the same time there were about 'subjective prerequisites for positive changes in the area of strengthening national competitiveness. The reason for this statement is the formation of principles of market economy, financial system, the presence of the great Company in which actively developing and can become the basis for economic growth. National capital has been accumulated, the basic solvency of the consumer market has been formed. Integration into the global trading system will ensure Nigeriya so necessary to world markets , on which its products and services meet so well favored as the goods and services most member countries of the WTO. Access to markets will stimulate economic growth and contribute to raising the level of life.

## REFERENECEES

1. Morozov SM., Dictionary of foreign words / life.: S.M.Morozov , LN. Shell - K. : Nauk. Thought , - 2000. - p.192.
2. Samuelson P., Nordhauz in. Economics : Per. with English. - M.: BINOM , 1997. - p.699.
3. Economic dictionary. Modern гынoчнaя  
эkonomyka.Hosudarstvennoe regulation Ekonomicheskie protsesov / Obsch.red.:  
D.э.n. Sci. Kushlyn V.Y., D.э.n. Sci., Corr member. RAS Chichkanov VP. - M.: Izd-  
vo RAGS , - 2004.- p.744
4. Mocherny SV., L Arina YA.S., Ustenko OA. Yuri SI. Economic  
encyclopedic dictionary : In 2 vols. T 1 / By Ed.. SV. Mochernogo. - Lviv : Svit , -  
2005.- p.616
5. The essence of the concept of "export potential " in economic science /  
T.O. Baban // Tavriya State Agrotechnological University. - 2009. - pp. 7-16
6. Kukush O. , Semantics and economic content of the category "export  
potential " / Oksana Kukush // Economic analysis. -2008.-№ 3 (19). - pp.173-176.
7. Ministry of Economic Development and Trade of Ukraine // State  
Export Support of Ukraine "Commodity structure of the external structure of  
Ukraine : [http://ukrexport.gov.ua/ukr/vnishno\\_t\\_balans//7034.html](http://ukrexport.gov.ua/ukr/vnishno_t_balans//7034.html)
8. Tepla MM , Analysis of export of goods in the structure of foreign trade  
of Ukraine / MM Tepla // Scientific herald of NLTU of Ukraine. - 2018. - Vip. 21.18-  
pp.276-284.
9. Klimenko IV. Three years of membership in the WTO : Trends in  
foreign trade in Ukraine in the post-crisis tion period./ IV. Klimenko , AA. Fedirko  
// - K.: NISD , 2018. - 72 p : [http://www.niss.gov.ua/content/articles/files/sot\\_chl-  
b062d.pdf](http://www.niss.gov.ua/content/articles/files/sot_chl-b062d.pdf)
10. Andrusenko IV , Export potential of Ukraine - one of the main factors  
in the development of foreign economic relations / VF Andrusenko. Grishchenko ,

Andrusenko IV , - pp.121-122.-

<http://essuir.sumdu.edu.ua/bitstream/123456789/22866/1/67.pdf>

11. Stetsenko ZH.V. State regulation of exports in Ukraine. [Electronic resource ]. - Mode of access : [http://www.nbu.gov.ua/portal/Soc\\_Gum/Evkpi/2009/48.pdf](http://www.nbu.gov.ua/portal/Soc_Gum/Evkpi/2009/48.pdf).

12. Ostashko TO , The impact of the FTA with the EU on the leading export-oriented sectors of the economy of Ukraine and / Ostashko TO , Corresponding Member. NAAS , Dr. econ. Science , Tochilina VO., dr. econ. Sciences , Professor , Wenger VV., PhD. econ. Sciences // Institute of Economics and Forecasting of the National Academy of Sciences of Ukraine. [Electronic resource ] - Mode of access : [http://www.nbu.gov.ua/ejournals/NacGosp/2018/Ostashko\\_Tochilin\\_Venger.pdf](http://www.nbu.gov.ua/ejournals/NacGosp/2018/Ostashko_Tochilin_Venger.pdf)

13. Baeva OV , Development of foreign trade of Ukraine in terms of its membership in the WTO / OV Baeva. Baeva // Donetsk National University , - 2019. - p.18-21.- : [http://nbu.gov.ua/portal/soc\\_gum/pips/2019/018.pdf](http://nbu.gov.ua/portal/soc_gum/pips/2019/018.pdf)

14. Dan ylyshyn B., Why Ukraine WTO , or what has changed for 5 years / Bohdan Danylyshyn // Journal "Chee contracts number " - 2019. Mode of access : - <http://kontrakty.ua/article/55130>

15. Stetsenko ZH.V. State regulation of exports in Ukraine. : [http://www.nbu.gov.ua/portal/Soc\\_Gum/Evkpi/2009/48.pdf](http://www.nbu.gov.ua/portal/Soc_Gum/Evkpi/2009/48.pdf).

