

Impact of Corruption on the Application of International Trade Law in Nigeria

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ABSTRACT

Corruption has long been a persistent challenge in Nigeria, influencing various sectors, including governance, public administration, and trade. This study investigates how corruption undermines the effective implementation of international trade laws and regulations, leading to inefficiencies, trade distortions, and weakened enforcement mechanisms. The research draws on qualitative and quantitative data to analyze the specific ways in which corrupt practices affect customs procedures, trade facilitation, and the overall regulatory framework. It explores how corruption among government officials, law enforcement agencies, and private sector entities compromises trade integrity, increases transaction costs, and deters foreign investment. The paper highlights the broader implications of corruption on Nigeria's trade relationships and its ability to comply with international trade obligations. Ultimately, the study ended by providing policy recommendations to enhance transparency, strengthen institutional capacity, and promote good governance in order to improve the effective application of international trade law in Nigeria.

Keywords: Impact, Corruption, International Trade, Law, Regulations, Implementation, Effective

INTRODUCTION

The issue of corruption is a continuing one in Nigerian legal literature and is the premise of many laws, regulations, and international norms, such as the Corrupt Practices and Other Related Offences Act (2000), Economic and Financial Crimes Commission (EFCC) Act (2004), Money Laundering (Prohibition) Act (2011)¹ among so many other legislations. These laws establish offences related to corruption, provide for investigation and prosecution, and promote transparency and accountability in government and private sectors.

While most, if not all, developed countries have adopted international norms and have well established cultures of enforcement of anti-corruption policies, countries like Nigeria, designated as emerging and frontier markets have only recently started to tackle the issue of corruption seriously even though the impact is yet to be felt. For these markets, it is vitally important to get ahead of the corruption issue as not tackling corruption can come at a high economic price. As Nigeria competes for international trade opportunities, it is important to assign a high priority to combating corruption, as a high perception of corruption is strongly correlated with low levels of international trade, and a significant reduction in the perception of corruption will have a major impact on international trade

As earlier established, this paper works on exploring the intricate relationship between corruption and the application of international trade law in Nigeria. Given Nigeria's strategic position as a key player in regional and global trade, understanding how corruption influences the implementation and enforcement of trade agreements, tariffs, and regulatory frameworks is vital. The study's aim is to assess the extent to which corruption undermines the effective application of international trade law in Nigeria, thereby affecting the country's trade relations and economic performance. Manifest incidents of corruption have in one way or the other negated the promises of transparency mouthed by each succeeding administration in Nigeria. This work will then identify the specific mechanisms through which corruption manifests within the trade sector

¹ These are the major legislations in Nigeria aimed at curbing corruption by successive governments.

and as well explore the broader consequences of these practices on Nigeria's international standing, trade efficiency, and compliance with international legal obligations. In the end, the major expectation of this work rests on how this work will contribute to the broader discourse on governance, legal reform, and anti-corruption strategies within the context of international trade in Nigeria.

CONCEPTUAL CLARIFICATIONS

What is Corruption?

The term “corruption” seems to be an ambiguous and ubiquitous concept, hence, there is no universally acceptable definition. This difficulty is not unconnected to the fact that corruption aside being a concept, its perimeter is not definite. Each writer has defined corruption according to the context and milieu of his or her writing. In fact, the scope of corruption can emerge from political, moral, academic, financial, religious, social and economic stance.

The Black's Law Dictionary² defines corruption as “the act of doing something with an intent to give some advantage inconsistent with official duty and the rights of others, a fiduciary or official use of a station or office to procure some benefit either personally or for someone else, contrary to the rights of others...an impairment of integrity, virtue or moral principles; especially impairment of a public official's duty by bribery.” It is a vicious and fraudulent intention to evade the prohibitions of the law. An act of an official or fiduciary person who unlawfully and wrongfully uses his station or character to procure some benefit for himself or for another person, contrary to duty and the rights of others. It involves ‘the illegal use of entrusted power or position of authority for private.’³ Transparency International submits that ‘Corruption erodes trust, weakens democracy, hampers economic development and further exacerbates inequality, poverty, social division and the environmental crisis. Exposing corruption and holding the corrupt to account can only happen if we understand the way corruption works and the systems that enable it.’⁴

