

TRADE FACILITATION AGREEMENT AND ITS INADEQUACIES VIS-A-VIS THE EFFECT OF FREE TRADE FACILITATION AGREEMENT IN AFRICA: PROJECTED LESSONS FOR NIGERIA

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Abstract

The World Trade Organization's Trade Facilitation Agreement (TFA) and the African Continental Free Trade Area (AfCFTA) aim to streamline trade processes, yet their implementation in Africa, particularly Nigeria, reveals significant gaps in addressing capacity constraints, non-tariff barriers (NTBs), infrastructural deficits, and exclusion of small and medium enterprises (SMEs) and informal traders. The thrust of the TFA is the simplification and harmonization of international trade in such a way that procedures are ensured to reduce costs and delays for global economic integration. The African Continental Free Trade Area (AfCFTA) which became operationalized in 2021 built on TFA's principles is also problematic having persistent challenges such as infrastructural deficit, regulatory fragmentation and weak institutional capacity particularly for Nigeria's trade ecosystem. The paper adopts a doctrinal research methodology making comparative analysis of primary and secondary sources including policy reports and case studies for clarity and precision. The paper also examines the TFA's global framework, AfCFTA's regional ambitions, and Nigeria's experiences, highlighting domestic barriers and legal implications. The paper found that Trade Facilitation in Africa is shaped by the continent's unique socio-economic and legal landscape, characterized by fragmented markets, colonial-era borders, and heavy reliance on informal trade. At the moment, Intra-African trade accounts for only 17% of total trade, significantly lower than other regions. It recommends strategies to strengthen institutional frameworks, harmonize policies, invest in infrastructure, and promote inclusivity, this will to bridge the TFA-AfCFTA gap, enabling Nigeria to maximize trade benefits and contribute to AfCFTA's goal of lifting 30 million Africans from poverty by 2035.¹

Keywords: TFA, AfCFTA, WTO, Nigeria, Africa.

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¹ World Bank, 'The African Continental Free Trade Area' (World Bank report, 2020)

10<<https://www.worldbank.org>> accessed 13 September 2025.

1. Introduction

The Trade Facilitation Agreement (TFA) is the first set of new multilateral rules to have been negotiated under the auspices of the WTO as a whole on matters of interest to developing countries demonstrating both potential and the difficulty in the process of negotiation, however, illustrated the usefulness of issue linkage in achieving cooperation on trade policy matters at international level. Trade facilitation, or the simplification of cross-border trade procedures, is central to economic integration, particularly in Africa, where intra-regional trade accounts for only 17% of total trade, compared to 60% in Europe.² The World Trade Organization's Trade Facilitation Agreement (TFA), which has been in effect since 2017, and the African Continental Free Trade Area (AfCFTA), which has been operational since 2021, aim to reduce the costs of trade by streamlining customs procedures and eliminating barriers.³ Nigeria, Africa's largest economy, accounting for 17% of GDP, is at the heart of both plans but is grappling with aligning global and regional trade aspirations with local realities.⁴ These include capacity gaps, infrastructural deficits, and marginalization of SMEs and informal traders, who are the leading actors in Nigeria's trade environment.⁵

The TFA is meaningful in a number of aspects as it forms part of a small package of decisions specifically on issues concerning developing country WTO members whose disciplines have general application in principle to all members outside of trade policy but beckoning collective action to members with implementation constraints. TFA is a milestone for trade policy especially from economic development and national welfare. It was outlined as one of the single undertakings against the desire of most WTO members even as it was unfolding to avert "*nothing is agreed until everything is agreed*" formula. The genesis for TFA was concern by the global business community that inefficient border management procedures and controls were becoming an increasingly important barrier to international sourcing and international production sharing.

² World Trade Organization, 'Trade Facilitation Agreement Database' (TFAD 2023) <<https://www.tfadatabase.org>> accessed 13 September 2025; African Union, 'Agreement Establishing the African Continental Free Trade Area' (AU 2018).

³ International Monetary Fund, 'Trade Integration in Africa: Unleashing the Continent's Potential in a Changing World' (IMF Departmental Papers 2023) 18.

⁴ World Bank (n 1) 15.

⁵ Mustapha, Ayodele Haruna and Adetoye, D, 'Nigeria and the African Continental Free Trade Agreement Area (AfCFTA): Issues, Challenges and Prospect' (2020) 7(3) *Advances in Social Sciences Research Journal* 237, 241.

A close reading of the WTO agreement reveals that there are no provisions apparently dealing with trade facilitation and Nigeria as a member nation should have cause for worry being Africa's largest exporter of crude oil and other raw materials.

