

Small Electrical Appliances

Nigeria

Tanzania

Small electrical appliances - Nigeria**Product description**

SITC Rev. 2

- 772.1 Electrical apparatus for making and breaking, for protecting and for making connections to or in electrical circuits (e.g., switches, relays, fuses, plugs, lampholders, etc.).
- 775.7 Electro-mechanical domestic appliances with self-contained electric motor, and parts thereof, (e.g., vacuum cleaners, vented hoods and room fans, food mixers, etc.).
- 775.8 Electro-thermic appliances (e.g., electric irons, hair dryers, etc.).

Imports

(US\$ '000)	1986	1987	1988	1989	1990
772.1	57,715	51,063	37,513	34,185	49,202
775.7	4,632	7,618	10,427	2,532	4,109
775.8	3,197	3,298	4,277	4,995	7,907

(Source: COMTRADE - Estimates)

**Main origins of imports
(US\$ '000, 1990)**

- 772.1 Total imports 49,202, of which: the United Kingdom, 12,034, France 11,255, Germany 9,739, the Netherlands 3,341, Italy 2,562, Japan 1,632. Also: India, Hong Kong, Yugoslavia, Israel, Singapore and the Rep. of Korea.
- 775.7 Total imports 4,109, of which: Singapore 1,586, China 536, Italy 369, France 357, India 347, Japan 302. Also: Thailand, Hong Kong, the Rep. of Korea, Brazil and Yugoslavia.
- 775.8 Total imports 7,907, of which: Italy 3,549, Singapore 2,586, the United Kingdom 643, Germany 470, France 160. Also: China, the Rep. of Korea, Hong Kong, India, Yugoslavia and Indonesia.

(Source: COMTRADE - Estimates)

Market characteristics

Domestic production of electrical appliances has more than doubled in the last three years. This situation was brought about by the Government's new economic policy which discourages imports and encourages local manufacturers and exports with attractive investments and export incentives. Thus, except for some very highly technical equipment, most appliances are manufactured and/or assembled in the country. Very few manufacturing companies are being established, but the old manufacturers are quickly expanding their existing plant capacities and increasing their product ranges. However, domestic production covered less than 40% of internal demand in 1990 and production is not expected to continue to grow during the next three years. Products made locally are sold at competitive prices and they compare favourably with imported products, except for their rather unfinished appearance.

Nigeria has the largest market in Africa for electrical equipment. The Nigerian Government is currently introducing economic recovery programmes including installing electricity in rural areas, infrastructural development, urbanization and shelter provision projects. Imports of second-hand and reconditioned household equipment (hair-dryers, food-processors, electric razors, etc.), mainly from Europe, are increasing significantly owing to excess demand and high prices for new items. Many fashionable household items, most of which are imported, are bought by the middle/upper-class segment of the market. Domestic power supply voltage in Nigeria is 220/250 volts, 50 cycles, 3 phases, 2 or 3 wires.

Market access

A 40% import duty is levied on small electrical products according to Decree No. 1 as specified in The Federal Republic of Nigeria Official Gazette No. 1, Vol. 75, January 1988. Import tariff rates apply to all imports and all importers, unless otherwise specified by special agreement.

Imports of small electrical equipments can be undertaken without any import licence requirements. No value added tax (VAT) or sales tax (ST) is charged on the products. Local manufacturers are, however, liable to a maximum of 5% excise duty tariff and a general annual turnover tax of up to 15%.

Trade promotion

Advertising is not widespread but it is likely to become so, as consumers are increasingly informed of the latest innovations.

**Commercial
practices**

Payments for imports are usually made by confirmed and irrevocable letter of credit. Import duty rates are determined on c.i.f. costs. All imports are subject to pre-shipment and/or destination inspection for quality and quantity certification and necessary statistical documentation.

**Market
outlook**

Although most of the import requirements of electric household appliances are met by industrialized countries, there are good prospects for exporters from developing countries, especially for small electrical items. As local manufacturing skills improve and their production of high-quality goods increases, imports must be of good quality and competitively priced in order to compete with the local products.

