

ANALYSIS OF THE WORLD TRADE ORGANISATION (WTO) TRADE FACILITATION AGREEMENT (TFA) AND ITS IMPLICATIONS FOR NIGERIA'S ECONOMIC DEVELOPMENT

UMAR ABUBAKAR DUBAGARI, PhD*
FADILA ABUBAKAR SODANGI, PhD**
JAMILA GARBA IBRAHIM, ESQ***

Abstract

This paper examines the World Trade Organization (WTO) Trade Facilitation Agreement (TFA) and its implications for Nigeria's economic development, highlighting both opportunities and constraints. As Africa's largest economy, Nigeria faces structural challenges, including low industrialization, an underdeveloped agricultural sector, heavy reliance on oil revenues, pervasive informality, weak infrastructure, and governance deficits, all of which make trade facilitation reforms both urgent and complex. Employing a doctrinal research methodology, the paper critically analyses the provisions of the TFA within the broader framework of multilateral trade policies and Nigeria's domestic legal environment. The paper analyzed the provisions of the TFA within the framework of multilateral trade policies such as tariffs, quotas, and trade agreements, while critically engaging with existing literature and legal instruments. The findings reveal that, on the one hand, the TFA has the potential to stimulate economic growth, enhance technology transfer, generate employment, and attract foreign direct investment (FDI). On the other hand, exposure to unpredictable global markets, risks of deindustrialization, trade imbalances, and the burden of complying with stringent international standards pose significant obstacles for Nigeria. Based on these findings, the paper recommends strengthening domestic institutional capacities, enhancing trade negotiation strategies, and adopting legal reforms that align international commitments with national development priorities. It concludes that optimizing the benefits of the TFA requires a balanced legal framework and equitable global cooperation, which are vital for ensuring that Nigeria leverages multilateral trade to foster sustainable economic prosperity.

Keywords: WTO, Trade Facilitation, Agreement, Implications, Economic Development and Nigeria

1.0 Introduction

The World Trade Organization (WTO) remains the only global institution with a mandate to regulate trade relations among nations through a body of negotiated agreements covering goods, services, and intellectual property.¹ Membership in the WTO provides states with the opportunity

*Umar Abubakar Dubagari, Senior Lecturer, Department of Private and Islamic Law, Faculty of Law, Nile University of Nigeria, Abuja. Email: dubagari.abubakar@nileuniversity.edu.ng Mobile No: +234(0)8131626080.

**Fadila Abubakar Sodangi, Associate Professor, Department of Private and Islamic Law, Faculty of Law, Nile University of Nigeria Abuja. Email: fsodangi.abubakar@nileuniversity.edu.ng Mobile No : +234(0)838142676.

to restructure their trade regimes in line with multilateral rules, thereby potentially stimulating economic growth and integration into the global economy. However, the impact of multilateral trade on national development is contingent upon the existence of appropriate domestic trade policies and institutional capacities.² Within this framework, the Trade Facilitation Agreement (TFA) represents a significant innovation in the evolution of WTO law. Adopted in 2013, the TFA extends multilateral rules to address customs procedures, border efficiency, and transparency in trade, while recognizing the financial and technical constraints faced by developing countries. Its design incorporates flexibility by allowing phased implementation and linking compliance to capacity-building assistance from developed members.

The TFA has been hailed by the WTO Secretariat and international organizations as a milestone achievement, both in terms of reducing trade costs and reaffirming the WTO's legislative capacity beyond dispute settlement. It demonstrates an attempt to reconcile trade liberalization with developmental asymmetries among members. Yet, scholarly opinion remains divided. Critics argue that the TFA risks diluting binding commitments by embedding "best endeavour" obligations, expanding the WTO into development assistance where it lacks expertise, and may create a precedent that governments must be financially incentivized to implement reforms beneficial to their economies.³ For Nigeria, a lower-middle-income country with limited industrialization, pervasive informality, and institutional weaknesses, these debates assume particular salience. While the TFA offers potential opportunities to enhance competitiveness, attract foreign investment, and reduce the cost of trade, Nigeria's limited technical and infrastructural capacity presents formidable challenges. Failure to effectively navigate these constraints risks further marginalization in global trade and the erosion of national economic development prospects.

Despite its promise, the TFA has generated divergent scholarly and policy perspectives. Advocates highlight its potential to lower trade costs, stimulate investment flows, and enhance competitiveness in developing countries. By contrast, critics caution that many provisions are couched in non-binding "best endeavour" language, thereby weakening enforceability. Furthermore, the agreement risks overextending the WTO's mandate into development assistance a domain where it lacks both capacity and comparative advantage. For Nigeria, a lower-middle-income country characterized by limited industrialization, heavy reliance on the informal economy, infrastructural deficits, and persistent institutional weaknesses, these challenges are particularly acute. The inability to fully leverage the TFA may not only constrain trade competitiveness but also exacerbate Nigeria's marginalization in global value chains. Examining the legal and policy implications of the WTO's Trade Facilitation Agreement for Nigeria's

***Jamila Garba Ibrahim, Faculty of Law, Nile University of Nigeria Abuja. Email: jameelagarba@gmail.com

Mobile No: + 234(0)8068922858.

¹Ojo Bodunde Adejube, 'The World Trade Organization (WTO) Agreements and Nigeria's Economic Development: An Appraisal of the Uruguay Round of 1995 and Doha Round of 2001' *AKSU Journal of Administration and Corporate Governance (AKSUJACOG)* (2021) 1 (1)

² Amrita Naklikar, *The World Trade Organization; A Very Short Introduction*. (Oxford University Press 2005) 86

³ Hoekman Bernard, 'The Bali Trade Facilitation Agreement and Rulemaking in the WTO: Milestone, Mistake or Mirage?' (October 2014). Robert Schuman Centre for Advanced Studies Research Paper No. RSCAS 2014/102, Available at SSRN: <https://ssrn.com/abstract=2514367> or <http://dx.doi.org/10.2139/ssrn.2514367>

economic development, this work seeks to analyze the potential opportunities the TFA presents for enhancing Nigeria's participation in global trade. Assess the broader implications of the TFA within the context of Nigeria's legal, trade policy framework and economic development goals. It also aims to critically evaluate the structural, institutional, and legal challenges constraining Nigeria's effective implementation of the agreement.