Corruption manifests in a variety of ways. These include: soliciting and accepting bribe before the discharge of lawful duties; nepotism, appropriation and privatization of state properties for private ends, abuse of official position, miscarriage of justice, undervaluation of government assets meant for disposal, lower taxes, sexual harassment in the university, electoral bribery, inflation of government contracts, examination malpractices, etc⁵. It is stated that the United Nations Convention against Corruption refrains from providing a single definition of corruption. Instead, it focuses on identifying specific acts of corruption that should be established as criminal offences by every State adhering to the Convention. This approach is a response to the inherent difficulty of determining a comprehensive definition of corruption due to its diverse manifestations at the national, regional and global levels⁶. The said convention suggests that corruption be tackled in 5 broad head as follows: preventive measures, criminalization and law enforcement, international cooperation, asset recovery and technical assistance.⁷

In Nigeria, corruption is one of the many unresolved problems that have critically hindered development. Nigeria is one of the Sub-Sahara African states that have been identified as being very corrupt. Since independence in 1960, no administration has been declared corruption free. The first democratic government was overthrown on the ground of corruption through violent/bloody military coup by groups of military officers in January 16, 1966, thus aborting the first democratic government. This event remains a reoccurring decimal in the political history of Nigeria because since then, there have been incessant military interventions in the polity until 1999 when the civilian administration was sworn in. So far the military has ruled Nigeria for

² HC Black, Black's Law Dictionary (6th ed.). St. Paul, MN: West Publishing Co. (1990)

³ Bank of Industry, Anti Bribery and Corruption Policy 2020

⁴ [What is corruption? - Transparency.org](https://www.transparency.org/en/what-is-corruption) available online at www.transparency.org/en accessed on 20/8/2024 at 12.41pm.

⁵ Onuoha, B. (2005) “The State, Corruption and the Challenges of Good Governance in Nigeria”, in Olurode, L. and Anifowose, R. (eds), *Rich But Poor, Corruption and Good Governance in Nigeria*. Lagos: Faculty of Social Science, University of Lagos.

⁶ What is corruption? Available online at <https://www.unodc.org/corruption/en/learn/what-is-corruption.html> accessed on 20/8/2024 at about 12.45pm.

⁷ *ibid*

32 years out of its over 60 years of political sovereignty. Nigeria is ranked 148 out of 180 countries in Transparency International's 2019 Corruption Perception Index.⁸ Currently in 2023, Nigeria ranked 145 out of 180 on the same index while scoring 25 out of 100 points on 2023 corruption index.⁹

What is International Trade Law?

Generally, international trade law includes the rules and customs governing trade between countries.¹⁰ International trade laws are the legal frameworks and rules that controls the commercial interaction between countries; it encompasses regulations, agreements, and protocols that facilitate or restrict trade economic exchanges between nations.¹¹ International trade law concerns itself with the customs and rules that govern economic trade between countries. It's a broad subject, covering both the application of domestic law and international, treaty-based law to international trade.¹²

There has always been the desire for economic growth and development and as a result, globalization has introduced international trade and it is not hyperbolic to state that no country can survive without international trade.¹³ Nevertheless, trade barriers like tariffs, quotas, subsidies can hinder economic exchange between countries. Naturally, the implications of international trade require the execution of detailed international trade agreements.¹⁴ This is especially true in light of the complex, multi-party nature of most international trade agreements in place today. In general, international trade law encompasses the appropriate rules and customs that must be used when engaging in trade with foreign countries.

