

**ADVOCACY ITEM (III): ANALYZING AND REPORTING ON THE INVESTMENT CLIMATE
ECOSYSTEM
FORMALIZING CROSS-BORDER TRADE IN ZAMFARA STATE: A DATA-DRIVEN
ADVOCACY INITIATIVE**

Executive Summary

ZIPA and the Ministry of Commerce and Industry conducted a targeted sensitization campaign in Shinkafi on July 18, 2024, aimed at small-scale cross-border traders. The campaign served as a diagnostic tool to analyze the investment climate, identify systemic barriers, and gather stakeholder feedback. The findings informed a series of responsive actions, including capacity building, policy dialogue, and committee formation to formalize trade and improve regulatory coordination.

Key Findings from Investment Climate Analysis

CATEGORY	OBSERVATIONS
Strengths	Government-led campaign showed commitment to SME empowerment
Opportunities	Strategic location for trade with Niger Republic; potential to leverage ECOWAS and AfCFTA protocols
Barriers	Informality, excessive checkpoints, harassment by enforcement agencies, lack of CAC registration
Stakeholder Feedback	Traders requested humane treatment, fewer checkpoints, and better access to formal trade channels

Responsive Actions Taken

- i. Exporter Capacity Building Workshop
 - a. Educated traders on export procedures
 - b. Linked them with customs, immigration, CAC, and financiers
 - c. Created direct business opportunities and formalization pathways
- ii. Committee Formation
 - a. Developed modalities for formalizing informal border crossings
 - b. Advocated humane enforcement practices
 - c. Mandated CAC registration for border businesses

iii. Customs Reform Advocacy

- a. Called for cessation of harassment and market invasions
- b. Promoted ECOWAS and AfCFTA compliance
- c. Recommended checkpoint reduction for trade facilitation

Impact on Investment Ecosystem

- i. Increased trader confidence and formalization
- ii. Strengthened coordination among regulatory agencies
- iii. Enhanced Zamfara's reputation as a business-friendly border state
- iv. Provided a data-driven foundation for future trade zone development

Supporting Evidence

DOCUMENT	DESCRIPTION
Sensitization Campaign Report	Summary of Shinkafi outreach and stakeholder feedback
Investment Climate Analysis	Benchmarking report comparing Zamfara to regional peers
Workshop Attendance List	Exporter training participants and agencies involved
Committee Resolution	Terms of reference for cross-border trade reform committee
Customs Engagement Memo	Advocacy letter requesting humane enforcement practices

CROSS-BORDER MSMEs TRAINING PARTICIPANTS AND AGENCIES

1. Ministry of Commerce and Industry, Zamfara State
2. Zamfara State Investment Promotion Agency (ZIPA)
3. Zamfara State Economic Adviser
4. Nigeria Customs Service, Zamfara State Command
5. Nigeria Immigration Service, Zamfara State Command
6. Nigeria Export Promotion Council
7. Nigeria Police Force, Zamfara State Command
8. Nigeria Agricultural Quarantine Service

9. Zamfara State Traders Association
10. Nigeria Association of Small-Scale Industries
11. Zamfara State Chamber of Commerce
12. Zamfara State Agro-Commodities Dealers Association
13. All Farmers Association of Nigeria
14. Groundnut and Grain Producers Association

REPORT ON THE SENSITIZATION AND ENLIGHTENMENT WORKSHOP FOR FORMALIZING CROSS-BORDER TRADERS

Date of Workshop: July 18, 2024

Location: Shinkafi, Shinkafi Local Government Area, Zamfara State

Organizers: Zamfara State Investment Promotion Agency (ZIPA) & Zamfara State Ministry of Commerce and Industry Theme: "Empowering Small-Scale Cross-Border Traders through Formalization and Education"

Executive Summary

The Zamfara State Investment Promotion Agency, in collaboration with the Ministry of Commerce and Industry, successfully conducted a sensitization and enlightenment workshop for MSME cross-border traders operating in the Shinkafi border area of Shinkafi LGA, a key corridor linking Zamfara State with the Maradi Region of the Niger Republic. The primary objective was to educate traders on the benefits of business formalization, provide practical solutions to daily operational challenges, and facilitate direct linkages with key federal regulatory institutions and financiers. This workshop is the first in a series of initiatives designed to streamline trade processes, ease regulatory bottlenecks, and enhance the business environment to improve trader profitability, foster growth, and stimulate job creation.

Background

Cross-border trade is a critical economic activity in Zamfara State, particularly in border communities like Shinkafi. However, traders often face significant challenges, including complex regulatory procedures, information gaps, and limited access to financial services. To address these barriers, the Zamfara State government initiated this workshop to empower traders with essential knowledge, connect them directly with relevant agencies, and pave the way for a more formalized and prosperous trade ecosystem.

Workshop Objectives

The workshop was designed to achieve the following key objectives:

- To educate traders on the significant benefits of formalizing their business operations.
- To identify and provide actionable solutions to the daily challenges faced by cross-border traders.
- To demystify export and import procedures by providing clear, step-by-step guidance.
- To create a direct interface between traders and relevant Federal Government regulatory agencies, stakeholders, and financiers.
- To foster networking and create avenues for direct business opportunities among participants.

