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Cross Border Trade in West Africa: An Assessment of Nigeria and Niger Republic

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Abstract

The present purported international boundary between Nigeria and Niger Republic is artificial. It was created by the then colonial masters following the scramble and partition of Africa Berlin Conference held from 1884 to 1885 in Germany. However, the notion of cross border trade between the aforementioned countries has brought about various challenges. It is against this background, this paper aims at examining the challenges and prospects of Cross border Trade in West Africa Sub Sahara region. In order to accomplish that, the paper adopts qualitative methods of data collection and analysis. It finds out barriers in terms of movements of goods, capital and people. The paper proposes viable suggestions on how to improve cross border trade in the two countries and in other parts of Africa.

Introduction

Upon all what a country possesses (both human and material resources), it must relate with other countries, as no country will survive in isolation. This necessitates the involvement of countries into international trade across boundaries. Nigeria and Niger Republic are neighbouring countries located in the West African sub-region. The trade between these countries could be traced back to the Trans-Saharan Trade since medieval period. Both countries benefit from each other economically. The trade network is mainly on agricultural produce, domestic utilities and other goods.

However, NEPC (2014) observed that, despite the long time spent in this cross border trade between Nigeria and Niger republic, there is no any meaningful sustainable development recorded that the two countries could be proud of. In view of this ugly trend, this paper examines the cross border trade between Nigeria and Niger Republic with a view to explore the

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challenges therein and proffer viable recommendations for the government of both countries and other countries of the region especially the sixteen (16) members of Economic Community of West African States (ECOWAS).

The paper covers six sections: Section one contains introduction, section two reviews the related literature and theoretical framework on cross border trade. The third section of this paper provides an assessment between the two countries which reveals the major divergences between Nigeria and Niger Republic. In addition to that, section four of this paper examines the challenges of cross border trade in West African sub region with particular reference to Nigeria and Niger Republic. The section also vividly explores the hitches despite the current trend of globalisation whereby the challenges bedevilled the sustainable development in the West African sub-region. Section five examines the experiences of cross border trade in East and South Africa sub regions. Section six encompasses conclusion of the cross border trade between Nigeria and Niger Republic.

Theoretical Discussion

The existing literatures on regional integration pay much more attention on integrating a particular regional bloc such as European Union, East African Union and their alike. Thus, it has widened the gap of integrating two or more countries within a given territory. The theoretical discussion here bridges the gap between Nigeria and Niger Republic. Considering the efforts and commitments towards economic cooperation and integration in the sub region, these countries need to reinforce their trade relations. Therefore, in an attempt to strengthen the Bilateral Relations between Nigeria and Niger Republic, the two countries usually hold a meeting on issues concerning Cross Border Trade and other Economic matters under the Nigeria – Niger Joint Commission for Cooperation (NNJCC). According to Central Bank of Nigeria CBN Annual Report (2011: 169), the Nigeria – Niger Joint Commission held a meeting from 25th – 30th July, 2011 in Maradi, Niger Republic and deliberated on: easing the difficulties of in the remittance of funds to eliminate currency trafficking across borders of Nigeria and Niger Republic. The meeting also centred its decision on development of cluster industries and cluster markets to enhance the economic growth of Niger Republic and Nigeria. Hence, this attempts to integrate the economy of both countries.

In view of this development, Hentz (2004: 156) is of the view that that integrating the states of sub Sahara Africa will entail integrating the entire region. This can be done by reallocation of resources through the cross border networks in the sub Sahara Africa. The governments of the concerned countries have to initiate programmes that will boost the production of agricultural produce which is the main trading products thereby encouraging farmers to go back to the abandoning land for massive production. To complement such effort, the governments of the concerned countries should tackle the problems of cross border smuggling in the Sub Sahara region of Africa for proper integration.

The regional integration especially in the West African Sub region has processes as argued by McDonald that, the process of regional integration involves joining together different economies of Nigeria and Niger Republic into a large economic configuration for the purpose of improving cross border trade and free trade. This should equally be done along with removing all barriers between the two countries. He further points out that, regional integration in West Africa generally involves a somewhat complex web of cooperation between countries of the sub region. Integration needs harmonisation of policies in different sectors of economy such as cross border trade, investment, monetary and fiscal policies between Nigeria and Niger republic. This will ensure stability and sustainability of economic growth and development (McDonald, 2005: 25).

Notwithstanding, Soderbaum and Taylor (2008: 13) are of the view that integration among neighbouring countries is not a new phenomena and it enhances the cross border trade within the boundaries of particular nation – state within a micro – region or sub region. Fredrik Soderbaum and Ian Taylor (2008) argue that, cross border trade within a sub region could be formal or informal which obviously encompasses political, economic, administrative, cultural and so forth. The cross border trade in micro region like West African sub region where Nigeria and Niger Republic conduct cross border trade has a great influence thereby shaping the formation of government modalities towards policies for micro region development. In view of this, African states of post colonial era should consider the informal trading which will profoundly shape the nature of states in post colonial Africa, as considering the number of spaces in Africa, borders essentially do not exist in the westpherlian. Hence, the idea of fixed boundaries and bordered delineations or demarcations has little impact across the whole swathes of Africa.

