



 **Business Climate Survey
Nigeria**

Business Climate Survey for Swedish companies in Nigeria 2026

A report from Team Sweden in Nigeria

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30 respondents

(total +2,250 respondents for 41 markets)

Current business climate

Cautious but stable business climate, reflecting ongoing macroeconomic adjustment

Industry turnover

73%

of Swedish companies expect their industry turnover to increase

Future investments

60%

of Swedish companies plan to increase their investments slightly or significantly in the next 12 months

Globally valued success factors

1. Cost efficiency
2. Partnerships/relationships
3. Brand awareness

Brand Sweden

80%

of Swedish companies abroad consider Brand Sweden beneficial for business

Local conditions with high satisfaction

1. Distributors
2. Personal safety
3. Suppliers

Local conditions with least satisfaction

1. Physical infrastructure
2. Customs
3. Licenses and permits

Environmental considerations

47%

of respondents believe the environment is a considerable factor in their customers' purchasing decisions

Corruption

27%

Of Swedish companies have been exposed to corruption

Human rights violation and labour rights abuse

0

Human rights violations and/or rights abuse cases have been reported by Swedish companies

Foreword

Nigeria remains one of Africa's most compelling markets due to its scale, strong underlying demand, and long-term growth potential. With a large and growing population, diversified demand across sectors, and a central role in West Africa's commercial landscape, Nigeria continues to attract companies willing to operate in a complex but opportunity-rich environment. For Swedish-related companies, Nigeria's attractiveness is driven primarily by strong underlying demand rather than short-term policy or cost advantages, making long-term positioning and resilience particularly important.

At the same time, Nigeria enters 2026 following a period of continued economic adjustment. Reforms to foreign exchange management, fuel subsidies and public finances have reshaped the operating environment. While day-to-day business conditions remain demanding, companies report clearer policy direction and a gradually improving predictability compared with recent years.

The 2026 Business Climate Survey reflects this balance between challenge and opportunity. Swedish-related companies highlight persistent constraints related to infrastructure, regulatory complexity, access to financing and customer price sensitivity. In parallel, confidence in Nigeria's long-term fundamentals remains intact, anchored in market size, sustained demand growth and Nigeria's role as a regional commercial hub.

Survey responses also highlight differences in how companies navigate the market. Firms with established operations, strong local partnerships and adaptable operating models appear better positioned to manage volatility and maintain competitiveness. Disciplined execution, cost control and effective risk management are repeatedly highlighted as important factors for sustaining operations in a competitive and fast-moving business environment.

This report reflects the experiences and perspectives of Swedish-related companies active in Nigeria. Team Sweden extends its sincere appreciation to all participating companies for sharing their insights and remains committed to supporting Swedish businesses through market intelligence, stakeholder engagement and strategic advice as Nigeria's business environment continues to evolve.



H.E. Anna Westerholm
Ambassador of Sweden
to Nigeria, Ghana,
Cameroon and ECOWAS



Marlena Batist Hager
Trade Commissioner
and Country Manager
Business Sweden

Executive summary

Economic outlook

- Financial performance among Swedish-related companies in Nigeria is mixed, with almost half reporting profitable operations.
- Expectations for the year ahead are more positive, with many companies anticipating increased industry turnover.
- Investment sentiment remains supportive, with most respondents planning to maintain or increase their investment levels.
- The business climate is most often assessed as neutral, with positive assessments outweighing negative ones.

The market

- Nigeria's large market size is the main factor underpinning its attractiveness.
- High demand for products and services reinforces confidence in Nigeria's long-term market potential.
- Some companies also view Nigeria as a regional hub for West Africa, although this remains secondary to domestic demand.
- Business growth is constrained by high financing costs, regulatory complexity, price sensitivity, foreign-exchange access, and infrastructure challenges.

How Swedish-related companies succeed in Nigeria

- Operations are predominantly sales- and service-led, with limited local manufacturing or research and development (R&D).
- Cost efficiency and strong partnerships are the most important drivers of competitiveness in the market.
- The Swedish brand supports market positioning and credibility, with most companies reporting a positive contribution to their business.

Acting responsibly

- Environmental considerations currently play a limited role in customer purchasing decisions.
- Exposure to corruption is primarily reported in interactions with public bodies.
- No respondents report direct exposure to human rights violations or labour rights abuse, although respondents indicate limited visibility in parts of the value chain.

About the survey

The first Business Climate Survey conducted in Nigeria

The Business Climate Survey is conducted regularly by Business Sweden across a wide range of global markets to capture the experiences, expectations and priorities of Swedish-related companies operating internationally. The 2026 edition marks the first time the survey has been conducted in Nigeria, providing a baseline for understanding and tracking developments in the business climate over time.

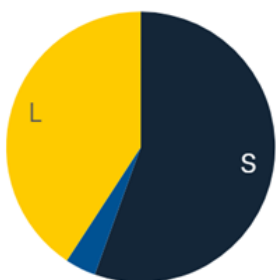
The survey is based on responses from 30 Swedish-related companies active in Nigeria, representing a significant share of the estimated Swedish business presence in the market. The respondent base includes companies with varying company sizes, sector focus and market experience, offering a balanced view of the Nigerian operating environment.

The respondent group reflects a broad mix of company sizes. Large companies account for 41 per cent of respondents, while small companies represent 40 per cent and medium-sized companies 19 per cent, ensuring perspectives from both globally established firms and smaller organisations are represented.

From an industry perspective, respondents are primarily active in industrial and professional services sectors. Industrial companies account for 43 per cent of respondents, followed by professional services companies at 36 per cent, while consumer-oriented companies represent 21 per cent. This distribution reflects Sweden’s strong presence in industrial solutions and business services in Nigeria.

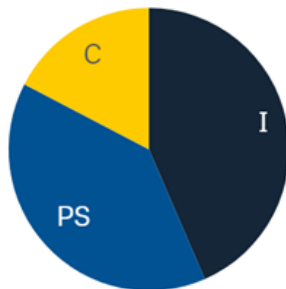
The survey largely reflects the views of established companies. Seventy-six per cent of respondents have operated in Nigeria for more than six years, indicating that the results are grounded in extensive market experience, while still including insights from newer market entrants.