2.1 Conceptual Clarifications

2.1.1 Trade Policy

Trade policy refers to the set of rules, regulations, and agreements that govern how countries trade with each other. It encompasses a range of measures, including trade agreements to influence the flow of goods and services across borders to achieve a favourable balance of payments.⁴ It involves setting rules for international trade to encourage competition and foster beneficial relationships between nations. By carefully crafting trade policies, countries can leverage international trade to enhance their economies, create jobs, and improve living standards. The four main instruments of trade policy - tariffs, quotas, voluntary export restraints, and subsidies, are used by nations to shape their economic relationships with other countries and protect their domestic industries.⁵

2.1.2 Free Trade

Free trade is an economic policy where goods and services are exchanged between countries without tariffs, import quotas, or other restrictions. Free trade encourages competition among domestic and international producers, which can lead to lower prices, higher quality goods, and greater innovation. It stimulates economic growth by boosting exports, attracting foreign investment, and creating jobs. Consumers have access to a wider range of goods and services from different countries, increasing their choices and potentially improving their living standards. Free trade can also facilitate the transfer of technology and knowledge across borders, promoting innovation and productivity gains. Despite the advantages, free trade has potential drawbacks. Free trade can lead to job losses in industries that are unable to compete with cheaper imports, particularly in countries with higher labour costs. Free trade can potentially exacerbate environmental problems if it leads to increased production and consumption without adequate environmental regulations. Free trade can also lead to trade imbalances where some countries consistently run large trade surpluses while others have persistent deficits.⁶

2.2.3 Fair Competition

Fair competition in a market or industry means that all participants have an equal opportunity to succeed based on their merits, without unfair advantages or disadvantages. This concept implies a level playing field where all businesses can compete based on their abilities, innovation, and customer value, rather than external factors like wealth, power, or manipulation.⁷ Fair trade

⁴ Mridula Sharma, 'Trade Policy' (2024) <<https://www.pw.live/ca/exams/trade-policy>> accessed 13 June 2025

⁵ P. K. Goldberg and N. Pavcnik, 'The Effects of Trade Policy' Handbook of Commercial Policy (2016) (1) 161 – 206 <<https://www.sciencedirect.com/science/article/abs/pii/S2214312216300023>> accessed 30 June 2025

⁶ Gordon Scott, 'Free Trade Agreement (FTA): Definition, How It Works and Examples' (2025) <<https://www.investopedia.com/terms/f/free-trade.asp>> accessed 20 May 2025

⁷ Bester Keldon, 'Fair Competition for an Evolving Economy' (CIGI Papers, No. 284) <<https://www.econstor.eu/bitstream/10419/299981/1/no284.pdf>> accessed 25 June 2025

entails that all competitors should have access to the same resources, information, and technology. Barriers to entry and exit should be minimal, allowing new businesses to compete and existing ones to adapt. Businesses should avoid predatory pricing, misleading advertising, or other practices that harm competitors or consumers. Fair competition leads to better products, lower prices, and more choices for consumers.⁸

2.1.4 Special and Differential Treatment (S&DT)

Special and Differential Treatment (S&DT) is a principle of the WTO that provides a framework through which developing, and least developed countries (LDCs) are granted preferential rights within the multilateral trading system. It reflects the acknowledgment that such countries face structural disadvantages that limit their ability to compete on equal footing with developed nations.⁹ S&DT provisions are embedded in various WTO agreements, with the following core dimensions: longer implementation periods for developing countries to fulfill WTO obligations,¹⁰ reduced commitments, particularly in liberalization schedules,¹¹ preferential market access through schemes such as the Generalized System of Preferences (GSP),¹² technical assistance and capacity building to support institutional readiness¹³ and flexibilities to protect domestic industries and development priorities, such as allowing agricultural subsidies or safeguarding infant industries.¹⁴

2.1.5 Dumping

Dumping occurs when a country exports goods to another country at a price lower than the price charged in the exporter's domestic market for the same goods. This is considered unfair trade because it can harm the importing country's domestic industries by reducing prices and market share.¹⁵

2.1.6 Tariff Binding

Tariff binding is a commitment by WTO members to limit the tariff rate on a specific product or service. It is an agreement that prevents members from raising their tariffs beyond a certain agreed-upon level or specific rate, known as the 'bound rate' for certain products. This bound rate acts as a ceiling, preventing countries from unilaterally raising tariffs beyond that level.¹⁶ Bound tariffs prevents unexpected increases that could disrupt trade, offers stability for traders and businesses, as they know the maximum tariffs they will face. Bound rates also

⁸ Ibid

⁹ WTO, (n. 4)

¹⁰ Art. 66 TRIPS Agreement; Art. 12 Agreement on Agriculture

¹¹ UNCTAD, Special and Differential Treatment in the WTO: Progress and Prospects, 2020

¹² WTO, Handbook on the GSP Schemes, 2021.

¹³ WTO, Technical Assistance and Capacity Building Reports, 2022.

¹⁴ GATT 1994, Arts. XVIII and XII

¹⁵ International Trade Administration, 'WTO Agreement on Anti-Dumping' <<http://www.trade.gov/trade-guide-anti-dumping>> accessed 17 March 2025

¹⁶ Sarah Lee, 'The Ultimate Guide to Tariff Binding' (2025) <<https://www.numberanalytics.com/blog/ultimate-guide-tariff-bindings-trade-remedies>> accessed 25 June 2025

helps prevent excessive trade protectionism and promote a more open and predictable trading environment. Tariff bindings are a key aspect of the WTO's framework for managing international trade, encouraging countries to open their markets. The difference between the bound rate and the applied tariff is known as the 'binding overhang'.¹⁷

2.1.7 Subsidies

Subsidy is a form of financial assistance, usually from a government, given to individuals, businesses, or other organizations to encourage certain activities or support specific sectors of the economy. Essentially, it is a way for the government to lower costs for consumers or producers, often to keep prices low or to stimulate economic activity. Subsidies are typically monetary payments or tax breaks. Subsidies aim to encourage specific behaviours, like investing in a particular industry, consuming certain goods, or services, or promoting certain social objectives.¹⁸ Subsidy is a form of market intervention, as it can distort prices and impact supply and demand. For example, payments to farmers to support food production and stabilize prices, and payments to encourage businesses to be in certain areas or to invest in specific technologies. However, subsidy can create inefficiencies in the market by artificially lowering prices and affecting competition as well as increase government spendings and contribute to national debt rather than focusing on efficiency and innovations.¹⁹

2.2 Theoretical Framework

2.2.1 Non-Discrimination and Reciprocity

The WTO, like its predecessor GATT is built upon principles of non-discrimination and reciprocity (mutual concessions). The two components of the principle of non-discrimination are the most-favoured-nations (MFN)²⁰ and national treatment (NT)²¹ principles. MFN requires that a concession granted by any one party to another in the WTO must be multi-lateralized to all other parties in all issues included within the WTO mandate. The exceptions allowed extend to Regional Trade Agreements (RTA), preferential treatment for developing countries and LDCs and the invocation of a non-application clause by an existing member against a newly acceding member. While the NT requires member countries to treat foreign goods no less favourably than domestically produced like goods. However, the protocol of provisional application had allowed countries to avoid the NT as a general obligation in all areas with the sole exception of trade in services.²² On the other hand, reciprocity is an important mechanism that limits free riding (that might otherwise become rampant on the strength of the non-discrimination principle). It also makes the process of agreeing to tariff concessions politically edible. The principle of reciprocity, however, has been a score point in relations of developed and developing countries in both the GATT and the WTO.²³

¹⁷ Ibid

¹⁸ Ronald P. Steenbilik, 'A Note on the Concept of Subsidy' Energy Policy (1995) (23) (16) 483 - 484

¹⁹ Ibid

²⁰ Art. I of the Original GATT Agreement

²¹ Ibid, Part II

²² Narlikar, A. The World Trade Organization: A Very Short Introduction, (New York, Oxford University Press, 2005) 28.

