

Assessing the Role of Nigeria Customs in the Implementation of the African Continental Free Trade Area (AfCFTA): A Policy and Readiness Review

Akomolehin Francis Olugbenga^{1*}, Akomolehin Bolawale Victor²

¹Department of Finance, College of Management & Social Science Afe Babalola University, Ado - Ekiti, Ekiti -State

²Department of Economics, Faculty of Social Science, Ekiti State University, Ado - Ekiti, Nigeria.

²Examination Unit, Nigeria Custom Service, Tincan Island, Apapa, Lagos

*Corresponding Author

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ABSTRACT

The Africa Continental Free Trade Area (AfCFTA) presents Nigeria and the continent with considerable opportunities for the enhancement of intra-African trade flows, the strengthening of regional value chains, and the overall improvement of Nigeria's export competitiveness. To ensure the actualization of such opportunities, however, the readiness and preparedness of the Nigeria Customs Service (NCS) to effectively implement AfCFTA agreements and protocols represent a fundamental and critical imperative. This work will assess the overall preparedness of Nigeria in terms of institutions, processes, and information and communication technology, investigate the effectuality of the NCS in the administration of Rules of Origin (RoO), and examine the realities of corridor operations for the Seme-Krake, Jibia, and Apapa Port corridors. Utilizing a combined multi-method approach and an overall analysis of cases, the work uses secondary data from SCM agreements, the AfCFTA and ECOWAS frameworks, and international trade facilitation literature. The study shows that, even as the NCS has recorded remarkable moments in the area of information and communication technology and process reform, there is still a lot of work to be done in the area of human resources, infrastructure, RoO checking, inter-agency interaction, and the overall automation of certificates of origin. The study recommends, among other suggestions, the national implementation of electronic certificates of origin, the comprehensive integration of NICIS II and the AfCFTA Digital Trade Platform, improved inter-agency interaction, the harmonization of tariff schedules, and the overall enhancement of human resources and capacities in this respect and at all seaports. Unlike existing studies, this paper integrates institutional readiness analysis with corridor-specific customs performance under AfCFTA.

Keywords: African Continental Free Trade Area (AfCFTA); Nigeria Customs Service; Trade Facilitation; Rules of Origin (RoO); Digital Customs Systems; Border Management; Regional Integration.

INTRODUCTION

Background to the Study

The African Continental Free Trade Area (AfCFTA) is the most ambitious regional integration initiative in Africa, with a vision to establish a single continental market for goods and services, standardized tariff regimes, and easy facilitation of the flow of goods within countries (African Union, 2020; Luke & MacLeod, 2021). By promoting the removal of barriers in form of tariffs or other non-tariff barriers, the AfCFTA agreement is expected to boost intra-African trade, enhance regional value chains, and improve the competitiveness of the African economy within the global trading regime (UNCTAD, 2021; World Bank, 2020). For these expected

gains to be achieved, effective customs administrations are critical, given the fact that customs administrations are the key institutions responsible for administering rules of origin, application of common tariffs, facilitation of cross-border trade, and administering regional trade regimes (Adegbola & Moses, 2022; Odijie, 2023).

As a result, customs modernization and effective border control have emerged as a defining factor in the success of AfCFTA. According to modern thoughts in scholarly circles, if there is a lack of adequate customs capacity, digitization preparedness, and coordination among various trade agencies in a country, the expected benefits from the integration process may not be attained after all (WTO, 2022; Barka & Ncube, 2021). This is especially true in the case of Nigeria, which is the biggest economy in Africa as well as the most populous country on the continent. As AfCFTA's hub for trade belonging to the ECOWAS economic bloc because of its large seaports in Apapa and operational land borders in Seme-Krake and Jibia among others, the NCS will be at the cutting edge in ensuring the success of AfCFTA's operationalization in Africa because of its crucial role as a trade hub in Africa's biggest economy as argued in Akinruli & Okeke., 2024.

Statement of the Problem

Despite Nigeria's prime location in Africa, being the continent's most significant economy and key to the African Continental Free Trade Area (AfCFTA), emerging perceptions suggest that the Nigeria Customs Service (NCS), rather than being institutionally ready for the operationalization of Nigeria's commitments in AfCFTA, may not yet have the requisite institutional readiness for the smooth operation of commitments in the trade regime. Current trends in research conducted on trade integration in Nigeria and customs reform have been largely dominated by macroeconomic prospects in the operationalization of AfCFTA, the tariff liberalization implications, as well as trade facilitation challenges, with customs administration having been considered an adjunct or backdrop institution in research on trade integration in general, as contextualized in Geda, 2022; UNECA, 2023.

More recent studies have highlighted the persistent deficits in the Nigerian customs apparatus, such as the lack of sufficient automation, lack of appropriate training in rules of origin, lack of interoperability between digital platforms, and poor coordination between agencies (Akanbi & Oladipo, 2022; Nwogugu, 2023). However, the above evaluations remain largely descriptive in terms of institutional capacity, offering less illumination on how said capacity deficits play out in terms of particular operating realities at strategic border routes. On another note, persistent deficits in enforcing rules of origin, document complexity, the concomitant roles of several agencies such as the NCS, SON, NAFDAC, and Quarantine Services, as well as efficiency deficits in logistics remain major limiting factors in facilitating trade and the readiness of Nigeria to face hassle-free continental trade (Oloruntoba & Banwo, 2021; UNECA, 2023).

Critically, however, the literature has made little attempt to address corridor-specific evidence that captures the implementation or delimitations of AfCFTA commitments at main entry points. There appears to be a gap in comparative studies conducted at a corridor perspective, which may include AfCFTA-relevant entry points like Seme-Krake, Jibia, and Apapa Port, where readiness, technology, and cooperation are evaluated at an institutional level (Adekunle & Okon, 2024). As a reaction to these challenges, the current research offers a sole contribution by moving beyond the macro-level analysis to the delivery of a review on readiness in the context of customs corridors. This research combines the use of institutions in conjunction with the use of the case study method of the land and maritime trade corridors in providing evidence on the readiness of the customs in facilitating the implementation of the AfCFTA in the Nigerian context.

Research Questions

This study is guided by the following questions:

How institutionally ready is the Nigeria Customs Service to implement AfCFTA trade protocols?

How effective is Nigeria's rules-of-origin administration for AfCFTA trade?

What customs procedure reforms are required for AfCFTA-compliant trade facilitation?

What challenges hinder the NCS in enforcing AfCFTA obligations?

How can policy and digital reforms strengthen Nigeria's trade readiness under AfCFTA?

Objectives of the Study

The specific objectives are to:

Assess the institutional readiness of the Nigeria Customs Service for AfCFTA implementation.

Evaluate rules-of-origin administration and documentation processes relevant to AfCFTA.

Examine customs procedure simplification for supporting continental trade.

Analyse case study trade corridors—Seme–Krake, Jibia, and Apapa Port—to determine their readiness for AfCFTA operations.

Identify the digital infrastructure and policy tools required for effective AfCFTA implementation in Nigeria.

Provide evidence-based recommendations to strengthen customs support for AfCFTA.

Significance of the Study

This study offers crucial relevance for both policy and practice. First, it provides an evidence-based assessment that supports Nigeria's fulfilment of AfCFTA commitments, thereby enhancing the country's role in continental trade integration. Second, the study contributes to customs modernization literature by identifying readiness gaps and highlighting capacity-enhancing reforms needed within the NCS (Ogunyemi & Onuoha, 2023). Third, its findings will benefit policymakers across key institutions, including the Federal Ministry of Industry, Trade and Investment; NCS; ECOWAS; and the AfCFTA Secretariat—by providing actionable insights for strengthening trade facilitation, enhancing digital border governance, and reducing non-tariff barriers. Finally, the analysis offers practical value for private-sector actors, logistics operators, and exporters navigating AfCFTA trade frameworks.

Scope and Limitations

The paper focuses on the Nigeria Customs Service in the context of the African Continental Free Trade Area (AfCFTA) Agreement, referencing the readiness of institutions, the administration of rules of origin, customs procedures, and trade facilitation in the digital environment. Geographically, it focuses on trade corridors that involve three countries: Seme-Krake trade routes along the West African coasts, trade routes along Nigerian-Niger borders referred to as the Jibia trade routes, and the trade routes along the maritime exports from the Apapa Ports. The paper uses case study, policy, or literature reviews.

The shortcomings of this study are that it lacked primary data because it used secondary sources, there could be discrepancies in the performance indicators of customs performance that are publicly available, and changes in AfCFTA policies over time. However, none of these shortcomings reduces the analytical significance of this study, but rather it presents opportunities that could be undertaken through future studies.

LITERATURE REVIEW

Conceptual Review

AfCFTA Trade Protocols and Customs Responsibilities

The African Continental Free Trade Area (AfCFTA) applies the rules of a broad trade protocol on the liberalization of tariffs, customs cooperation, the free movement of goods, the settlement of disputes, and transparency in trade in a most-favoured-nation treatment (African Union, 2020; Luke & MacLeod, 2021). At

the heart of these protocols is the standardization of customs procedures among the member states in the region. This will allow the similar treatment of the concession of tariffs, documentation, and border control.