Size of companies



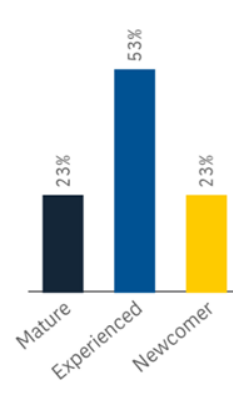
NOTE: Global employees
 Large >1,000
 Medium 250-1,000
 Small 0-249

Main industry



NOTE: Industrial 43%
 Professional services 39%
 Consumer 17%

Age of companies



NOTE: Mature (<2004)
 Experienced (2003-2020)
 Newcomer (2021-)

Economic outlook

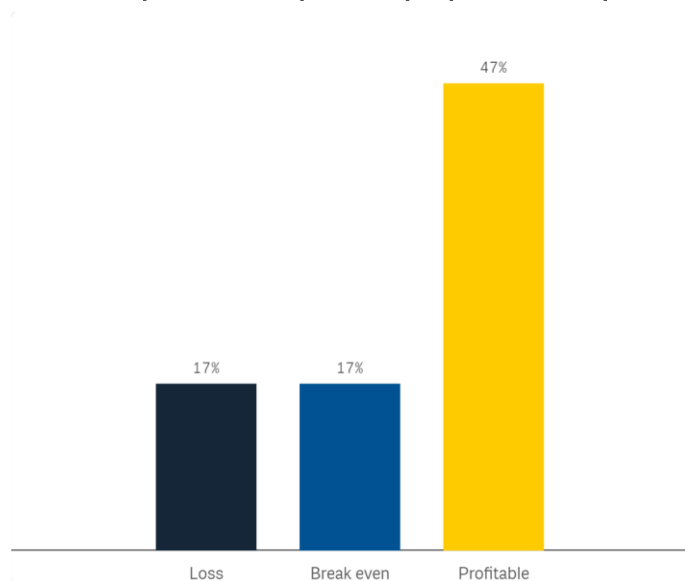
Nearly half of Swedish companies in Nigeria report profitable operations

In 2026, 47 per cent of surveyed companies report profitable operations in Nigeria, while the remaining respondents report either break-even or loss-making results. This indicates that a substantial share of companies are able to operate profitably despite a challenging operating environment, although financial outcomes remain uneven across the market.

Financial outcomes differ clearly by company size. Among medium-sized and large companies combined, around six in ten report profitable operations, reflecting relatively strong performance in these segments. By contrast, smaller companies are more likely to report break-even or loss-making results. Differences are also visible across sectors, with professional services companies performing particularly strongly, where 56 per cent report profitable operations compared with other industries.

Company maturity is another differentiating factor. Eighty-six per cent of mature companies report being profitable, compared with weaker results among companies with a shorter market presence. This suggests that longer experience in the Nigerian market is associated with stronger financial outcomes, reflecting the value of established operations and local market knowledge.

How would you describe your company's financial performance in Nigeria in 2026?



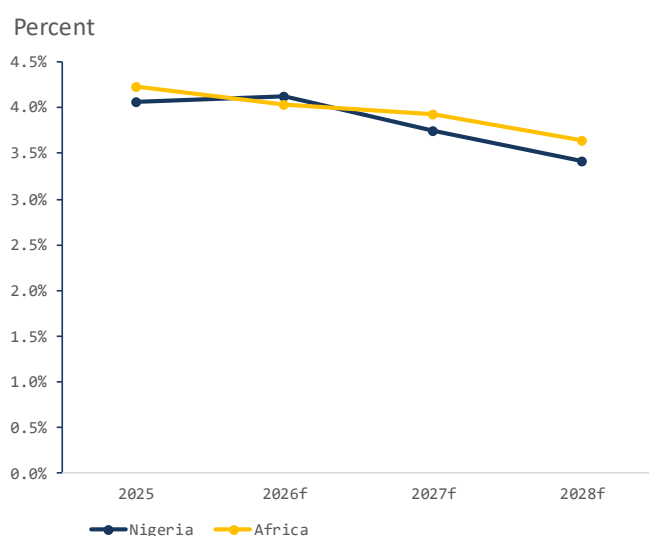
NOTE: The number of respondents for this question was 30. "Don't know/Not applicable" responses are included but not shown in figure.
SOURCE: Business Climate Survey for Swedish Companies in Nigeria 2026.

Nigeria's growth outlook aligns with regional trends

Nigeria's GDP growth is projected to remain broadly aligned with overall African growth over the coming years. In 2026, Nigeria's growth rate is projected at just above 4.0 per cent, close to the African average. Over the longer term, growth is expected to ease somewhat over the forecast period, reflecting a similar trajectory across the region.

Looking further ahead, growth is expected to moderate gradually, while broadly tracking regional developments. By 2028, Nigeria's growth rate is projected at around 3.4 per cent, compared with an African average of approximately 3.6 per cent. Overall, the outlook points to a steady, if moderate, growth trajectory, providing a supportive macroeconomic backdrop for companies already active in the Nigerian market.

Projected GDP growth in Nigeria



NOTE: Constant prices.
SOURCE: Oxford Economics, 20 March 2026



While the operating environment remains quite tough, major macroeconomic indicators, such as inflation, exchange rate and interest rates, are improving, leading to improved investor confidence.

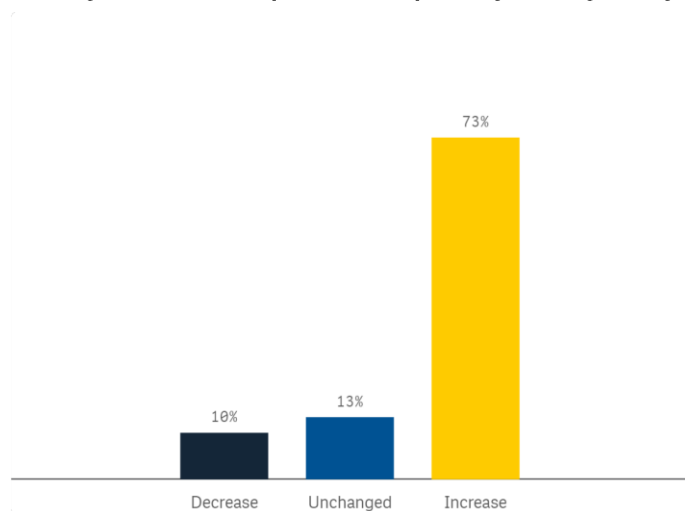
Executive Director
Healthcare equipment supplier

Expectations for industry turnover remain strongly positive

Expectations for industry turnover among Swedish-related companies in Nigeria are optimistic. Seventy-three per cent of respondents expect industry turnover to increase over the coming 12 months, while 10 per cent anticipate a decline, pointing to broadly positive demand expectations despite ongoing operational challenges.