In addition to the above, Garfinkel, Skaperdas and Syropoulos in Verdier (2010: 6) argue that, the goods for cross border trade between neighbouring countries like Nigeria and Niger Republic need integration and free trade which will unambiguously yield higher welfare both in terms of traditional gains from cross border trade as well as in terms of reduced fragility which will ultimately cement and strengthen their relationship which reduces the inter conflict between Nigeria and Niger Republic.

With regards to the cross border trade especially in a given sub region as in the case of Nigeria and Niger republic, Soderbaum and Taylor (2008: 17) categorised the processes of cross border trade into two, namely formal and informal processes. The formal cross border exists when there is an official policy and codified interactions of cross border trade which are often backed by written agreements and treaties that govern the cross border trade. On the other hand, informal cross border trade has a non – codified series of events or issues that are based upon mutual understanding and tacit agreements between Nigeria and Niger republic for instance. Soderbaum and Taylor (2008) argue that, cross border trade within Africa experiences myriad informal and non – institutional interactions and activities of business networks and petty trading within the neighbouring countries.

Baldwin (1993: 17) describes integration within a given territory on economic activities such as cross border trade, as phenomenon that will raise the political economic gains for member countries. Not only that, it overcomes the intrinsic resistance to member countries. It equally enhances the overcoming of trade barrier among member countries as in the case of Nigeria and Niger republic. Integration as argued by Harcourt (2012: 542) helps the concerned region to unite and manage their trade and differing policies which will enhance their economic growth and development. Therefore, regional integration is what will harmonise the existing challenges between neighbouring countries in an attempt to improve their cross border trade for mutual benefits and the attainment of targeted objectives for the sub region.

However, Eyakuze (2013: 28) notes that for regional integration to meet its fundamental objectives of improving the quality life of the people of concerned region, it must integrate and improve on competitiveness, cross border trade among states of the region and value added in production. Notwithstanding, the current strategy of East Africa regional integration is aimed at addressing the challenges of structural economic change (cross border trade inclusive), food security for children and the quality for their education which will holds East Africans together.

To this end, Bruckner and Ciccone in Verdier (2010: 11) observe and note that, cross border trade is facing downturns in the Sub Saharan Africa as a result of insecurity or insurgency which reduces the level of export and import between or among Nigeria and Niger republic. This really truncates the process of improving cross border trade which by extension undermines the effort of integration between the said countries.

This study adopts theory of Regional Integration in its framework for analysis of cross border trade with particular reference to Nigeria and Niger Republic in West Africa Sub Sahara region. The theory of regional integration started in Europe in the early 1950s with the European Coal and Steel Community (ECSC). The prominent exponents of Regional Integration Theory include: Earnest Haas (1958), Lindberg (1963), Haas and Schmitter (1964). The theory later underwent modification in Europe in the mid 1960s and other scholars like Hoffmann (1965), Taylor (1983) and Moravcsik (1991, 1993 and 1998) were included as scholars of Regional Integration Theory.

The early proponents who developed the theory of Regional Integration deliberated much on whether integration refers to a process or to an end product. Laursen (2008: 4) defines integration as a process that leads to a certain state of affairs while Karl Deutsch in Laursen (2004: 4) defines integration as "the attainment within a territory of a sense of community and of institutions and practices strong enough and widespread enough to assure for a long time dependable expectations of peaceful change among its populations."

According to Schmitter (1970: 836), the Regional Integration entails how national units or different countries located in a given territory come to share part or all of their decisional authority in terms of political, social and economic aspect which connotes cross border trade for the development of such national units. Thus, the theory of regional integration undergoes modifications and changes so that certain conditions will be formalised to incorporate challenges of integration movements. Hence, Philippe C. Schmitter termed it as a Revised Theory of Regional Integration.

In recognition of its immense relevance to the cross border trade, the theory of Regional Integration emphasises on the integrative process at the international level as primarily consensual or communication based issues like cross border trading between Nigeria and Niger Republic. It equally enhances principles for development between the integrating countries. It is in view of this, that, this research finds it pertinent to adopt the theory of Regional Integration in the framework for its analysis.

Cross Border Trade between Nigeria and Niger Republic

According to Sahel and West Africa Club SWAC document (2009), cross border trade between Nigeria and Niger Republic has a long history especially with regards to exchange of food crops such as millet, sorghum, maize, rice, yam, beans, soya beans and cash crops such as groundnut, cowpea, sesame, onion, fruits, vegetables and so on. These are usually supply to Niger Republic. Other food items (processed food) like flour, Semovita, Masavita, wheat offal as well as insecticide and pesticide are equally commodities for international trade between these countries as are taking to Niger Republic. On the other hand, cattle, sheep, rams, goat and camels are always trooping in large number from Niger Republic to Nigeria all year round.