Customs administrations act as the main institutions involved in implementing AfCFTA rules and measures, ensuring proper tariffs for classification, market access, fighting fraudulent activities, and promoting the smooth passage of trade (WTO, 2022). It is supported by empirical research, which shows that without effective and automated customs systems, the AfCFTA objectives cannot be effectively realized (Oloruntoba & Banwo, 2021; Geda, 2022).

Within the AfCFTA implementation architecture, the Nigeria Customs Service (NCS) occupies a pivotal institutional position in translating continental trade commitments into measurable economic gains. The realization of AfCFTA benefits is contingent upon strict compliance with customs cooperation frameworks, harmonization protocols, and the consistent application of agreed tariff schedules across member states (Akinruli & Okeke, 2024). Effective execution of these obligations requires not only regulatory alignment but also demonstrable institutional readiness and operational capacity at Nigeria's land and maritime borders, where trade rules are operationalized and preferential regimes are enforced.

Rules of Origin (RoO) and Certificate Administration

Rules of Origin (RoO) specify the rules through which products qualify for beneficial tariff treatment in the African Continental Free Trade Area (AfCFTA) agreement and play an important role in ensuring that transshipment, tariff evasion, and trade deflection do not occur (UNCTAD, 2021). AfCFTA rules of origin are product-driven and follow either the criterion of value addition, tariff progression, or being wholly obtained, depending on the product in question (African Union, 2020).

The RoO administration includes the issuing, verifying, and validating certificates of origin, which relies on the efficiency of customs administration and the level of digitalization. Electronic certificates of origin (e-CoO) have been found to play an essential role in fighting fraud and increasing traceability in AfCFTA trade (ITC, 2022; Mogomotsi & Motlogelwa, 2023). But empirical research exposes the fact that many African customs administrations, like the Nigerian customs administration, face problems such as poor digitalization, lack of standard documentary practices, and the lack of specialized RoO training (Adekunle & Okon, 2024; Adegbola & Moses, 2022).

For an effective administration of RoO, there also needs to be synchronized mechanisms of validation of these agreements. It has been indicated in research that if validation within RoO takes time, this validates the reduction in competitiveness, as well as export engagement within value chains, affecting these activities (Mold & Mukwaya, 2020; Mevel & Kamau, 2022). For Nigeria, an improvement in RoO administration remains critical in harnessing potentials within AfCFTA.

Trade Facilitation and Border Efficiency

Trade facilitation encompasses the simplification, modernization, and harmonization of border procedures with the objective of reducing the time and cost associated with cross-border trade (WTO, 2022). Within the context of the African Continental Free Trade Area (AfCFTA), the effectiveness of tariff liberalization is inherently dependent on border efficiency. The success of AfCFTA is therefore determined not only by the formal reduction of tariffs but also by the extent to which goods can move predictably, transparently, and efficiently across national borders (World Bank, 2020).

Border efficiency also covers different fronts, which range from the time spent at the border to documentary requirements, scanning processes, optimization of cargo handling operations, and the use of single window and other digital technologies such as risk management tools (UNESCAP, 2021). Evidence from empirical research in Africa shows that enhanced border processes can promote intraregional trade through cost reduction and minimizing trade constraints (Msimang and Roberts, 2022; Barka and Ncube, 2021).

In Nigeria, persistent inefficiencies continue to undermine customs clearance processes, particularly overlapping inspections, duplicative regulatory checks, and inconsistent procedural application across border agencies—factors that remain significant trade facilitation constraints (Ogunleye & Adeyeye, 2023). These systemic weaknesses increase clearance times, elevate transaction costs, and reduce Nigeria's competitiveness

within emerging AfCFTA value chains. It is widely argued that harmonised customs procedures, expanded automation, especially through the full optimisation of NICIS II, and institutionalised joint inspections can significantly enhance border efficiency and strengthen compliance with AfCFTA trade facilitation commitments (Akanbi & Oladipo, 2022). Improving operational efficiency at Nigeria's land and maritime borders is therefore not merely an administrative reform objective but a strategic imperative for integrating the country more effectively into continental production and distribution networks.

Non-Tariff Measures and Customs Coordination

Non-Tariff Measures (NTMs) include regulatory requisites, technical norms, and procedural constraints that limit trade even in the presence of lower tariffs (UNCTAD, 2021). Although tariff liberalization in the AfCFTA is expected to stimulate trade, the presence of Non-Tariff Measures remains a considerable barrier at African borders, which can be a result of a lack of coordination among agencies, complicated documentation, and overlapping regulatory agencies (UNECA, 2023).

Therefore, Customs coordination has increasingly been recognised as a critical determinant in mitigating nontariff measures (NTMs) at border points. Effective coordination mechanisms are essential for reducing bureaucratic bottlenecks, ensuring regulatory compliance, and enhancing procedural predictability. Widely advocated approaches include coordinated inspection regimes, joint border management frameworks, harmonised regulatory standards, and integrated information-sharing platforms (Oloruntoba & Banwo, 2021; Mogomotsi & Motlogelwa, 2023). Empirical studies demonstrate that weak coordination among border institutions—including customs, immigration, quarantine services, standards agencies, and national security bodies—significantly prolongs clearance times and increases transaction costs, thereby undermining trade facilitation objectives.

In the Nigerian context, institutional fragmentation remains one of the most critical constraints to effective AfCFTA implementation. Limited coordinated border management and insufficient capacity alignment among customs and related agencies hinder efforts to reduce NTMs and improve trade competitiveness (Akinruli & Okeke, 2024). Strengthening institutional coordination through structured joint inspections, interoperable digital information systems, and harmonised operational protocols is therefore essential for aligning Nigeria's border governance framework with AfCFTA integration requirements.

THEORETICAL REVIEW

Trade Facilitation Theory provides a fundamental tool for analysis about how simplified procedures, reduced bureaucracy, and streamlined border management can make a difference for trade. It argues that Customs modernization, technology, and regulatory disciplines have a great potential for creating more trade, especially in Africa, which has traditionally faced a number of trade barriers (WTO, 2022; Hoekman & Shepherd, 2020). In terms of AfCFTA, Trade Facilitation Theory suggests that modern approaches used at borders, including digital technologies and more targeted inspections, are fundamental for realizing trade-creating effects that are expected from tariff slashing. For a country such as Nigeria, Trade Facilitation Theory explains that increased opportunities through continental integration are tied to increased efficiency.

Institutional Theory supplements this discussion with perspectives on the crucial role of formal structures and processes in structuring the performance and results of organisations. As an institutionalist theory constructively applied to this situation, the performance of customs administration depends on institutional factors like bureaucratic efficiency, rule of law enforcement, stability of policy frameworks, and the strength of organisational incentives (North, 1990; applied to African reality in Edozien, 2022). As underdeveloped or faulty institutions are characterised by irregular rules of origin application, delays, and incoordinated processes (Nwogugu, 2023), Institutional Theory emphasizes the importance of building in-house capability for the Nigeria Customs Service and structuring its own processes in line with AfCFTA rules for successful implementation.

The Customs Modernization Theory helps fill this gap by underlining the need to reform traditional customs services into more fluid, technology-based platforms. This modernization means embracing new technology through digital support, automated risk management, easier processes, and increased transparency (Grainger,

2021). Current research suggests that those African countries modernizing their customs services, as in Rwanda and Kenya, realize great benefits in terms of increased efficiency, increased transparency, and alignment to the trade regimes within Africa (Mevel & Kamau, 2022). As far as Nigeria is concerned, the benefits of modernization, through technology reform in projects such as NICIS II and National Single Window, explain the indispensable role such approaches play in making the country AfCFTA ready. The Theory of Regional Integration places these arguments in a wider macro-framework for AfCFTA. The theory argues that economic integration, be it by way of free trade areas, customs unions, or economic single markets, Raises overall welfare by increasing markets, inducing specialization, and enhancing regional value chains (Balassa, 1961; restated for African context by Luke & MacLeod, 2021). The theory also argues that for such integration to merit lasting success, more is needed beyond reduced customs duties for products crossing national borders, such as similar regulatory frameworks, harmonized customs practices, as well as adequate supportive sectoral infrastructure for all member states (UNECA, 2023). For Nigeria to achieve success by way of AfCFTA, it needs to build comparable systems of customs, national laws attuning to continental standards, as well as compatibility with other countries' borders.

These theories, taken collectively, offer a multi-dimensional view of customs in AfCFTA. Trade Facilitation Theory explains the need for efficiencies in customs operations at the border; Institutional Theory focuses on organizational capacity and governance; Customs Modernization Theory emphasizes technological changes and process improvements; and Regional Integration Theory locates the changes in customs within the overall aims of African regional integration. For my research, I would theoretically ground my research in a combination of Trade Facilitation Theory, Customs Modernization Theory, and Institutional Theory, as I am interested in issues related to customs operations, technological changes, and organizational capacity in Nigeria Customs Service in preparation for AfCFTA. The theory of Regional Integration further supports my conceptual framework by relating AfCFTA preparations in customs to integration in Africa today.