Confidence is particularly strong among certain groups. All medium-sized companies expect industry turnover to increase, and expectations are also notably high among professional services companies, where 89 per cent anticipate growth. Mature companies also report a positive outlook, with 86 per cent expecting increased industry turnover.

Compared to the development in the past 12 months, what are your expectations for the coming 12 months for your industry in Nigeria regarding turnover?



NOTE: The number of respondents for this question was 30. "Don't know/Not applicable" responses are included but not shown in figure.

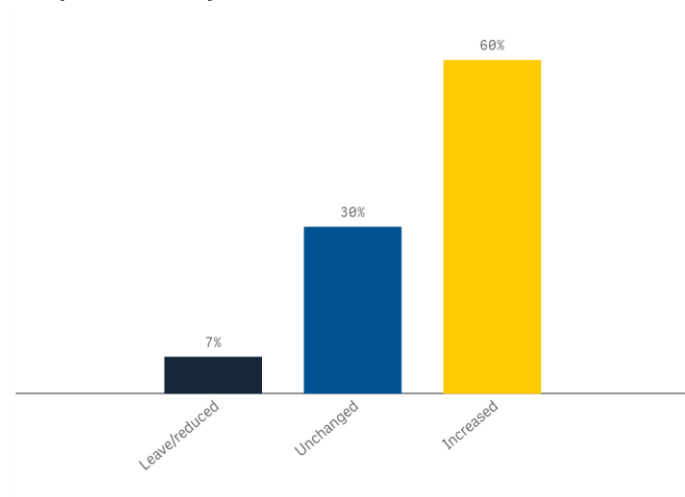
SOURCE: Business Climate Survey for Swedish Companies in Nigeria 2026

90 per cent of companies plan to maintain or increase investments

Investment intentions among Swedish-related companies in Nigeria remain broadly positive. Sixty per cent of respondents plan to increase investments over the next 12 months, while a further 30 per cent expect investment levels to remain unchanged. Only a small share indicate plans to reduce or pause investments, indicating that most companies intend to sustain or expand their engagement in the Nigerian market.

Planned investment increases are particularly evident among professional services companies and newer market entrants, both of which show strong expansion intentions. More established companies tend to balance incremental investment with consolidation, reflecting different investment strategies across the respondent base.

What are your company's investment plans for the coming 12 months in Nigeria, compared to the past 12 months?



NOTE: The number of respondents for this question was 30. "Don't know/Not applicable" responses are included but not shown in figure.

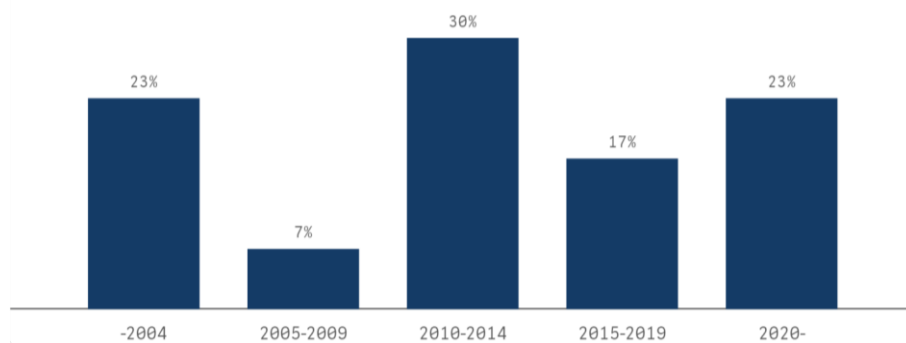
SOURCE: Business Climate Survey for Swedish Companies in Nigeria 2026

The market

Swedish-related companies in Nigeria combine long market presence with broad sector footprint

Survey responses show that Swedish-related companies in Nigeria include both long-established firms and more recent entrants. Twenty-three per cent of respondents established operations before 2004, while the largest share, 30 per cent, entered the market during 2010 – 2014. At the same time, 23 per cent of companies established operations from 2020 onwards, indicating continued market entry alongside an existing base of experienced operators.

In what year did your company establish operations in Nigeria?

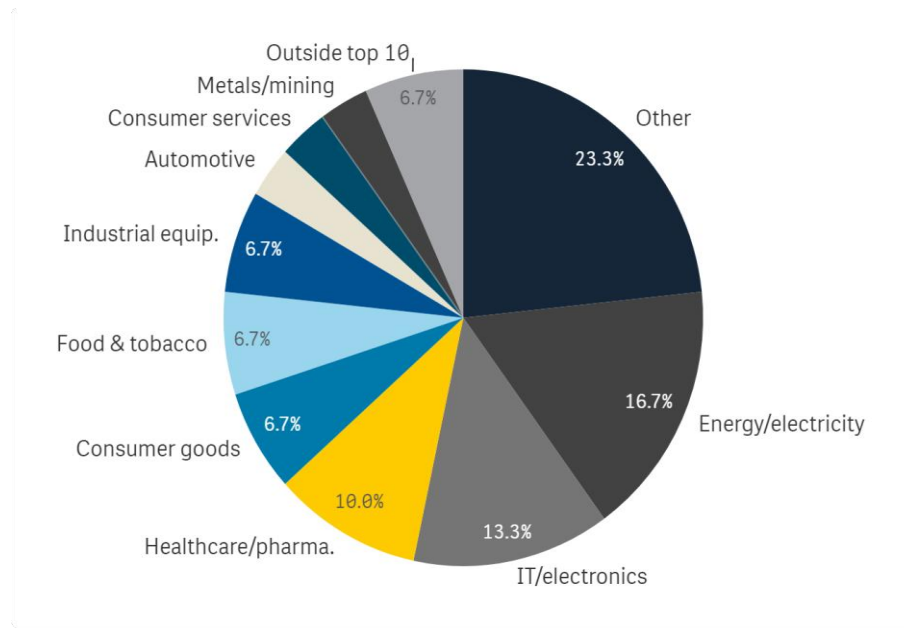


NOTE: The number of respondents for this question was 30. "Don't know/Not applicable" responses are included but not shown in figure.

