



# ISSUE BRIEF

April, 2026

## Cross-Border Trade Bottlenecks and Need for Legislative Intervention to Support Nigerian Manufacturers and AfCFTA Implementation

**Authors:**

**Dr Christopher Ngara & Dr Etimbuk Obot**  
**Institute for Legislative and Democratic Studies (NILDS)**

### Executive Summary

Despite the formal commencement of the African Continental Free Trade Area (AfCFTA) in 2019, intra-African trade remains significantly below expectations, accounting for approximately 18% of total continental trade. According to concerns raised by the Pan-African Manufacturers Association (PAMA), Nigerian manufacturers continue to face persistent structural and operational barriers that limit their competitiveness and ability to fully benefit from regional integration frameworks such as AfCFTA and ECOWAS protocols. These challenges include inefficient customs procedures, non-tariff barriers, weak transport and logistics infrastructure, limited access to trade finance, currency convertibility constraints, and poor implementation of existing trade agreements.

While these barriers are not new, their combined effect continues to undermine Nigeria's industrial and export diversification agenda. Manufacturers are often disadvantaged in regional markets due to high transaction costs, delays at borders, and inconsistent regulatory standards. As a result, intra-African trade in manufactured goods remains underdeveloped, with many firms unable to integrate into regional value chains or scale production for export competitiveness. Informal cross-border trade networks further weaken formal trade channels and reduce potential government revenue.

These constraints have significant implications for Nigeria's broader economic development objectives. They limit industrial growth, reduce export competitiveness, and reinforce dependence on raw commodity exports rather than value-added manufacturing. Without effective intervention, Nigeria risks continued marginalisation within the African continental market despite its participation in AfCFTA.

The National Assembly therefore has a critical role in ensuring that trade policy commitments translate into measurable economic outcomes. Legislative oversight is necessary to strengthen implementation of AfCFTA protocols, remove structural bottlenecks, enhance accountability in trade facilitation institutions, and promote Nigeria's industrialisation and export diversification goals.

Accordingly, the National Assembly, through its Senate and House Committees on Trade, Industry and Investment, may consider the following actions:

- **Convene** a joint legislative hearing on AfCFTA implementation involving relevant ministries and agencies to assess progress and identify implementation gaps.



- **Request** a comprehensive audit of non-tariff barriers (NTBs) affecting Nigerian manufacturers from the Ministry of Industry, Trade & Investment, demanding clear timelines for their removal or harmonisation.
- **Call** for the development and implementation of digital customs systems, including single-window clearance and harmonised border procedures.
- **Strengthen** trade facilitation infrastructure through legislative support for integrated transport corridors, logistics hubs, and cross-border trade systems.
- **Ask** the Ministry of Industry, Trade and Investment to engage financial regulators and development finance institutions to expand affordable trade finance for manufacturers and exporters.

### Background:

Despite the formal commencement of the African Continental Free Trade Area (AfCFTA) in 2019, intra-African trade (particularly in manufactured goods) remains significantly below expectations. Recent concerns raised by the Pan-African Manufacturers Association (PAMA) indicate that intra-African trade accounts for only about 18% of total continental trade, compared to approximately 60% in Europe, revealing a persistent structural gap in regional economic integration<sup>1</sup>.

According to PAMA, manufacturers, including Nigerian firms, continue to face significant barriers in cross-border trade despite existing regional integration frameworks under ECOWAS and AfCFTA protocols<sup>2</sup>. These challenges are described as largely structural and operational rather than policy-related alone.

Key issues also identified include inefficient customs systems, non-tariff barriers (such as import restrictions, inconsistent standards, and quotas), weak transport and logistics infrastructure, limited trade finance access, and currency convertibility constraints.

Additionally, poor implementation of regional agreements and the persistence of informal cross-border trade networks continue to undermine formal trade channels and reduce government revenue.

These constraints have been reported to contribute to Nigeria and other African economies remaining largely dependent on raw commodity exports rather than integrated value-added manufacturing and intra-African industrial trade.