APPLICATION OF INTERNATIONAL TRADE LAW IN NIGERIA; THE JOURNEY SO FAR

Trade laws in Nigeria have evolved significantly to meet the demands of a dynamic global economy.¹⁵ Initially shaped by colonial influences, Nigeria's trade legislation underwent transformations post-independence to reflect national priorities and economic ambitions. The earliest trade laws in Nigeria were influenced by colonial policies aimed at exploiting natural resources for imperial gain.¹⁶ However, with independence in 1960, Nigeria began crafting its trade policies to stimulate domestic industries and foster economic independence.¹⁷

In the 1970s, Nigeria's oil boom reshaped its trade dynamics, prompting legislative changes to manage

⁸ Y Akinpelu, 'Explainer: How Transparency International Assessed Nigeria's Corruption Level' (2020) available online at <www.premiumtimesng.com> accessed August 10 2024

⁹ Corruption Index available online at <https://tradingeconomics.com/nigeria/corruption-index> accessed on 24/8/2024 at about 12.51pm

¹⁰ Georgetown University, 'International Trade Law' available online at <<https://www.law.georgetown.edu/your-life-career/career-exploration-professional-development/for-jd-students/explore-legal-careers/practice-areas/international-trade-law/>> accessed August 10 2024

¹¹ Disciplines In Nigeria, 'International Trade Law' available online at <<https://disciplines.ng/international-trade-laws/>> accessed August 10 2024

¹² Curtis, Mallet-Prevost, Colt & Mosle LLP, 'International Trade' available online at <<https://www.curtis.com/glossary/international-trade>> accessed 12 August 2024

¹³ P Adekemi and E Oluwatimilehin, 'International Trade and Businesses; An Insight Into Nigerian Regulatory Framework' *Diverse law* October 2021 available online at <<https://www.mondaq.com/nigeria/international-trade-amp-investment/1105174/international-trade-and-businesses-an-insight-into-nigerian-regulatory-framework>> accessed 12th August 2024.

¹⁴ Justia, 'International Trade Law', available online at <<https://www.justia.com/international-law/international-trade-law/>> accessed August 13th 2024

¹⁵ Disciplines In Nigeria, Nigerian Legislation on International Trade Laws <<https://disciplines.ng/legislation-on-international-trade-laws/>> accessed August 13th 2024

¹⁶ E Charle Jr, 'English Colonial Policy and the Economy of Nigeria' *The American Journal of Economics and Sociology* Vol. 26, No. 1 (Jan., 1967), pp. 79-92 (14 pages)

¹⁷ PO Oromareghake et al, 'Post-Colonial Nigeria and Economic Forward', *Arts and Social Science Research*, Vol. 11 (September, 2021)

newfound wealth and international trade relations.¹⁸ The establishment of bodies like the Nigerian Export Promotion Council (NEPC) aimed to promote non-oil exports and diversify the economy. The 1980s witnessed significant shifts in Nigerian trade legislation amid economic challenges. Structural adjustment programs led to liberalization policies, reducing trade barriers and encouraging foreign investment.¹⁹ These reforms aimed to boost competitiveness and integrate Nigeria into the global market. The 1990s marked a period of legislative consolidation and alignment with international trade norms. Nigeria joined the World Trade Organization (WTO) in 1995, committing to multilateral trade agreements and enhancing trade facilitation measures. In the 21st century, Nigeria's trade laws continued to evolve with advancements in technology and globalization. Legal reforms focused on improving regulatory frameworks, enhancing trade facilitation, and addressing emerging issues such as intellectual property rights and e-commerce.

Today, in Nigeria, international trade laws function within a dual framework:²⁰ domestic legislation and international agreements. Nigerian legislation actively participates in shaping international trade laws to reflect national priorities and objectives. It established regulatory frameworks that govern import and export activities, tariff schedules, customs procedures, and trade agreements. By enacting and enforcing these laws, Nigeria aims to protect local industries, promote fair competition, and integrate into the global economy on favorable terms. Overall, Nigerian legislation on international trade laws is instrumental in fostering a conducive environment for economic growth and development. It ensures that Nigeria's participation in global trade is guided by clear legal principles that benefit its economy and uphold its interests on the international stage. These laws regulate imports, exports, customs duties, and trade-related disputes through agencies like the Nigerian Customs Service and the Federal Ministry of Industry, Trade and Investment.