²³ The Indian Delegate is widely cited as having declaimed in the early years of the GATT: 'Equality of treatment is equitable only among equals. A weakling cannot carry the burden of a giant.'

2.2.3 Enforceable Commitment

This theory addresses the mechanisms and challenges associated with ensuring compliance with dispute resolution outcomes. The effectiveness of the WTO's dispute settlement mechanism relies on the willingness and ability of member countries to implement its rulings. Challenges in enforcement can undermine the system's credibility and the overall stability of international trade relations.²⁴ Once the Dispute Settlement System (DSS) determines that a country has violated a WTO agreement, that losing country does not have to pay monetary compensation, it must modify its laws to conform with its obligations.²⁵ However, retaliation can only be effective when used by a country of relatively equal economic power to the losing country. Otherwise, it is an empty threat and self-defeating for the winning country that imposes it. Thus, it is particularly unhelpful for developing countries where the suspension of trade concessions would be barely noticed by a developed country.²⁶

2.2.4 Transparency

Transparency theory refers to the idea that openness and clarity in communication and decision-making processes are essential for building trust and accountability. It emphasizes the availability of information and the ability to easily understand it, particularly in situations where there is an information asymmetry between parties.²⁷ In governance and organizational contexts, transparency refers to the degree to which an entity's actions, decisions, and processes are open, honest, and easily accessible to the public or stakeholders. This can include making information about policies, budgets, and performance publicly available. It is often seen as a crucial element of good governance, promoting accountability, trust, and public participation. Examples include transparent reporting of resource utilization in trade or public access to government information.²⁸

2.2.5 Terms of Trade Manipulations

Terms of trade manipulation involves a country intentionally using trade policies to influence global market prices to improve its own terms of trade. A country might impose tariffs on imports, which can decrease the demand for foreign goods and potentially lower their prices on the world market. Simultaneously, the tariff might make domestic goods more competitive, potentially raising their prices. Otherwise, a country might subsidize its exports, making them more competitive and potentially raising their prices on the world market. Trade policies designed to punish other countries can also have the effect of manipulating terms of trade. For example, a large country imposing tariffs on imported goods could potentially lower the world price of those goods and improving its own terms of trade.²⁹ In addition, spreading untrue narratives, use of unethical and illegal methods to create artificial changes in stock or market

²⁴ David Collins, (n. 14)

²⁵ Ibid

²⁶ Ibid

²⁷ Edward W. Averill and Joseph Gottlieb, 'Two Theories of Transparency' (ResearchGate 2021) < https://www.researchgate.net/publication/332565513_Two_Theories_of_Transparency> accessed 23 June 2025

²⁸ Ibid

²⁹ Artem Cheprasov, 'Definition and Overview of Market manipulation' (2025) <<https://study.com/academy/lesson/video/forms-of-market-manipulation-definitions-examples.html>> accessed 26 June 2025

prices for personal monetary benefits can function as manipulation technique that aims to improve the value of unprofitable companies.³⁰

2.2.6 Development Economic Theory

This theory was introduced by Robert Solow and Trevor Swan in 1956. According to him, countries are expected to follow policies of deregulation, privatization, and liberalization to achieve desired economic growth. The theory posits that free markets create competitive environments in which producers have incentives to engage in the global marketplace. The theory also postulates that liberalization of the economy attracts more domestic and foreign investments, which increases the rate of capital accumulation. This approach ensures that state intervention will be reduced by allowing the market to regulate the economy, privatizing state-owned enterprises and services, promoting export expansion, creating a welcome climate for foreign investment, and eliminating government controls on prices.³¹

3.1 Legal Framework

The following outlines the various streams of laws that underpins trade policies for economic development in Nigeria.

3.1.5 Foreign Exchange (Monitoring and Miscellaneous Provisions) Act

The Foreign Exchange (Monitoring and Miscellaneous Provisions) Act³² governs the operation of the foreign exchange (FOREX) market and provides a framework for the remittance of interest, dividends, and payments in foreign currency by foreign investors. The purpose of the Act is to contribute to the sound development of the national economy by striving to facilitate foreign transactions, maintain equilibrium in the balance of payments and stabilize the value of currency by ensuring liberalization of FOREX transactions. It governs the free flow of FOREX in and out of Nigeria, assuring foreign investors about the ability to repatriate funds.³³

3.1.6 National Office for Technology Acquisition and Promotion (NOTAP) Act

The National Office for Technology Acquisition and Promotion (NOTAP) Act³⁴ established the NOTAP to monitor, on a continuing basis, the transfer of foreign technology to Nigeria and other related matters. Its functions include the encouragement of a more efficient process for the identification and selection of foreign technology; adaptation of imported technology, the registration of all contracts or agreements having effect in Nigeria on the date of the coming into force of this Act, and of all contracts and agreements for the transfer of foreign technology to Nigerian parties.³⁵ The Act³⁶ mandates the registration with NOTAP not later than 60 days of execution, of every contract or agreement entered by any person in Nigeria with a person outside

³⁰ Ibid

³¹ Ojo Adejube and Emmanuel A. Ndaeyo, 'The World Trade Organisation (WTO) Agreements and Nigeria's Economic Development: An Appraisal of the Uruguay Round of 1995 and Doha Round of 2001' *AKSU Journal of Administration and Corporate Governance* (2021) (1) (1) 45

³² Cap F34, LFN 2004

³³ Arndale Solicitors, 'Regulatory and Legal Framework for FDI in Nigeria' <<https://aarndalelaw.com/regulatory-and-legal-framework-for-fdi-in-nigeria/>> accessed 27 August 2024.

³⁴ Cap N62 LFN 2004

³⁵ S. 2

³⁶ S. 5 (2)

Nigeria relating to the use of trademarks, patented inventions, supply of technical expertise, supply of basic or detailed engineering, etc.³⁷

3.1.7 Nigeria Customs Service Act (2023)

The Nigerian Customs Service (NCS) Act³⁸ which repeals the old Customs and Excise Management Act (CEMA)³⁹ presents a regime for the administration of customs in consonance with global standards and best practices. This transition represents a conscious shift toward a more agile and technology-based transparency in cross-border trade, revenue collection, and anti-smuggling activities in Nigeria.⁴⁰ The NCS Act provides the legal basis for customs activities by outlining taxable items, duty calculating methods, and enforcement processes. The Act gives the NCS authority over ports and the prosecution of smuggling cases.⁴¹ The Act further clarifies customs procedures by providing specifics about taxable goods and the assessment of duties.⁴² The Act requires the NCS to collaborate with other regulatory and security agencies, including private stakeholders (i.e., importers, exporters, and freight forwarders) to facilitate smooth trade operations and ensure all actors within the supply chain know their respective roles and responsibilities.⁴³

3.1.8 Nigerian Immigration Service Act

The Immigration Act⁴⁴ is enacted to enforce compliance on the part of foreigners wishing to undertake employment or do business in Nigeria. By the Act and subsequent Regulations, every foreigner is required to obtain a residence permit issued by the Comptroller General of the Nigeria Immigration Service (NIS) before undertaking any employment or doing business in Nigeria. The Act serves several crucial purposes for the country: By regulating the entry and exit of people, the act helps in safeguarding national security by preventing unauthorized immigration, human trafficking, and other criminal activities. The Act ensures that foreign nationals who enter Nigeria do so for legitimate reasons, contributing to the country's economic development.⁴⁵

3.1.9 Marrakesh Agreement

³⁷ Aderonke Alex-Adedipe and Sharon Okpo, 'Doing Business in Nigeria: The Business Facilitation (Miscellaneous provisions) Act 2023' <<https://pavestoneslegal.com/doing-business-in-nigeria-the-business-facilitation-miscellaneous-provisions-act-2023>> accessed 30 August 2024.

