

**Institutional Framework and the Process of Trade Policy
Making in African: The Case of Nigeria**

by

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Abstract

Trade policy has become far more complex both in terms of the issues involved and the participation of new actors. This study appraises research and analytical support for trade policy making in Nigeria within the context of the Doha Development Agenda of the World Trade Organisation. Trade policy formulation and implementation in Nigeria, even though conditioned by the global context, is dominated by governmental and inter-governmental agencies whose responsibilities overlap and between which coordination is deficient. There is no identifiable source or structure of research and analytical support for trade policy making in Nigeria. Specialised knowledge and skills should be obtained through longer term contractual arrangements with institutions and individuals in Nigerian academia, consulting firms and the private sector.

Résumé

La politique commerciale est devenue beaucoup plus complexe aussi bien en ce qui a trait aux enjeux débattus qu'à la participation de nouveaux acteurs. Cette étude évalue la recherche et l'appui aux analyses de la formulation des politiques du Nigéria en matière de politique commerciale, dans le cadre l'agenda de développement du Cycle de Doha de l'Organisation mondiale du commerce. Même conditionnée par le contexte mondial, la formulation de la politique commerciale et sa mise en œuvre au Nigéria sont dominées par les organismes gouvernementaux et intergouvernementaux dont les responsabilités se chevauchent et la coordination laisse à désirer. Aucune source ou structure de recherche et d'appui aux analyses étayant la formulation de la politique commerciale n'est identifiable, ce qui amène à préconiser que le pays puisse acquérir les connaissances spécialisées et s'attacher les compétences requises au moyen d'accords contractuels de long terme avec les institutions et les experts du milieu universitaire nigérian, des sociétés de conseil et du secteur privé.

1. Introduction

At the United Nations (UN) Millennium Summit of September 2000, 189 nations adopted the 'Millennium Declaration,' out of which grew a set of eight goals, eighteen numerical targets and forty-eight quantifiable indicators, to be achieved over the 25-year period from 1990-2015. As the world strives towards achieving the millennium development targets, Africa faces enormous challenges. It is glaring that Africa will miss the MDGs by a large extent. According to the latest projections by the OECD/African Development Bank Economic Outlook for Africa 2003/04, only six countries¹ are on track in achieving the first goal of halving the proportion of people living below 1\$ dollar per day by 2015. Meanwhile, half of the continent is slipping back or far behind with respect to the target of halving hunger, while the scenario is even worse for the attainment of the other targets. Due to the continent's disproportionate burden of poverty and many other impediments to development, achieving the Millennium Development Goals will hinge on making substantial and sustained advances in trade.

Two major initiatives with profound implications for African trade are the "Cotonou Agreement" between the European Union and ACP states which replaced the Lome Convention and the World Trade Organisation (WTO). The "Cotonou Agreement", retains the trade provisions of the Lome convention for a transition period which expires in 2008. At the end of this period, it is expected that economic partnership agreements will be signed to replace the preferential trading arrangements of the Lome convention. The WTO also came into being on January 1, 1995 as a successor to the General Agreement on Tariffs and Trade (GATT) and as a result of the Uruguay Round of multilateral trade negotiations, which lasted from 1986 to 1994. The responsibilities of the newly founded organisation included the administration and implementation of some 60-trade agreements on a variety of issues ranging from trade in goods to trade-related aspects of intellectual property. The developing countries participated with enthusiasm and high expectations in the historic Uruguay Round of Multilateral Trade Negotiations that ushered in the new rules-based, multilateral trading system (MTS) and the birth of the World Trade Organisation (WTO). They had hoped that the new trading regime would enhance their trade fortunes, facilitate their effective integration into the world economy, and arrest their marginalisation from the global trading system. Unfortunately, the vast majority of developing countries, particularly in Africa, have so far been unable to reap the benefits arising from their membership of the WTO.

Since the Uruguay Round, trade policy has become far more complex both in terms of the issues involved and the participation of new actors. It is thus extremely important to enhance an understanding of the actors and institutions that shape and constrain trade policy formulation at the national level. Building on Agbaje and Jerome (2004), this study appraises the process of trade policy-making in Nigeria and research and analytical support for trade policy making. It focuses on the main negotiating issues embedded in the on-going multilateral trade negotiations in the context of the Doha Development Agenda of the World Trade Organisation.

The paper is structured in six sections. Apart from this introductory section, the analytical framework is presented in section 2 while the process of trade policy making is appraised in section 3. Trade negotiation is presented in section 4, research and analytical support in section 5 and section 6 concludes.

2. Analytical Framework

Prior to the 1970s, there was the implicit assumption that policy makers regularly used research for decision-making. The link was viewed as a linear process, whereby a set of research findings is shifted directly from the 'research sphere' over to the 'policy sphere'.