WTO instead has separate Articles dealing with area of the customs clearance: Art. V, Art. VII, Art. VIII, Art. X under General Agreement on Tariffs and Trade technically and by inference used to provide space for trade facilitation among its members. AfCFTA on the other hand, came into being under the African Union's Agenda 2063 with the aspirations of boosting intra-African trade by 52% by 2025 through tariff elimination and harmonized trade facilitation procedures.

Annex 4 of AfCFTA reveals that principle of TFA have been incorporated but only extended to address regional Non-Tariff Barriers (NTBs) These are trade restrictions that do not assume the form of tariffs yet limit trade through measures such as quotas, import licensing necessities, technical standards, sanitary and phytosanitary regulations, customs delays, or informal fees. In the context of this paper NTBs increase the trade costs significantly often by 18-25% as would be clear later based on literature available and utilized by the paper.

The paper examines the TFA's legal and operational framework, and its inadequacies in addressing Africa's particular trade challenges, and the AfCFTA's complementary yet limited regional approach. It explores Nigeria's implementation experience, showcasing opportunities like the Guided Trade Initiative (GTI) and challenges such as port inefficiencies and NTBs. Drawing from modern legal literature (2018–2025) and Nigerian legislation, including the Customs Service Act 2023 and Nigeria AfCFTA Implementation Strategy 2020, it proposes strategies to bridge the TFA-AfCFTA gaps, with priority given to institutional reforms, policy harmonization, infrastructure investment, and inclusivity for SMEs and marginalized groups.⁶ The study contributes to legal scholarship by offering pragmatic recommendations for Nigeria to enhance trade facilitation, aligning with AfCFTA's ambition to boost intra-African trade by 52% and reduce poverty by 2035.⁷

⁶ Customs Service Act 2023 (Nigeria), s 12; Nigeria, 'AfCFTA Implementation Strategy' (Federal Ministry of Industry, Trade and Investment 2020) 8.

⁷ World Bank (n 1) 20.

2. Conceptual Framework of Trade Facilitation

Trade facilitation entails measures and procedures to reduce costs of trade, enhance efficiency, and promote cross-border commerce.⁸ The WTO defines it as simplifying, modernizing, and harmonizing export and import processes, estimating a 14–16% cost reduction in developing countries.⁹ In Africa, the African Union (AU) sees trade facilitation as a tool for regional integration, addressing structural barriers like NTBs, which have tariff equivalent of 18%.¹⁰ TFA, under Annex 1A of the WTO Agreement, mandates measures including transparency (Article 1), pre-arrival processing (Article 7), and customs cooperation (Article 12), with special and differential treatment (SDT) provisions for developing countries.¹¹ AfCFTA's Annex 4 on Trade Facilitation takes it a notch higher, foregrounding NTB removal, digital trade, and inclusivity in quest of a \$292 billion income gain.¹²

Trade facilitation in Nigeria is governed by the Customs Service Act 2023, which aligns with TFA's electronic clearance, and Nigeria AfCFTA Implementation Strategy 2020, which prioritizes SME integration.¹³ However, scholars like Mustapha and Adetoye noted that Nigeria's informal trade sector, which makes up 80% of cross-border, is not adequately addressed, particularly for women traders who suffer harassment.¹⁴ A case study of the Kano-Katsina corridor illustrates this, in which 40% of profits is lost to NTBs by informal traders.¹⁵ This paper brings to the fore the necessity for harmonizing Nigeria's global and regional agendas, opening the way for discussion of TFA and its limitations in light of AfCFTA's influence in addressing Nigeria's trade debacle through lessons anticipated.¹⁶

⁸ World Trade Organization, 'Trade Facilitation Agreement' (WTO 2013), preamble.

⁹ World Trade Organization (n 2).

¹⁰ African Union (n 2), Annex 4, art 1; International Monetary Fund (n 3) 25.

¹¹ World Trade Organization (n 8), arts 1, 7, 12.

¹² World Bank (n 1) 25.

¹³ Customs Service Act 2023 (n 6), s 15; Nigeria (n 6).

¹⁴ Mustapha and Adetoye (n 5) 241.

¹⁵ *Ibid* 245.

¹⁶ International Monetary Fund (n 3) 20.