³⁸ 2023.

³⁹ 1958.

⁴⁰ s 1.

⁴¹ ss 12–46.

⁴² Nigeria Customs Service, 'Tariff and Valuation Guidelines under the NCS Act (2023)' <<https://customs.gov.ng/tariff-guidelines>> accessed 12th June 2025.

⁴³ United Nations Economic Commission for Africa (UNECA), 'Modernizing Customs for Economic Transformation' (UNECA, 2023) <<https://repository.uneca.org/handle/10855/50482>> accessed 7th May 2025

⁴⁴ LFN 2005.

⁴⁵ Margaret Ogbonna, 'Understanding the Nigerian Immigration Act: Safeguarding Border and national Interest' (2023) <<https://www.bimakassociates.com/understanding-the-nigerian-immigration-act/>> accessed 30 August 2024.

The year 1994 marks the Marrakesh declaration which is crucial to international trade since the end of the Uruguay Round negotiations, and the emergence of the WTO.⁴⁶ The agreement signed in Marrakesh, Morocco by 123 countries restructured the entire world trade governance.⁴⁷ The organizational structure of the WTO was also set forth in the Declaration and continues to govern international trade relations today. It provided for the holding of regular Ministerial Conferences, and the formation of the General Council as the primary monitoring agency between these conferences.⁴⁸ The framework of the Declaration remains applicable as international trade adapts to technological and environmental changes, and new economic forces.⁴⁹

The effects of the Declaration went beyond the simplification of trade, it brought new sorts of changes to the international trading system which included, for example, reductions in tariffs by an average of 40 percent in all major industrial markets, and the establishment of new regulations regarding trade in services, intellectual property (IP), and investment.⁵⁰ The Declaration made trade relations more certain and predictable by stipulating clear rules for conflict resolution and decision enforcement. It also made special provisions for developing countries and LDCs, by putting them under technical aid, prolonged implementation deadlines, and some special terms in other agreements.⁵¹

3.1.10 Trade Facilitation Agreement (TFA)

The WTO members concluded negotiations on the landmark TFA, following its ratification by two-thirds of the membership.⁵² The TFA contains provisions for expediting the movement, release, and clearance of goods, including goods in transit. It also sets out measures for effective cooperation between customs and other appropriate authorities on trade facilitation and customs compliance issues. It further contains provisions for technical assistance and capacity building in this area.⁵³ A Trade Facilitation Agreement Facility (TFAF) was also created to ensure developing countries and LDCs obtain the assistance needed to reap the full benefits of the TFA. The Committee on Trade Facilitation oversees the implementation of the Agreement and

⁴⁶ World Trade Organization, 'Ministerial Conferences: Key Outcomes' (WTO 2023) https://www.wto.org/english/thewto_e/minist_e/mc_e.htm accessed February 22, 2025

⁴⁷ Marrakesh Agreement Establishing the World Trade Organization (adopted 15 April 1994, entered into force 1 January 1995) 1867 UNTS 154.

⁴⁸ World Trade Organization, 'Legal Framework of the WTO' (WTO 2024) https://www.wto.org/english/thewto_e/legal_e/legal_e.htm accessed February 22, 2025.

⁴⁹ Drahos P, 'Developing Countries and International Intellectual Property Standard-Setting' (2022) 5 Journal of World Intellectual Property 765 <https://doi.org/10.1111/j.1747-1796.2002.tb00181.x> accessed January 12, 2025

⁵⁰ Hoekman B and Mavroidis PC, 'WTO Dispute Settlement, Transparency and Surveillance' (2000) 23 The World Economy 527-542 <https://doi.org/10.1111/1467-9701.00288> accessed February 22, 2025.

⁵¹ Jackson JH, 'The WTO Dispute Settlement Understanding—Misunderstandings on the Nature of Legal Obligation' (1997) 91 American Journal of International Law 60-64 <https://doi.org/10.2307/2954142> accessed February 22, 2025.

⁵² At the 2013 Bali Ministerial Conference on the landmark Trade Facilitation Agreement (TFA), which entered into force on 22 February 2017.

⁵³ WTO, 'Trade Facilitation' (2022) < https://www.wto.org/english/tratop_e/tradfa_e/tradfa_e.htm > accessed 30 June 2025.

provides a forum for members to raise and address related concerns.⁵⁴ Developed countries have committed to apply the substantive portions of the TFA from the date it takes effect. Developing countries and LDCs will only apply those substantive provisions of the TFA which they have indicated they are able to do from the date of the TFA's entry into force. LDCs were given an additional year to do so.⁵⁵

3.1.11 General Agreement on Tariffs and Trade (GATT)

The General Agreement on Tariffs and Trade (GATT), established in 1947 and later subsumed into the WTO, is a pivotal framework for international trade, aimed at promoting free trade through the reduction of tariffs and other barriers. Central to GATT is the non-discrimination principle; the MFN clause, which mandates that any trade advantage given to one member must be extended to all others.⁵⁶ GATT also emphasizes the NT clause, which states that once foreign goods enter a market, they must be treated no less favourably than domestic goods. Transparency in trade practices is another essential aspect of GATT, which requires that regulations, policies, and procedures affecting trade be communicated clearly and openly. GATT's major objective is to promote progressive economic development and higher living standards aimed at addressing trade imbalances and encouraging economic growth in developing countries.⁵⁷ GATT also recognizes the unique trade and economic challenges faced by developing countries and has facilitated discussions and actions aimed at increasing export earnings. Beyond reducing trade barriers, GATT⁵⁸ allows for the creation of Regional Trade Agreements (RTAs), permitting developing countries to engage in free trade areas and customs unions like the African Continental Free Trade Area (AfCFTA).⁵⁹

3.1.12 Government Procurement Agreement

The Government Procurement Agreement (GPA) is a plurilateral agreement within the framework of the WTO, meaning that not all WTO members are parties to the Agreement. The fundamental aim of the GPA is to mutually open government procurement markets among its parties. As a result of several rounds of negotiations, the GPA parties have opened procurement activities estimated to be worth more than US\$ 1.7 trillion annually to international competition (i.e., to suppliers from the GPA parties offering goods, services, or construction services).⁶⁰ As a binding international treaty, the GPA is administered by the Committee on Government Procurement which is composed of representatives of all its parties. The enforcement of the Agreement is realized through two mechanisms: the domestic review mechanism at the national level and the WTO dispute settlement mechanism at the international level.⁶¹

⁵⁴ Ibid.