SOURCE: Business Climate Survey for Swedish Companies in Nigeria 2026

Our survey respondents represent a wide range of industries, reflecting the diversity of Swedish-related companies operating in Nigeria. Respondents are active across energy and electricity, IT and electronics, healthcare and pharmaceuticals, as well as a range of industrial and consumer-facing sectors.

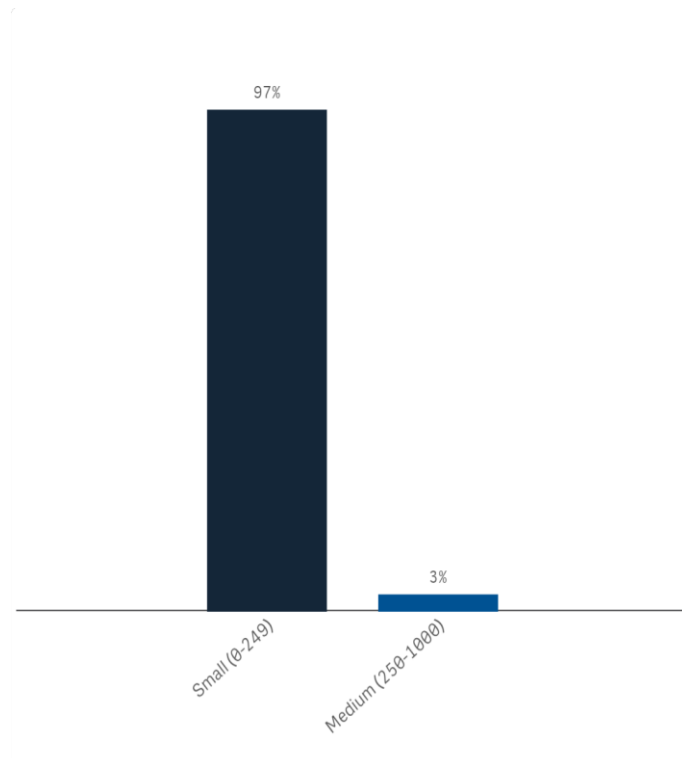
What is your company’s main industry in Nigeria?



NOTE: The number of respondents for this question was 30. "Don't know/Not applicable" responses are included but not shown in figure.
 SOURCE: Business Climate Survey for Swedish Companies in Nigeria 2026

Swedish-related business activity in Nigeria is characterised by predominantly small local operations. Ninety-seven per cent of surveyed companies employ fewer than 250 people locally, while only three per cent fall into the medium-sized category. This suggests that most Swedish-related companies operate with lean local teams in Nigeria.

Swedish firms’ local number of employees in Nigeria in 2026



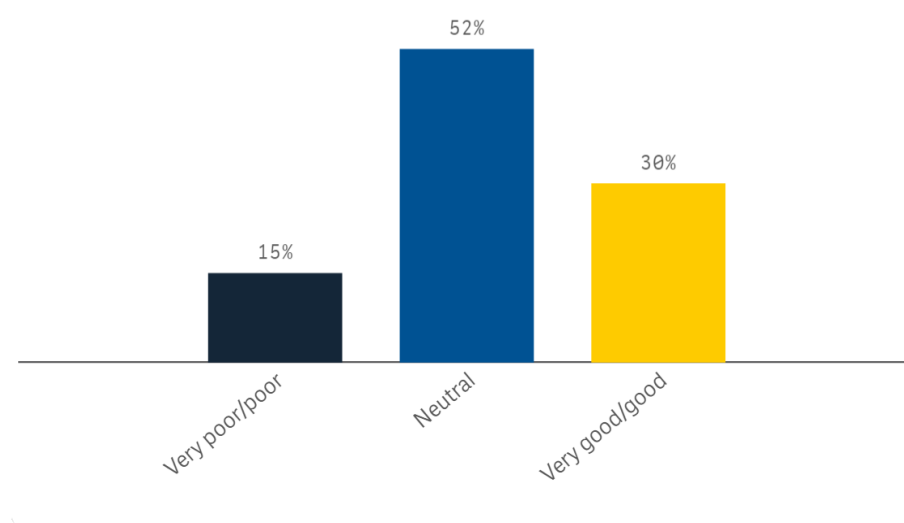
NOTE: The number of respondents for this question was 30. "Don't know/Not applicable" responses are included but not shown in figure.
 SOURCE: Business Climate Survey for Swedish Companies in Nigeria 2026

The business climate is largely viewed as neutral

Respondents describe the current business climate in Nigeria as balanced rather than clearly positive or negative. Fifty-two per cent of respondents assess the business climate as neutral, while 30 per cent rate it as good or very good. A smaller share, 15 per cent, perceive conditions as poor or very poor, resulting in an overall cautious but stable assessment.

Perceptions vary across company groups. Larger firms tend to report a neutral view of the business climate, while smaller companies express more varied views. By industry, professional services companies stand out with more positive assessments, whereas industrial companies most frequently describe conditions as neutral. Market experience also plays a role, with newer market entrants more inclined to view the business climate positively, compared with more established companies, which more often report neutral assessments.

How do you perceive the current business climate in Nigeria?



NOTE: The number of respondents for this question was 27. "Don't know/Not applicable" responses are included but not shown in figure.

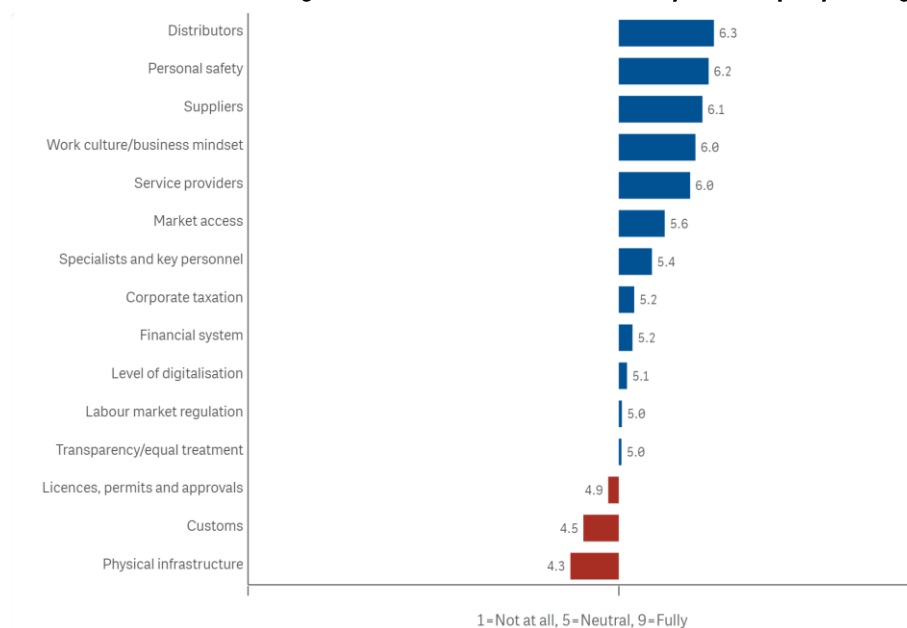
SOURCE: Business Climate Survey for Swedish Companies in Nigeria 2026