16. Onyschenko OA , Mechanism of foreign trade regulation / Onyschenko OA // Theory and practice of public administration - 2009.- Issue. 2 (25). - 7 p. [http://archive.nbu.gov.ua/portal/Soc\\_Gum/Tpdu/2009\\_2/doc/3/15.pdf](http://archive.nbu.gov.ua/portal/Soc_Gum/Tpdu/2009_2/doc/3/15.pdf)

17. Lisova LO , State support of Ukrainian exports / LO Lisova. FOREST // Bulletin of the Khmelnytsky National University , - 2010. - № 2, T1- p.228-231.- [http://archive.nbu.gov.ua/portal/Soc\\_Gum/Vchnu\\_ekon/2010\\_2\\_1/228-231.pdf](http://archive.nbu.gov.ua/portal/Soc_Gum/Vchnu_ekon/2010_2_1/228-231.pdf)

18. On the development of mechanisms of state support for agricultural production in Ukraine / Analytical note // : <http://www.niss.gov.ua/articles/910/>

19. Kaulbars A., Экспортный BUILDING otchestvenno and industry / Oleksiy Kaulbars // magazine "Economy of Russia : MM I Century ".- number 17 "-  
[http://www.ruseconomy.ru/nomer17\\_200410/ec06.html](http://www.ruseconomy.ru/nomer17_200410/ec06.html)
20. Kraynikov IM., Problematic issues of realization of export potential of Ukraine / IM. Kraynikov // Bulletin of Ukrainian Academy of Banking of the case ,  
- 2002.-№ 1 (12).-  
<<http://dspace.uabs.edu.ua/bitstream/123456789/3487/1/Export%20potential%20of%20Ukraine.pdf>> \
21. Pelehan DA., Экспортный CAPACITY Ukraine : problems of development and s WAYS solutions / DA. Pelehan , E.Y. Avramenko // Kremenchug State University named after Mikhail Ostrogradsky.-  
[http://www.rusnauka.com/12\\_ENXXI\\_2010/Economics/64896.doc.htm](http://www.rusnauka.com/12_ENXXI_2010/Economics/64896.doc.htm)
22. Decree of the Cabinet № 492-p of 11.07.2019 , on the plan of measures on development and implementation of export potential of Ukraine and the expansion of foreign markets sales of goods of domestic producers in the period to 2015,
23. Marchenko T. , Problems of realization of export potential of Ukraine / Tetyana Marchenko // Journal of intellectual elite "Personnel " -  
<<http://www.personal.in.ua/article.php?ida=142>> \
24. Danylyshyn B., Promoting the effective implementation of the export potential of Ukraine is one of the most important elements of policy and government / Danylyshyn B.// : <http://www.me.gov.ua>
25. Belinska Ya.V., State support for exports : foreign experience and lessons for Ukraine / Ya.V.. Belinska // Strategic priorities , - 2008.- № 3 (8), - p.120-131. : <http://old.niss.gov.ua/book/StrPryor/8/16.pdf>
26. Prsyazhnyuk H., Ukraine uvelychyt export grain in India / H. Prsyazhnyuk // Article : <http://servis-agro.com.ua/news/a-749.html>

27. Chernoiivanova A. , South Africa can start purchasing Russian military equipment / Alina Chernoiivanova // Magazine "Gazeta Ru " 2013. - <http://www.gazeta.ru/business /2013/03/26/5117789.shtml>
28. Asiodu, PC 1967, 'Industrial Policy and Incentives in Nigeria', Nigerian Journal of Economics and Social Studies, vol. 9, iss. 2, pp. 161-174.
29. Kazantsev, SK, Strovsky, LE & Shablova, EG 2012, Foreign Economic Activity of the Enterprise: a textbook, Moscow, 503 p., (in Russian).
30. Killick, T 1981, The Role of the Public Sector in the Industrialization of the African Developing Countries, UNIDO, Vienna. Nigeria 2019, viewed 20 February 2019, .
31. Nigeria: Trade Statistics 2019, viewed 20 February 2019, .
32. The World Integrated Trade Solution 2019, viewed 20 February 2019.



## ADDITIONS

### Appendix A

## SUMMARY

Bot Samuel Nigeria export potential and ways to realize it. Thesis. Sumy State University, Sumy, 2021.

The bachelor's considers and analyzes several aspects of present-day foreign trade activities in the Federal Republic of Nigeria, the importance and need for an early adjustment of Nigeria's foreign trade strategy aimed at diversifying the country's foreign trade and increasing its export finished products.

Key words: international trade, foreign trade, foreign trade strategy, foreign trade turnover, export, import, commodity structure.

## АНОТАЦІЯ

Бот Самуель Експортний потенціал Нігерії та шляхи його реалізації. Бакалаврська робота. Сумський державний університет, Суми, 2021.

В бакалаврській роботі розглядається та аналізується кілька аспектів сучасної зовнішньоторговельної діяльності у Федеративній Республіці Нігерія, важливість та необхідність якнайшвидшого коригування зовнішньоекономічної стратегії Нігерії, спрямованої на диверсифікацію зовнішньої торгівлі країни та збільшення обсягів її експорту готової продукції.

Ключові слова: міжнародна торгівля, зовнішня торгівля, зовнішньоторговельна стратегія, зовнішньоторговельний оборот, експорт, імпорт, товарна структура.