With the recovery of the economic situation and the improved standard of living, higher demand for household items is expected. In addition, real estate development and property renovation companies are prospering and are likely to continue to do so for some time to come.

**List of importers
(non-exhaustive)**

Adebowle Electrical
Industry Ltd
P.O. Box 1905
Lagos

Architectural Products Ltd
P.M.B. 2220
Abeokuta Ogun State

Baymag Engineering
Works Ltd
P.O. Box 3605
Lagos

Balton Engineering
P.O. Box 340
Apapa

Cold Spot Engineering
Co. Ltd
P.O. Box 750
Sogamu

Chelltek Ltd
P.O. Box 117
Lagos

De-Johnson (Nig) Ltd
P.O. Box 2155
Ilorin

Debo Ind. Ltd
P.M.B. 1214
Oshodi

General Appliances Co. Ltd
P.O. Box 1534
Lagos

Jimade Technical Industries Ltd
PMB 1060 Ebute Metta
Lagos

Kaycee Refrigeration
P.O. Box 3541
Port-Harcourt

Mikko Electronics
P.O. Box 7157
Aba

Muni Engineering
P.O. Box 7244 Marina
Lagos

Nichedos and Co. Ltd
20/22 Omilani St.
Ijesatedo, Lagos

Nigerian Engineering
Works Ltd
P.O. Box 519
Port-Harcourt

Nigispak International
Nig. Ltd
P.O. Box 4996
Suru Lere
Lagos

Olanrewaju Electrical
P.O. Box 6319
Lagos

Onward Electrical Industries Ltd
P.O. Box 1138
Akure

Radvisision Technical
Nigeria Ltd
P.O. Box 1286
Lagos

Saint Clair Ind. Ltd
P.O. Box 3502
Port-Harcourt

Samadi Refrigerations Ltd
P.O. Box 2822
Lagos

VYB Nigeria Ltd
PMB 155
Apapa

Thermo Cool Eng. Ltd
PMB 155
Apapa

Ineide and Co. (Nig.) Ltd
P.O. Box 2392
Lagos

Admiral Engineering Ltd
P.O. Box 2003
Ikeja

Dizengoff W.A. (Nig.)
Cookers Ltd
P.O. Box 340
Apapa

Doyin Investments Nig. Ltd
P.O. Box 2822
Lagos

CFAO Electro Hall
P.O. Box 3034
Lagos

English Electric Co.
P.O. Box 2213
Lagos

Electrical Material Supplies
A Div. of UACN
PLC PMB 1110
Lagos

NULEC Industries Ltd
P.O. Box 664
Apapa

West African Eng. Co.
P.O. Box 388
Apapa

Sources of information

- Federal Office of Statistics.
- Department of Customs and Excise, Federal Ministry of Finance and Economic Development, Federal Secretariat.
- Manufacturers Association of Nigeria.
- Lagos Chamber of Commerce
- National Association of Commerce, Industry and Agriculture.
- Central Bank of Nigeria.
- Discussions with some manufacturers, importers and distributors.

ITC/MBDBS - April 1992

This market brief has not been formally edited by the International Trade Centre UNCTAD/GATT.

Small electrical appliances - United Republic of Tanzania**Product description**

SITC Rev. 2

- 772.1 Electrical apparatus for making and breaking, for protecting and for making connections to or in electrical circuits (e.g., switches, relays, fuses, plugs, lampholders, etc.).
- 775.7 Electro-mechanical domestic appliances with self-contained electric motor, and parts thereof, (e.g., vacuum cleaners, vented hoods and room fans, food mixers, etc.).
- 775.8 Electro-thermic appliances (e.g., electric irons, hair dryers, etc.).