Empirical Review

The AfCFTA context is where empirical research is gradually accentuating the importance of customs readiness as a prerequisite for successful continental integration. Some scholars suggest that many customs administrations in Africa are not equally prepared to process AfCFTA in terms of meeting procedural, institutional, and technological necessities, in addition to a lack of uniform procedures, expertise in rules of origin, and digital platforms in processing preferential trade in countries whose AfCFTA readiness is in question (Luke & MacLeod, 2021; Geda, 2022). In the case of Nigeria, research has pointed out some fundamental structural issues in the Nigeria Customs Service in meeting AfCFTA necessities in terms of inadequate connectivity at the regional level, poor coordination at the national level between different agencies at the border, and inadequate staff capacity in AfCFTA rules in countries like Nigeria, where AfCFTA is politically supported but readiness is a major challenge in practice (Akanbi & Oladipo, 2022; Adekunle & Okon, 2024).

The role of RoO in AfCFTA has been an empirical consideration in assessing the viability of AfCFTA as an arrangement that supports free trade. Previous literature on emerging economies shows that RoO can be an obstacle in trade, particularly where the design and application of business bureaucracy lack efficiency (Mold & Mukwaya, 2020; UNCTAD, 2021). It has been observed that in most cases, exporters in countries take time waiting for the processing and delivery of certificates of origin (Mevel & Kamau, 2022). In Africa, and by extension in Nigeria, the process towards the use of electronic certificates of origin (e-CoO) can be said to be ongoing. In this case, the lack of wholly automated systems makes customs administrations susceptible to chances of fraud, misdeclaration, and transshipment (Adegbola & Moses, 2022; Mogomotsi & Motlogelwa, 2023).

The development of digital customs systems is of interest to empirically grounded studies as African countries continue to adopt automated systems, blockchain technology, and horizontal border platforms to optimize trade facilitation systems. It is clear that African countries, such as Rwanda and Kenya, have adopted digital single window solutions, sophisticated risk management, and electronic documentation to expedite clearance and optimize border efficiency (Msimang & Roberts, 2022; ITC, 2022). Digitalized systems of this nature have been linked to strong correlations of reduced non-tariff barriers to trade, improved transparency, and predictability of

border processes (UNESCAP, 2021). However, existing studies show that African countries continue to experience stand-alone systems at their borders that are not interoperable and have erratic networking systems within and outside their national boundaries (World Bank, 2020; Odijie, 2023). For Nigeria, studies show that while NICIS II is partially automated and not integrally connected to other digital systems at the African continent, there is little scope for information and automated roo validation on a realtime basis (Ogunleye & Adeyeye, 2023).

Apart from the national readiness levels in the AfCFTA, there have been many studies on the challenges of implementing the AfCFTA on the African continent. Barriers created by the lack of non-tariff barriers on the African continent remain major challenges on the road to liberalizing trade (UNECA, 2023; Barka & Ncube, 2021). There have also been many challenges and lessons on the readiness levels of the countries that signed on to the early implementation of the AfCFTA (WTO, 2022). There have been many challenges in the coordination of the national borders created by the customs authorities, immigration authorities, standard authorities, and security authorities on the African continent (Oloruntoba & Banwo, 2021). This shows that the AfCFTA has the potential of performing the transformation on the African continent. Other cases drawn from other Africa countries offer best-practice experiences that are also very relevant for the Nigerian scenario. A good example for Ghana's progressive experiences is the adoption of automated RoO systems, as well as the enhancement of the country's Customs Technical Service Bureau, which has improved the level of transparency and predictability that characterizes export procedures (Mogomotsi & Motlogelwa, 2023). An example for the progressive experiences that other countries have achieved, thanks to the development of a more effective customs infrastructure, is the Kenya TradeNet System, which, along with the integrated framework for managing the country's borders, has improved the speed of export procedures, as well as the level of trade compliance for the region (Mevel & Kamau, 2022). An example of a country's experience that has been positively received due to the effective design of single-window and risk management systems, which significantly improves the level of administrative facilitation as well as the level of trader's confidence, is the Rwandan experience (Msimang & Roberts, 2022). South Africa, thanks to its highly advanced level of customs modernization, as well as the development of the necessary capabilities for the electronic data interchange, has been able to use the benefits of the Intermediary Verification System, which has positively impacted the level of effective RoO enforcement, as well as the level of regional value chains (Geda, 2022). It should be noted that all research points to the fact that the success of the AfCFTA will depend on the following factors: Customs capacity, digital readiness, institutional cohesion, and sound ROO regimes administration. It appears that although Nigeria has moved to modernize and enhance efficiency in its customs, much work needs to be done, especially in digital compatibility, coordination, and ROO administration if the country is to gain fully from continental integration.

Identified Gaps

Despite growing scholarly interest in AfCFTA implementation across Africa, several critical gaps remain in the existing body of literature, particularly concerning Nigeria's preparedness to operationalise the agreement. First, there is a limited focus on Nigeria's institutional readiness, especially regarding the capacity of the Nigeria Customs Service (NCS) to enforce AfCFTA trade protocols. While studies have explored trade facilitation challenges, tariff reforms, and regional integration in general terms, few provide detailed assessments of institutional structures, human capital, procedural systems, and governance practices within

Nigerian customs administration. This omission is significant because institutional capability is central to the enforcement of rules of origin, application of harmonised tariffs, and management of cross-border regulatory processes essential for AfCFTA's success.

Second, the literature exhibits a limited corridor-specific analysis. Most existing studies treat customs operations in Nigeria as a homogeneous system, overlooking variations across strategic trade corridors such as Seme–Krake, Jibia, and Apapa Port. These corridors experience diverse operational contexts, ranging from high-volume maritime traffic to complex land border dynamics influenced by informal trade, regional security, and infrastructure constraints. Without corridor-level examination, important nuances in customs efficiency, inter-agency coordination, digital readiness, and compliance enforcement remain unaccounted for. This creates a methodological gap that restricts holistic understanding of Nigeria's on-the-ground AfCFTA readiness.

Third, few studies link AfCFTA implementation to digital customs ecosystems and policy capacity, despite the centrality of digitalisation in modern trade governance. Although research highlights the importance of automation, electronic certificates of origin, and risk management tools, there is insufficient empirical linkage between these digital capabilities and Nigeria’s policy frameworks for AfCFTA operationalisation. Similarly, studies seldom explore how policy coherence, regulatory harmonisation, and institutional integration shape digital ecosystem performance and border efficiency. As AfCFTA increasingly relies on interconnected digital platforms across member states, this absence of analysis leaves a critical gap in understanding Nigeria’s digital interoperability and technological preparedness for continental trade.

Collectively, these gaps underscore the need for a comprehensive study that integrates institutional assessment, corridor-specific case analysis, and evaluation of digital and policy capacities within Nigeria’s customs environment. The present study responds to these gaps by providing an empirically grounded and policyrelevant examination of Nigeria’s readiness to implement AfCFTA commitments.

These gaps directly inform the study’s focus on institutional readiness, corridor-specific dynamics, and digital customs integration