It must be noted that the cross border trade between Nigeria and Niger Republic is more of informal transactions. There are no statistical or formal records of the transaction, no documentation of international trade are in use between Niger Republic and Nigeria. Yet, it contributes to the Gross Domestic Products (GDP) as goods worth five hundred and sixty-two million, fifty two thousand nine hundred and seventy two naira (N562, 052, 972:00) equivalent to three million, six hundred and twenty-six one hundred and fourty-eight US dollars ($3, 626, 148:00) was transported in May 2014 only (NEPC, 2014: 4). Table 1 in appendix I shows a summary of statistical data of cross border trade between Nigeria and Niger republic specifically from Dawanau International grains market, Kano, Nigeria in May 2014.

According to the Central Bank of Nigeria CBN Annual Reports (2011: 156), the aggregate Non-oil exports to ECOWAS sub region stood at US$251.7 million in 2011 which indicated that Niger Republic is the second to Ghana in terms of volume of goods exported from Nigeria to various countries of the West African Sub region. The Annual Reports stated that goods exported to Niger Republic through formal cross border trade alone stood at US$45.9 million in 2011. The Report further stipulated that, goods or commodities exported from Nigeria to Niger Republic under formal cross border trade include: tobacco, plastic, rubber, footwear and poly bags. Other goods are however exported under informal cross border trade between the two countries as shown in Table 2 in Appendix II.

Notwithstanding, the cross border trade and the border proximity, Afolayan (2000) describes the border of Nigeria and Niger Republic as Maximal borderland. This is because of the characteristic of the thriving border areas of West Africa (Nigeria and Niger Republic inclusive). The border peripheries are de facto free trade zones, operating independently from the nation-state and an autonomous economic zone, which is attached to two or more nation-states and operates on the basis of marked geographic contrasts. Afolayan (2000) points out the following characteristics which better describe the cross border trade between Nigeria and Niger republic as follows:

- use of several currencies at a rate determined by a parallel foreign exchange market
- ineffective customs / immigration control
- strong ethnic solidarity in communities split by the colonial division
- a high volume of trade in farm and manufactured goods
- high daily movement of people

It is noted that the above characteristics described the border of Nigeria and Niger Republic through the major trading activities between these two countries is taking place through the Trans-Saharan Trade route popularly known as Kano-Katsina-Maradi (K^2M). In view of this, Boureima (2014) pointed out that ECOWAS established the concept of Intra regional cross border initiative programme: Kano-Katsina-Maradi (K^2M) with Nigeria Niger Joint Commission for Cooperation (NNJCC) as a coordinating body of the initiative. The brain behind this is to facilitate the long historical trading between the two countries.

Interestingly, the activities of cross border trade lead to the creation of jobs and strengthen the international relations among the citizens of the countries involved especially trade across national borders as Mingst (1999: 2) pointed out that city or state may be actively benefitting from foreign private investment as a result of cross border trade between neighbouring municipalities and other countries. The chance of creating new employment opportunities is also possible as a result of cross border trade due to the movement of goods and related commercial activities taking place across border of neighbouring states like Nigeria and Niger republic.

In light of the above assertion, it is pertinent to note that, through cross border trade, employment can be generated, goods and services can be exchanged and the economy of the countries will be boosted. This will lead to economic growth and development thereby attaining sustainable development in the countries involved.

Documentations required for a formal Cross Border Trade

According to Otowo (2010), for any firm or registered organisation to embark on exporting goods or other commodities from Nigeria to Niger Republic or to any other country, there is the need to possess: Commercial documents, quality documents, transport documents and financial documents. These documents are meant for cross border trade and other international trades across international boundaries. Their descriptions are as follows:

a. Commercial documents: These are documents used for commercial transaction. They include: *Pro-forma Invoice*. It is highly imperative as the government of importing country or exporting country may need it for the purpose of exchange allocation. *Financial Commercial Invoice*: It is usually prepared by the Exporting country (Nigeria) and addresses it to the Importing country (Niger Republic) for instance. It is important in cross border trade to be aware and to take note that; "duty payable" is usually accessed by considering Final Commercial Invoice. In addition to this, *Certified Invoice* is used for independent verification. Finally *Packaging list* is used to supplement the commercial invoice especially when quantities or content of the goods are vary.

b. Quality documents: These connote *certificate of quality and fumigation* issued by Federal Produce Inspection Service. This certificate ascertains the quality of primary Agricultural commodities for export which is the main goods for transaction between Nigeria and Niger Republic. The National Agency for Food, Drugs Administration and Control (NAFDAC) issues the *certificate for sanitary and hygienic goods* for foods, cosmetics and drugs for export to Niger Republic for instance. However, for contract export, there is the need for *Clean Certificate of Inspection (CCI)* that gives the guaranty of quantity, quality and price as stipulated in the Export Contract Agreement.

c. Transport documents: These are: *Bill of lading, Single Goods Declarations Form (SGD) Form C2010)* endorse by the Nigerian

Customs Service which explain the particulars of consignment. The *Certificate of origin* is usually issued, signed, stamped and sealed by the Chamber of Commerce. It testifies the legality of the goods, the origin of the goods and where the goods are transported to.

d. Financial documents: It includes: *Form NXP (Nigerian Export Proceeds)* issued by the Central Bank of Nigeria (CBN) and it is obtainable at Commercial Banks. The form is to be completed in six (6) copies with instructions at the back of the form on how it should be distributed. There is also *Certificate of Insurance* issued by Insurance Company. It is very important for exporters of Agricultural commodities especially perishable goods. These documents are highly imperative for cross border trade and any other trade across boundaries or overseas. Unfortunately, these documents are not useful in cross border trade between Nigeria and Niger Republic.