Relationship-based conditions outperform infrastructure and regulation

When assessing how well different conditions meet their business needs in Nigeria, Swedish-related companies draw a clear distinction between people- and relationship-based factors and infrastructure- and process-related factors. Overall, the results indicate that companies are better supported in building and maintaining commercial relationships than in navigating physical and administrative systems.

Conditions linked to people and networks are rated highest, with access to distributors, personal safety, and access to suppliers receiving the strongest scores. By contrast, licences, permits and approvals, customs, and physical infrastructure are rated lowest, highlighting that regulatory processes and physical systems are the areas where company needs are least well met.

How well do the following conditions meet the needs of your company in Nigeria?



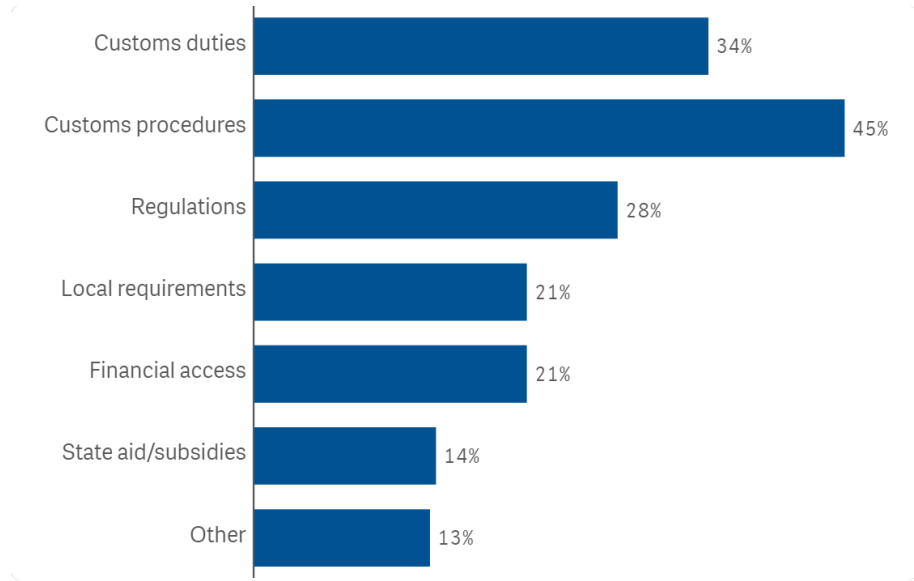
NOTE: The number of respondents for this question was 30.
SOURCE: Business Climate Survey for Swedish Companies in Nigeria 2026

Customs and regulations are the main trade barriers in Nigeria

Trade barriers with a noticeable negative impact on operations are reported primarily in relation to customs and regulatory procedures. Customs procedures are the most frequently cited barrier, affecting 45 per cent of respondents, followed by customs duties at 34 per cent and regulations at 28 per cent. This indicates that administrative and border-related processes continue to represent the most significant trade-related constraints for companies operating in Nigeria.

Consumer-oriented companies are particularly exposed to customs-related barriers, reflecting their reliance on imports and cross-border flows. Mature and experienced companies report trade barriers more frequently than newer entrants, suggesting that prolonged market presence increases interaction with regulatory and customs processes and, in turn, exposure to related challenges.

Has your company in the past year encountered trade barriers in Nigeria with a noticeably negative impact on operations, in any of the following areas?



NOTE: The number of respondents for this question was 30.
 SOURCE: Business Climate Survey for Swedish Companies in Nigeria 2026

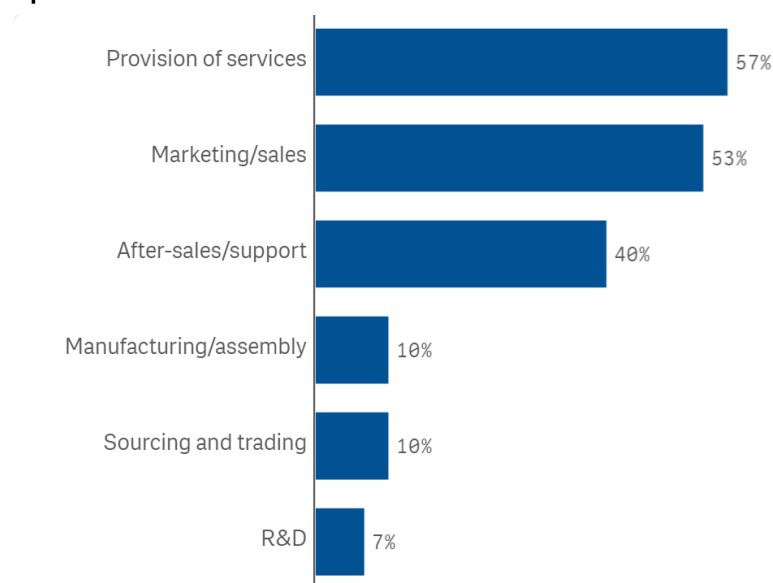
How Swedish companies succeed in Nigeria

Operations in Nigeria are centred on services and sales

Swedish-related companies most commonly operate in Nigeria through sales- and service-oriented activities. Provision of services is reported by 57 per cent of respondents, followed by marketing and sales at 53 per cent, indicating a stronger focus on customer engagement and market development than on asset-heavy operations.

Supporting this model, 40 per cent of companies carry out after sales and support functions, reinforcing the importance of maintaining customer relationships locally. In contrast, more capital-intensive activities remain limited. Only 10 per cent report manufacturing or assembly, a similar share engage in sourcing and trading, and 7 per cent report research and development, highlighting a predominantly light-asset operating approach in the Nigerian market.