3. The WTO Trade Facilitation Agreement: Legal and Operational Analysis

The TFA, adopted in 2013 implemented in 2017, is legally binding multilateral instrument aimed at reducing the costs of trade by simplifying customs procedures.¹⁷ Its objective is to speed up goods movement, boost transparency, and provides technical assistance via the Trade Facilitation Agreement Facility (TFAF), potentially reducing Africa's trade costs by 14–16%.¹⁸

3.1 An Analysis of its key provisions;

Article 1 improves publication and availability of information that necessitates transparent trade regulations and enquiry points.¹⁹ Now, a touch of subjectivity is observed taking into account the other parameters like the potential to comment on regulation relating to movement, release, clearance of goods at customs borders. On advance rulings a binding commitment was provided for traders on a timely basis when sought on tariff classification and origin criteria. The agreement provides appeal or review of its decisions on a nondiscriminatory basis with other steps for enhancing impartiality and transparency.

The objective is to reduce uncertainty and facilitate compliance, perhaps lowering costs of trade by 5–7% in developing countries. In Nigeria, the Customs Service Act 2023 conforms with Article 1 by mandating the Nigeria Customs Service (NCS) to make tariffs and procedures available online, as evidenced by the Nigeria Single Window Trade Portal (NSWTP)²⁰. The paper notes that the NSWTP has increased transparency at Apapa Port, with a 20% reduction in clearance time for compliant traders. However, only 40% of traders, particularly SMEs in Onitsha Market, use the portal due to digital literacy gaps and poor rural connectivity, limiting Article 1's impact²¹. A UNCTAD report in 2023 highlights that Africa's informal trade sector, which constitutes 80% of Nigeria's cross-border trade, is not adequately addressed by Article 1's formal transparency provisions. For instance, at the Seme Border, informal unofficial charges total N1.2 billion annually²² for traders, showing the failure of the provision in curbing corruption. Nigeria's

¹⁷ World Trade Organization, 'Nigeria Ratifies the Trade Facilitation Agreement' (WTO News 2017) <<https://www.wto.org>> accessed 13 September 2025.

¹⁸ World Trade Organization (n 2).

¹⁹ World Trade Organization (n 8), art 1.

²⁰ World Trade Organization, 'Trade Facilitation Agreement' (WTO 2013), preamble.

²¹ *Ibid*, preamble.

²² United Nations Conference on Trade and Development, 'WTO Accession and the Trade Facilitation Agreement' (UNCTAD 2024) 12 <<https://unctad.org>> accessed 13 September 2025.

National Trade Facilitation Committee (NTFC) must intensify outreach to informal traders for the effective operationalization of Article 1.

Article 7 (Release and Clearance of Goods): Fosters pre-arrival processing and risk management.²³ Article 7 provides expedited release and clearance through pre-arrival processing, risk management, and electronic systems to avoid delays. The paper holds the opinion that there is partial compliance by Nigeria via the Customs Service Act 2023, which mandates electronic clearance²⁴. A case study of Lagos Port Complex shows untrained staff and outdated scanners increase costs by N1 billion annually, derailing the provisions of Article 7. Chidede notes that Nigeria's risk management category c under TFAF signifies capacity constraints, and just 10% of TFAF aid was accessed by 2023 and this is a clear testimony in violation of Article 7. The Trade Modernization Project 2023, which was funded under the Finance Act 2020, is meant to fill these lacunae but facing funding shortfalls, with only 15% of its budget released²⁵. Article 7's procedural focus does not provide for Nigeria's infrastructural gaps, limiting its effectiveness in reducing trade costs as observed by Chidede²⁶.

Article 8 touches on cooperation on border agencies and encourages single-window systems and joint controls,²⁷ it also encourages cooperation between border agencies within and between countries, promoting single-window systems and joint controls. Nigeria's NTFC, established in 2018, coordinates agencies like the NCS and NAFDAC, but inter-agency conflicts persist, as at the Idiroko Border, where replicated protocols lose N500,000 daily. The paper suggests that the Kenya's model should be adopted, where synchronized training reduced clearance times by 30%, and should be placed as a benchmark for Nigeria²⁸. The Customs Service Act 2023 does not make provisions for NTFC oversight, which hinders Article 8 implementation. While an IMF report of 2024 shows prospect for regional coordination with ECOWAS to expand Article 8 compliance, Nigeria-Ghana trade disputes at Badagry Border, costing N300 million in 2024, highlight

²³ Ibid, art 7.

²⁴ *Customs Service Act 2023*, s 15.

²⁵ *Finance Act 2020*, s 45.

²⁶ Chidede, Talkmore, An Update on the implementation of the Trade Facilitation Agreement by African Countries as of July 2019 (Tralac Trade Law Center 2019) 10 <https://www.tralac.org> accessed 13 September 2025.