Divergences between Nigeria and Niger Republic

One must understand the divergences between the two countries which have impacts on transactions with particular reference to cross border trade which will help in revealing the shortcomings or challenges of each country in its transactions with other one. Thus, a comparative assessment is highly imperative for clear-cut understanding of the status of each country as analysed in the table 3 below.

Table 3 Showing differences between Nigerian and Niger Republic.

S/N	Nigeria	Niger Republic
1	In Nigeria, English is the official language and is used in official activities and transactions in the country.	French is the official language in Niger Republic and therefore is used in official correspondence.
2	Currency issues with particular reference to Currency regulations, currency policy and other related matters are handled by Central Bank of Nigeria (CBN)	Policies related to currency regulations and other related matters are under the control of *Banque Centrale des Etats de L' Afrique de L' Ouest* (BCEAO)
3	The currency acceptable as a means of transaction in Nigeria is Naira (N). This affects the exchange rate as the purchasing	In Niger Republic, West African CFA franc is the currency in use. However, the value of CFA goes up and down periodically.

	power fluctuates from time to time.	
4	There is difference in colonial background as Nigeria was colonised by British colonial masters. The British legacy especially the policy of Indirect rule system of administration left some impacts on Political, Social and Economic activities in Nigeria.	The institutionalisation of policy of Assimilation in Niger Republic by French colonial masters still manifest in the Socio-Economic activities of the citizens of Niger Republic. This differentiates the colonial legacy obtainable in Niger republic from other West African countries colonised by British.

Source: Author, 2014

The above divergences expose certain differences and experiences between Nigeria and Niger Republic which will facilitate the understanding of the basis for the challenges which is bedevilling the sustainable development in Africa South of the Sahara. The trade in the West African countries is facing numerous shortcomings which affect the economic growth and development despite the ongoing ideology of globalism and the regional organisations such as Economic Community of West African States (ECOWAS) which intend to foster smooth running of goods, people and services. For this motive, the sub-regional organisation established ECOWAS Trade Liberalisation Scheme (ETLS) with the view of fostering free trade in the region. Yet, the challenges are enormous and getting deterioration.

Challenges of Cross Border Trade

Generally, cross border trade is associated with tremendous challenges right from the exporting country to the border and the destination of importing country. However, that of Nigeria and Niger Republic is different as the countries share different things in different aspect, even though, they are located in the West African sub-region. Boureima (2014) perceived and outlined the challenges of cross border trade between Nigeria and Niger Republic especially on the major rout vis a vis: Kano-Katsina-Maradi (K^2M) into three (3) challenges of movement as follows:

Movement of People

The challenges of cross border trade as proclaimed by Boureima (2014) include the movement of people as there are so many problems where by people move illegally from one country to another without any travelling documents or means of identification. The issue of language barrier is another aspect related to the movement of people even though, at the border of Nigeria and Niger Republic, certain languages such as Hausa and Fulfulde are usually spoken. However, when it involves official documentation, English and French languages are used officially in Nigeria and Niger Republic respectively. Hence, the need for translator or interpreter is highly imperative especially if it resulted to official correspondences as movement documents into Niger Republic were written in French language. The implication and the challenge here attribute to time wasting and unnecessary expenses. In addition to this challenge, Sabo (2010) describes it as the impact of former colonial masters which created the language barrier between their colonies and the impact is still affecting the socio-economic development of some West African countries viz a viz Nigeria and Niger Republic.

Movement of goods

The existing of porous borders between Nigeria and Niger Republic make it very easy for illegal movement of goods without following the due processes and procedures of cross border trade, be it formal or informal. Therefore, when caught, it leads to the confiscation of goods at the border or even when they crossed the border. Some goods are sometimes traded without following or adherence to the laid down rules and regulations for cross border trade. It is against this bad trend that, the Nigeria Foreign Exchange and Trade Relations Divisions FETRD (2006: 3) stated in its import guideline that, all goods to be imported into the country (Nigeria) shall be labelled in English Language in addition to any other language of transaction; otherwise the goods shall be confiscated. Hence, the cross border trade between Nigeria and Niger Republic is confronting serious challenge with regards to the movement of goods and smuggling of commodities such as textile, consumable and non-consumable goods. On the other hand, the absence of export documents especially in formal cross border trade between Nigeria and Niger Republic diverts the attention of Custom officers and other border agencies from investigating the goods whereby as a result of this, dangerous goods such as weapons, expired consumables goods and other contra band goods are easily transported from either Niger Republic to Nigeria or vice versa through their borders. Otowo (2010) proclaimed that, the absence of exports documents between the two countries makes the cross border trade between Nigeria and Niger Republic to be very informal.