⁵⁵ WTO, 'Trade Facilitation' < https://www.wto.org/english/tratop_e/tradfa_e/tradfa_e.htm#III > accessed 19 June 2025.

⁵⁶ World Trade Organisation, 'Understanding the WTO: Basics' (2020) <www.wto.org/english/res_e/download_e/understanding_wto_e.pdf> accessed 5 September 2024

⁵⁷ World Bank. 'Doing Business 2018: Comparing Business Regulation for Domestic Firms in 190 Economies' (World Bank Publications, 2018).

⁵⁸ Art. 24.

⁵⁹ Kossi Ayenagbo, 'Effect on Regional integration on Inter-regional Trade in Africa' (2021) https://www.academia.edu/88580552/Effect_on_Regional_integration_on_Inter_regional_Trade_in_Africa accessed 5 September 2024.

⁶⁰ WTO, 'Agreement on Government Procurement' <https://www.wto.org/english/tratop_e/gproc_e/gp_gpa_e.htm> accessed 16 June 2025

⁶¹ Ibid.

3.1.13 Agreement on Dispute Settlement

The 1994 Agreement establishing the WTO introduced an Annex on dispute settlement referred to as the Understanding on Rules and Procedures Governing the Settlement of Disputes (DSU) which was a substantial departure from dispute settlement procedures under the old GATT. The Dispute Settlement System (DSS) of the WTO comprises of the Dispute Settlement Body (DSB), the Dispute Settlement Panels (DSP) and the Appellate Body (AB). The DSB could be regarded as a political institution within the WTO; while the DSP and AB are the judicial type of institutions.⁶² The WTO law prohibits reservations to its Agreements and subjects all WTO members to the DSB automatically. From the covered Agreements, there are three kinds of disputes that can be brought before the WTO-DSB: violation complaints, non-violation complaints and situation complaints.⁶³ As provided for in the DSU, the DSB has compulsory and exclusive jurisdiction in determining trade disputes between WTO members on trade issues arising from the covered agreements in the Marrakesh Agreement.⁶⁴

3.1.14 Agreement on Subsidies and Countervailing Measures (SCM)

The aim of the Agreement on Subsidies and Countervailing Measures (SCM) is to clarify and improve the limited GATT rules on subsidies. The SCM controls the extent to which countries can take action to counter the effects of subsidies that have been used by other members. Countries are also empowered to launch their own investigation and ultimately charge an extra fee, which is known as a ‘countervailing duty’ or ‘countervailing measure,’ on subsidies that are found to be harming domestic producers.⁶⁵ However, there are two types of subsidies that are subject to control by the SCM: prohibited⁶⁶ and actionable.⁶⁷

There are also three types of harm under the SCM: one country’s subsidies can hurt a domestic industry in an importing country; they can hurt rival exporters from another country when the two exporters compete in third markets; and domestic subsidies in one country can hurt exporters that are trying to compete in the subsidizing country’s domestic market, even if they have not done so yet. where a prohibited subsidy exists, it must be withdrawn immediately. If it is not, the complaining party can impose a countervailing duty to counter the damaging effects on its domestic industry. If a panel or the AB rules that an actionable subsidy does have an adverse effect, the subsidy must be withdrawn, or its adverse effect must be removed.⁶⁸

⁶² Ibid

⁶³ Violations complaint requires “nullification or impairment of a benefit” because of the “the failure of another (Member) to carry out its obligations. Non-violation - situations a member can go to the DSB even when an agreement has not been violated. Situation Complaints - it could cover any situation whatsoever if it results in “Nullification or impairment.”

⁶⁴ Narlikar, (n 23.) 88

⁶⁵ Collins, D. The World Trade Organization: Beginners Guides, (London, Oneworld, 2015) 61

⁶⁶ Prohibited subsidies, often described as ‘red light’ subsidies under a traffic light system of categorization, are those that require recipients to meet certain export targets or to use domestic instead of imported goods. These subsidies are prohibited because they are internationally designed by the governments that use them to distort international trade; they are clear weapons of protectionism aimed at making local goods artificially more competitive.

⁶⁷ Actionable or ‘yellow light’ subsidies require that the complaining country demonstrates that the subsidy has had an adverse effect on its interests. If this cannot be shown, then the subsidy is permitted. On the traffic light analogy, you can go through a yellow light if it is unsafe to stop.

⁶⁸ Narlikar (n. 23).

3.2 Institutional Framework

3.2.1 Nigerian Export Promotion Council (NEPC)

The Nigerian Export Promotion Council (NEPC) Act ⁶⁹ establishes the NEPC to promote and facilitate the development and expansion of Nigeria's non-oil exports. It is tasked with fostering the growth of export markets for Nigerian goods and services. In addition, it plays a central role in strengthening export-oriented industries by facilitating access to global markets, improving product standards, and ensuring adherence to international trade regulations. The Council has been instrumental in coordinating and harmonizing export development and promotion activities across the country, acting as the primary driver for national export programs. This includes fostering collaboration with international trade agencies to enhance capacity building and ensure effective cooperation. By prioritizing the promotion of non-oil exports, the NEPC aims to increase FOREX earnings, create job opportunities, and reduce Nigeria's trade deficit. ⁷⁰

3.2.2 Nigerian Export Processing Zones Authority (NEPZA)

The Nigerian Export Processing Zones Authority (NEPZA) ⁷¹ was established with the responsibility for promoting and facilitating local and international investments into licensed Free Zones. Under this scheme, businesses located at the Zone, among others; enjoy complete tax holiday from all Federal, State and Local Government taxes, rates, customs duties and levies; one-stop approval for all permits; duty-free introduction of capital goods, consumer goods, machinery, equipment and furniture; assembled or imported goods in the Nigerian domestic market; import duty on goods manufactured in the zone are calculated on the basis of the value of the raw materials or components used in assembly and not the finished products; 100 percent foreign ownership of investments; 100 percent repatriation of capital, profits and dividends, and waiver of all import and export licenses; waiver on all expatriate quotas; prohibition of strike and lockouts; and rent-free land during the first 6 months of construction. ⁷² NEPZA administers incentives for all the variants of the Free Zones ranging from Export Processing Zones, Free Trade Zones, Border Free Zones, Export Farms, Science and Technology Parks, Tourism and Resort centers, and other more specific specialised free zones. ⁷³

3.2.3 National Office for Technology Acquisition and Promotion (NOTAP)

The National Office for Technology Acquisition and Promotion (NOTAP) Act ⁷⁴ establishes the NOTAP with the responsibility of implementing the acquisition, development, and transfer of foreign technology into Nigeria. NOTAP also regulates the inflow of foreign technology into the Nigerian economy and develops appropriate means of adapting the acquired technology. Under

⁶⁹ Cap. N64 LFN 2004.