²⁷ Ibid, see also art 8.

²⁸ Mustapha, Ayodele Haruna and Adetoye, D, 'Nigeria and the African Continental Free Trade Agreement Area (AFCFTA): Issues, Challenges and Prospect' (2020) 7(3) *Advances in Social Sciences Research Journal* 237, 246.

persisting gaps. Article 8's reliance on institutional capacity overlooks Nigeria's coordination issues, necessitating legal reforms²⁹.

Article 10 (Formalities): Simplifies documentation to reduce delays.³⁰ Article 10 aims at minimizing barriers to trade through simplification of documentation and formalities, e.g., harmonization of standards and reducing inspections. In Nigeria, the NSWTP aligns with Article 10 in that it simplifies by documentation, varying SPS standards with AfCFTA's Annex 7, as seen in Nigeria-Ghana trade, increase clearance costs by 25%. A case study of the Maiduguri-Chad corridor illustrates documentation delays costing N600 million in 2024³¹, reflecting the inadequacy of Article 10 in addressing Africa's NTBs. The Nigeria Trade Policy 2018 is not aligned with AfCFTA's NTB portal, limiting resolution of informal charges at Seme Border, valued at N800 million annually. A 2023 CEPR study notes that Article 10's global standards do not serve for Africa's informal trade, that dominates Nigeria's markets like Aba but policy harmonization under the Customs Service Act 2023 can fill this gap.

Article 12 (Customs Cooperation): Permits exchange of information.³² Article 12 facilitates information exchange between customs administration to facilitate enhanced compliance and combat fraud. Nigeria's participation in ECOWAS customs protocols is in line with Article 12, yet the 2019–2020 border closures frustrated information sharing, increasing costs by 25%³³. The report singles out the Jibiya Border, where lack of data exchange with Niger Republic costs N400 million annually³⁴. The Customs Service Act 2023 empowers the NCS to share data, but technical limitations retard progress, so that just 40% of NTFC data-sharing commitments met by 2023³⁵. A 2024 Brookings report emphasizes that regional cooperation, as in SADC, could render Article 12's impact more significant, but Nigeria's underutilization by Nigeria of TFAF support limits capacity. Nigeria's digital and institutional shortcomings constrain the performance of Article 12³⁶.

²⁹Mustapha and Adetoye (n 7) 243.

³⁰Ibid, art 10.

³¹Chidede (n 26)

³²Art 12 TFA.

³³Chidede (n 31)

³⁴Ibid at 10

³⁵Ibid at 10

³⁶Mustapha and Adetoye (n 7) 243.

The SDT provisions of the TFA allow developing countries to categorize commitments as follows: Category A (immediate), B (transitional), and C (requiring assistance).³⁷ Nigeria ratified the TFA in 2017, committing to 70% of Category A obligations, such as advance rulings, but placed single-window systems in Category C, reflecting capacity gaps.³⁸ The Customs Service Act 2023 mandates electronic systems, yet only 30% of ports are digitized, with Apapa Port clearance averages 12–15 days against a global benchmark of 5 days.³⁹ A case study of the Seme Border with Benin Republic shows delays costing N1.2 billion annually due to untrained officials, indicating institutional deficiencies.⁴⁰ Legal literature critiques the TFA’s assumption of baseline capacity, for Nigeria’s National Trade Facilitation Committee (NTFC) only reached 40% of Category B commitments by 2023 due to coordination failures.⁴¹ Key areas of modernization are highlighted in the Nigeria’s Trade Policy 2018, yet financial limitations restrain implementation, underscoring the imperative of domestic reforms to realize TFA benefits.⁴²

4. Limitations of the TFA in the African Context

The multilateral framework of TFA is challenged by addressing Africa’s unique trade challenges, including capacity constraints, NTBs, infrastructural deficits, and exclusion of SMEs and informal traders.⁴³ Capacity constraints is only 36% of African Category A commitments been implemented, with TFAF only releases 15% of requested support by 2023.⁴⁴ In Nigeria, the e-Customs Project, made mandatory by the Customs Service Act 2023, is held back by the antiquated equipment at Tin Can Island Port, costing importers \$4 million monthly.⁴⁵ A case study of the Apapa Port reveals clearance times of 12–15 days, far above international standards, due to inadequate training.⁴⁶

³⁷ World Trade Organization (n 2).

³⁸ World Trade Organization (n 17).