Decay of perishable goods at the border is another challenge with regards to the movement of goods. This is because, there are some perishable goods that decay easily at the border, simply because of minor issue or when the driver has been delayed for incomplete vehicle particulars, the vehicle will be stopped from entering any of the country and this causes perishable goods such as mango, tomato, onion, cashew, pawpaw, orange, pine apple, water melon and other vegetables to decay or perish at the expense and detriment of the traders.

Another challenge is the locus control. Rubin (1971) pointed out that, the control of products for particular company in one country can seriously affect its business partner in neighbouring country. A national company may take decisions without consulting its suppliers, patronisers and other stakeholders who may be favourable in the producing state while its neighbouring countries may consider it undesirable or unfavourable. Thus, the policies taken to control certain things in one country may substantially affect, alter or even cancel business decision in the other country especially when such goods are exported through cross border trade in a particular region.

The other challenge as pointed out by Sabo (2010) includes poor transportation system for cross border trade. The vehicles and the goods suffer a serious setback due to poor roads in either or both countries. The means of transporting cattle and other agricultural goods from Niger Republic to Nigeria and vice versa is mainly by road and the bad roads affect the smooth running of cross border trade. The most nagging and irritating issue is that, animals are usually transported by trek or trudge in troops of which no adequate food and water is given to these animals which result to disease and death of animals as well as disaster to the traders of cattle and other animals like rams, sheep, goats and so on in cross border trade between Nigeria and Niger Republic.

Movement of capital

Businessmen and women find it difficult to move with huge amount of money between one country and another. This is due to the policy that limits currency movement across international boundaries by different countries including Nigeria, Niger Republic and other African Countries. Thus, the Decree No. 17 of 1995 of Foreign Exchange Monitoring and Miscellaneous Provisions Act of Nigeria has limited the movement of fund from Nigeria to other country. The clause states that, foreign currency in excess of US $5,000 or its equivalent, whether being imported into or exported out of Nigeria, shall be declared on the prescribed form for the reasons of statistics only.

In view of the above Decree, the businessmen and women see the amount to be too small. As some times one may need to take more than that and people are afraid of declaring the exact amount they have for the fear of conniving with armed robbers along the way, to attack them since cross border trade is usually by road and armed bandit use to attack the traders while on board.

The Challenge of Exchange rate is another problem. According to Jean-Paul (2007), the trade in Sub-Saharan African Countries (Nigeria and Niger Republic inclusive) involves transactions on credit basis. This brings the debt crises due to the problems of fluctuation of the value of the CFA and Naira. One can sell his goods of two hundred thousand CFA (CFA 200, 000:00) on credit for instance, during payment, the value of the CFA may fall down. This causes loss of profit to traders. Hence, it is described as the public debt constraint in the CFA zone because most of the transactions are usually conducted on credit basis.

Cross Border Trade: Experiences from other sub regions

Trading across borders in different parts of Africa has been an existing phenomenon. It is pertinent to examine the pattern, dynamism and challenges facing cross border trade in other parts of Africa, particularly East and South Africa Sub regions.

Cross Border Trade in East Africa

According to East Africa Cross Border Trade Bulletin (2014: 1-3), cross border trade between East African states is mainly on sorghum, rice, sugar, wheat, maize, wheat flour, sesame, millet, cassava, groundnuts, potatoes and other goods both consumable and non consumable goods. However, Uganda remains the main source of informal cross border trade on staple food commodities distributed in East Africa. The mode of cross border trade in East Africa particularly in 2003 regarding the above goods disclosed that, Uganda exported commodities to Kenya, Sudan (now South Sudan), Tanzania, Rwanda and Democratic Republic of Congo. Tanzania usually exports to Kenya. On the other part of East Africa, Ethiopia exports to Kenya, Djibouti, Somalia and South Sudan. Similarly, Rwanda exports to DR Congo and Uganda. In another pattern of Cross Border Trade in East Africa, Kenya exports to Tanzania and Rwanda while Burundi usually exports to Democratic Republic of Congo and Rwanda.

The informal cross border trade between Uganda and its neighbouring countries namely: Kenya, Rwanda, Tanzania, Democratic Republic of Congo and South Sudan have a great economic impact especially on the informal livestock trade in East Africa sub region. This is due to the fact that, African Economic Brief noted that:

> Data from Uganda's Custom authorities highlights the fact that a thriving informal market exists in Ugandan manufactured goods for South Sudan DR Congo and Tanzanian Markets. In 2006, the value of Ugandan informal exports to its five neighbouring countries – Kenya, Rwanda, Tanzania, Democratic Republic of Congo and Sudan stood at an impressive US $223.89 million (African Economic Brief, 2012: 5).