CONCEPTUAL FRAMEWORK

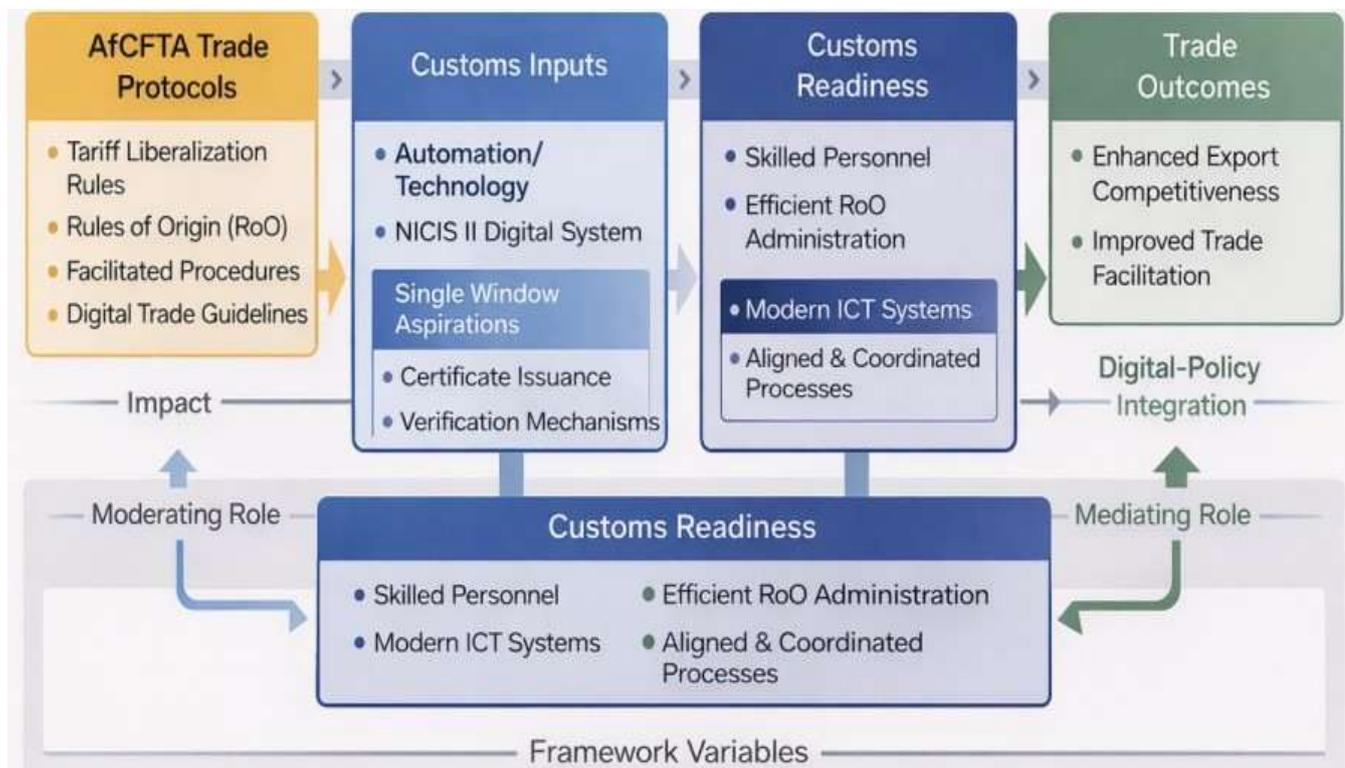


Figure 1: Framework variables Linking Nigeria Customs Readiness, Rules-of-Origin Effectiveness, Digital–Policy Integration, and AfCFTA Implementation Success

Author’s conceptualisation based on African Union (2020), World Bank (2020), Hoekman & Shepherd (2020), UNCTAD (2021), WTO (2022), and UNECA (2023).

This framework illustrates the structured relationships among AfCFTA trade protocols, Nigeria Customs Service (NCS) readiness, rules-of-origin (RoO) effectiveness, digital–policy integration, and AfCFTA implementation outcomes. AfCFTA provisions on tariff liberalisation, RoO, procedural facilitation, and digital trade governance shape customs inputs—including automation, NICIS II, certificate issuance processes, and verification mechanisms—which collectively determine institutional readiness. Effective RoO administration functions as a mediating mechanism, while digital–policy integration strengthens or weakens the overall impact of customs readiness on trade outcomes such as enhanced export competitiveness, improved trade facilitation, and increased intra-African trade participation.

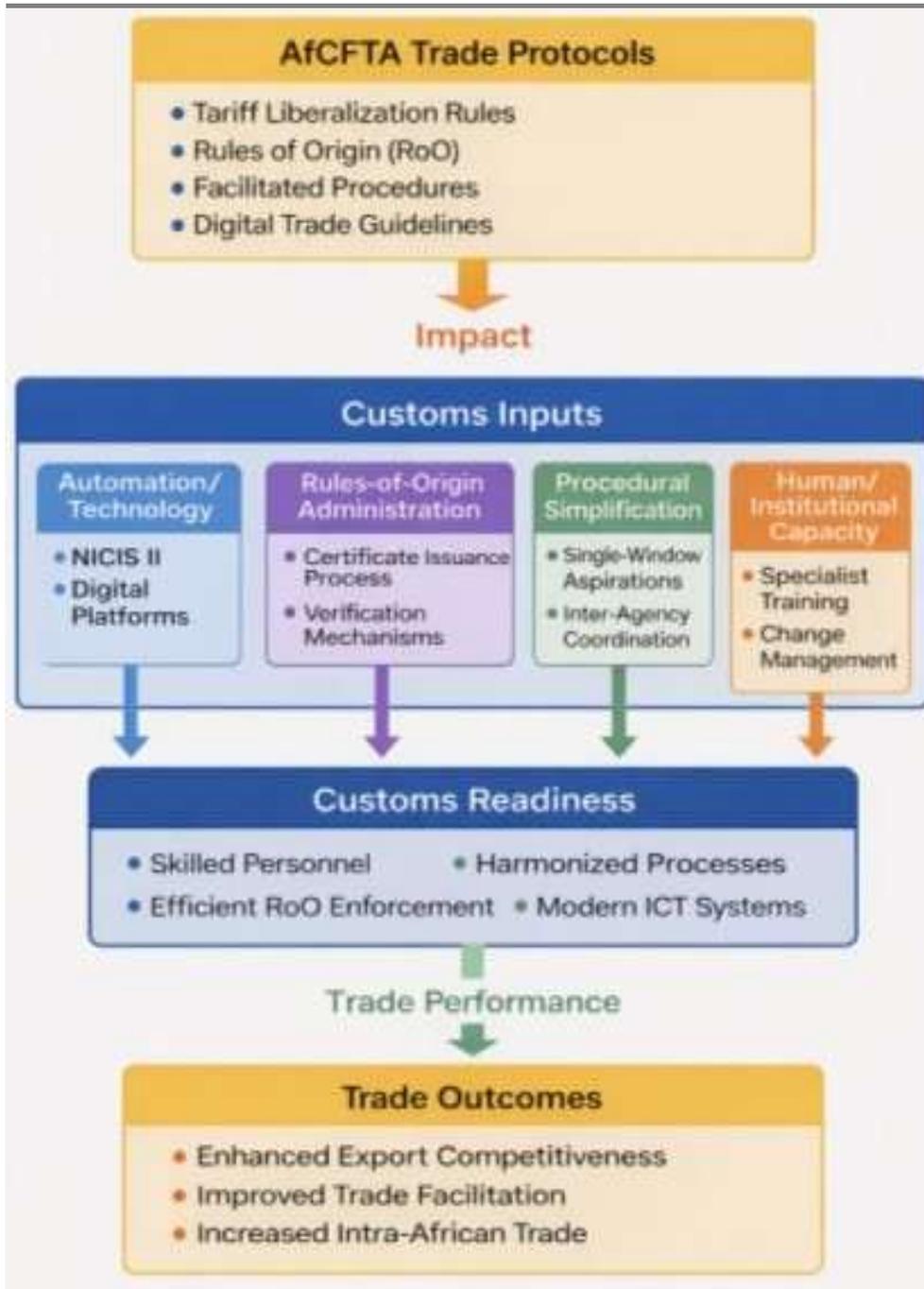


Figure 2: Refined Conceptual Framework for Assessing Nigeria Customs Readiness and AfCFTA Implementation Outcomes

This framework describes the causal chain by which trade protocols in AfCFTA determine trade outcomes, and this is mediated by the preparedness of the Nigeria Customs Service (NCS). One of the factors that determine the provisions of AfCFTA, covering tariff liberalization, rule of origin, trade facilitation, and digital trade guidelines, drives the key inputs in the Nigeria Customs Service, such as automation and information and communications technology (for example, NICIS II), rule of origin administration, procedural simplification, and human and institutional capacity building. The aforementioned inputs, in turn, determine the preparedness of the Nigeria Customs Service, as a determinant of AfCFTA trade outcomes.

Explanatory Note on the Conceptual Framework

The conceptual framework provides a holistic framework of the operation of the African Continental Free Trade Area (AfCFTA) within national customs frameworks, specifically focusing on the Nigeria Customs Service (NCS). The conceptual framework provides a systematic causal chain connecting AfCFTA trade regimes and trade outcomes, taking into consideration factors that may influence this process.

At the base of this framework are AfCFTA trade protocols that define guidelines or rules related to tariff liberalization, customs cooperation, rules of origin, trade facilitation, and digital trade. The AfCFTA regional policy stimulus through trade protocols now has to be converted into practices through implementing institutions, especially customs administration. The AfCFTA rules do not have an automatic positive effect but are dependent on if implementing organizations, such as customs administrations, are willing to implement them.

The central independent variable, Nigeria Customs Service readiness, captures the institutional, process, and technological capacities to be able to fulfill AfCFTA commitments. The Nigeria Customs Service readiness is measured by its proxies: adequacy of staff, capacity of officers, availability of border infrastructure, working information and communication technology, namely NICIS II and the National Single Window, and process simplification and interagency cooperation.

The framework also highlights Rule of Origin (RoO) administration effectiveness as an intervening factor by which customs preparedness affects AfCFTA outcomes. Proper RoO verification, electronic certificate of origin, and monitoring of compliance in administering RoOs are critical in ensuring that the preferential treatment regime is well implemented. Ineffective RoO administration would affect this causal chain, resulting in delayed verification, potential fraud, and lower exporter participation.

Furthermore, the framework considers digital & policy integration as a moderator. The digital interoperability of platforms on a continental/trading bloc-wide basis, with harmonized tariff schedules, enhanced risk management systems, as well as border management frameworks, can be both a strengthening and weakening factor for customs readiness on trade performance. If digital & policy integration is strong, it means it facilitates customs readiness for more effective benefits of AfCFTA.

The dependent variables in the framework are better performance in facilitating trade, improved export competitiveness (especially for small to medium-sized enterprises), improved trade clearance times and costs, and participation in intra-African trade.