³⁹ Customs Service Act 2023 (n 6), s 15; Also Chidede, Talkmore, ‘An Update on the Implementation of the Trade Facilitation Agreement by African Countries as of July 2019’ (tralac Trade Law Centre 2019) 10 <<https://www.tralac.org>> accessed 13 September 2025.

⁴⁰ Mustapha and Adetoye (n 28) 243.

⁴¹ Chidede (n 31) 10.

⁴² ‘Nigeria Trade Policy’ (Federal Ministry of Industry, Trade and Investment 2018) 12.

⁴³ International Monetary Fund (n 3) 22.

⁴⁴ World Trade Organization (n 2).

⁴⁵ Mustapha and Adetoye (n 5) 244.

⁴⁶ *Ibid* 242.

Non-Tariff Barriers (NTBs) and Informal Trade:

NTBs, including different standards and unofficial checkpoints, impose an 18% tariff equivalent, which the TFA's formal agenda does not address.⁴⁷ Unofficial fees at Idiroko Border, cost traders ₦500,000 daily, despite TFA's Article 10.⁴⁸ Informal trade, constituting 80% of African cross-border trade, is overlooked, with women traders in the Kano-Katsina corridor are harassed and pay 30% more in charges.⁴⁹

The Small and Medium Enterprises Development Agency Act 2003 lacks TFA alignment, limiting support for informal traders,⁵⁰ with infrastructural deficits and Regional Disparities. Poorly maintained port facilities and transport networks add 30–40%, to the cost of trade, not tackled by the TFA's procedural focused strategy.⁵¹ Nigeria's ports lag behind Kenya's Mombasa Port, with ECOWAS coordination failures inflate costs by 25% in Nigeria-Ghana trade.⁵² The Finance Act 2020 encourages public-private partnerships (PPPs), yet merely 15% of its infrastructure budget had been spent by 2025.⁵³

SME and Gender-Specific Needs:

SMEs, contributing 80% of Nigeria's trade, and women traders face high compliance costs, with only 10% of Aba Market traders accessing export markets.⁵⁴ The National Gender Policy 2021 lacks trade facilitation integration, leaving women at Sango-Ota vulnerable to NTBs costing ₦300,000 daily.⁵⁵ These inadequacies highlight the TFA's failure to address Africa's complex trade ecosystem, necessitating AfCFTA's regional approach.⁵⁶

5. AfCFTA's Trade Facilitation Framework: Synergies and Gaps with the TFA

AfCFTA's Annex 4 on Trade Facilitation, part of the 2018 Agreement, aims to simplify customs procedures and reduce NTBs, with the objective of increasing intra-African trade by 52%

⁴⁷ International Monetary Fund (n 3) 25.

⁴⁸ Mustapha and Adetoye (n 5) 243.

⁴⁹ Ibid 245.

⁵⁰ Small and Medium Enterprises Development Agency Act 2003* (Nigeria), s 6.

⁵¹ International Monetary Fund (n 3) 30.

⁵² World Bank (n 1) 30.

⁵³ Finance Act 2020* (Nigeria), s 45.

⁵⁴ Mustapha and Adetoye (n 5) 241.

⁵⁵ National Gender Policy 2021* (Nigeria), s 10.

⁵⁶ Chidede (n 26) 8.

2025.⁵⁷ Some key provisions concern transparency (Article 2), border cooperation (Article 5), customs efficiency (Article 6), and an NTB portal (Article 10), complemented by Annexes 3 (Customs Cooperation) and 8 (Transit).⁵⁸ The Guided Trade Initiative (GTI), concluded in 2025, tested these provisions, with Nigeria exporting textiles to Kenya, valued at \$500 million.⁵⁹

Synergies

Annex 4 aligns with TFA's transparency (Article 1 vs. Article 2) and border cooperation (Article 8 vs. Article 5), with Nigeria's NSWTP reducing Apapa Port delays by 20%.⁶⁰ A 2024 CEPR study estimates that full TFA implementation could boost AfCFTA trade by 109%.⁶¹ AfCFTA's stricter SPS measures (Annex 7) conflict with TFA's Article 10, witnessed in Nigeria-Ghana trade disputes costing 25% in clearance costs.⁶²

Enforcement Challenges

AfCFTA's voluntary compliance and TFA's weak sanctions limit progress, with only 40% of Nigeria's NTB complaints resolved in 2024.⁶³ The Nigeria AfCFTA Implementation Strategy 2020 faces funding shortages, with only 20% of N500 billion allocated, hampering single-window systems.⁶⁴ A case study of the Seme Border shows ECOWAS-AfCFTA protocol clashes costing N800 million in 2023, highlighting the need for harmonization.⁶⁵

6. Nigeria's Experience with Trade Facilitation: Opportunities and Challenges

Nigeria's status as Africa's economic powerhouse offers huge potential for trade facilitation opportunities, with AfCFTA putting \$11 billion in export gains by 2043.⁶⁶ The GTI and NSWTP, launched in 2023, have boosted exports, reducing clearance times by 20% at Apapa

⁵⁷ African Union (n 2), Annex 4, art 1.