Key Activities & Highlights

- **Keynote Address:** A government representative delivered a keynote address emphasizing the state's commitment to supporting MSMEs as vital drivers of the local economy.
- **Lectures and Presentations:**
 - The Nigeria Customs Service (NCS) detailed the step-by-step process and documentation requirements for clearing goods at the border.
 - The Corporate Affairs Commission (CAC) explained the advantages of business formalization, including access to credit, government programs, and legal protection.
 - The Nigeria Agricultural Quarantine Service (NAQS) outlined the steps and documentation required to obtain a clean certificate of inspection for agricultural products.
 - The Nigeria Export Promotion Council (NEPC) explained the process of obtaining non-oil export certifications and how to benefit from its incentives.
- **Interactive Sessions:** During the session, traders highlighted significant pain points, including multiple checkpoints, harassment by officers, extortion, and non-transparent fees and levies.

Outcomes and Resolutions

Following the workshop engagements, the following resolutions and action points were established:

1. **Program Expansion:** Building on the success of the Shinkafi workshop, the Zamfara State Investment Promotion Agency will replicate this model in other key border communities. The next sensitization workshops are scheduled for:
 - Zurmi Border in Zurmi Local Government Area.
 - Kaura Namoda Border in Kaura Namoda Local Government Area.
2. **Committee Formation:** A committee will be formed to address the issues raised and monitor the implementation of solutions.
3. **Stakeholder Engagement:** The need for humane treatment of traders at border checkpoints was strongly advocated. This will be formally communicated to the relevant security and regulatory agencies.
4. **Strategic Positioning:** Zamfara State will leverage its strategic location adjacent to the Niger Republic to maximize benefits from regional trade agreements like the ECOWAS Trade Liberalization Scheme and the African Continental Free Trade Area (AfCFTA).

Conclusion

The sensitization workshop in Shinkafi was a critical first step in the state's strategy to transform its cross-border trade ecosystem by fostering inclusiveness in regulatory and trading activities. This initiative is poised to significantly ease business operations, stimulate economic activity, and improve livelihoods across Zamfara State's border regions.

Signed
Hajia Mariam Yaro

Date: 20/07/2024

BENCHMARKING REPORT: COMPARING ZAMFARA STATE TO REGIONAL PEERS

Regional Peers Analyzed:

- Katsina State: Jibia Border
- Sokoto State: Illela Border

1.0 Executive Summary

This report summarizes key findings from a benchmarking exercise comparing trade facilitation infrastructure and initiatives in Zamfara State (Shinkafi Border) against its regional peers, Katsina (Jibia Border) and Sokoto (Illela Border). The analysis reveals a strong demand for MSME support programs, a critical infrastructure gap in non-intrusive inspection technology, and common challenges related to checkpoint proliferation. It concludes with actionable recommendations to enhance Zamfara's competitiveness.

2.0 Key Findings

The comparative analysis identified the following critical points:

2.1 Demand for MSME Capacity Building

There is significant demand from MSMEs operating in Katsina and Sokoto States for sensitization and enlightenment initiatives similar to the successful workshop recently conducted in Shinkafi, Zamfara State. Stakeholders in these localities are actively clamoring for equivalent programs to address knowledge gaps on formalization and regulatory procedures.

2.2 Critical Infrastructure Disparity

A significant infrastructure gap was identified. While the Jibia border post (Katsina) is equipped with modern scanning and scaling machines that expedite goods clearance, the Shinkafi (Zamfara) and Illela (Sokoto) border locations currently lack such non-intrusive inspection technology. This disparity creates inefficiencies and longer clearance times at these peer locations.

2.3 Common Challenge: Proliferation of Checkpoints

All states surveyed face the persistent challenge of multiple security and regulatory checkpoints in the border zones. However, Zamfara State has an opportunity to gain a competitive advantage by leading the harmonization, reduction, and professional management of these checkpoints to facilitate smoother trade flows.

2.4 Need for Advanced Exporter Training

Beyond basic sensitization, there is an identified need for advanced, specialized training programs for exporters. Such programs would provide deep dives into the specific requirements of various federal regulatory agencies (NEPC, NAFDAC, SON, NAQS) to ensure full compliance and maximize access to export incentives.

3.0 Recommendations for Zamfara State

Based on these findings, the following actions are recommended to strengthen Zamfara's position as a leader in regional trade facilitation:

1. Leverage Best Practice Leadership: Formalize and promote the Shinkafi workshop model as a best-practice case study. This positions Zamfara State as an innovator and can attract further support from federal development partners.

