



# Alcohol Policy in Nigeria

## Tackling Harmful Alcohol Consumption in Nigeria

### Executive Summary

Nigeria has one of the highest rates of alcohol use among adults aged 15 and above in sub-Saharan Africa. Although alcohol consumption is a personal choice, its abuse has severe consequences on the health of consumers. Without controlled access, alcohol can lead to a high level of dependency with harmful withdrawal effects. Alcohol abuse is responsible for over 29% of deaths in Nigeria, including 50% of road traffic accidents. Nigeria is rated highest for years of life lost due to alcohol. Despite this, alcohol availability is loosely regulated, and unlicensed brands are easily accessible to minors.

Several policies and plans exist to regulate harmful alcohol consumption, including the Nigeria NCDs action plan, the Federal Road Safety Act (2007), and the National Agency for Food and Drug Administration and Control (NAFDAC) Act. However, these policies do not operate within a cohesive alcohol reduction framework. Furthermore, weak implementation of the existing policies hinder their effectiveness. For example, enforcing the alcohol-related aspects of the Federal Road Safety Commission (FRSC) legislation has been difficult due to insignificant fines, lack of alcohol testing equipment, and inadequate awareness campaigns on the dangers of alcohol consumption.

Likewise, NAFDAC regulations including the gradual phasing out of the sales of high-concentration alcohol in small packages apply to industry but do not necessarily cover the whole spectrum of regulating the production, marketing, and consumption of alcohol. Nigeria currently imposes a tax on alcoholic beverages but the tax rate isn't effective as it is lagging behind peers on the continent and there is no evidence that the tax has reduced consumption of alcohol.

Nigeria needs a cohesive standalone alcohol policy to consolidate these policies and actions. This policy can be governed by the World Health Organization's SAFER initiative which recommends interventions that can mitigate harmful alcohol use, such as multisectoral collaboration, increasing alcohol taxes, restricting access, and banning alcohol advertising. Implementing these interventions, along with licensing regulations, pricing mechanisms, awareness campaigns, and enforcement, can reduce alcohol consumption and related health concerns, especially among young people.

**This paper seeks to identify gaps in the current policy framework and propose solutions to improve alcohol regulation in Nigeria. The proposed solutions include:**

- The introduction of standalone legislation for alcohol taxation.
- The establishment of a Nigerian Alcohol Control Alliance composed of relevant government organisations including, the Ministry of Health, NAFDAC, Ministry of Finance, FRSC, law enforcement agencies, and representatives of civil society and public health organisations to play an oversight function in the implementation, review, and harmonisation of the alcohol policy and all standalone policies.
- Establishment of a national communication campaign secretariat and the development of a national communications strategy that would guide the development of integrated communications campaigns that promote the health harms of alcohol consumption and other laws that protect vulnerable and high-risk people from alcohol marketing and targeting.
- Creation of an Alcohol Regulatory Task Force led by the Federal Consumer Competition Protection Commission to ensure the protection of consumers including the introduction of a valid identification system to prevent sales to minors, and the enforcement of an effective and human-rights-centred sanctions and penalties regime for individuals and entities that violate these laws.

## Context

Harmful alcohol use accounts for approximately 3.3 million deaths annually and it is linked to over 200 non-communicable diseases. Although harmful alcohol use is most prevalent in developed countries, African countries, including Nigeria, are seeing a rising trend in alcohol consumption and its burdens. According to the 2016 Global Burden of Disease study, Nigeria is one of the countries with the highest prevalence of current alcohol use among adults 15 years and older in sub-Saharan Africa (SSA) with between 40 and 60% of its population indulging. NCDs accounted for approximately 29% of all deaths in Nigeria. Half of Nigeria's road traffic deaths have been linked to alcohol consumption with a high mortality rate of 32.2%.

Despite the impact of harmful alcohol consumption on public health and the safety and security of the public, Nigeria still does not have a comprehensive, stand-alone national policy on alcohol and has struggled to enforce existing rules that govern the production, consumption, marketing, accessibility and availability of alcohol across the policy and legislative landscape. All over the country, alcohol sales and distribution remains loosely regulated and readily available to everyone including minors.

Alcoholic products are readily available in small, inexpensive packaging, including several locally produced and unlicensed alcohol brands. The legal drinking age of 18 is also not enforced. All these factors greatly contribute to high alcohol abuse in Nigeria.

Nigeria's NCDs action plan outlines three priority actions to tackle alcohol consumption including,

- **the implementation of mass media campaigns;**
- **the provision of support for quitters, and;**
- **the development of a national alcohol control policy through multi-sectoral action.**

The NCDs plan essentially serves as a guideline to support efforts towards attaining the WHO global action plan. Most recently, Nigeria developed a stand-alone policy with the support of the WHO but bureaucratic bottlenecks have hindered the adoption of the document. While the national policy remains elusive, several alcohol prevention policies that are contained in other national policies, regulations, and legislations are yet to be effectively implemented.

## Legal Landscape and Analysis

Several alcohol policies instituted in Nigeria are of limited impact due to weak implementation. Across the policy and legal environment, laws like the Federal Road Safety Act (2007) and the National Agency for Food and Drug Administration and Control (NAFDAC) Act exist to limit the harms of alcohol abuse. This section outlines the objectives of these policies and examines the bottlenecks to their implementation.