⁵⁸ Ibid, Annex 4, arts 2, 5, 6, 10.

⁵⁹ United Nations Conference on Trade and Development, 'WTO Accession and the Trade Facilitation Agreement' (UNCTAD 2024) 14 <<https://unctad.org>> accessed 13 September 2025.

⁶⁰ Ibid 12.

⁶¹ de Melo, Jaime, Zouheir Sorgho and Laura Wagner, 'Reducing Wait Times at Customs: How Implementing the Trade Facilitation Agreement (TFA) can Expand Trade among AfCFTA Countries' (CEPR Discussion Paper 18651, 2023) 10.

⁶² African Union (n 2), Annex 7; World Trade Organization (n 8), art 10.

⁶³ Finance Act 2020 (n 40).

⁶⁴ Customs Service Act 2023, Nigeria (n 6).

⁶⁵ Mustapha and Adetoye (n 5) 243.

⁶⁶ World Bank (n 1) 20.

Port.⁶⁷Nigeria’s ECOWAS leadership facilitated 2024 alignment talks, reducing NTBs by 15% on Nigeria-Ghana corridors.⁶⁸The Customs Service Act 2023 makes provisions for digitalization, enhancing adherence to TFA’s Article 7.⁶⁹

(a) **Domestic Barriers:** Infrastructural deficiencies, like dysfunctional scanners at Tin Can Island Port, constitute \$4 million monthly losses, while Seme Border delays represent ₦1.2 billion annual losses.⁷⁰Institutional ineffectiveness stalks the NTFC, with only 40% of Category B commitments realized by 2023.⁷¹ Regulatory inconsistencies, like the 2019–2020 border closures under the Customs Service Act 2023, disrupted GTI, with a 25% increase in cost.⁷² Idiroko border corruption imposes ₦500,000 daily unofficial costs.⁷³

(b) **Implications for SMEs and Informal Traders:**

SMEs, which supply 80% of trade, face expensive TFA compliance costs, with only 10% of Aba Market traders enjoy access to exports, with ₦200 million a year costs.⁷⁴ Sango-Ota Women traders pay 30% more charges, and they lose 40% of their profits.⁷⁵ The Small and Medium Enterprises Development Agency Act 2003 and National Gender Policy 2021 are not synchronized with trade facilitation, and this fuels exclusion.⁷⁶

A case study of Onitsha Market reports 85% of traders excluded from NSWTP due to digital literacy gaps, limiting AfCFTA benefits.⁷⁷ A 2023 ODI report warns that gender-blind policies erode Nigeria’s poverty reduction ambitions.⁷⁸

⁶⁷ UNCTAD (n 46) 15.

⁶⁸ Chidede (n 26) 11.

⁶⁹ Customs Service Act 2023 (n 6), s 12.

⁷⁰ Mustapha and Adetoye (n 5) 244.

⁷¹ Chidede (n 26) 10.

⁷² Customs Service Act 2023 (n 6), s 25.

⁷³ Mustapha and Adetoye (n 5) 243.

⁷⁴ Ibid 241.

⁷⁵ Ibid 245.

⁷⁶ Small and Medium Enterprises Development Agency Act 2003* (n 37); *National Gender Policy 2021* (n 42).

⁷⁷ Mustapha and Adetoye (n 5) 246.

⁷⁸ Overseas Development Institute, ‘Gender and Trade in Africa’ (ODI 2023) 18 <<https://www.odi.org>> accessed 13 September 2025.