These dependent variables correspond to the final objectives of AfCFTA. On the whole, the framework emphasizes that the success of AfCFTA in Nigeria relies not only on the adoption of the policy but, most importantly, on its execution in the area of customs. The framework provides a broad analytical outlook that enables the assessment of the case study.

METHODOLOGY

Research Design

This research uses a mixed-methods approach to policy analysis and case study, which is particularly apt in evaluating the readiness, procedural fitness, and operational differences of the various customs administrations that are involved in the implementation of RTAs. Through the combination of policy analysis and a case study, there is the possibility of a systematic assessment of the structures and processes of the Nigeria Customs Service, in the context of the operational realities along the main trading routes in the country.

The policy analysis part of the study examines NCS frameworks, AfCFTA trade regimes, rules of origin, and trade facilitation regimes to establish the level of compliance between national regimes and continental requirements. Case study analysis adds to this assessment by allowing for context-driven analysis on the application of the regimes for the effective functioning of the borders, thus identifying challenges and opportunities for each trade corridor. A comparative analysis is done for Seme-Krake Border Post, Jibia Border Post, and Port Apapa to allow for differences in institutional capabilities, readiness, interagency collaboration, and trade facilitation efficiency to be identified. Together, this enables a well-rounded assessment of Nigeria's readiness to implement AfCFTA obligations.

Data Sources

The study relies exclusively on secondary data, drawn from a wide range of authoritative and contemporary sources to ensure analytical depth and empirical validity.

Key sources include:

Nigeria Customs Service policy documents, operational manuals, strategic plans, and modernization blueprints relevant to AfCFTA implementation.

AfCFTA Secretariat publications and protocols, including rules of origin annexes, tariff liberalisation schedules, and customs cooperation frameworks.

ECOWAS trade facilitation instruments, such as the ECOWAS Trade Liberalisation Scheme (ETLS), the Supplementary Act on the Single Customs Declaration, and regional customs harmonisation directives.

Reports from global trade institutions, including the World Bank's trade facilitation assessments, UNCTAD's AfCFTA readiness diagnostics, and ITC analyses on customs digitisation and export competitiveness.

Peer-reviewed journal articles (2020–2025) addressing customs administration, regional integration, digital border management, rules-of-origin enforcement, and AfCFTA implementation experiences across Africa.

The use of diverse secondary sources allows for triangulation of findings, ensuring that insights on customs readiness and procedural efficiency are supported by multiple evidence streams.

Case Study Locations

Three strategically important trade corridors are selected to provide empirical grounding for the analysis:

Seme–Krake Border Post

This corridor is a critical gateway between Nigeria and Benin, as well as a key node in intra-regional trade in ECOWAS and AfCFTA. Its relevance lies in its location where multiple regional trade regimes intersect, making it an ideal location for research on convergence, enforcement of rules of origin, and border operations.

Jibia Border Post (Katsina State)

Located along the route of trans-Saharan trade between Nigeria and Niger, Jibia is also significant in that it provides information about customs in northern Nigeria, where issues of irregular trade, security concerns, and infrastructure issues are unique. The situation in the location illustrates how AfCFTA affects related realities.

Port of Apapa (Lagos)

Apapa is critical to the readiness for exports in AfCFTA because it is the major and most operational seaport in Nigeria. It is used as an indicator of the success of customs reforms, technological platforms (such as NICIS II and payment platforms), and processes that determine the competence of Nigeria to be a player in the continent's value chains.

These case study sites collectively offer a holistic view of land and maritime trade environments, highlighting corridor-specific operational variations and systemic constraints.

Policy Analysis Tools

To evaluate the alignment of Nigeria's customs environment with AfCFTA requirements, the study employs three complementary analytical tools:

Alignment Analysis:

This tool will make a comparative study of the current policies, procedures, and technology systems in Nigeria Customs and compare them with the requirements under AfCFTA, with special reference to customs cooperation, rules of origin (RoO), and trade facilitation. The study will indicate the aspects where full compliance, partial compliance, and non-compliance exist.

Gap Analysis:

This component examines the deficiencies in rules of origin regulation administration, certification systems, border procedures, inspections, and coordination. The objective is to review institutional, procedural, and technological deficiencies that could hinder the ability of Nigeria to operationalize AfCFTA protocols.

Readiness Assessment Model:

A certain framework is used to determine the readiness for institutions in terms of human capacity, information and communication technology infrastructure, efficiency in procedures, harmonization in laws, and coordination among different governments. The framework helps in carrying out both quantitative and qualitative analyses to determine Nigeria's readiness.

Data Analysis Technique

The data generated from policy documents, reports, and academic literature are analysed using three core qualitative techniques:

Thematic Coding:

Themes are identified based on recurring patterns relating to customs readiness, digital capacity, procedural inefficiencies, and AfCFTA implementation challenges. This approach ensures structured organisation and interpretation of the data.

Policy Benchmarking:

Nigeria's customs policies and operational practices are benchmarked against continental and international standards, including AfCFTA instruments, WTO Trade Facilitation Agreement commitments, and best practices from benchmark countries such as Rwanda, Kenya, Ghana, and South Africa.

Cross-Case Synthesis:

A comparative analysis is conducted across Seme–Krake, Jibia, and Apapa to identify similarities, differences, and underlying causes of performance gaps. This method strengthens the validity of findings by demonstrating how contextual factors shape operational realities within each corridor.

Analytical Rigor, Data Limitations, and Linkage to Research Questions

To enhance analytical rigor, this study employs a triangulation strategy that integrates evidence from multiple authoritative sources, including Nigeria Customs Service (NCS) policy documents, AfCFTA Secretariat frameworks, ECOWAS trade facilitation instruments, World Bank and UNCTAD reports, and peer-reviewed academic literature (2020–2025). Cross-verification of institutional records, international assessments, and scholarly analyses reduces source bias and strengthens the internal validity of findings. In addition, systematic policy benchmarking is applied to compare Nigeria's customs performance with established continental standards and documented best practices.

Specifically, Nigeria's readiness is benchmarked against three African countries widely recognised for relatively advanced customs modernization and digital trade facilitation systems—Rwanda, Kenya, and Ghana. These countries were selected based on documented improvements in clearance efficiency, electronic declaration coverage, coordinated border management, and electronic rules-of-origin administration (World Bank, 2020; ITC, 2022; UNECA, 2023). Benchmarking is conducted using measurable indicators such as average import and export clearance times, percentage of electronic declarations, single window integration levels, risk-based

inspection rates, and adoption of electronic certificates of origin. By situating Nigeria’s performance within this comparative framework, the study identifies institutional gaps, digital interoperability deficiencies, and procedural inefficiencies that constrain AfCFTA implementation.

The study also acknowledges limitations associated with reliance on secondary data. The absence of primary field interviews and real-time administrative performance data may limit the granularity of corridor-level operational insights. Furthermore, variations in reporting methodologies across international datasets and the evolving nature of AfCFTA implementation may affect direct cross-country comparability. These limitations are mitigated through the use of recent sources, consistent indicator selection, and triangulated policy analysis.

Finally, the analytical tools employed are explicitly aligned with the study’s research questions. Alignment analysis addresses the question of institutional readiness by examining the extent to which NCS policies and systems conform to AfCFTA obligations. Gap analysis responds to questions regarding rules-of-origin administration and procedural simplification by identifying measurable deficiencies in automation, documentation, and inter-agency coordination. The readiness assessment model synthesizes these analyses to evaluate corridor-level preparedness at Seme–Krake, Jibia, and Apapa Port, thereby directly linking empirical evaluation to the study’s core objective of assessing Nigeria’s capacity to implement AfCFTA effectively.

Table 1: AfCFTA Customs Readiness Assessment Indicators

Indicator	Measurement	Data Type	Benchmark
Customs Officer-to-Trade Volume Ratio	Number of officers per 1,000 declarations	Quantitative	≥ 5 officers per 1,000 declarations
AfCFTA-Specific Training Coverage	% of officers trained on AfCFTA RoO in last 2 years	Percentage	≥ 75%
Specialist RoO Officers	% of total officers designated as RoO specialists	Percentage	≥ 20%
Average Officer Processing Load	Declarations processed per officer per day	Quantitative	≤ 25/day

Case Study Analysis of Key Trade Corridors

Seme–Krake Border: Overlapping ECOWAS and AfCFTA Protocols

The Seme-Krake border crossing, which is located along the Lagos-Benin route, is amongst the most trafficked overland routes in West Africa and plays a critical role in Nigeria’s cross-border trading activities within ECOWAS. With the African Continental Free Trade Area (AfCFTA) agreement in place, the Seme-Krake border crossing has assumed a critical importance as a point where the rules of procedure outlined under the ECOWAS Trade Liberalization Scheme (ETLS) converge with the rules outlined within AfCFTA on tariff Liberalization, customs cooperation, and rules of origin (UNECA, 2023; Luke & MacLeod, 2021). Such a scenario demands high procedural clarity and common border management—factors that are yet to be enhanced by the Nigeria Customs Service (NCS), which faced institutional and digital-readiness challenges.