Operations of Swedish firms in the market



NOTE: The number of respondents for this question was 30. "Don't know/Not applicable" responses are included but not shown in figure.

SOURCE: Business Climate Survey for Swedish Companies in Nigeria 2026

Cost efficiency and partnerships drive competitiveness in Nigeria

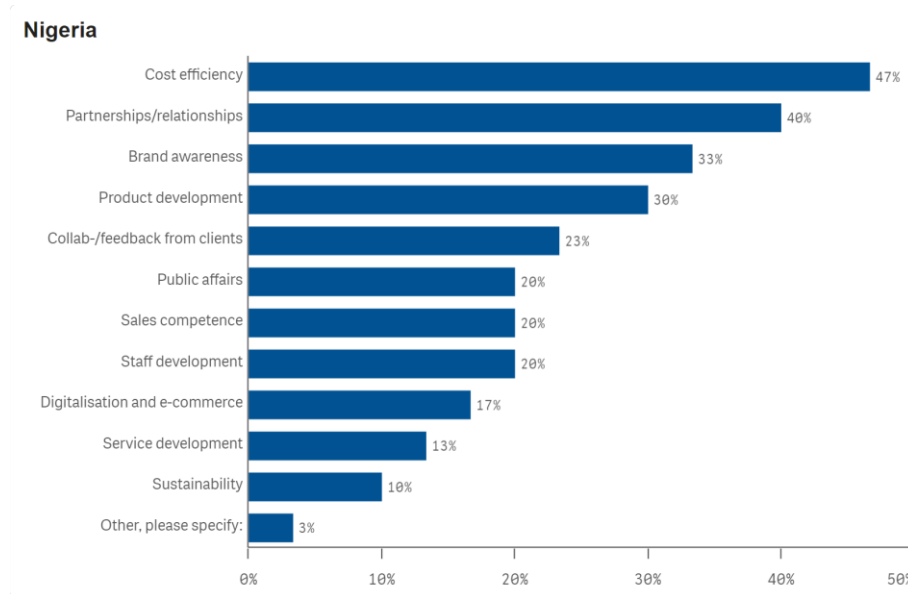
Forty-seven per cent of respondents cite cost efficiency as a key driver, reflecting the importance of operating efficiently in a highly price-sensitive market. Partnerships and relationships are the second most frequently cited driver, reported by 40 per cent of companies. This underlines the value of trusted local networks in navigating market complexity, accessing customers, and managing regulatory and operational challenges.

Brand awareness also plays a significant role, cited by 33 per cent of respondents as important for competitiveness. This highlights the value of a strong Swedish brand presence in the market and

reinforces the relevance of Team Sweden’s efforts in promoting Sweden’s reputation for quality, reliability and long-term commitment.

Digitalisation and e-commerce (17 per cent) and sustainability (10 per cent) are cited less often, indicating that immediate commercial and cost-related factors continue to outweigh longer-term or structural considerations for most companies operating in Nigeria.

To date, which of the following areas have been important in maintaining competitiveness in Nigeria?



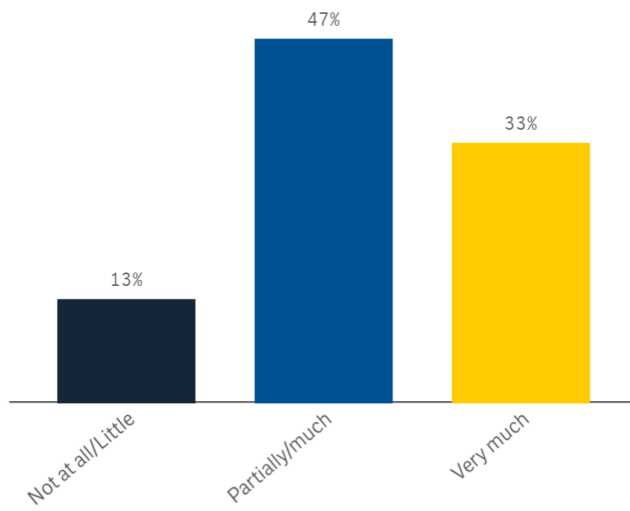
NOTE: The number of respondents for this question was 30. “Don’t know/Not applicable” responses are included but not shown in figure.
 SOURCE: Business Climate Survey for Swedish Companies in Nigeria 2026

The Swedish brand contributes meaningfully to outcomes in Nigeria

The survey results confirm that the Swedish brand plays a meaningful role in the Nigerian market. Eighty per cent of respondents state that the Swedish brand contributes at least partly to their business, including 33 per cent who report a very strong contribution and 47 per cent who describe a partial contribution. Only 13 per cent indicate that the Swedish brand contributes little or not at all, highlighting its overall relevance as a business asset.

The importance of the Swedish brand is not uniform across companies. Large companies report the strongest brand impact, with more than half stating that the brand contributes very much to their business. By industry, industrial companies place the highest value on the Swedish brand, while professional services companies more often describe its role as supportive rather than decisive.

Company maturity also influences perceptions, with newer market entrants reporting the strongest brand contribution, suggesting that the Swedish brand plays an important role in establishing credibility and trust during the early stages of market entry.

To what extent would you estimate that the “Swedish brand” contributes to your business in Nigeria?

NOTE: The number of respondents for this question was 30. “Don't know/Not applicable” responses are included but not shown in figure.
SOURCE: Business Climate Survey for Swedish Companies in Nigeria 2026

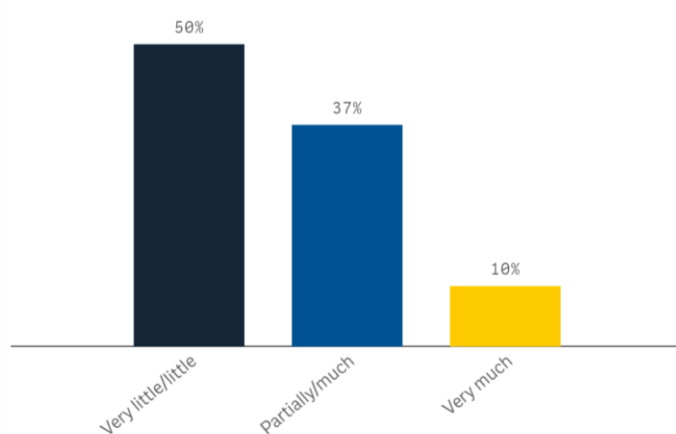
Acting sustainably

Environmental considerations play a limited role in customer purchasing decisions

Environmental aspects currently have limited influence on purchasing decisions in Nigeria. Half of respondents (50 per cent) report that customers consider environmental factors very little or not at all, while only 10 per cent indicate that such considerations are very important. This suggests that sustainability is not yet a decisive demand driver for most customers in the Nigerian market.