### Issue:

These constraints continue to significantly hinder the competitiveness of Nigerian manufacturers in regional markets, limiting their ability to expand production, integrate into value chains, and fully benefit from AfCFTA opportunities.

---

<sup>1</sup> Awodipe, T. (2026, April 10). Manufacturers decry poor cross-border trade, excessive bottlenecks. The Guardian. <https://guardian.ng/business-services/manufacturers-decry-poor-cross-border-trade-excessive-bottlenecks/>

<sup>2</sup> Ibid



The combined effect of infrastructure deficits, financial limitations, and trade facilitation inefficiencies results in higher transaction costs, reduced trade predictability, and weak market access for manufactured goods. This has slowed the emergence of competitive regional value chains and constrained export diversification.

In effect, intra-African trade remains largely underdeveloped in manufactured products, with formal manufacturers operating at a disadvantage compared to informal and less regulated trade channels, thereby weakening industrial growth and regional economic integration.

### **Rationale for Legislative Action:**

The National Assembly has a critical role in ensuring that Nigeria's trade policy frameworks translate into practical economic benefits for manufacturers and exporters.

Legislative intervention is required to:

- Strengthen implementation of AfCFTA and ECOWAS trade protocols and ensure the domestication of these protocols.
- Reduce structural bottlenecks affecting manufacturing competitiveness
- Enhance Nigeria's export diversification and industrialisation agenda
- Promote regional value chain development and economic integration
- Improve accountability in trade facilitation agencies
- Protect domestic manufacturers from unfair and inefficient trade barriers
- Align trade policy with Nigeria's industrial development and economic growth objectives

Without targeted oversight, Nigeria risks continued marginalisation in intra-African trade despite formal commitments to regional integration.

### **Recommendations to the National Assembly**

The National Assembly is respectfully urged through its committees on Trade, Industry and Investment to consider the following actions:

1. **Convene** a joint legislative hearing on AfCFTA implementation and invite the Ministry of Industry, Trade and Investment; Nigerian Customs Service; Nigerian Export Promotion Council (NEPC); and regional trade bodies to assess implementation gaps and how the legislature can help facilitate executive approval of all AfCFTA protocols, ensuring its timely domestication of all protocols.
2. **Mandate** a comprehensive review of Non-Tariff Barriers (NTBs) by requiring a structured audit of all NTBs affecting Nigerian manufacturers, with possible timelines for removal or harmonisation.
3. **Call** for creation and full implementation of digital customs systems with single-window clearance processes and harmonised border procedures.
4. **Legislate** for improved trade facilitation infrastructure by supporting investment in integrated transport corridors, logistics hubs, and cross-border trade infrastructure.



5. **Ask** the Ministry of Industry, Trade and Investment to engage financial regulators and development finance institutions to expand affordable trade finance for manufacturers and exporters

### **Conclusion:**

Nigeria's manufacturing sector continues to face significant cross-border trade barriers that undermine the objectives of AfCFTA and regional economic integration frameworks. These challenges are not merely administrative but structural, affecting competitiveness, industrial growth, and export diversification.

The National Assembly has a critical role in ensuring that trade liberalisation commitments translate into tangible improvements for Nigerian manufacturers.

Proactive legislative oversight and targeted reforms are essential to reduce bottlenecks, strengthen trade facilitation systems, and position Nigeria as a competitive hub within the African continental market.

### **Contact**

National Institute for Legislative and Democratic Studies  
National Assembly  
Plot 307 Cadastral Zone  
Umaru Musa Yar'adua Expressway, Airport Road

Abuja Nigeria

**E-mail:** [info@nils.gov.ng](mailto:info@nils.gov.ng)

**Website:** <http://nils.gov.ng>

### **NILDS Liaison Office**

Suite 214 Senate Wing  
National Assembly Complex  
**Mobile:** +234 806 694 5075