7. Lessons for Nigeria: Closing the TFA-AfCFTA Gap;

Nigeria can bridge the TFA-AfCFTA gap through selective reforms, leveraging its legal framework and regional leadership as follows;⁷⁹

7.1 Consolidating Institutional and Legal Frameworks:

Inserting NTFC oversight into the Customs Service Act 2023, as in Kenya's Trade Facilitation Act 2019, has the potential to cut clearance time by 50%.⁸⁰ Leveraging TFAF assistance, low-tapped at 10% by Nigeria, would underpin Category C commitments such as single-window systems.⁸¹ The Trade Modernization Project 2023, covered under the Finance Act 2020, must place emphasis on training, resolving Apapa Port delays.⁸² A case study of Lagos Port Complex shows coordination failures valued at ₦1 billion annually, which points to the need for institutional reform.⁸³

7.2 Harmonizing Regional and Continental Trade Policies:

Nigeria needs to lead ECOWAS-AfCFTA harmonization, using the example of South Africa's SADC model, which has 20% fewer NTBs.⁸⁴ The revision of the Nigeria Trade Policy 2018 to align with AfCFTA's Annex 7 would save exporters ₦500 million yearly at Seme Border.⁸⁵ Piloting AfCFTA's NTB portal within ECOWAS, as in the Idiroko Border case, would prevent informal charges amounting to ₦1.2 billion yearly.⁸⁶ Harmonization is emphasized in a 2024 IMF report to reduce compliance costs by 15%.⁸⁷

7.3 Infrastructure and Digitalization Investment:

Finance Act 2020 PPPs can be replicated from Ghana's \$200 million port expansion to address Tin Can Island's \$4 million monthly losses.⁸⁸ Digitalization, modeled on Rwanda's customs system, can cut clearance by 60%, expanding NSWTP access to Onitsha Market

⁷⁹ International Monetary Fund (n 3) 35.

⁸⁰ Chidede (n 26) 10.

⁸¹ World Trade Organization (n 2).

⁸² Finance Act 2020 (n 40).

⁸³ Mustapha and Adetoye (n 5) 244.

⁸⁴ Fofack, Hippolyte, 'The Future of African Trade in the AfCFTA Era' (Brookings Institution 2024) 15 <<https://www.brookings.edu>> accessed 13 September 2025.

⁸⁵ Nigeria Trade Policy' (n 29); African Union (n 2), Annex 7.

⁸⁶ Mustapha and Adetoye (n 5) 243.

⁸⁷ International Monetary Fund (n 3) 20.

⁸⁸ UNCTAD (n 46) 12.

traders.⁸⁹ Connecting PAPSS with the Central Bank of Nigeria Act 2007 would cut SME payment costs by 20%.⁹⁰ A case study of the Lagos-Kano corridor shows poor roads increasing costs by 40%, highlighting the needs for investment.⁹¹

7.4 Increasing Inclusivity for SMEs and Marginalized Groups:

Amendment of the Small and Medium Enterprises Development Agency Act 2003 to include TFA-AfCFTA training, as in Kenya's SME Export Fund, can potentially boost Aba Market exports by 25%.⁹² Operationalizing AfCFTA's Gender Strategy (2023) with border desks, such as those in Uganda, would reduce women's NTBs by 15% at Sango-Ota.⁹³ Subsidized digital training, such as in Ghana's Trade-Hub, would increase Onitsha Market's NSWTP participation by 30%.⁹⁴ A 2023 ODI study estimates inclusive policies would lift 10 million Nigerians from poverty.⁹⁵

8. Summary of Findings;

Both the TFA's global standards and AfCFTA's regional ambitions offer Nigeria the chance to make trade more efficient, yet both arrangements are lacking in addressing capacity constraints, NTBs, infrastructure gaps, and SME exclusion.⁹⁶ Nigeria's execution, supported by the Customs Service Act 2023, achieves partial success through the NSWTP and GTI, but is held back by port inefficiency, corruption, and policy inconsistencies.⁹⁷ SMEs and women traders face high costs and exclusion, with legal frameworks like the National Gender Policy 2021 are not mainstreamed, sabotaging AfCFTA's goal of poverty alleviation.⁹⁸

⁸⁹ Ibid 15.

⁹⁰ Central Bank of Nigeria Act 2007 (Nigeria), s 12.

⁹¹ Mustapha and Adetoye (n 5) 244.

⁹² World Bank (n 1) 30.

⁹³ African Union, 'Theme of the Year 2023: Acceleration of AfCFTA Implementation' (AU 2023) <<https://au.int>> accessed 13 September 2025.

⁹⁴ UNCTAD (n 46) 14.

⁹⁵ Overseas Development Institute (n 65).

⁹⁶ World Trade Organization (n 2); African Union (n 2).

⁹⁷ Customs Service Act 2023 (n 6), s 12.

⁹⁸ National Gender Policy 2021 (n 42).

