

# Nigeria

## Overview



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71%

Population below international poverty line

€62

per month

National minimum wage

€287

per month

Rural living income

35%

Agricultural workforce

22%

Agriculture share of GDP

4

high

Risk to workers' rights

## Context

Nigeria has a population of approximately 201 million<sup>[1]</sup> and an almost equal distribution between urban (51%)<sup>[2]</sup> and rural (49%)<sup>[3]</sup> population. The agricultural sector accounts for 35% of total employment<sup>[4]</sup> and represents 22% of the national GDP.<sup>[5]</sup>

Nigeria is the most populous country in Africa and one of the most promising economies on the continent. However, in the rural areas of Nigeria, poverty is a major problem that is compounded by the lack of opportunities for young people. Most of the country's rural population are smallholder subsistence farmers. These farmers grow their crops on plots without irrigation and are therefore completely dependent on rainfall. This is detrimental, especially in the northern part of the country which often experiences droughts. Furthermore, the poor quality of the country's road network has greatly undermined the development of the agricultural sector. In addition, over-cultivation, deforestation, and overgrazing have greatly degraded the quality of the soil.<sup>[6]</sup>

The top produced commodities in Nigeria are cassava, yams, maize, palm oil and rice.<sup>[7]</sup> Nigeria's main export commodities in quantity are cocoa beans, sesame seeds, cashew nuts, wheat bran and soybeans.<sup>[8]</sup>

# Wages

## Minimum wage

The minimum wage in Nigeria is set by law at 30,000 Nigerian naira (62 EUR) per month. It is based on 5 working days of 8 hours per week.<sup>[9]</sup> All workers must receive at least this minimum wage and employers who fail to meet this payment are subject to sanctions by the Nigerian government. Despite this labour law, the government has not been effective in its enforcement and when it sanctioned non-compliance, the penalties were too low to have a significant impact. In addition, the government has placed severe obstacles to [collective bargaining](#). The law does not protect unions from general discrimination nor does it mandate the reinstatement of fired workers on the basis of union activity. Workers can protest through formalised unions, but the police rarely give permission for public demonstrations, and if they do, they usually end with violent interventions and arrests of union members.<sup>[10]</sup>

## Living income

The [Global Living Wage Coalition](#) has developed a Living Income Reference Value study for rural Nigeria based on the Anker methodology.

The Anker Living Income Reference Value for 2020 for rural Nigeria is estimated at 138,678 Nigerian naira (287 EUR) per month. This is the estimated monthly cost for a typical family in rural Nigeria to cover a basic but decent standard of living in 2020. The [living income](#) estimate is 170% higher than the income of a family with 1.71 full-time workers earning the minimum wage. It is important to note that due to the large variability in poverty levels across Nigerian's regions, the living income estimate may be too high for some of the poorest areas in the north of the country and too low for the more developed southern states. <sup>[11]</sup>

## What's happening

### RESOURCE

#### [Living Income Reference Value, Rural Nigeria](#)

Living income estimate for a typical family in rural Nigeria to cover the monthly cost of a basic but decent standard of living.

### INITIATIVE

#### [Cassava Supply Chain Inclusion in Nigeria](#)

The IDH cassava program promotes an inclusive cassava supply chain model and empowers smallholders through increased income and productivity.

### RESOURCE

#### [Ginger Farmer's Income](#)

Scientific article exploring the factors affecting income generation for ginger farmers in Nigeria.

## Footnotes

1. World Bank (2019). <https://data.worldbank.org/indicator/SP.POP.TOTL?locations=NG>
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4. World Bank (2019). <https://data.worldbank.org/indicator/SL.AGR.EMPL.ZS?locations=NG>
5. World Bank (2019). <https://data.worldbank.org/indicator/NV.AGR.TOTL.ZS?locations=NG>

6. IFAD. Country Profiles: Nigeria. <https://www.ifad.org/en/web/operations/country/id/nigeria>
7. FAOSTAT (2019). [http://www.fao.org/faostat/en/#rankings/commodities\\_by\\_country](http://www.fao.org/faostat/en/#rankings/commodities_by_country)
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9. WageIndicator Foundation (2021). Minimum Wage-Nigeria.  
<https://wageindicator.org/salary/minimum-wage/nigeria>
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<https://www.state.gov/reports/2019-country-reports-on-human-rights-practices/nigeria>
11. Global Living Wage Coalition (2020). Anker Living Income Reference Value: Rural Nigeria 2020.  
<https://globallivingwage.org/wp-content/uploads/2021/01/Rural-Nigeria-LI-Reference-Value.pdf>