### Federal Road Safety Act (2007)

The Federal Road Safety Commission (FRSC) is responsible for ensuring safety and traffic management within Nigeria. The FRSC Act empowers the agency to take actions aimed at restricting access and availability of alcohol to counter drunk driving and mitigate road accidents.

The FRSC Act contains provisions that prosecute or penalise the following:

- Hawking of alcohol or hard drugs within a radius of 200 m to a motor park, motorcycle park or bus stop. Drunk drivers are liable to pay a fine of ₦5000 or a prison sentence of not more than two years.
- Driving or an attempt to drive under the influence of drugs or alcohol above 0.5 grammes per litre. Nigeria's blood alcohol concentration (BAC) limit stands at 0.05 g/100 mL.

Enforcing the alcohol-related aspects of the FRSC legislation has proved hard. Due to the comparatively low cost, the current fines are insufficient as a deterrent, they also do not have the capacity to ensure compliance because of the lack of equipment for measuring alcohol levels among drivers. There is a lack of awareness of the dangers of alcohol consumption and drunk driving among people in general, the government has made minimal investments in awareness campaigns to mitigate this.

### National Agency for Food and Drug Administration and Control (NAFDAC) Act

Within the mandate of Nigeria's Food and Drug regulatory agency is the authority to introduce regulations around the production, marketing, and packaging of alcohol consumption in the country. NAFDAC regulates the alcohol industry through specific regulations and guidelines.

Among these regulations include the Spirits Drinks Regulation, and Wine Regulations which contain specific provisions that govern the production, marketing and licensing of these products. In addition to the regulations, the agency has introduced several directives and guidelines to prevent easy access to alcohol to discourage harmful consumption. In 2019, NAFDAC announced the gradual phasing out of the sales of high-concentration alcohol in small packages by 31st January 2024. Specifically;

- Discontinuing registration of new products in sachet and small volume PET or glass bottles above 30% alcohol by volume (ABV)
- Ensuring producers of alcohol in sachets and small-volume PET and glass bottles reduce production by 50% of capacity from January 2020.
- Alcohol industry to begin nationwide sensitisation campaign against underage consumption of alcohol

While NAFDAC has a multi-stakeholder committee of Health, the Federal Competition and Consumer Protection Commission and other industry associations, the recommendations of the committee do not constitute a framework for effective regulation of alcohol production, marketing, and consumption. A case in point is the delegation of the government's reduction campaigns to the industry whose business interests are best served by maintaining the status quo.

## Fiscal Policy Measures

In 2018, Nigeria introduced specific excise duty rates on alcoholic beverages over a three-year period to address harmful alcohol consumption and generate revenue. In 2021, no significant changes were made to alcohol taxes as they were removed from the import adjustment tax list.

Subsequently, in 2022, the government increased the tax on alcoholic beverages and introduced a roadmap for a phased increase over a three-year period. As part of its 2023 fiscal policy measures, the government introduced new taxes on alcoholic beverages. Concerns about the legality and enforceability of the tax have been raised by the industry.

Despite industry's outcry over the tax rate, Nigeria's tax on alcoholic beverages are below the effective rate and lagging behind other low and middle income

countries. For example, Nigerians bought alcoholic and soft drinks worth ₦599.11 billion (approx. 1.3 billion) in the first half of 2022 representing a 31.2% increase compared to the same period in 2021.

Alcohol taxation is currently contained in Nigeria's Finance Act and fiscal policy measures which are subject to annual revisions. This results in inconsistencies and unpredictability in tax rates as they can be easily changed or removed. The current framework has done little to effectively address the harmful consumption of alcohol. The phased approach to the taxes also does not adequately deter consumers from purchasing alcoholic beverages.

Stand-alone legislation for alcohol taxation can provide a more effective approach to reducing harmful alcohol consumption and revenue generation. A stand-alone policy will take into consideration other alcohol-related issues which can lead to more targeted interventions.

	 Nigeria	 South Africa	 Kenya
 Beer	\$1.05	\$6.8	\$0.098
 Wine	\$1.79	\$14.06	\$0.135
 Spirits	\$2.63	\$14.06	\$0.14

Tax rates/litre (USD Comparison)

## Recommendations

The institution of a robust Nigeria Alcohol Policy Framework would effectively tackle the harmful consumption of alcohol by reducing the affordability, availability and accessibility of alcoholic beverages. In the development and implementation of a standalone policy, policymakers should consider:

- 1** Conducting a price elasticity study to determine and guide the introduction of an effective alcohol tax rate.
- 2** Establishing a Nigerian Alcohol Control Alliance composed of relevant government organisations including, the Ministry of Health, NAFDAC, Ministry of Finance, FRSC, law enforcement agencies, and representatives of civil society and public health organisations to play an oversight function in the implementation, review, and harmonisation of the alcohol policy and all stand-alone policies.
- 3** Establishment of an Alcohol Reduction national campaign secretariat and the development of a national communications strategy that would guide the development of integrated communications campaigns that promote the health harms of alcohol consumption and other laws that protect vulnerable and high-risk people from alcohol marketing and targeting
- 4** Creation of an Alcohol Regulatory Task Force led by the Federal Consumer Competition Protection Commission and their state equivalents to ensure the protection of consumers including the introduction of a valid identification system to prevent sales to minors, and the enforcement of an effective and human-rights-centred sanctions and penalties regime for individuals and entities that violate these laws.

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