⁷⁰ Thisday 'NEPC non-oil profit proceeds' https://www.thisdaylive.com/index.php/2023/08/03/nepc-4-9bn-non-oil-export-proceeds-recorded-in-2022/?amp=1#google_vignette accessed 25th November, 2024

⁷¹ Nigeria Export Processing Zones Act, 1992.

⁷² E. Ekpenyong, 'An Evaluation of the Legal Framework and Advantages of Doing Business in Nigeria's License Free Zone', <http://www.mondaq.com/Nigeria/x/369522/Inward+Foreign+Investment/An+Evaluation+Of+The+Legal+Framework+And+Advantages+Of+Doing+Business+In+Nigerias+Licensed+Free+Zones> accessed on 2 November 2024.

⁷³ Nigeria Trade Hub, 'Nigeria Export processing Zones Authority' <https://www.nigeriatradehub.gov.ng/Organizations/View-Details?OrganizationId=991> accessed 20 November 2024.

⁷⁴ Cap N62, LFN 2004.

the Act, every technology agreement between Nigerian and foreign companies must be registered with the organization.⁷⁵ In line with globalization and liberalization of the world economy, NOTAP has shifted its emphasis from regulatory and control to promotional and developmental roles. The aim is to attract foreign technologies and investment, and the development of indigenous technology to strengthen industrial development and encourage domestic enterprises to acquire foreign technologies suitable to the local environment.⁷⁶

3.2.4 World Customs Organization (WCO)

The World Customs Organization (WCO) is the intergovernmental organization focused on international customs matters. It was established in 1952 as the Customs Co-operation Council and later renamed the WCO in 1994. Its mission is to enhance the efficiency and effectiveness of customs administrations worldwide.⁷⁷ The WCO works to harmonize and simplify customs procedures to facilitate international trade and secure revenue collection while protecting society.⁷⁸ It covers areas such as; development of global standards, simplification and harmonization of Customs procedures, trade supply chain security, facilitation of international trade, enhancement of Customs enforcement and compliance activities, anti-counterfeiting and piracy initiatives, integrity promotion, and sustainable global Customs capacity building programmes. The WCO also administers the technical aspects of the WTO Agreements on Customs Valuation and Rules of Origin.⁷⁹

⁷⁵ S. 7

⁷⁶ 1st Fiduciary Ltd. ‘An Overview on the Role of Nigeria’s NOTAP in the Promotion of Technology Transfer and Intellectual property’ <<https://firstfiduciary.ng/an-overview-of-the-role-of-nigerias-notap-in-the-promotion-of-technology-transfer-and-intellectual-property/>> accessed 29 August 2024.

⁷⁷ ICAO, ‘ICAO and the World Customs Organization (WCO)’ <https://applications.icao.int/postalhistory/icao_and_the_world_customs_organization.htm> accessed 30 June 2025

⁷⁸ The WCO’s main partners of the United Nations System are the United Nations Conference on Trade and Development (UNCTAD), the United Nations Environment Programme (UNEP), the Universal Postal Union (UPU), the World Health Organization (WHO), etc. Many other International Organizations (such as INTERPOL, the International Trade Centre (ITC), the WTO, etc., Regional Intergovernmental Organizations (such as the European Union, etc.), and Business Organizations (such as the International Chamber of Commerce (ICC), the International Federation of Freight Forwarders Associations (FIATA), the International Air Transport Association (IATA), the International Air Cargo Association (TIACA), etc.) are also working with the WCO.

⁷⁹ WCO, ‘World Customs Organization’ (2024) <<https://www.linkedin.com/company/world-customs-organization/?originalSubdomain=be>> accessed 30 June 2025

4.1 Issues

4.1.1 Facilitate Trade in Goods and Services

The WTO facilitates trade in goods and services through agreements, negotiations, and provisions that aim to streamline processes.⁸⁰ This includes provisions for expediting the movement, release, and clearance of goods, as well as enhancing cooperation between customs and other authorities on trade facilitation and customs compliance. The TFA⁸¹ focuses on transit of goods, fees and formalities connected with importation and exportation, and publication and administration of trade regulations. On Trade in Services, the GATS provides the multilateral framework for trade in services, covering aspects like cross-border supply, consumption abroad, commercial presence, and presence of natural persons. The WTO also examines trade-related issues related to electronic commerce, with the Council for Trade in Services playing a prominent role in this area.⁸²

4.1.2 Framework for Negotiation

The WTO provides a framework for negotiating trade agreements among member countries. Members make specific commitments to reduce or eliminate trade barriers in certain sectors. The framework recognizes the need for S&DT for developing and LDCs, allowing for flexibility in their commitments.⁸³ It also recognizes the importance of development in trade negotiations, particularly for developing countries. Examples of negotiations within the WTO framework is the Doha Development Agenda (DDA), which is a major round of negotiations launched in 2001, focusing on trade liberalization and development issues.⁸⁴

4.1.3 Reduction/ Elimination of Tariffs

The WTO aims to reduce or eliminate tariffs, quotas, and other trade barriers among its member countries to promote freer trade, lower costs for businesses and consumers, and increase trade volumes. It often specifies formulas for reducing tariffs, such as the "Swiss formula," which aims to reduce higher tariffs more proportionately than lower ones.⁸⁵ In 1997, the WTO's Information Technology Agreement (ITA) and Basic, Telecommunications Agreement (BTA) reduced the tariffs on computer and telecommunications products and some intangible goods considered to be drivers of knowledge-based economy. This represents a departure from earlier economic policies, especially in cases where countries used prohibitively high tariffs and subsidies to protect their technology industries from foreign competitors.⁸⁶

4.1.4 Market Access

The WTO aims to improve market access by negotiating the reduction or elimination of barriers to trade through the establishment of tariff-rate quotas (TRQs). The TRQ allows for access to a

⁸⁰ The TFA, which entered into force in 2017, contains provisions to expedite the movement, release, and clearance of goods, including through electronic means.

⁸¹ Arts. V, viii and x

⁸² WTO, 'trade Facilitation' <https://www.wto.org/english/tratop_e/dtt_e/dtt-tradfa_e.htm> accessed 30 June 2025

⁸³ WTO, 'How the Negotiations are Organized' (2023) <https://www.wto.org/english/tratop_e/dda_e/work_organ_e.htm> 17 June 2025

⁸⁴ November 2001 declaration of the Fourth Ministerial Conference in Doha, Qatar

⁸⁵ Moses L. Pava, 'Tariff reduction and the Growth of International Trade' (2024) <<https://www.britannica.com/money/tariff/Tariff-reduction-and-the-growth-of-international-trade>> accessed 20 June 2025

⁸⁶ Ibid

market that might have been closed to exports, benefiting the exporter and consumers in the importing country.⁸⁷ The WTO members are required to notify the WTO about their quantitative restrictions (QRs), including quotas, covering all import and export related measures at regular intervals and under specific circumstances like balance of payments,⁸⁸ general exceptions⁸⁹ and national security exceptions.⁹⁰

4.1.5 Promotion of Government Procurement

The WTO promotes open and fair government procurement through the Agreement on GPA. This plurilateral agreement ensures that suppliers of goods and services from signatory countries are treated no less favourably than domestic suppliers in covered procurement activities. It also promotes transparency, integrity, and good governance in government purchasing, including the publication of notices, conditions for participation, and information on procurement decisions.⁹¹ By promoting open and transparent procurement practices, the GPA helps to reduce barriers to international trade in goods and services.⁹²

4.2 Challenges

Nigeria's efforts to implement the WTO – TFA is not devoid of challenges. Some of the challenges are discussed below.