The data also shows that large and industrial companies report a higher degree of customer consideration of environmental aspects, with more respondents indicating that these factors are considered at least to some extent.

To what extent do customers in Nigeria consider environmental aspects of a product or service in their purchasing decision?



NOTE: The number of respondents for this question was 30. "Don't know/Not applicable" responses are included but not shown in figure.

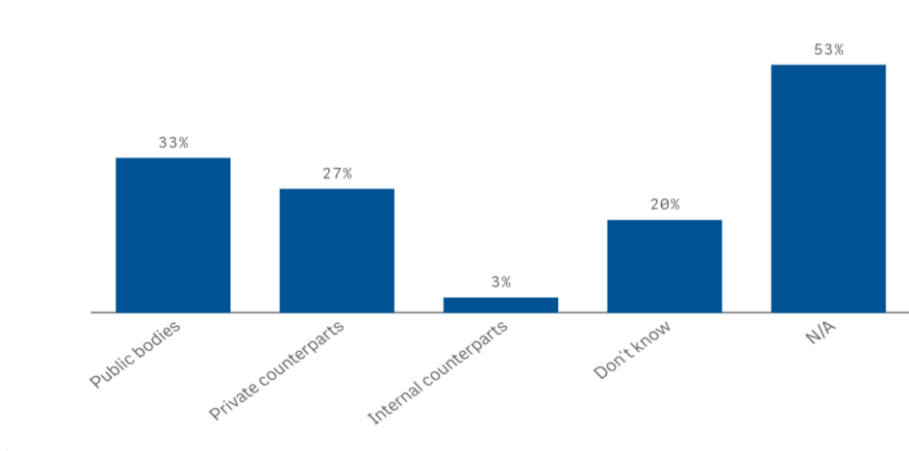
SOURCE: Business Climate Survey for Swedish Companies in Nigeria 2026

Exposure to corruption is mainly linked to interactions with public bodies

Exposure to corruption remains present for Swedish-related companies operating in Nigeria, particularly in interactions with public institutions. One-third of respondents report exposure to corruption in contacts with public bodies, while 27 per cent report exposure involving private counterparts. Reported incidents linked to internal counterparts are rare (three per cent). More than half of respondents indicate that this is not applicable, showing that exposure is uneven across companies. As respondents could report exposure across multiple areas, results are not mutually exclusive.

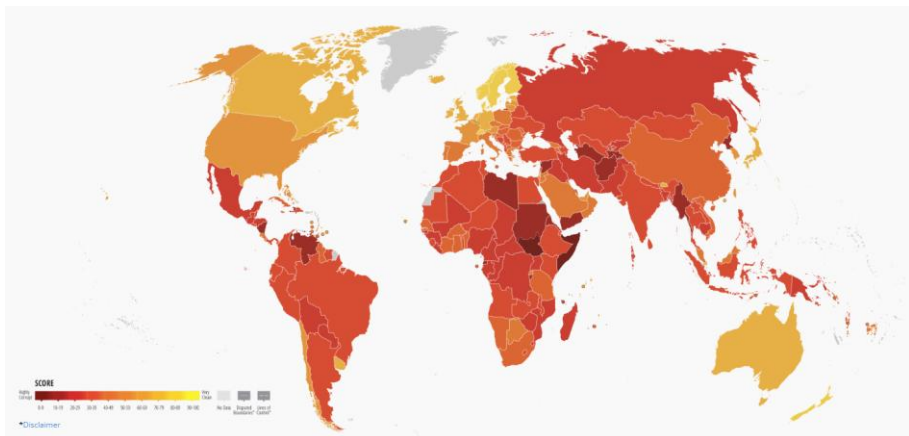
Small and mature companies report the highest exposure in interactions with public bodies, while industrial companies more frequently report exposure involving private counterparts. Newer market entrants report lower exposure overall. These findings are consistent with Nigeria's broader risk context. In the Transparency International Corruption Perceptions Index 2025, Nigeria ranks 142 out of 182 countries with a score of 26, reflecting a high perceived level of public-sector corruption.

Has your company in Nigeria been exposed to corruption such as, but not limited to, attempts of bribery or fraud in contacts with any of the following areas?



NOTE: The number of respondents for this question was 30.
 SOURCE: Business Climate Survey for Swedish Companies in Nigeria 2026

Corruption perception index 2025



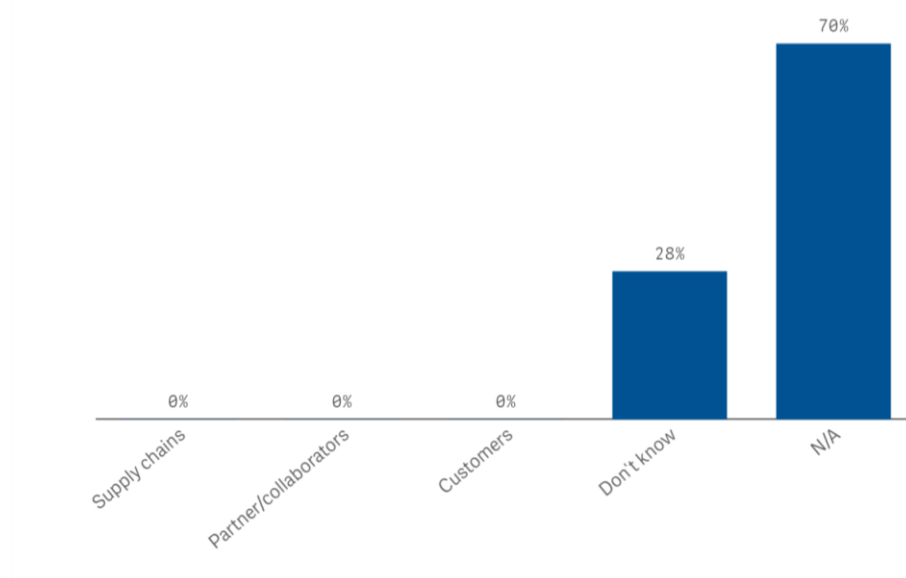
SOURCE: Transparency International

No reported exposure to human or labour rights violations

Survey respondents report no direct exposure to human rights violations or labour rights abuse in their operations in Nigeria. None of the participating companies indicate having encountered such issues in contacts with supply chains, partners or collaborators, or customers, suggesting that surveyed Swedish-related companies have not encountered such incidents.

