



National Association of Nigerian Traders (NANTS)

Plot 19, Dan Suleiman Crescent, Behind Utako Market; FCT – Abuja

Tel: +234-9-7812124, +2348033002001, +2348056007788

Email: nants_nig@yahoo.com, info@nants.org

Website: www.nants.org

NANTS – Senate Ctte/Trade/Invst.

Communique- Trd/RD/Feb/2016

COMMUNIQUE

INTERACTIVE SESSION/BRIEFING ON PARLIAMENTARY COOPERATION ON ECOWAS TRADE AND INVESTMENT AGREEMENTS

**Hosted by the Senate Committee on Trade and Investment
*in collaboration with***

National Association of Nigerian Traders (NANTS).

Senate President's Conference Room 301,

National Assembly Complex; Three Arms Zone,

Abuja – (Wednesday, 15th February 2017)

1. Background and Participation

On the 28th day of May 1975, the then leaders of the various West African countries consummated the philosophy of a united region with the establishment of the Economic Community of West African States (ECOWAS), with the vision of a strong economic integration of member states anchored on the benefits of trade within the sub-region. Based on the foregoing, the ECOWAS Trade Liberalization Scheme (ETLS) was formulated in 1979 as one of the first and immediate instruments to galvanise the realization of development objective of the region. The ETLS was subsequently reviewed in 1995 as the framework for facilitating free trade among member states. Navigating the compass towards a Customs Union, the Authorities of Heads of States recently adopted the Common External Tariff (CET) as the legal framework that drives tariff for trade between the ECOWAS region and third party countries.

Nigeria and other ECOWAS member States have been implementing these trade instruments till date, and there have been testimonies to the effect that these have brought about, among others, (i) increased productivity on the part of the private sector, (ii) improved market access for locally produced goods, (iii) employment generation, (iv.) wealth creation, (v) poverty reduction, and (vi.)

sustainable development. Courtesy of the free circulation of goods within the sub-region piloted by the ECOWAS Protocol on Free Movement of Persons, Goods and Services, attached to the Rights of Residence and Establishment, Nigerian companies are expanding and dominating the sub-regional market. In the financial sector for instance, Nigerian banks have literally taken over the streets of many countries in West Africa. For the telecommunications sector, Nigeria's local brand, GLO is speedily rolling in to many countries in West Africa. With regard to trading in goods, Nigerian brands such as UAC, PZ, Cadbury, and Dangote, etc are found along the border routes and on the streets of our neighbouring countries while agro products such as grains and tubers form major imports of countries across West Africa, and particularly, the Sahel area. The movement of these goods give rise to increased employment, higher productivity, revenue to the country as well as foreign currency earnings to the country.

Regrettably, in spite of the numerous and glaring benefits of the ETLS and the CET to the country, there are serious concerns that must be addressed to ensure that Nigeria continues on the foothold of positive impacts that can trigger the needed escape from the present doldrums called economic recession. These concerns raise important questions such as: (i) Does Nigeria really need these instruments? (ii) If yes, what kind of instruments are required for growth? (iii) Would these instruments stand alone to produce the maximum benefits the country requires? (iv.) Are there complimentary efforts that need to be put up? (v.) What is the role of the Executive arm of government in the implementation of these instruments and where do such roles terminate? (vi.) Are there roles for the Parliament in the entire process of implementation of these instruments?

Therefore, the Senate Committee on Trade and Investment in collaboration with the National Association of Nigerian Traders – NANTS organized a one-day stakeholders interactive session/briefing to provide answers and properly situate Nigeria's place in the implementation of the ETLS and CET.