Available empirical data suggests that the cooperation between customs, immigration, quarantine, and standards in Seme-Krake borders is not always smooth, causing problems in the processing for both formal and informal traders (Olorunjoba & Banwo, 2021; Barka & Ncube, 2021). Yet despite the existence of joint border posts created within the ECOWAS community, the lack of efficiency in modernized online systems for different inspections in Nigeria and Benin positively impacts cross-border trade. These problems have significant implications for the implementation of the AfCFTA. Various discrepancies in rules of origin validation, where documentation is done manually in Nigeria, may prevent Nigeria from using the preferential tariff regime effectively (Mewel & Kamau, 2022). It is thus significant that the Nigeria-Benin border corridor provides

valuable information on Nigeria's readiness for the customs institution to conform to the standards for continental integration.

Jibia Border: Nigeria–Niger Trade Dynamics

The Jibia border crossing in Katsina State represents one of the main trade routes in the north, making trade between Nigeria and Niger, one of its Sahelian neighbors with considerable economic ties with Nigeria, easier. Unlike coastal trade routes, the Jibia corridor tends to be prone to non-traditional trade practices, security challenges, and weakness in infrastructure on the borders, making up its overall operational environment (Mogomotsi & Motlogelwa, 2023; Adekunle & Okon, 2024). With the AfCFTA, this corridor becomes important in that it acts as an entrance point to Sahelian trade, bridging trade in West and Central Africa.

There is empirical evidence showing that the customs force in Jibia is hampered in its duties through the lack of modern technological support, inadequately trained personnel, and a lack of automation in the rules of origin system (Geda, 2022). Unlike the Seme-Krake corridor, where the processes of regional integration are better defined, in Jibia, efforts in other regions are hampered by working in a resource-constrained environment in partnership with Niger’s customs authority. Added to these challenges are the porous borders, which are sometimes threatened by banditry or smuggling activities, thereby inhibiting border activities (Akanbi & Oladipo, 2022).

The corridor emphasizes the institutional and infrastructure disparities in Nigeria which need to be corrected for seamless trade to be accomplished on the continent. Upgrading the customs capacity of Jibia through enhanced digital networks and regional cooperation is critical to the commitment of Nigeria to AfCFTA in the Northern parts of the country.

Corridor	Key Strengths	Main Constraints	RoO Enforcement	AfCFTA Implications
Seme-Krake	Joint border operations High trade volume	Congestion Overlapping ECOWAS & F AfCFTA protocols	Moderate	Inefficiencies from dual control: Slower AfCFTA clearance
Jibia	Strong cross-border community trade links	Informal trade dominance Security concerns	Limited	System not ready for AfCFTA RoO High compliance risks
Apapa Port	Leading export hub Strong digital reform presence	Port congestion Multiple agency checks Scanning delays	Improving	Increasing with AfCFTA tariffs Potential export competitiveness gains

Figure 3: Comparative Corridor Performance Matrix (Seme–Krake, Jibia, Apapa Port)

Author’s synthesis based on case study findings and comparative corridor literature (Geda, 2022; Mogomotsi & Motlogelwa, 2023).

This matrix enables a focused analysis of three strategic trade corridors in Nigeria in relation to AfCFTA readiness. The three corridors are distinguished by key strengths, bottlenecks, enforcement ability of rules of origin, as well as their underlying implications for AfCFTA readiness. The diagram helps clarify how AfCFTA readiness is impacted by specific conditions in each of the three corridors, including congestion associated with overlapping protocols at the Seme Krake Corridor, informal trade associated with insecurity at Jibia Corridor, as well as digital transformation in response to congestion at Apapa Corridor in Nigeria.

Port of Apapa: Export Readiness and Customs Reforms

The vessel-handling capacity of the Port of Apapa remains the main maritime outlet for the country of Nigeria. Also, the port is critical to the export competitiveness agenda in the AfCFTA trade agreement that Nigeria has

signed. As the biggest port in the country, a large number of the country's containerized trade is handled at the port. Moreover, the port is essentially the biggest outlet for exports in the country's manufacturing as well as agro-related processed goods (Ogunleye & Adeyeye, 2023; World Bank, 2020).

Recent research shows that there have been continuous improvements in the reforms in the Apapa port with the goal of optimizing the automation of customs, the efficiency of cargo handling, and the transparency of documentation (ITC, 2022; Odijie, 2023). Although the use of NICIS II systems, e-payment options, and a degree of integration with the National Single Window have optimized some of the other areas of the exports business, issues of congestion in the ports, conflicting agency roles, lack of scanning facilities, and customs valuation laws remain some of the challenges affecting the efficiency of the port (Adegbola & Moses, 2022; UNU-WIDER, 2021). This threatens the implementation of the AfCFTA in matters of the release of certificates of origin within the required time frames and the costs of inspections.

The case put forward by Apapa shows how much customs modernization, with coherence within a maritime setting, matters. It is evident that if there are no integrated digital platforms, harmonized procedures at the border, or increased cooperation between agencies, then it can prove to be problematic for Nigeria to fulfill the competitiveness requirements to enable it to contribute sufficiently to AfCFTA-related value chains.

Based on the set of cases from Seme-Krake, Jibia, and Apapa, it can be determined that there are varying levels of readiness for AfCFTA within each of its customs corridors in Nigeria. While there are manifestations of sub-regional regulatory convergences and complexities in simplifying regulations in the context of SemeKrake, other cases show either the absence of complementary development in a resource-challenged northern environment in Jibia or a state of semi-modernization for high sea volumes in Apapa Corridor Apapa's semimodernized environment.

RESULTS AND DISCUSSION

The findings of this study reveal that Nigeria Customs Service (NCS) demonstrates moderate but uneven readiness for the effective implementation of the African Continental Free Trade Area (AfCFTA). Using the structured readiness assessment and comparative benchmarking framework outlined in Chapter Three, Nigeria's institutional, procedural, and digital performance was evaluated against measurable indicators and benchmarked with Rwanda, Kenya, and Ghana—countries recognised for relatively advanced customs modernization and trade facilitation reforms (World Bank, 2020; ITC, 2022; UNECA, 2023). The results show that while foundational reforms are underway, significant structural and operational gaps continue to constrain Nigeria's ability to translate AfCFTA commitments into measurable trade gains.

Institutionally, NCS possesses core administrative capacity but exhibits corridor-level disparities that affect overall performance. AfCFTA-specific training coverage remains inconsistent, particularly at land borders such as Seme–Krake and Jibia, where officers often rely on general customs knowledge rather than specialised rules-of-origin (RoO) expertise (Adekunle & Okon, 2024). In benchmark countries, structured and continuous AfCFTA-focused training has improved procedural coherence and compliance enforcement (ITC, 2022). Staffing pressures are particularly evident at high-volume nodes such as Apapa Port, where officer workload intensity may limit the effective application of risk-based targeting systems. Infrastructure constraints, including limited scanning capacity and uneven ICT deployment, further reduce operational efficiency at certain border posts. By contrast, Rwanda's coordinated border management framework and integrated border posts demonstrate how institutional design and streamlined staffing structures can significantly enhance cargo throughput and reduce redundancy (UNECA, 2023).

Table 2: Benchmarking Nigeria Against Rwanda, Kenya, and Ghana

Indicator	Nigeria	Rwanda	Kenya	Ghana
Average Export Clearance Time	48–72 hrs	24 hrs	26–30 hrs	36 hrs
Import Clearance Time	72–96 hrs	48 hrs	48–60 hrs	60 hrs

% Electronic Declarations	~85%	99%	98%	95%
Single Window Integration	Partial	Full integration	Full integration	Advanced integration
Risk-Based Inspection Usage	~50%	>80%	~75%	~70%
e-Certificate of Origin Usage	Limited rollout	Fully operational	Operational	Operational
Border Agency Integration	Fragmented	Coordinated Border Mgmt	Coordinated	Integrated platform

Comparative benchmarking reveals that Nigeria lags behind Rwanda, Kenya, and Ghana in key performance indicators critical for AfCFTA implementation. Rwanda demonstrates near-total digital declaration coverage and advanced risk-based inspection systems, resulting in export clearance times averaging 24 hours. Kenya and Ghana similarly exhibit high levels of automation and coordinated border management frameworks. In contrast, Nigeria’s longer clearance times and partial digital interoperability reflect institutional and technological constraints that limit AfCFTA competitiveness. These findings reinforce the need for accelerated digital integration and procedural harmonisation within the Nigeria Customs Service.