At the same time, responses indicate limited visibility in parts of the value chain. Seventy per cent of respondents select “not applicable”, while 28 per cent report “don’t know”, pointing to uncertainty rather than confirmed cases.

Has your company in Nigeria encountered any form of human rights violations and/or labour rights abuse in contacts with any of the following areas?



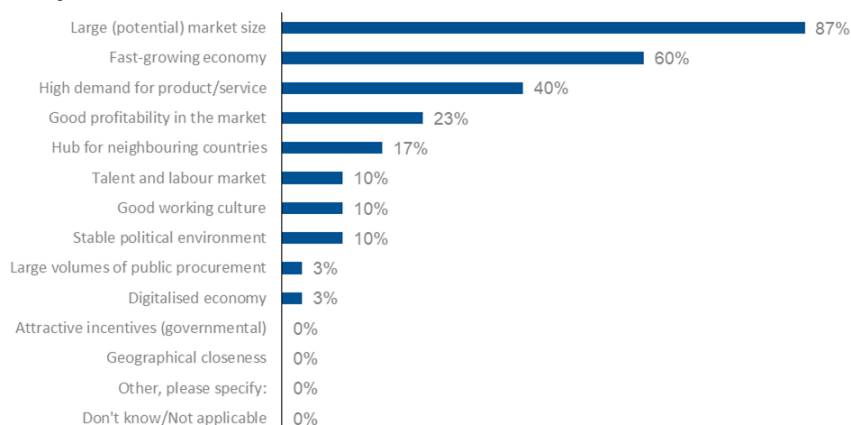
NOTE: The number of respondents for this question was 30.
SOURCE: Business Climate Survey for Swedish Companies in Nigeria 2026

Strong demand potential is the primary attraction of the Nigerian market

The Nigerian market is primarily valued for its scale and demand fundamentals. Large market size is cited by 87 per cent of respondents, making it the most significant positive aspect of the market. This is reinforced by perceptions of a fast-growing economy, highlighted by 60 per cent, and high demand for products and services, cited by 40 per cent.

Beyond domestic demand, 17 per cent of respondents identify Nigeria’s role as a hub for neighbouring countries as a positive aspect. This reflects Nigeria’s positioning as a regional gateway within West Africa, although this remains secondary to the strength of domestic demand.

Which of the following do you consider to be the most positive aspects of the Nigerian market?



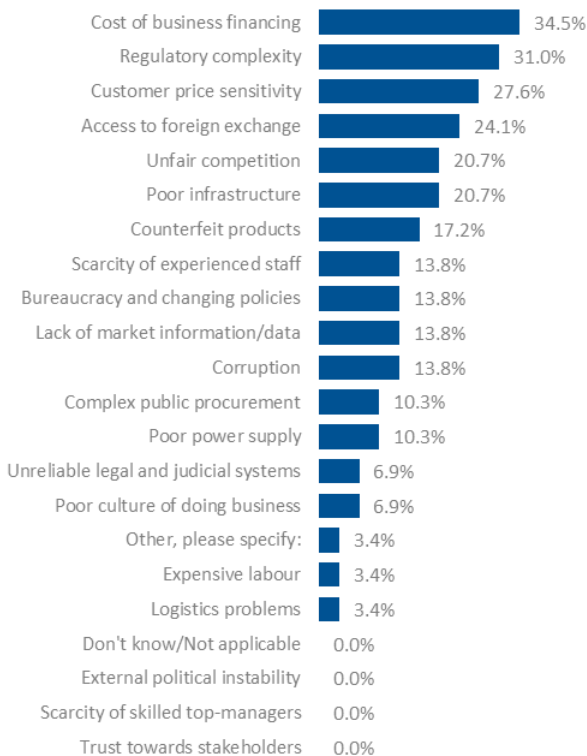
NOTE: The number of respondents for this question was 30.
SOURCE: Business Climate Survey for Swedish Companies in Nigeria 2026

Financial constraints and regulatory frictions are the main barriers to business growth

The main challenges hindering business growth in Nigeria relate primarily to financial conditions and regulatory complexity. The cost of business financing is the most frequently cited constraint, mentioned by 35 per cent of respondents, followed closely by regulatory complexity (31 per cent).

Market-related and structural challenges also feature prominently. Customer price sensitivity is cited by 28 per cent of respondents, underscoring the importance of affordability in purchasing decisions, while access to foreign exchange (24 per cent) remains a key operational bottleneck. Issues such as unfair competition and poor infrastructure are each reported by 21 per cent of companies, highlighting continued operational and market-related challenges.

What are the main challenges hindering your business to grow in Nigeria?



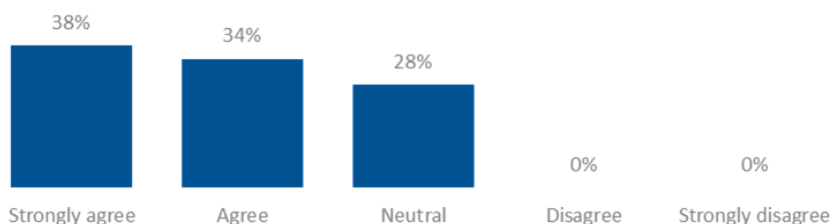
NOTE: The number of respondents for this question was 30.
 SOURCE: Business Climate Survey for Swedish Companies in Nigeria 2026

72% of companies support more Swedish companies entering Nigeria over the next three years

Survey responses reflect a broadly positive view of Nigeria’s market potential among Swedish-related companies already active in the country. Seventy-two per cent of respondents agree or strongly agree that more Swedish companies should consider entering the Nigerian market over the next three years, including 38 per cent who strongly agree. No respondents express a negative view.

Overall, the results point to sustained confidence in Nigeria’s longer-term attractiveness, despite recognised operational and structural challenges. The lack of negative responses suggests that existing market participants perceive sufficient opportunity to support continued and expanded Swedish business engagement in Nigeria over the medium term.

More Swedish companies should consider entering the Nigerian market over the next three years.



NOTE: The number of respondents for this question was 30.
 SOURCE: Business Climate Survey for Swedish Companies in Nigeria 2026

Contact us

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