2. Participation

The interactive session/briefing which was declared open by the Senate President, Senator Bukola Saraki (represented by the Senate Committee Chairman on Foreign Affairs, Senator Mmonsurat Sunmonu) had in attendance representatives of various trade related Committees of the Senate and House of Representatives, with the former Head of State of the Republic of Niger (who is the Chairman of the ETLS Task Force recently set up by the Authority of Heads of States) in attendance as the keynote Speaker. In addition, high level representatives of Ministries, Departments and Agencies of Government such as the Federal Ministry of Industry, Trade and Investment (FMITI), Federal Ministry of Agriculture and Rural Development (FMARD), the Federal Ministry of Finance (FMF), Federal Ministry of Foreign Affairs, Ministry of Budget and Planning, Central Bank of Nigeria (CBN), Nigeria Ports Authority (NPA), the Nigeria Customs Service, Nigeria Immigration Service, the National Drug Law Enforcement Agency (NDLEA), etc. Also in attendance was the ECOWAS Commissioner for Trade, Customs and Free Movement and his team, the German International Development Cooperation (GIZ), the European Union Delegation in Nigeria (EU), United States Agency for International Development (USAID), Open Society Initiative for West Africa (OSIWA), Oxfam, among other development partners.

Relevant private sector organizations, including civil society organizations also participated,

including the Manufacturers Association of Nigeria (MAN), Nigeria Association of Chambers of Commerce, Industry, Mines and Agriculture (NACCIMA), National Association of Nigerian Traders (NANTS), Nigeria Economic Summit Group (NESG), National Association of Government Approved Freight Forwarders (NAGAFF), Association of Customs Licensed Agents in Nigeria (ACLAN), etc.

3. Critical Outputs from the Objectives

The stakeholders' interactive session which took the shape of a mini-public hearing created a platform for the collective review and interrogation of the ETLS, CET and their benefits, concerns as well as their challenges to the Nigerian economy.

The interactive session succeeded in:

- i. Updating stakeholders on the status and recent developments on and performance of the ETLS and CET vis-à-vis Nigeria's participation.
- ii. Providing platform for a collective brainstorming on necessary directions and critical issues for trade and investment with particular emphasis on the ETLS and CET.
- iii. Deliberating on ways of improving coordination between and within the Executive and Legislature with special regard to the negotiations of trade instruments and agreements,
- iv. Identifying the challenges and key concerns in the trade and investment sector and reviving the role of the Parliament in trade.

4. Conclusion and Recommendations

At the end of the interactive session, the following observations and recommendations were adopted:

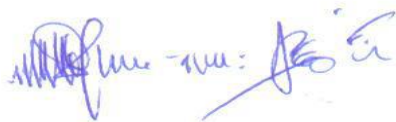
- i. Participants commended the Parliament, and particularly, the Senate Committee on Trade and Investment for providing the platform for stakeholders review and interrogation of the ECOWAS trade instruments and their usefulness or otherwise to the country's economy, noting that there is no better time than this period of economic recession faced by the nation.
- ii. Participants were unanimous opinion that the session is in the right direction and showcases the commitment of the National Assembly to look at economic related laws and legislations targeted at revitalising the nation's ailing economy.
- iii. Participants generally observed that: (a) the ETLS is an important tool for the West African regional integration, (b) it protects West African economic operators from undue competition and strengthens intra-regional trade, (c) indeed, ETLS is the warranty of West Africa's economic union, and (d) a strong ETLS will gather and enable more than 350 million citizens of West Africa to stand together and benefit from collective trade benefits.
- iv. Participants observed that Nigeria is the greatest beneficiary of the ETLS, both in terms of number of companies and products (representing 39% of the entire benefits), and that the private sector provides this assurance while the presence of Nigerian brands such as PZ,

UAC, Cadbury, Dangote products, various Nigerian banks, etc in almost all countries of West Africa courtesy of the ETLS is an eloquent testimony to the fact. To this end therefore, all stakeholders, in particular, the Nigeria Parliament must seek ways of consolidating these benefits and do everything within their legislative powers to copiously protect its continuity and full implementation.