Internationally, Nigeria is party to various trade agreements that influence its economic relations. Membership in the WTO, for instance, commits Nigeria to abide by multilateral trade rules and dispute settlement procedures. Bilateral and regional agreements further shape trade policies, promoting regional integration and economic cooperation. Nigeria in her effort to promote international trade is a party to the following International Trade agreements:

1) Bilateral Trade Agreements:

Nigeria has bilateral investment treaties (BITs) with Egypt, Finland, France, Germany, Italy, Korea, the Netherlands, Romania, South Africa, Spain, Switzerland, Turkey, the United Kingdom, and the United Arab Emirates etc.²¹ Nigeria has comprehensive double taxation agreements with Belgium (1991), Canada (2000), China (2010), France (1992), the Netherlands (1993), Pakistan (1991) Romania (1994), South Africa (2009), and the United Kingdom (1989). These treaties apply to personal income, corporate income, capital gains, and petroleum profits.²²

2) World Trade Organization:

Nigeria is an original member of the WTO having ratified the WTO Agreement on December 6, 1994.²³ The Marrakesh Agreement establishing the WTO has been ratified, but in cases where its provisions have not been incorporated into Nigerian legislation, traders and investors are unable to invoke WTO provisions in domestic courts. However, appropriate legislations are being sorted out. Under the agreement, Nigeria has been active in the negotiations under the Doha Development Agenda thanks to its membership of several negotiating groups. The country is a member of the African Group, Africa, the Caribbean and the Pacific (ACP) Group, and the G-

¹⁸ A Elwerfelli and J Benhin, 'Oil a Blessing or Curse: A Comparative Assessment of Nigeria, Norway and the United Arab Emirates', *Theoretical Economics Letters* > Vol.8 No.5, April 2018

¹⁹ K Moesinger, The global dynamics of underdevelopment in Nigeria: An analysis of the structural adjustment program (SAP) in the industrial sector, available online at <https://aura.american.edu/articles/thesis/The_global_dynamics_of_underdevelopment_in_Nigeria_An_analysis_of_the_structural_adjustment_program_SAP_in_the_industrial_sector/23877687?file=41874144> accessed August 13th 2024

²⁰ Ibid n(10)

²¹ United Nations Commission on Trade and Development. (2013). Nigeria Bilateral Investment Treaties (BITs).

²² Ibid

²³ GATT document Let/1957, December 7, 1994

90 Group. In the agriculture negotiations, Nigeria is a member of the G-20 and the G-33 groups of developing countries, where it plays a prominent role. In the negotiations on agriculture under this agreement, Nigeria sought for improved market access, particularly into the markets of developed countries, along with reductions in domestic support and the elimination of export subsidies. As part of the G-33 group of countries, Nigeria also asked for flexibility in terms of market access and reductions in tariff escalations.²⁴ Under this agreement, Nigeria has enjoyed special and differential treatment, capacity building, and technical assistance.

3) African Union (AU) and African Economic Community (AEC):

Nigeria is a founding member of the African Union (AU). With the signing of the treaty²⁵ by fifty-one head of states in June 1991, it gave birth to the African Economic Community (AEC), which came into force after required ratifications in May 1994. The aim of the AEC is to promote economic, social and cultural integration in order to increase self-sufficiency with human resource mobilization. This is with a view to ensuring economic stability and peaceful relationship among member states. The mechanism to achieve this was to build strong Regional Economic Communities (RECs) (of which Nigeria belongs to the ECOWAS now AU) and strengthen intra-regional integration. The roadmap which includes establishment of free trade areas in each REC, creation of continental custom union and African common market, and establishment of the African economic monetary union and parliament, is planned to be achieved by 2028.

4) Economic Community of West African States (ECOWAS):

Nigeria has been a member of ECOWAS since it was created by the Treaty of Lagos in May 1975 with the objective of promoting economic integration among its member countries. In the quest to ensure speedy economic integration, the Treaty was revised in 1993 and set objectives for the creation of common market. Single currency (to be called ECO) was intended to be launched by the West African Monetary Zone (of which Nigeria is a member) by 2015. Unfortunately, introduction of a single currency has faced more than 5 postponements, the recent postponement of the date is to 2027 due to what it termed “non-fulfillment of financial responsibilities” by member countries.²⁶ However, Nigeria potentially portends a great impediment in achieving a single monetary union in West Africa because of the size of her economy compared to other countries in ECOWAS.²⁷ For instance, the entire West African Economy had the GDP of approximately USD 75 billion in 2013, while Nigeria alone had the GDP of USD 260 billion in 2013.²⁸ Nigeria is also a major oil exporter as opposed to other West African countries.