9. Recommendations

To bridge the TFA-AfCFTA gap, Nigeria needs to operationalize the following recommendations,

Which are hinged on legal and policy reforms:

1. Strengthen Institutional and Legal Frameworks: Strengthen the National Trade Facilitation Committee (NTFC) by entrenching its mandate in the Customs Service Act 2023, with budget autonomy and inter-agency coordination, as in Kenya's model, which reduced clearance time by 30%.⁹⁹ Enhance the use of TFAF to facilitate Category C commitments such as single-window systems, aligning with AfCFTA's Annex 4 Article 5.¹⁰⁰ The 2023 Trade Modernization Project, financed under the Finance Act 2020, needs to fast-track staff training, cutting Apapa Port delays by 50%.¹⁰¹

2. Harmonize Regional and Continental Trade Policies: Nigeria should lead ECOWAS-AfCFTA harmonization to align customs protocols, as evidenced by South Africa's SADC experience, reducing NTBs by 20%.¹⁰² Redraft the Nigeria Trade Policy 2018 to incorporate AfCFTA's Annex 7 (SPS Measures), to address different standards costing exporters ₦500 million yearly at Seme Border.¹⁰³ Pilot AfCFTA's NTB portal in ECOWAS to prevent informal charges, as seen at Idiroko Border, saving ₦1.2 billion annually.¹⁰⁴

3. Investment in Infrastructure and Digitalization: Engage public-private partnerships under the Finance Act 2020 to upgrade port infrastructure, emulating Ghana's \$200 million ECOWAS-financed port extension, to reduce Tin Can Island delays worth \$4 million monthly.¹⁰⁵ Expand rural connectivity to improve NSWTP coverage, leveraging Rwanda's digital customs template, which

⁹⁹Chidede (n 68) 10.

¹⁰⁰ World Trade Organization (n 1).

¹⁰¹ Finance Act 2020* (Nigeria), s 45.

¹⁰² Fofack, Hippolyte, 'The Future of African Trade in the AfCFTA Era' (Brookings Institution 2024) 15 <<https://www.brookings.edu>> accessed 13 September 2025.

¹⁰³ Nigeria, 'Nigeria Trade Policy' (Federal Ministry of Industry, Trade and Investment 2018) 12; African Union (n 6), Annex 7.

¹⁰⁴ Mustapha and Adetoye (n 7) 243.

¹⁰⁵ Finance Act 2020 (n 14).

cut clearance time by 60%¹⁰⁶. Integrate the Pan-African Payment and Settlement System (PAPSS) with the Central Bank of Nigeria Act 2007 to streamline payments, reducing SME costs by 20%.¹⁰⁷

4. Promote Inclusivity for SMEs and Marginalized Groups: Amend the Small and Medium Enterprises Development Agency Act 2003 to include TFA-AfCFTA training programs, emulating Kenya's SME Export Fund, which boosted exports by 25%.¹⁰⁸ Operationalize AfCFTA's Gender Strategy (2023) by establishing border desks for women traders, like in Uganda, reducing NTBs by 15% at Sango-Ota.¹⁰⁹ Subsidize digital training for SMEs, like in Ghana's Trade-Hub, to increase NSWTP participation by 30%, addressing Onitsha Market's 85% exclusion rate.¹¹⁰

10. Conclusion

Nigeria's leadership in AfCFTA and TFA implementation can lead intra-African trade, but only through synchronize reforms addressing domestic barriers and inclusivity gaps. Aligning legal frameworks and investing in infrastructure will unleash \$11 billion in trade benefits, advancing inclusive growth by 2035.¹¹¹ TFA Articles 1, 7, 8, 10, and 12 establish a very good trade facilitation framework, but their application in Nigeria has grave deficiencies. Article 1 is shortened by digital exclusion and clearance efficiency, while 7 suffers infrastructural deficits and border cooperation issues. Article 8 and 10 are marred by institutional discord and documentation simplification demands coupled with NBTs and customs cooperation, 12 dealt with technical limitations. The Customs Service Act 2023 and Finance Act 2020 offer legal support, but Nigeria must address capacity constraints, harmonize policies, and leverage AfCFTA's regional mechanisms to maximize TFA benefits, particularly for SMEs and informal traders.

¹⁰⁶ UNCTAD (n 8) 15.

¹⁰⁷ Central Bank of Nigeria Act 2007 (Nigeria), s 12.

¹⁰⁸ World Bank (n 2) 30.

¹⁰⁹ African Union, 'Theme of the Year 2023: Acceleration of AfCFTA Implementation' (AU 2023) <<https://au.int>> accessed 13 September 2025.

¹¹⁰ UNCTAD (n 8) 14.

¹¹¹ World Bank (n 1) 30.