In addition to the above, record entails that, in 2009 only, Uganda conducted an informal cross border trade to Kenya, Rwanda, Tanzania, DR Congo and Sudan which was estimated to the tune of $70.73 million. African Economic Brief (2012: 6) pointed out that such informal cross border trade was mainly on shoes, clothes, fishes, beans, maize, grain, sandals, flour, beer, medicine and alcohol spirits. In that regards, the major destinations among this very cross border trade were Sudan and Democratic Republic of Congo as the two countries combined together received the higher percentage of 74.1% and 64.4% in 2009 and 2010 respectively.

On the other hand, Peter Little in African Economic Brief (2012: 6) noted that, cross border trade in East Africa particularly for livestock is persistently increasing along Kenya – Somalia borders whereby sales of livestock alone reaches up to the tune of US $11.7 million annually. Livestock such as camel, cattle, goats and sheep are usually tradable along Kenya-Somalia borders.

Interestingly, cross border trade on perishable commodities such as banana, onions, tomatoes and so on are goods taken through Arusha – Namanga borders between Tanzania and Kenya respectively. However, these traders face difficulty in transporting these perishable goods as they use trucks in transporting these commodities and these kinds of goods require SPS Certificates i.e. Certificate of regulations for food safety, health standard and ensures consumption of safe food products. The serious challenge is that SPS Certificates are only obtainable either from Arusha and Dar es Salaam in Tanzania or from Nairobi in Kenya. However, the Namanga border is 930km (kilometre) away from Dar es Salaam and is also 230km (kilometre) far from Nairobi. Thus, the dwellers near border need to go to that extent and get it before crossing border with their perishable goods.

Cross Border Trade in South Africa

Cross border trade in South Africa sub region is more of items like food stuff such as rice, beans and maize. Handicrafts as well as minerals are also main trading commodities across borders in countries of South Africa sub region. The Africa Economic Brief (2012: 4) revealed that, the informal cross border trade in South Africa stands at US $17.6 billion per year. This encouraged the South African Development Community (SADC) to establish "Cross Border Monitoring System" to oversee the transaction of cross border in twenty – nine (29) borders from ten (10) different member countries of SADC.

According to Njiwa, Nthambi and Chirwa in Africa Economic Brief (2012: 5) the Mwami – Mchinji border is one of the most active border for cross border trade in South Africa. The border handles goods largely from Malawi and Zambia. Even though, seventy five percent (75%) of the traders are women, yet, the informal cross border trade was estimated to have trade of an astounding US $2.9 million per month while the formal cross border trade was equally estimated at US $1.6 million per month. This is as a result of expenses incurred by traders whereby they pay $30 as processing fee to Custom officers for clearance. However, in an attempt to shun or avoid the processing fee, they prefer a Simplified Trade Regime STR i.e. The STR is a certificate of origin issued at the border post purposely to reduce documentary requirements for goods with a value of US $500. This facilitates the cross border trade in South Africa sub region.

To this end, the cross border trade in West Africa, East Africa and South Africa as well as other sub regions face general challenges that are unique and prevalent to all. These shortcomings include inadequate trade facilitation which makes cross border trade a very informal one. Shortage of warehousing facilities, transportation facilities, lack of working capital by traders and above all, the provision and dissemination of information regarding cross border trade is very low. Moreover, the law enforcement agencies take advantage of the local traders especially on Custom procedures and end up collecting bribe from those trading on cross border.

Conclusion

Cross border trade between Nigeria and Niger Republic has numerous benefits derive and enjoy by these two countries. It enhances the economic growth which leads to the economic development as stated by Baran (1957) that, no country can satisfy the wants or needs of its citizenry and the aliens living within its territory, thus, the nations can take and utilise the "comparative advantage" of each other, through cross border and other forms of trade. It is noted that, cross border trade creates employment among the teaming youths of Nigeria and Niger Republic. The rate of unemployment is reducing drastically; the population will be productive in the future and consequently poverty will be reduced thereby increasing the Gross Domestic Product (GDP) of Nigeria and Niger Republic through cross border trade. Therefore the issue of cross border trade will ultimately increase per capita income of the citizenry of both countries. By so doing, the standard of living will be improved and sustainable development will be attained.

The study finds out that, cross border trade is an avenue for both countries to awaken the border agencies such as Customs and Immigration in the case of Nigeria and *Gendermerie, Republique du Niger* in the case of Niger Republic. The agency like Nigeria Niger Joint Commission for Cooperation (NNJCC) has important roles to play in ensuring the establishment of Kano-Katsina-Maradi (K^2M) initiative. This initiative intends to foster improvement in cross border trade along the route of Kano - Katsina – Maradi.

