

3.2.2. Unemployment

3.2.2. Unemployment

In April 2023, the government changed the unemployment rate calculation methodology to follow ILO guidelines. The new methodology, which started to be applied in the fourth quarter of 2022, counts people working 20 hours per week or less as ‘employed’, thus dropping the unemployment rate from 33.3 % in 2020 to 4.1 % in 2023.976 Under the new methodology, the unemployment rate decreased from 5.3 % in the fourth quarter of 2022, to 4.2 % in the second quarter of 2023, but increased to 4.3 % in the second quarter of 2024.977 In urban areas, the unemployment rate was reported higher than in rural areas (5.2 % compared to 2.8 %).978 The unemployment rate for 2025 is estimated at 3.16 %.979

Nigeria’s revamp of economic indicators sparked debate, as observers pointed out that the sharp drop in unemployment is not due to job creation but rather a change in the National Bureau of Statistics’ methodology.980

Analysts consulted by Nigerian newspaper Business Day indicated that the exiting of multinationals from Nigeria and the closure of several factories due to rising production costs and shifts in consumer spending due to the high cost of living, led to job cuts across various industries. Industries included manufacturing companies and major companies such as GlaxoSmithKline Consumer Nigeria Ltd, Sanofi-Aventis Nigeria Ltd, and Equinox Nigeria.981 The same source reported that high energy costs and foreign exchange losses led to the implementation of ‘cost cutting measures’, including downsizings and layoffs, to adapt to the new environment. According to the Manufacturers Association of Nigeria (MAN), about 767 manufacturing companies shut down in 2023, while 335 experienced ‘distress’.982

- 976

  Cable (The), EXPLAINER: The new NBS methodology behind Nigeria’s 4.1% unemployment figure, 26 August 2023, url; African Business, Nigeria’s revamp of economic indicators sparks debate, 13 February 2025, url

- 977

  US, CIA, The World Factbook: Nigeria, 12 August 2025, url; World Bank (The), Human Capital, Country Brieg: Nigeria, October 2024, url; Nigeria, NBS, Nigeria Labour Force Survey (NLFS) Report, Q2 2024, November 2024, url, p. 2

- 978

Nigeria, NBS, Nigeria Labour Force Survey (NLFS) Report, Q2 2024, November 2024, url, p. 2

- 979

  WEF, Global Gender Gap Report 2025: Nigeria, Economic profiles, 11 June 2025, url

- 980

  Cable (The), EXPLAINER: The new NBS methodology behind Nigeria's 4.1% unemployment figure, 26 August 2023, url; African Business, Nigeria's revamp of economic indicators sparks debate, 13 February 2025, url

- 981

  Business Day, Jobless rate rises on multinationals' exit, factory closures, 25 September 2024, url

- 982

  Business Day, Jobless rate rises on multinationals' exit, factory closures, 25 September 2024, url

© European Union Agency for Asylum 2026 | Email: info@euaa.europa.eu