- v. Participants further observed that Nigeria's involvement in the ETLS has brought about, among others, (i) increased productivity on the part of the private sector, (ii) improved market access for locally produced goods, (iii) employment generation, (iv.) wealth creation, (v) poverty reduction, and (vi.) sustainable development.
- vi. Arising from the above facts, Nigeria may not therefore contemplate withdrawing from the ETLS; rather, efforts must be made at identifying and addressing the challenges, strengthening ETLS implementation as well as putting in place credible and viable domestic economic policies that would foster the realization and maximization of ETLS benefits to Nigeria.
- vii. The Parliament commits to conduct a comprehensive overhaul/review of the ECOWAS Treaty and laws with a view to domesticating them and setting the foundation for seamless implementation of the ETLS, CET and other trade related protocols.
- viii. Participants called on the National Assembly to take appropriate measures to be fully involved and possibly provide some level of leadership in the negotiations of all regional and multilateral trade instruments and agreements so as to guarantee proper knowledge and effective implementation thereof.
- ix. Participants noted the need for adequate knowledge of the ECOWAS trade tools and related protocols in order to facilitate informed monitoring and oversight as part of their sacrosanct constitutional responsibility.
- x. Participants called on the National Assembly to request for all trade instruments ratified by the Executive without their express knowledge or involvement with a view to applying legislative powers in accordance with the provisions of the Constitution of the Federal Republic of Nigeria (Section 12, of the 1999 Constitution, as amended).
- xi. Participants called on all trade related Ministries to work more closely with the Parliament as elected representatives of the people, in order to strengthen the implementation of the ECOWAS Trade laws and curb the excesses and corrupt practices of unscrupulous law enforcement agencies inhibiting trade, particularly the ETLS implementation along the border routes.
- xii. Participants observed the paucity of knowledge of ECOWAS trade instruments among Nigerian stakeholders. To this end, international organizations were urged to support Nigerian Non State Actors to carry out the responsibility of educating the populace, particularly the trade operators through sensitizations, advocacies and monitoring of the trade frameworks and environment.

- xiii. Participants also observed the lack of synergy between the executive and legislative arms of government in properly coordinating Nigeria's maximization of the benefits of ECOWAS free trade. The Parliament was reminded of the ongoing negotiations of the Continental Free Trade Agreement (CFTA) at the African level, and called upon to be involved in order to propagate a national strategy and position for the negotiations.
- xiv. Participants noted the absence of a documented, responsive, predictable and credible trade policy for Nigeria (since 2002) upon which the ETLS and CET may be implemented. Participants therefore called on the Federal Ministry of Industry, Trade and Investment (FMITI) to fast track urgent actions towards formulating and providing a trade policy framework for Nigeria. The Parliament cautioned that further negotiations at any fora without a documented trade policy must be stopped henceforth until such framework that clearly spells out thrust, objectives and strategies as compass for navigation of negotiation positions is in place.
- xv. Participants emphasized on the call for the immediate relocation of the ETLS National Approval Committee (NAC) office from the Federal Ministry of Foreign Affairs to the Federal Ministry of Industry, Trade and Investment. This has become very important given that the ETLS is a highly technical trade matter, and must therefore be domiciled with the appropriate Ministry as it is in many other ECOWAS countries.
- xvi. Participants also called on ECOWAS to, as a matter of urgency, cause the organization of a consultative meeting with all trade related Committees of the National Assembly in order to clarify all nutty issues around the ETLS and the CET. More so, there is need for series of capacity building involving all trade related Committees and Clerks to deepen understanding of the ETLS, CET and related regimes.
- xvii. Participants further called on ECOWAS to develop and set up a dedicated portal for the ETLS and CET to facilitate access to information on these frameworks.
- xviii. Participants expressed appreciation to NANTS for all her efforts at ensuring that Nigeria and her citizens take the rightful policy decisions on trade and investment, and thanked the Senate leadership, the former Head of State of the Republic of Niger (Gen Salou DJIBO) who is also the current Chairman of ECOWAS Task Force on the ETLS, as well as the ECOWAS Commissioner for Trade, Customs and Free Movement and his team for devoting time to be at the session.

For: NATIONAL ASSOCIATION OF NIGERIAN TRADERS (NANTS)



Ken UKAOHA, Esq.
Secretariat President