Unfortunately, one of the implications of this research discovered that, Economic Community of West African States (ECOWAS) was established since 28th May, 1975 with Anglophone countries in West Africa (Nigeria, Ghana, Sierra Leone, Gambia and Liberia) and Francophone countries (Niger Republic, Togo, Guinea, Mali, Senegal, (Upper Volta) now Burkina Faso, (Ivory Coast) now Cote d′ Ivoire, (Dahomey) now Benin Republic, Guinea Bissau, Mauritania and Cape Verde but some of the objectives of ECOWAS such as elimination of Custom Duties, abolition of trade restrictions, free movement and so on are yet to be fulfilled and attained. The ECOWAS Trade Liberalisation Scheme (ETLS) which entails free trade within the region and primarily aimed at encouraging cross border trade between the ECOWAS member countries, in order to attain sustainable progress, growth and development via cross border trade between Nigeria and Niger Republic is turned to be a mirage. The following recommendations are highly imperative for the benefits of both countries:

a. As proclaimed by former Minister of State for Finance in Nigeria, Dr Lawan Yerima Ngama in (2012) during signing the Memorandum of Understanding (MoU) with Ghana on cross border trade, where he stated that MoU will increase cross border trading activities especially with the implementation of ECOWAS trade liberalisation policy. For this development, it is recommended that, signing similar MoU with Niger Republic will improve not only the mitigation of business risk but also promote cross border trade regulations.

b. That, the Federal Government of Nigeria through Ministry of Aviation in collaboration with the Government of Niger Republic should engage Kabo Air, Arik Air, Max Air, Virgin Nigeria, IRS Airline, Azman Airline and any other interesting Airline in Nigeria and on the other part of Niger Republic, *Air Niamey, Escadrille Nationale du Niger* and Niger Airline should be engaging to establish new routes from various parts of Nigeria to Zinder, Maradi, Niamey, Diffa, Dosso, Arlit, Agadez and other major cities in Niger Republic while new routes should be flying from Niger Republic to Kano, Katsina, Sokoto and some states in Nigeria. This will ultimately improve the cross border trade and investment opportunities in both countries. It is therefore, the collective responsibility for the governments of Nigeria and Niger Republic to facilitate this initiative which will reduce the risk of accidents, robbery, serious damages of perishable goods thereby enhancing delivery and sustainable development between the two countries.

c. That, there has to be the involvement of ECOBANK for being the pan African Bank and located in Nigeria and Niger Republic as well as most part of Africa so that it should take care of the financial risk, problems of exchange rate and related financial issues on cross border trade between the countries involved. ECOBANK and any other interested Bank should then introduce Cross Border Bank Card Payment System for easy and unique transaction mainly for cross border trade.

d. The Central Bank of Nigeria (CBN) and Banque Centrale des Etats de L' Afrique de L' Ouest (BCEAO) of Niger Republic should collaborate and come up with regulatory financial policies and also establish Micro Credits Institutions to support cross border trade not only between Nigeria and Niger Republic but between Nigeria which is Anglophone and other Francophone countries surrounding Nigeria.

e. That, the export documentations such as commercial documents, quality documents, transport documents and financial documents should be made compulsory for a formal cross border trade. This will formalise the cross border trade between Nigeria and Niger Republic. It will equally provide the statistical records or data to both governments for development plan or projects, thereby recovering the loosing revenue experiencing by both governments.

f. There is the need to establish a cooperative bank in Nigeria and Niger Republic like that of Kilimanjaro Cooperative Bank (KCB) which will ensure and facilitate the sustainable rural financial institutions as a model developed in Northern Tanzania as pointed out by a re-known scholar Andrew E. Temu (1999: 49) where he stressed the importance of cooperative Bank that cater for specific socio-economic conditions. This is due to the fact that, there is paucity of information regarding potentially Sustainable Rural Financial Institutions (RFIs) in Sub-Saharan Africa. Thus, Cooperative Bank is highly imperative to cross border traders. As the model when adopted in Sub-Saharan Africa (Nigeria and Niger Republic inclusive) will contribute to the success and development of the Rural Financial Institutions (RFI) in the West African Sub-region.

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APPENDIX I

Table 1 showing goods exported from Nigeria to Niger Republic from Dawanau International Grains Market in the month of May, 2014 only

S/N	Products category	Quantity (Tones)	Amount (=N=)	Destination
1	Animal Feeds	17	165, 800	Niger Republic
2	Bambara Nut	73	5, 304, 430	Niger Republic
3	Banana	16.5	518, 902	Niger Republic
4	Carrot	3	N.A	Niger Republic
5	Cassava chips	553	42, 685, 490	Niger Republic
6	Cassava flour	37	2, 793, 630	Niger Republic
7	Cement	6	65, 500	Niger Republic
8	Chill Pepper	8	5, 925, 000	Niger Republic
9	Cola nut	9	N.A	Niger Republic
10	Dry Tomatoes	13	778, 760	Niger Republic
11	Empty bags	7	153, 240	Niger Republic
12	Flour	6	256, 300	Niger Republic
13	Fresh Tomatoes	14	171, 000	Niger Republic
14	Garri	957	101, 484, 320	Niger Rep. & Mali
15	Ginger	3	N.A	Niger Republic
16	Groundnut Cake	124	16, 316, 080	Niger