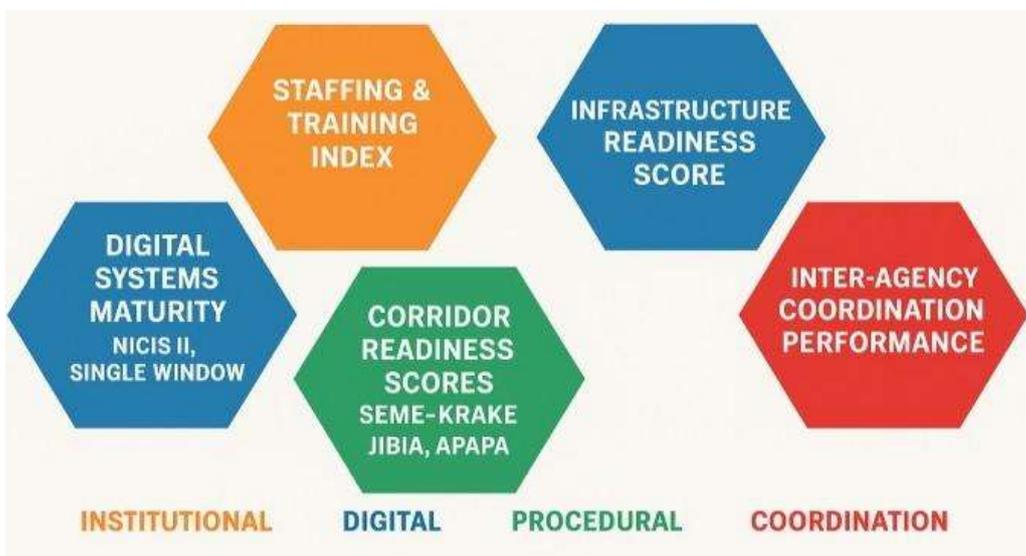


Figure 4: AfCFTA–Nigeria Customs Readiness Assessment Dashboard

Author’s conceptualisation based on WTO (2022), World Bank (2020), UNECA (2023), and Adegbola & Moses (2022).

The current dashboard offers a systematic visual assessment of AfCFTA preparedness at the Nigeria Customs Service within the five key areas, which include workforce preparedness, degree of infrastructure readiness, level of overall digital system maturity (which covers NICIS II and National Single Window systems), overall corridor operational efficiency (covering Seme-Krake, Jibia, and Apapa), and overall inter-agency cooperation efficiency. The diagram provided identifies the critical institutional, digital, procedural, and cooperation factors for a determination of Nigeria’s ability to facilitate AfCFTA-compliant trade.

Digital capacity presents a mixed picture. Nigeria has achieved substantial automation through NICIS II, and a large proportion of declarations are processed electronically. However, interoperability gaps and incomplete integration with the National Single Window limit seamless coordination with agencies such as NAFDAC, SON, and Quarantine Services. Benchmark countries report electronic declaration coverage exceeding 95 percent and fully integrated single window systems linking customs with regulatory bodies in real time (World Bank, 2020). Nigeria’s partial integration, periodic system downtime, and limited cross-border data exchange reduce predictability and constrain real-time verification processes. This digital asymmetry weakens the institutional transmission mechanism required to operationalise AfCFTA protocols efficiently.



Figure 5: AfCFTA Digital Integration Architecture for Nigeria Customs

Author’s conceptualisation based on ITC (2022), UNESCAP (2021), and AfCFTA Secretariat digital trade guidelines.

This graphic highlights the multi-level digital environment necessary for the Nigeria Customs Service (NCS) to connect well with the AfCFTA Digital Trade Gateway. The National Systems level, which involves NICIS II, scanner systems, as well as the risk engine, provides essential operational information. The Cross-Agency level, which involves SON, NAFDAC, Immigration, as well as other licensing agencies, supports a matching process for regulations via tariff notifications. The Continental Level allows the AfCFTA Digital Trade Gateway to facilitate a validation process in relation to Rules of Origin in a manner that paves the way for smooth AfCFTA technology-based implementation.

The mediating role of rules-of-origin administration further illustrates Nigeria’s readiness challenges. Although AfCFTA promotes electronic certification to enhance transparency and speed, Nigeria’s nationwide deployment of electronic certificates of origin (e-CoO) remains incomplete. Manual documentation processes persist, increasing processing time and administrative burden (UNCTAD, 2021). In comparator jurisdictions such as Rwanda and Kenya, fully digitised RoO platforms integrated into national single windows enable faster issuance and cross-agency verification (ITC, 2022). Verification delays in Nigeria (particularly affecting small and medium-scale exporters) often exceed benchmark standards of 24–48 hours, thereby weakening the preferential tariff mechanism central to AfCFTA (Mewel & Kamau, 2022). Extended verification cycles increase transaction costs, discourage exporter participation, and reduce Nigeria’s competitiveness within regional value chains.

Partial automation and limited data-sharing mechanisms also heighten vulnerability to trans-shipment, misclassification, undervaluation, and smuggling risks. Ineffective RoO enforcement undermines both revenue protection and trade integrity, weakening AfCFTA’s credibility (Mogomotsi & Motlogelwa, 2023). Benchmark countries demonstrate that integrated risk-based targeting systems and real-time digital verification substantially reduce fraud exposure. Nigeria’s comparatively lower digital RoO integration therefore constrains the mediating pathway between institutional readiness and trade outcomes identified in the conceptual framework.

Table 3: Rules-of-Origin (RoO) Effectiveness Indicators (Mediating Variable)

Indicator	Measurement	Data Type	Benchmark
NICIS II Automation Coverage	% of declarations processed electronically	%	≥ 95%
e-Certificate of Origin Usage Rate	% of RoO certificates issued electronically	%	≥ 80%
System Downtime	Average monthly system downtime (hours)	Hours	≤ 5 hours/month

Digital Interoperability	% of border agencies integrated into single window	%	≥ 90%
Risk-Based Inspection Usage	% of consignments cleared via automated risk profiling	%	≥ 70%

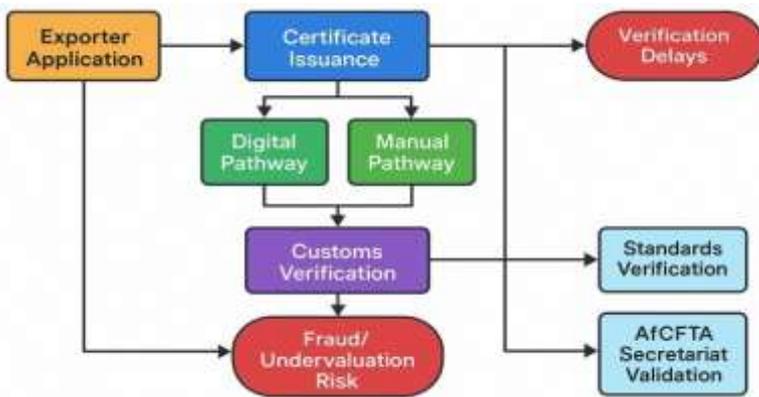


Figure 6: Rules-of-Origin (RoO) Administration Workflow Diagram

Author’s adaptation based on AfCFTA Agreement (African Union, 2020), UNCTAD (2021), and Mevel & Kamau (2022).

This flowchart illustrates the full process involved in the administration of AfCFTA’s Rules of Origin, right from the point of the application by the exporting firm and the award of the certificate, to either the electronic or manual processing pathways. The flowchart focuses on the main points where verification would be done, such as Customs verification, verification by the standards, and verification by the AfCFTA Secretariat, as well as pointing out the main bottlenecks in this process, such as delays and the potential for fraud/undervaluation.

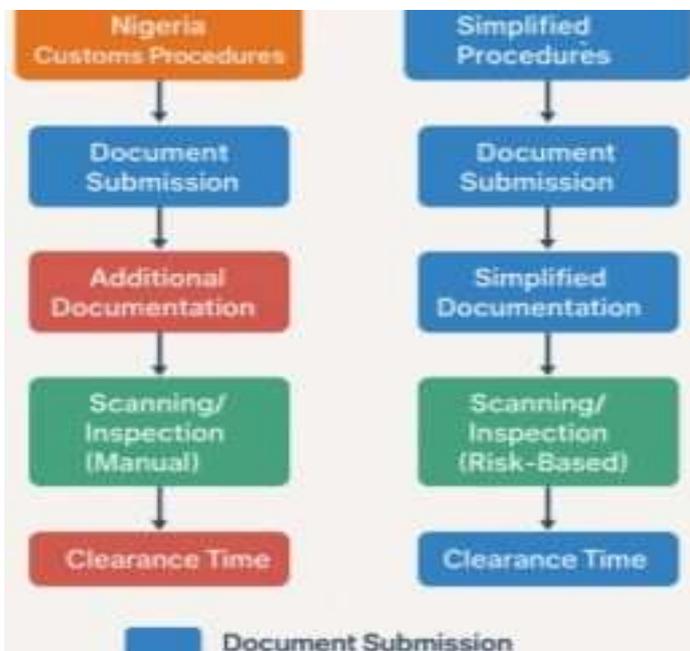


Figure 7: Nigeria Customs Procedures vs. AfCFTA-Aligned Simplified Procedures

Author’s model derived from WTO Trade Facilitation Agreement (WTO, 2022) and World Bank Trade Facilitation Indicators (2020).

This comparative flowchart identifies the differences between the existing system of customs clearance in Nigeria and the simplified system promoted by AfCFTA. The existing system includes many document processing actions and manual inspections, which result in longer clearance times. In contrast, the simplified system of AfCFTA includes fewer document requirements, risk inspections, and fast clearance. The flowchart

emphasizes the efficiency that can be realized by aligning various procedures along AfCFTA trade facilitation principles.