Imports

(US\$ '000)	1986	1987	1988	1989	1990
772.1	4,672	8,602	17,486	8,423	9,068
775.7	117	243	253	128	323
775.8	1,222	2,429	1,286	927	2,149

(Source: COMTRADE - Estimates)

Main origins of imports

(US\$ '000, 1990)

- 772.1 Total imports 9,068, of which: Italy 2,020, Germany 1,843, the United Kingdom 1,636, Denmark 1,058, the Netherlands 446. Also: China, India, Singapore, Thailand and Yugoslavia.
- 775.7 Total imports 323, of which: Sweden 231, France 20, Japan 18, the United Kingdom 17. Also: Hong Kong and India.
- 775.8 Total imports 2,149, of which: the Netherlands 1,207, the United Kingdom 450, Italy 163, France 76, Denmark 58, Germany 55. Also: Yugoslavia, China, India and Thailand.

(Source: COMTRADE - Estimates)

Market characteristics

There is little domestic production of electrical goods in Tanzania. The major producers are: Tanzania Cables Ltd., Light Source Manufacturers Ltd and Tanzania Electrical Goods. Among the items produced are electrical and telecommunication cables, lightbulbs, fluorescent tube lights, transformers, switch gears and electric cookers.

The main suppliers of electrical goods to Tanzania are: Italy, the United Kingdom, Germany and the Netherlands. Imports from developing countries are, however, increasing.

**Market
access**

Virtually all outward payment has to be approved by the Bank of Tanzania and import control is administered by the Imports Controller.

Imports exceeding a minimum value of Tsh 10,000 require an import licence.

Custom tariffs are levied on the c.i.f. value of imports and the tariff schedule is ad valorem.

The products under consideration are subject to the following duty rates:

772.1	A) Parts for household appliances	33 1/3%
	B) Parts for TV, radio, HIFI	37.5%
	C) Others	Free
775.7	A) Electric fans	35%
	B) Others	30%
775.8	A) Electric, instantaneous or storage heaters or immersion heaters	15%
	B) Other	30%

Imports must be insured with the National Insurance Corporation of Tanzania and, unless specifically exempted by the Bank of Tanzania, individual consignments of imports exceeding Tsh 250,000 are subject to pre-shipment inspection by authorized international agencies for quantity, quality and price.

Compliance with internationally recognized standards could be conditional for exporting electrical goods to Tanzania.

**Distribution
channels**

Companies specialized in electrical goods are the main importers. Some of these companies are wholesalers or wholesalers/retailers (see addresses below).

**Commercial
practices**

Applications for obtaining import licences must be submitted by the Tanzanian importer, to the Imports Controller of the Bank of Tanzania before orders are placed.

Payments of imports are usually made by letter of credit.

**Market
outlook**

The recently introduced Economic Liberalization Measures have stimulated business in the construction sector considerably. The Government, with foreign assistance, is introducing an electrification programme in various rural areas. Consequently, there are good prospects for the domestic demand of electrical goods.

**List of importers
(Non-exhaustive)**

Building Hardware and Electrical
Supplies Co. Ltd (BEHESCO)
P.O. Box 4799
Dar-Es-Salaam
Tel: 31432

TANCRAFT Ltd
P.O. Box 6020
Dar-Es-Salaam
Tel: 41973
Fax: 35440

BHIMANI Ltd
P.O. Box 21182
Dar-Es-Salaam
Tel: 33573

K. Agency International Ltd
P.O. Box 935
Dar-Es-Salaam
Fax: 055-251 2407

SUKITA Ltd
P.O. Box 2092
Dar-Es-Salaam
Tel: 30312-3
Tlx: 41800
Fax: 37880

Household Supplies Co. Ltd
P.O. Box 4795
Dar-Es-Salaam
Tel: 37041
Tlx: 41186
Fax: 37039

Tanzania Electrical Supplies
Co. Ltd (TANESCO)
P.O. Box 9024
Dar-Es-Salaam
Tel: 27281
Tlx: 41318

Sources of information

- Customs and Sales Tax Department, P.O. Box 9131, Dar-Es-Salaam.
- K. Agency International Ltd.
- Tanzania Electrical Supplies Co. Ltd.
- Bank of Tanzania: "Economic and Operations Report", June 1989.
- Dun & Bradstreet - Exporters' Encyclopaedia.

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