5) African Continental Free Trade Agreement (AfCFTA)

Nigeria is a member of the AfCFTA. The agreement founding AfCFTA was brokered by the African Union (AU) and signed by 44 of its 55 member states in Kigali, Rwanda on March 21, 2018.²⁹ The proposal was set to come into force 30 days after ratification by 22 of the signatory states. On April 29, 2019, the Saharawi Republic made the 22nd deposit of instruments of ratification, bringing the agreement into force on May 30; it entered its operational phase following a summit on July 7, 2019, and officially commenced January 1, 2021. AfCFTA's negotiations and implementation are overseen by a permanent secretariat based in Accra, Ghana.

Under the agreement, AfCFTA members are committed to eliminating tariffs on most goods and services over

²⁴ World Trade Organization, 'Council for Trade in Services – Special Session – Nigeria – Initial Offer –Document TN/S/O/NGA' available online at www.wto.org/english/docse/docse.htm accessed August 14 2024

²⁵ Abuja Treaty, 12 May 1994.

²⁶ Akubueze et al, 'ECOWAS Common Currency Postponed Again: Will the Currency Ever be Launched?' *African Journal of Social Sciences and Humanities Research* October 2022 5(5): 48-58

²⁷ Amadou S, 'Will There Be an African Economic Community?' available online at www.brookings.edu/articles/will-there-be-an-african-economic-community/ accessed August 14 2024

²⁸ USD 510 billion, according to the US Department of State in 2016.

²⁹ The Economist, 'Forty-four African countries sign a free-trade deal'. March 22, 2018 online publication available at www.economist.com/middle-east-and-africa/2018/03/22/forty-four-african-countries-sign-a-free-trade-deal accessed August 15th 2024

a period of 5, 10, or 13 years, depending on the country's level of development or the nature of the products. General long-term objectives include creating a single, liberalized market; reducing barriers to capital and labor to facilitate investment; developing regional infrastructure; and establishing a continental customs union. The overall aims of AfCFTA are to increase socioeconomic development, reduce poverty, and make Africa more competitive in the global economy.

On January 13, 2022, the AfCFTA took a major step towards its objective with the establishment of the Pan-African Payment and Settlement System (PAPSS), which allows payments among companies operating in Africa to be done in any local currency.

In April 2024, the African Union announced that the AfCFTA entered into its operational phase of the agreement. The operational phase, which effectively puts the agreement into force, is characterized by the following actions:

Establishment of the rules of origin, which will govern the conditions a product or service can be traded duty free;³⁰

- i. Tariff concessions, 90% tariff liberalization;
- ii. Online mechanism, allows members to report non-tariff barriers;
- iii. Pan-African payment and settlement system, allows certainty of payments and will instill confidence in the system
- iv. African Trade Observatory, a portal to address hindrances to trade, will be provided by AU member states.

KEY COMPONENTS OF NIGERIAN LEGISLATION ON INTERNATIONAL TRADE LAWS

Nigerian legislation on international trade laws is an essential framework that governs the import and export activities in the country. These laws play a crucial role in regulating trade relations and ensuring compliance with international standards. Here are some key components of Nigerian legislation on international trade laws:

1) Customs and Excise Management Act (CEMA): the Customs and Excise Management Act (CEMA) empowers the Nigerian Customs Service to enforce customs regulations and collect duties on imported goods. The CEMA provides procedures for the valuation of goods, inspection of cargo, and penalties for non-compliance.³¹

2) Foreign Exchange (Monitoring and Miscellaneous Provisions) Act: The Nigerian Foreign Exchange (Monitoring and Miscellaneous Provisions) Act is a legislation that regulates and monitors foreign exchange transactions in Nigeria. The Act aims to conserve foreign exchange reserves, promote economic development, and prevent illegal foreign exchange activities. It empowers the Central Bank of Nigeria to oversee foreign exchange operations, impose restrictions, and enforce penalties for violations. The Act also provides guidelines for foreign exchange dealings, payments, and transfers, ensuring transparency and stability in Nigeria's foreign exchange market.³²