				Republic
17	Groundnut Dakar	55	9, 417, 210	Niger Republic
18	Groundnut Kamfala	378	65, 001, 870	Niger Republic
19	Gum Arabic	3	N.A	Niger Republic
20	Hibiscus Flour	14	18, 648, 800	Niger Republic
21	Irish Potatoes	65	4, 215, 680	Niger Republic
22	Lemon	1	N.A	Niger Republic
23	Local cake	8	1, 131, 580	Niger Republic
24	Local Rice	120	21, 861, 494	Niger Republic
25	Local Wheat	200	21, 639, 880	Niger Republic
26	Maize	295	23, 469, 410	Niger Republic
27	Mango	2	274, 300	Niger Republic
28	Millet	1,618	111, 704, 950	Niger Republic
29	Miyare Pepper	5	3, 247, 500	Niger Republic
30	Orange	44	342, 760	Niger Republic
31	Plastic Mat	1	N.A	Niger Republic
32	Provision goods	3	N.A	Niger Republic
33	Rubber Kettle	3	325, 400	Niger Republic
34	Rubber Mat	4	N.A	Niger Republic
35	Sesame Seeds	4	848, 000	Niger Republic

36	Soya Cake	3	N.A	Niger Republic
37	Soya Beans	352	37, 332, 080	Niger Republic
38	Sorghum	490	34, 191, 020	Niger Republic
39	Sugar Cane	5	355, 600	Niger Republic
40	Sweet Potatoes	88	8, 563, 060	Niger Republic
41	Tomatoes	1	867, 560	Niger Republic
42	Yam	36	5, 394, 676	Niger Republic
43	Wheat Offal	4	N.A	Niger Republic
44	Yam	187	16, 598, 690	Niger Republic
		GRAND TOTAL	**562, 052, 972**	

Source: Dawanau International Grains Market Kano-Nigeria and Compiled by Nigerian Export Promotion Council (NEPC) statistical data recorded for the month of May, 2014

APPENDIX II

Table 2 showing goods exported from Niger Republic to Nigeria

Date	Products	Quantity (Bags)	Price per bag (=N=)	Total Price (=N =)	Destination
01/01/2015	Beans	1400	9000	12,600,000	Nigeria
01/01/2015	Onion	1200	13,000	15, 600,000	Nigeria
02/01/2015	Beans	900	9000	8,100,000	Nigeria
03/01/2015	Beans	1200	9000	10, 800,000	Nigeria
04/01/2015	Beans	600	8800	5,280,000	Nigeria
05/01/2015	Beans	1600	8800	14,080,000	Nigeria
05/01/2015	Onion	900	13,000	11,700,000	Nigeria
06/01/2015	Beans	800	9100	7,280,000	Nigeria
07/01/2015	Beans	1300	9100	11,830,000	Nigeria
08//01/2015	Beans	2800	9200	25,760,000	Nigeria
08/01/2015	Onion	1500	12,800	19,200,000	Nigeria
09/01/2015	Beans	1400	9300	13,020,000	Nigeria
10/01/2015	Beans	1800	9100	16,380,000	Nigeria
11/01/2015	Beans	1000	9300	9,300,000	Nigeria
12/01/2015	Beans	900	9300	8, 370,000	Nigeria
12/01/2015	Onion	600	12,600	7,560,000	Nigeria
13/01/2015	Beans	800	9500	7,600,000	Nigeria
14/01/2015	Beans	1400	9500	13,300,000	Nigeria
14/01/2015	Onion	600	12,800	7,680,000	Nigeria
15/01/2015	Beans	2280	9500	21,660,000	Nigeria
16/01/2015	Beans	1000	9300	9,300,000	Nigeria
17/01/2015	Beans	600	9400	5,640,000	Nigeria
17/01/2015	Onion	1500	13,000	19,500,000	Nigeria
18/01/2015	Beans	600	9400	5,640,000	Nigeria
19/20/2015	Beans	1800	9500	17,100,000	Nigeria
20/01/2015	Beans	1600	9500	15,200,000	Nigeria
21/01/2015	Beans	900	9300	8,370,000	Nigeria
21/01/2015	Onion	900	13,500	12,150,000	Nigeria
22/01/2015	Beans	1400	9300	13,020,000	Nigeria
23/01/2015	Beans	1000	9300	9,300,000	Nigeria
24/01/2015	Beans	300	9200	2,760,000	Nigeria
24/01/2015	Onion	1800	13,700	24,660,000	Nigeria

25/01/2015	Beans	300	9200	2,760,000	Nigeria
26/01/2015	Beans	1200	9500	7,800,000	Nigeria
26/01/2015	Onion	600	14,000	8,400,000	Nigeria
27/01/2015	Beans	600	9500	5,700,000	Nigeria
28/01/2015	Beans	1600	9700	15,520,000	Nigeria
29/012015	Beans	1000	9700	9,700,000	Nigeria
29/01/2015	Onion	600	13,800	8,280,000	Nigeria
30/01/2015	Beans	900	10,000	9,000,000	Nigeria
31/01/2015	Beans	1400	10,000	14,000,000	Nigeria
31/01/2015	Onion	1200	18,800	16,560,000	Nigeria
			GRAND TOTAL	**487,460,000**	

Source: Secretary, Dawanau International Grains Market Kano-Nigeria and Compiled by Author, 2015