4.2.1 Unemployment

One primary economic constraint is the rising unemployment rates, especially among the youth and graduates, which limits the capacity for investment in sustainable initiatives. With a large portion of the population struggling with joblessness, there is reduced potential for individuals to engage sustainable trade practices or to invest in the long-term benefits of sustainability.⁹³ The unemployment crisis has deep historical roots and exists within a wider context of poor governance, insecurity, conflict, and poverty. Policy norms and practices to address youth unemployment in Nigeria largely center on skill development and job creation, with complementary schemes selectively targeted to specific groups of vulnerable and poor individuals. Measures are typically ad hoc, detached from a coherent trade policy for economic development reform.⁹⁴

4.2.2 Infrastructural Deficit

Lack of basic infrastructure, such as reliable electricity and road networks hampers industrialization and broader economic development. This infrastructural deficiency makes it

⁸⁷ Beckman, Jayson, 'Do Tariff-Rate Quotas Function as Intended by the World Trade Organization?' *Amber Waves: The Economics of Food, Farming, Natural Resources, and Rural America*, United States Department of Agriculture, Economic Research Service (2020) (3)

⁸⁸ Arts. XI:2, XII

⁸⁹ Art. XX

⁹⁰ Art. XXI

⁹¹ WTO, 'WTO and Government Procurement' (2024) <https://www.wto.org/english/tratop_e/gproc_e/gproc_e.htm> accessed 30 June 2025

⁹² Ibid

⁹³ Amir Hosain 'Sustainable International Relations, Trade and Environment amidst Insecurity in Nigeria; Issues and Challenges' *International Multidisciplinary Research Journal* (2016) (2) (12) <<https://thescholedge.org/index.php/sijmas/article/view/264>> accessed 23 November 2024

⁹⁴ Amrit Virk, Eduomo-Ubong Nelson and Ini dele Adedeji, 'The Challenge of Youth Unemployment in Nigeria' *Journal of International and Comparative Social Policy* (2023) (39) (3) 319 – 329.

difficult for Nigeria to support the demands of trade policies tailored towards economic development.⁹⁵ While Nigeria has made strides in improving its road networks, energy infrastructure, rail systems, and ICT coverage, the quality and accessibility of these infrastructures remain subpar compared to global standards.⁹⁶ However, Nigeria's inconsistent power supply, inadequate road and rail systems, and poorly managed seaports and airports significantly undermine trade efficiency.⁹⁷

4.2.3 High Poverty Rate

Poverty not only stifles economic growth but also exacerbates it, as those living in poverty are often forced to prioritize immediate survival needs over sustainable economic development. Many of the poor, inadvertently contribute to hunger and starvation due to a lack of resources, knowledge, and opportunities for sustainable livelihoods. This vicious cycle makes it challenging for Nigeria to implement effective trade policies for economic development. High Poverty and inequality are major challenges to the attainment of effective trade policies that would enhance economic development in Nigeria.⁹⁸

4.2.4 Insecurity

Nigeria is experiencing an alarming degree of insecurity which has increased the crime rate, terrorists' attacks, kidnappings, incessant killings, looting, closing of existing businesses and destroying of infrastructures in different parts of the country, leaving severe consequences on the nation's economy and business growth.⁹⁹ Thus, insecurity undermines both local and foreign investment, which is critical for economic growth. Without economic stability and investor confidence, it becomes harder for Nigeria to adopt and enforce effective trade policies.¹⁰⁰

4.2.5 Institutional Decay and Poor Governance

Weak regulatory oversight means that businesses often operate without accountability, leading to the continuation of unfair trade practices. Effective enforcement of trade policies requires strong institutional framework.¹⁰¹ In addition, governance and political leadership in Nigeria have been driven by self-interest and other primordial considerations, which take priority over that of the

⁹⁵ Demi Elemo 'WTO Dispute Settlement and Its Impact on Climate Change Related Issues' (2022) <https://www.researchgate.net/publication/360968844_WTO_DISPUTE_SETTLEMENT_AND_ITS_IMPACT_ON_CLIMATE_CHANGE_RELATED_ISSUES_Demilade_Elemo_CONTENTS> accessed 1 October, 2024.

⁹⁶ MA Sakanko, J David and SU Yahaya, 'Infrastructure and Sustainable Development Goals (SDGs) in Nigeria' (2022) <https://www.researchgate.net/publication/365775840_Infrastructure_and_Sustainable_Development_Goals_SDGs_in_Nigeria> accessed 25 October, 2024.

⁹⁷ Ibid

⁹⁸ Rasaki Stephen Dauda and Olusola Joel Oyeleke, 'Poverty and Inequality: The Challenges to Sustainable Development in Nigeria' *Ilorin Journal of Economic Policy* (2021) (8) (2)

⁹⁹ Stella Chinelo Nwagbala, Chenelo-Engr. Ani and Anthony Ejike, 'Security Challenges and the Implications on Business Sustainability in Nigeria' (ResearchGate 2022) <https://www.researchgate.net/publication/368882175_Security_Challenges_and_the_Implications_on_Business_Sustainability_in_Nigeria> accessed 12 December 2024.

¹⁰⁰ K Ogujiuba, K Ehigiamusoe and U Okechukwu, 'The Challenges and Implications of Sustainable Development in Africa: Policy Options for Nigeria' *Journal of Economic Cooperation & Development* (2013) (34) (4)

¹⁰¹ Peterson Ozili, 'The Role of Central Bank in Greening the Nigerian Financial System: Sustainable Investments in Green Finance' [2023] <<http://dx.doi.org/10.2139/ssrn.4629471>> accessed 4 October 2024

public. The nature and characters of the political leadership explains the Nigerian state incapacity for effective trade police that would ginger economic development.¹⁰²

4.3 Opportunities/Prospects

Despite the challenges for the implementation of the WTO – TFA, opportunities are bound. Some of the opportunities are discussed below.

4.3.1 Reconciling the Inconsistency in Trade Policies

There is noticeable inconsistency in Nigeria's trade policy language, which complicates both compliance and enforcement. For instance, CFRN 1999¹⁰³ provides for enabling environment for trade and investment to strive; however, Section 6 (6) (c) limits its enforceability. The non-justiciability of Section 20 under Chapter 2 effectively nullifies citizens' ability to seek judicial redress, diminishing the credibility of trade policies as a national commitment.