Procedural simplification, another key AfCFTA pillar, remains incomplete. Clearance time comparisons reveal measurable performance gaps. While Rwanda records export clearance times averaging approximately 24 hours and Kenya between 26 and 30 hours, Nigeria frequently records export processing times between 48 and 72 hours, with import clearance often extending beyond this range (World Bank, 2020; UNECA, 2023). These disparities reflect continued procedural redundancies, documentation burdens, and inspection inefficiencies. Despite NICIS II deployment, exporters still navigate multiple documentary requirements due to overlapping agency mandates. Benchmark countries have streamlined documentation processes through fully integrated digital platforms that allow single-point electronic submission and coordinated regulatory review (ITC, 2022).

Inspection regimes further highlight procedural inefficiencies. Risk-based inspection systems are operational within NCS but are not yet optimally utilised. Rwanda reports risk-based inspection coverage exceeding 80 percent, significantly reducing unnecessary physical examinations (UNECA, 2023). Nigeria's relatively higher physical inspection rates, especially at land borders, prolong cargo dwell time and increase transaction costs. Scanner availability and technical reliability also vary across corridors, leading to inconsistent operational performance. These inefficiencies undermine AfCFTA's trade facilitation objectives and weaken Nigeria's comparative readiness position.

Beyond operational issues, structural barriers continue to constrain effective implementation. Non-tariff barriers, including administrative delays and regulatory duplication, function as de facto trade restrictions despite formal tariff reductions (Barka & Ncube, 2021). Fragmented inter-agency coordination exacerbates duplication and inconsistent application of procedures (Olorunfoba & Banwo, 2021). Logistics constraints particularly port congestion, inadequate road networks, and limited storage infrastructure—compound customs-related delays and inflate trade costs (World Bank, 2020). Incomplete harmonisation of tariff schedules and classification practices further introduces uncertainty, discouraging exporters from fully utilising AfCFTA preferences (UNCTAD, 2021).

Addressing these constraints requires comprehensive digital and policy reforms. Nationwide deployment of fully integrated e-CoO systems would significantly reduce verification delays and enhance compliance transparency. Deeper integration of Nigeria's customs systems into Africa-wide digital border platforms would enable real-time data exchange and harmonised RoO validation (UNECA, 2023). Expanding advanced risk management systems supported by automated profiling and data analytics would reduce physical inspection rates and improve efficiency (ITC, 2022). Coordinated border modernization initiatives with neighbouring countries would streamline inspections and reduce duplication, particularly at land corridors such as Seme–Krake and Jibia. Harmonised tariff databases and synchronized classification systems would enhance transparency and predictability.

Finally, comparative benchmarking reveals that Nigeria has established foundational reforms but lags behind Rwanda, Kenya, and Ghana in key measurable indicators central to AfCFTA implementation. Institutional capacity is present but unevenly distributed; digital automation is substantial but not fully interoperable; RoO administration is functional but not fully digitised; and procedural simplification remains incomplete. Without accelerated digital integration, coordinated border management, and comprehensive policy harmonisation, Nigeria's AfCFTA readiness will remain moderate rather than transformative. Strengthening these dimensions is essential for converting AfCFTA commitments into reduced trade costs, enhanced export competitiveness, and sustained intra-African trade growth.

Table 4 Dimension Scores

Dimension	Weight	Nigeria Score	Weighted Contribution
Institutional Capacity	0.25	65	16.25
Digital Readiness	0.25	60	15

RoO Effectiveness	0.2	55	11
Procedural Efficiency	0.2	58	11.6
Inter-Agency Coordination	0.1	50	5
Total Composite Score	—	—	62.85 ≈ 62

The composite AfCFTA Customs Readiness Index score of approximately 62 situates Nigeria within a moderate-readiness category but clearly below leading continental reformers such as Rwanda (88), Kenya (82), and Ghana (76). The quantified assessment confirms that Nigeria's institutional foundations are present but insufficiently integrated to deliver high-efficiency AfCFTA implementation. The most significant performance gaps—inter-agency coordination, full digital interoperability, and automated rules-of-origin verification—highlight structural weaknesses that weaken the transmission pathway between AfCFTA policy commitments and measurable trade facilitation outcomes.

Importantly, the readiness index does not merely quantify performance; it clarifies reform priorities. A 15–25 point gap between Nigeria and benchmark jurisdictions represents not only a competitiveness differential but also a strategic opportunity. Bridging this gap requires coordinated investments in digital customs ecosystems, expanded risk-based inspection systems, harmonised tariff administration, and institutionalised border cooperation mechanisms. Without these reforms, AfCFTA participation risks remaining procedural rather than transformative.

The quantified findings therefore provide the empirical foundation for the policy recommendations that follow. Chapter Five builds directly on this readiness assessment to propose targeted institutional, digital, and regulatory reforms capable of strengthening Nigeria's customs support for AfCFTA and accelerating its transition from moderate to high readiness within the continental trade integration framework.

CONCLUSION AND POLICY RECOMMENDATIONS

Summary of Key Findings

The readiness of the Nigeria Customs Service (NCS), specifically within the contexts of institutional preparedness, application of rules of origin, efficiency of processes, and at the level of logistics within the Nigeria International Trade Maize Consortium (NegMA), to the application of the African Continental Free Trade Area (AfCFTA) Agreement is assessed. The findings show that, although remarkable progress has been made by the NCS on some aspects, much still needs to be done to address the identified gaps.

Furthermore, the research reveals that the processes involved in rules of origin are not totally automated, leading to instances of delay, increased susceptibility to fraud, and challenges in ensuring that the AfCFTA preferential tariff system is adhered to. These challenges hamper Nigeria's efforts towards ensuring a seamless flow of exports.

In this regard, there is a need for further simplification of customs processes. This is due to high documentation requirements, lack of standardization in inspection procedures, and underutilization of risk management systems for customs clearance. These issues are more apparent in high-volume corridors such as Apapa Port and land borders like Seme-Krake and Jibia.

Overall, these findings show that Nigeria is only partially ready to fully operationalize AfCFTA and that there is work to be done to enhance its capacities through various reforms that are needed.

Policy Recommendations

Based on the findings, several priority policy recommendations are proposed:

Implement Electronic Certificates of Origin (e-CoO) Nationwide.

A full transition to digital RoO administration will enhance verification speed, minimise fraud, strengthen transparency, and improve alignment with AfCFTA digital trade requirements.

Upgrade NICIS II and Integrate It with the AfCFTA Digital Trade Platform.

Enhancing interoperability will allow real-time data exchange, automated tariff classification, and improved risk profiling across member states.

Strengthen Inter-Agency Coordination Committees.

Harmonising procedures and reducing duplication among customs, standards agencies, immigration, quarantine services, and port authorities will significantly improve border efficiency.

Adopt Continental Harmonised Tariff Schedules.

Ensuring uniformity in tariff application across all border posts will eliminate inconsistencies and facilitate predictable trade under AfCFTA.

Build Capacity at Border Posts and Seaports.

Investments in infrastructure, digital tools, training programs, and improved security systems are essential for enhancing operational efficiency at Seme–Krake, Jibia, Apapa, and other strategic corridors.

These recommendations collectively support Nigeria’s ability to meet AfCFTA obligations and enhance export competitiveness.

Implications for Nigeria and AfCFTA

The successful implementation of this set of reforms has important implications for Nigeria and, by extension, the AfCFTA regime as a whole. Improved customs efficiency is anticipated to boost intra-African trade by addressing delays and allowing for easier development of value chains within the continent. It is also anticipated that more efficient systems would boost Nigerian export performance, making it easier for Nigerian producers and SMEs to enter regional markets in other member states of AfCFTA.

Moreover, expected decreases in clearance times, documentation requirements, and non-tariff barriers are expected to reduce trade costs, which should help to attract investment and enhance logistics performance. At the continental level, Nigeria’s preparedness is expected to enhance AfCFTA credibility, since it is a major economy in West Africa.

Limitations

This study is subject to several limitations. First, the analysis relies primarily on secondary data, including policy documents, international trade reports, and peer-reviewed literature (2020–2025). Although triangulation was applied to enhance validity, secondary sources may contain reporting inconsistencies and institutional bias. The absence of direct access to official customs microdata limits the precision of certain performance indicators, including clearance times, inspection rates, and rules-of-origin (RoO) verification durations.

Second, the readiness index developed in this study is based on structured benchmarking and comparative estimates rather than audited administrative datasets. While grounded in internationally recognised indicators (e.g., World Bank, ITC, UNECA), the composite scores should be interpreted as analytical approximations rather than statistically verified measurements.

Third, cross-country benchmarking assumes broad comparability of indicators across Nigeria, Rwanda, Kenya, and Ghana. Differences in data collection methodologies and reform timelines may affect strict equivalence.

Finally, the study focuses specifically on customs-related determinants of AfCFTA implementation and does not model broader macroeconomic or political variables that may influence trade outcomes.

Notwithstanding these constraints, the study provides a structured, theory-informed benchmarking framework that can support future research incorporating primary data and quantitative customs performance metrics.

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