3) Nigerian Investment Promotion Commission (NIPC) Act: An Act to establish the Nigerian Investment Promotion Commission, to encourage and promote investment in the Nigerian economy. The commission has impacted positively in foreign trade and investment in Nigeria.³³

³⁰ Wikipedia, 'African Continental Free Trade Area' <https://en.m.wikipedia.org/wiki/African_Continental_Free_Trade_Area> accessed August 15th 2024

³¹ J Olorunfemi et al, 'Ascertaining the burden of proof in the prosecution of smuggling of goods in Nigeria from comparative perspective', *Global Trade and Customs Journal* 16 (9), 2021.

³² F Alabi and J Onele, 'Foreign Exchange Control in Nigeria and the Emefiele Approach-How Far Is Too Far?' 10.2139/ssrn.2667965, 2015

³³ J Okpanachi et al, 'Impact of Nigerian Investment Promotion Commission on Nigeria Trade and Investment Policy' *International Journal of Humanities and Social Science* 3 (4), 174-181, 2013.

Agencies Responsible for Enforcing Trade Laws in Nigeria

- a. The Nigerian Customs Service (NCS) plays a central role in monitoring and regulating imports and exports, ensuring compliance with tariff schedules and customs procedures.
- b. The Standards Organization of Nigeria (SON) ensures adherence to quality and safety standards for goods produced locally or imported. It plays a critical role in consumer protection and promoting competitiveness in Nigerian industries.
- c. The Nigerian Export Promotion Council (NEPC) focuses on promoting non-oil exports, providing support to exporters, and facilitating market access for Nigerian products abroad. It aims to diversify Nigeria's export base and reduce dependency on oil revenue.

Penalties for Violating Trade Laws

Penalties for violating trade laws in Nigeria vary depending on the nature and severity of the offense. Common penalties include fines, confiscation of goods, and in some cases, imprisonment for individuals found guilty of smuggling or illegal trade practices. The Nigerian Customs Service has the authority to impose fines and seize goods that contravene customs regulations. These penalties aim to deter illegal activities and ensure compliance with import and export laws. The Standards Organization of Nigeria also imposes penalties for failing to meet quality standards or falsifying product certifications. Non-compliant products may be removed from the market, and manufacturers could face fines or other sanctions.

Additionally, the Nigerian government collaborates with international bodies like the World Trade Organization (WTO) to uphold trade agreements and resolve disputes. Violations of international trade obligations can also result in retaliatory measures or sanctions imposed by trading partners.

Corruption as a barrier to the application of international trade laws in Nigeria

It is crucial to remember that in Nigeria, what is in the law books totally differs from its actual application in reality. Despite Nigeria's seemingly robust applications of international trade law, the positive effects of these laws are not reflected in the economy of the country.³⁴ Effective application of our international trade laws is supposed to result in positive economic growth in the nation. However, in Nigeria, the application of the various international trade laws has not resulted in real positive growth of the economy. This is because there are numerous barriers to the practical application of international trade law in Nigeria. One of the most prominent is corruption. Corruption has significantly hindered the effective application of international trade law in Nigeria by;

1. Constituting trade barriers: Corruption has led to arbitrary application of trade regulations, creating unnecessary obstacles for businesses.³⁵ Corruption has undermined the fair and consistent application of trade regulations by allowing officials to use their discretion in enforcing rules. Due to corruption, decisions about trade is influenced by bribes, favoritism, or personal gain rather than by the established legal framework. This has created an environment where regulations are applied inconsistently, benefiting those who can afford to pay or who have the right connections, while disadvantaging others. As a result, trade regulations have lost their intended purpose of ensuring fair competition and protecting economic interests, leading to an unpredictable and unequal trading environment.
2. Increasing Customs fraud: Corruption at the Nigerian Customs Service has resulted in undervaluation, misclassification, or evasion of duties on imported goods.³⁶ When customs officials accept bribes or engage in