4.3.2 Leveraging Foreign Direct Investment (FDI)

Nigeria can attract green investments where international investors are required to adopt sustainability measures as part of their operational standards.¹⁰⁴ Leveraging FDI allows Nigeria to strengthen its capacity for sustainable trade by drawing on external resources and expertise. With well-structured trade agreements, targeted partnerships in sustainable sectors, and favourable investment policies, Nigeria can foster an environment that aligns with global sustainability standards, driving long-term economic and environmental benefits.¹⁰⁵

4.3.3 Diversification

Nigeria can leverage trade policies by focusing on diversifying exports, promoting local industries, and attracting foreign investment by implementing policies that support infrastructure development, enhance trade facilitation, and encourage technology and innovation. Nigeria can reduce its reliance on oil by promoting non-oil exports through targeted trade policies that supports industries with export potential, such as agriculture, manufacturing, and solid minerals. It can also design trade policies to protect and promote emerging local industries and encourage them to become globally competitive as well as streamline customs procedures and reduce bureaucratic hurdles.¹⁰⁶

4.3.4 Strengthening Compliance with Sustainable Trade Policies

The first incident of dumping in Nigeria¹⁰⁷ was where Italian companies exported and illegally dumped hazardous wastes at the small Nigerian town of Koko in Delta State. This episode precipitated domestic outrage and provocation for international condemnation, which then led to Nigeria's ratification of the Basel Convention on the Control of Transboundary Movements of

¹⁰² Dhikru Adewale Yagboyaju and Adeoye O. Akinola, 'Nigerian State and the Crises of Governance: A Critical Exposition' (Sage Journals 2019) <<https://journals.sagepub.com/doi/full/10.1177/2158244019865810>> accessed 12 December 2024.

¹⁰³ s. 20

¹⁰⁴ F Fagbemi and TT Osinubi, 'Leveraging Foreign Direct Investment for Sustainability: An Approach to Sustainable Human development in Nigeria' (2020) resources, Environment and Sustainability <<https://doi.org/10.1016/j.reserv.2020.100005>> accessed 23 November 2024.

¹⁰⁵ Ibid.

¹⁰⁶ Ibid.

¹⁰⁷ The infamous Koko toxic waste episode of 1987–1988,

Hazardous Wastes and Their Disposal in 1991.¹⁰⁸ It later served as an impetus for Nigeria to strengthen its environmental laws and create the Federal Environmental Protection Agency¹⁰⁹ under the Ministry of Environment. To this end, targeted policy adjustments will go a long way to bridge existing gaps in regulatory frameworks and enhance enforcement mechanisms.¹¹⁰

5.1 Recommendations

To address the challenges confronting Nigeria, the article, therefore made the following recommendations.

- i. Nigeria must undertake significant reforms to align its trade policies with WTO trade facilitation standards. The government should revise existing laws and introduce new policies in key industries, including agriculture, energy, and manufacturing. In addition, customs and tariff policies should be reformed to encourage the importation of green technologies and equipment, facilitating the transition of the economy.
- ii. Trade facilitation department should be created under the FNITI. This would assist in incorporating explicit safeguards to ensure that Nigeria's trade policies align with its obligations under the TFA.
- iii. The WTO must expand its technical assistance programs to assist Nigeria in building the institutional and technical capacity needed to implement its TFA, particularly on infrastructure, such as renewable energy systems, green logistics, and eco-friendly manufacturing processes.
- iv. Nigeria should leverage on the WTO framework by make specific commitments to reduce or eliminate trade barriers in certain sectors, since the framework recognizes the need for S&DT for developing and LDCs, allowing for flexibility in their commitments.

5.5 Conclusion

The article examines the WTO-TFA for economic development with particular emphasis on the challenges and prospects for Nigeria. The analysis extends into several key areas, including Nigeria's compliance with global trade rules, the country's economic and institutional constraints, and the potential for leveraging international partnerships to achieve its development goals. The article recognizes the importance of the WTO framework in setting global trade standards. However, it found that Nigeria faces significant challenges in achieving the TFA standards due to infrastructural deficits, regulatory inconsistencies, economic constraints issues ranging from poverty and unemployment to insecurity and weak institutions. While Nigeria has taken steps toward aligning its domestic laws with the TFA, there are still loopholes in the effective implementation and enforcement. Nevertheless, there are opportunities for Nigeria to enhance its trade policies. To achieve this, Nigeria must not only reform its domestic policies but also engage more effectively in international partnerships, adopting best practices and tapping into the opportunities presented by global trade networks. The successful implementation of the TFA in Nigeria is a difficult fight, but with the right policy reforms, strategic investments, and

¹⁰⁸ United Nations Environment Programme (UNEP), *The Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and Their Disposal* (UNEP, 1992) <https://www.basel.int/>

¹⁰⁹ Now NESREA

¹¹⁰ OJ Olujobi, 'Legal Responses to Energy Security and Sustainability in Nigeria's Power Sector amidst Fossil Fuel Disruptions and Low Carbon Energy Transition' (2023) <<https://doi.org/10.1016/j.heliyon.2023.e17912>> accessed 13 October 2024

international collaborations, Nigeria stands to benefit from a more competitive, and inclusive trade environment.

An important consideration in the Nigerian context is whether the WTO Trade Facilitation Agreement (TFA) will support or impede the government's efforts to coordinate the diverse suppliers of technical and financial assistance in the area of trade facilitation. Both comparative research and practical experience suggest that trade facilitation, as narrowly defined by the TFA, represents only a fraction of the broader agenda required to unlock the full developmental benefits of international trade. Nigeria's trade environment is characterized by infrastructural deficits, inefficiencies in logistics and distribution networks, and challenges in transport services, which extend well beyond the Customs and border management reforms prioritized under the TFA.

While multilateral development banks and donor agencies possess the mandate and capacity to adopt a holistic approach encompassing infrastructure, logistics, and broader trade services the Nigerian government faces the challenge of ensuring that interventions are coherent, coordinated, and free from duplication. The proliferation of donor-driven trade facilitation assistance programs has often resulted in fragmented efforts, with the risk of inter-agency rivalries and inefficiencies undermining progress. For Nigeria to derive meaningful welfare and trade gains from the TFA, the government must therefore strengthen institutional capacity to harmonize technical assistance, avoid duplication, and align interventions with national development priorities.

The experience of negotiating the TFA itself underscores the complexity of building consensus around trade facilitation. It took more than a decade of learning and engagement among international Customs communities, development practitioners, and policy analysts to demonstrate why trade facilitation is critical for income growth and economic development. For Nigeria, the challenge is twofold: to ensure that lessons from these global experiences are localized, and to address the systemic barriers, particularly corruption, weak infrastructure, and regulatory inefficiencies that hinder effective trade facilitation. Ultimately, the Nigerian case illustrates both the potential and the difficulty of translating multilateral agreements like the TFA into concrete, broad-based economic gains.