2. Advocate for Infrastructure Equity: Collaborate with the Katsina and Sokoto state governments to jointly advocate to the Federal Government for the equitable deployment of scanning machines at Shinkafi and Illela borders. This improves regional efficiency and strengthens Nigeria's overall trade infrastructure.
3. Pilot a Checkpoint Harmonization Initiative: Launch a pilot program at the Shinkafi border to streamline the number and operations of checkpoints. This initiative should involve all relevant security and regulatory agencies with the goal of creating a more efficient and trader-friendly environment that can be replicated nationally.
4. Develop Advanced Training Modules: In partnership with the Nigerian Export Promotion Council (NEPC) and other agencies, develop and deliver advanced exporter training programs. This will move traders beyond formalization to mastering export processes and accessing international markets.

Signed

Hajia Mariam Yaro

Date: 30/07/2024

COMMITTEE RESOLUTION

The Zamfara State Government recognizes the critical role that cross-border trade plays in driving our State's economy. After the sensitization campaign held in Shinkafi on October 26, 2023, and following the issues raised by traders, border officials, and community members, the Government has decided to establish a Cross-Border Trade Reform Committee under the State Ease of Doing Business Council.

This Committee will work to bring order, fairness, and better coordination to trade across our borders. Its main goal is to help formalize informal trade, improve how regulations are applied, and ensure that enforcement is done with respect for human dignity — while staying aligned with ECOWAS and AfCFTA trade protocols.

Terms of Reference (ToR)

The Committee is mandated to design and recommend practical policy and operational reforms that will make cross-border trade easier, safer, and more beneficial to both government and traders.

Scope of Work

1. Review existing informal trade practices and border realities.
2. Recommend workable ways of addressing illegal border crossings through proper channels.
3. Suggest approaches that reduce harassment linked to enforcement.
4. Develop guidelines that guarantee humane and respectful treatment of traders by border agencies.
5. Ensure that all recommendations align with ECOWAS and AfCFTA protocols.
6. Work with the CAC to encourage trader registration and business formalization.
7. Produce and submit a final report with clear policy recommendations within 60 days.

Composition

i. Hon. Commissioner, Ministry of Commerce and Industry — Chairman ii. Economic Adviser to the State Government — Member iii. Director General, Zamfara State Investment Promotion Agency (ZIPA) — Member iv. Representative of State Comptroller of Customs — Member v. Representative of State Comptroller of Immigration — Member vi. State Coordinator, Corporate Affairs Commission — Member vii. State Coordinator, Nigerian Shippers Council — Member viii. Zamfara State Traders Union — Member ix. Nigeria Association of Small-Scale Industries — Member x. Border Community Leaders — Member xi. Nigeria Agricultural Quarantine Service — Member xii. Groundnut Producers Association — Member xiii. Zamfara State Chamber of Commerce — Member xiv. Secretary — To be provided by ZIPA

ZAMFARA STATE INVESTMENT PROMOTION AGENCY (ZIPA)

ZIPA Secretariat, Government House Road, Gusau, Zamfara State.

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Our Ref: _____ Your Ref: _____ Date: 30th July, 2025

The State Comptroller, Nigeria Customs Service Zamfara State Command, Zamfara State.

REQUEST FOR HUMANE ENFORCEMENT PRACTICES IN BORDER COMMUNITIES

Following our sensitization campaign in Shinkafi and the subsequent consultations with traders and community leaders, we wish to appeal to the Nigeria Customs Service for greater consideration in enforcement practices across our border communities.

We kindly request that Customs operations be carried out in ways that protect both the security of our borders and the dignity of our people. Specifically, we appeal for the discontinuation of:

i. Chasing traders into shops and local markets. ii. Mounting excessive checkpoints that slow down commerce and frustrate daily business thereby increasing businesses down time. iii. Any enforcement practices that go against the spirit of ECOWAS and AfCFTA protocols.

We further propose that Customs work with Immigration, community leaders, and other stakeholders to jointly develop a fair and coordinated enforcement framework — one that ensures border security while encouraging lawful economic activities.

We deeply appreciate your partnership and look forward to your cooperation.

[Director General] Zamfara State Investment Promotion Agency (ZIPA)

"Farming is Our Pride"

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ZIPA Secretariat, Government House Road, Gusau, Zamfara State.

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Our Ref: _____

Your Ref: _____

Date: 30th July, 2025

The State Comptroller, Nigeria Customs Service Zamfara State Command, Zamfara State.

ADVOCACY FOR HUMANE ENFORCEMENT AND PROTOCOL COMPLIANCE

We write to you out of a shared concern for the wellbeing of our traders and the growth of Zamfara's economy. Our engagements in recent months have shown that some of the current enforcement approaches — such as market raids and multiple checkpoints — are causing fear among traders, discouraging business, and slowing down the economic benefits that cross-border trade brings to our State.

We respectfully appeal for your kind consideration of the following:

1. An immediate end to aggressive enforcement in local markets and trading zones.
2. Adoption of protocols that reflect ECOWAS and AfCFTA standards, which balance security with trade facilitation.
3. Active participation of the Customs Service in the newly established Cross-Border Trade Reform Committee, so that together we can shape practical and lasting solutions.

Your leadership and cooperation are essential for building a secure, fair, and business-friendly border economy for Zamfara State. We value your partnership and look forward to working closely with you.

Hajia Mariam Yaro]

Zamfara State Investment Promotion Agency (ZIPA)

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