³⁴ K Abiodun, 'Contribution of International Trade to Economic Growth in Nigeria' (2017). 2017 Awards for Excellence in Student Research and Creative Activity available online at www.thekeep.eiu.edu/lib_awards_2017_docs/1/ accessed 13th August 2024

³⁵ W Shang-Jin, Does Corruption Relieve Foreign Investors of the Burden of Taxes and Capital Controls? in *International Taxation And Multinational Activity* 73, 74-76, 78

³⁶ A Igbanugo and R Gwengale, 'Assessing and minimizing customs-related corruption risk in sub-Saharan Africa's ports' available online at <http://gcs.dowjones.com/wp-content/uploads/2012/03/Assessing-Minimizing-Customs-Related-Corruption-in-SSA-Ports-2012.pdf>, 2012> accessed August 14 2024

illicit activities, they may intentionally undervalue shipments, misclassify goods under lower-duty categories, or overlook the correct amount of duties owed. This allows importers to pay less than they should, giving them an unfair advantage over competitors who follow the rules. Over time, this practice erodes the integrity of the customs system, deprives the government of revenue, and distorts market conditions by allowing dishonest actors to operate at a lower cost than those adhering to legal standards.

3. Increasing lack of transparency: Corruption has obscured trade data, making it challenging to monitor and enforce trade agreements. Due to lack of transparency in trade data, it has become difficult to obtain accurate and complete information about the flow of goods, services, and capital across the borders.³⁷ This obscurity hampers the ability of authorities and stakeholders to track compliance with trade agreements, as they cannot clearly see if all parties are adhering to the agreed terms. Inaccurate or hidden data prevents timely detection of irregularities, such as illegal trade practices or breaches of tariffs and quotas.

4. International reputation: Widespread corruption has affected Nigeria's reputation, discouraging foreign investment and trade partnerships. There is a clear correlation between the perception of corruption and levels of international trade. Countries that are ranked high in perception of corruption are generally also perceived as the most difficult countries in terms of ease of international trade.³⁸

5. Undermining rule of law: Corruption has eroded trust in institutions, weakening the overall legal framework for international trade. Corruption has created a perception that decisions and policies are influenced by personal gain rather than by law and fairness. When businesses, governments, and individuals observe that corrupt practices are prevalent, they lose confidence in the integrity of the institutions responsible for upholding the rules of international trade. This distrust extends to the entire legal framework, as the expectation grows those laws and regulations can be manipulated or bypassed through bribery or favoritism. As trust diminishes, the willingness of parties to engage in international trade under the established legal framework weakens, leading to a less stable and predictable trading environment.³⁹

CONCLUSION AND RECOMMENDATIONS

Corruption poses a significant challenge to the effective application of international trade laws in Nigeria, undermining the country's economic potential and global trade relationships. This research has demonstrated that corruption permeates various aspects of trade law enforcement, from customs procedures to regulatory oversight, impeding the fair and efficient implementation of trade policies. The findings suggest that corruption not only distorts trade operations but also diminishes investor confidence, reduces competitiveness, and hinders Nigeria's compliance with international trade obligations.

Addressing corruption is crucial for Nigeria to fully benefit from international trade and promote economic development, this requires a multifaceted approach that includes legal reforms, strengthening of institutions, and increased transparency and accountability in trade-related processes. Furthermore, the role of international cooperation and the adoption of technological solutions such as automation and blockchain cannot be overstated. These measures, if effectively implemented, have the potential to curb corruption and enhance the application of international trade laws in Nigeria.

Ultimately, the fight against corruption in trade law enforcement is a continuous process that demands political will, strong leadership, and the active participation of all stakeholders, including the private sector, civil society, and international organizations. By taking decisive actions to mitigate the impact of corruption, Nigeria can better position itself to fully leverage the benefits of international trade, stimulate economic growth, and contribute to regional and global trade stability.

³⁷M Idoko and M Oko, 'Promoting transparency and accountability in governance in Nigeria through the freedom of information act', *African Scholar Journal of Humanities And Social Science* 2 (4), 112-117, 2015

³⁸M Shirazi, 'The Impact of Corruption on International Trade' *Denver Journal of International Law & Policy* (2011) 40(1) 435-446

³⁹ Ibid