¹ These countries are Algeria, Egypt, Libya, Morocco, Tunisia, and Mauritius. For details, see Growth trends and outlook for Africa: Time to unleash Africa's huge energy potential against poverty, OECD Development Centre/African Development Bank 2003/2004 African Economic Outlook, <http://www.oecd.org/dataoecd/43/43/32285652.PDF>

Since then, however, there have been a reappraisal of this view and empirical validation of the use of research in policymaking. The findings indicate that policy makers seldom used knowledge gained through research (Neilson, 2001).

Several hypotheses were developed in order to explain the under/non-utilization of knowledge or research by policy makers for decision-making purposes. The dominant views are the 'two communities' theory expounded by Caplan (1979) regarding the behavioural differences or "cultural gap" between researchers and policy makers; and Weiss (1977) ' "enlightenment function" of research.

According to Caplan, the use, or non-use, of research is a symptom of the cultural, or behavioural, gap between researchers and policy makers. The limited use of research by policy makers is, in part, due to the fact that researchers and policy makers have different worldviews. The differences make for wide divergences in expectations, in perceptions of mutual impact as well as difficulties in achieving satisfactory and constructive relationships (Booth, 1988, p.228).

Although the notion of a cultural gap between researchers and policy makers still prevails, the weakness of early explanations such as this lies in the fact that it is based on a simple dichotomy of "use" versus "non-use". Later explanations by Weiss (1977), Webber (1991) and Sabatier and Jenkins-Smith (1993) acknowledge that research is only one of many sources of information for policy makers, and that it is not a simple dichotomy between 'use' and 'non-use' but rather that knowledge/research utilization is built on a gradual shift in conceptual thinking over time. Furthermore, although research may not have direct influence on specific policies, the production of research may still exert a powerful indirect influence through introducing new terms and shaping the policy discourse. Weiss (1977) describes this as a process of 'percolation', in which research findings and concepts circulate and are gradually filtered through various policy networks

The literature on the research-policy link is now shifting towards a more dynamic and complex view that emphasises a two-way process between research and policy, shaped by multiple relations and reservoirs of knowledge (Garrett and Islam 1998). The idea that research can influence or inform the policy process can be roughly divided into two broad camps: rationalist and political. The 'rationalist' view posits that new research can directly prompt policy change. The 'political camp' on the other hand assume that various external factors play a key part both in defining the question that a research project tackles and in influencing the impact of the answers on policy (Philpott, 1999).

How the research is conducted and for what purpose, will shape its relevance and usefulness to policymakers. In other words, whether it is participatory in nature, "research as data" for the purpose of generating knowledge or for problem-solving, or "research as ideas" to "enlighten" policy makers by conducting "action research", will shape or determine whether or not, and how it informs policy. The reasons for the limited relevance of research findings include weaknesses in the research itself, conflicting demands on policy, and disjunctions between the knowledge needs of policymakers and the research outputs of social scientists. On the research side, much of what goes by the name of social science knowledge is currently flawed, inconclusive, ambiguous, and contradicted by evidence from other studies. Many research conclusions are limited in scope or out of date. On the policy side, there are a host of competing claims for attention. The policymaking process is a political process, with the basic aim of reconciling interests in order to negotiate a consensus, not implementing logic and truth (Weiss, 1977, p.533).

However, much of the literature reflects developed country perspective and there is need to acknowledge the diversity of policy contexts throughout the world. Many of the frameworks are not consistent with African setting. The models assume democracy; yet for many African countries, the democratization process is in its infancy. In many of these countries, non-state actors are not overtly involved in the policy process. Many of these countries also exhibit strong dependencies on international organizations such as the IMF or World Bank in the policy-making arena. Conducting case studies in these settings will thus add considerable knowledge and information about policy processes in developing countries.

3. The process of trade policy making in Nigeria

Until recently, trade policy formulation and implementation, even though conditioned by the global context, was dominated by governmental and inter-governmental agencies and dispersed among several public sector agencies whose responsibilities overlap and between which coordination is deficient. Due to weak public sector institutions, the policy process is diffuse and lobbying and ad hoc interventions tend to be the preferred means of influencing policy. The involvement of civil society was hardly accorded high priority. The non-governmental or civil society sector was generally looked upon with suspicion, and invariably became the target of repressive measures by state administrative machinery intolerant of alternative viewpoints among the citizenry (Akindele, 1988). Military dictatorship that has plagued Nigeria for most of the post independent period compounded the situation.

Trade policy is within the realm of macroeconomic policy. The Federal Ministry of Commerce is the principal government agency with the overall responsibility for trade policy formulation, including for bilateral and multilateral agreements. Under the present political dispensation in Nigeria, there are three principal organs responsible for decision-making. These are the Federal Executive Council, the National Council of State and the Senate. Trade policy ratification ultimately rests with the Federal Executive Council. Within the government, policy may be initiated at the ministry level, mainly Federal Ministry of Commerce (FMC) or Federal Ministry of Industries. Other organisations that offer policy inputs include Federal Ministry of Finance (FMF), the Nigeria Customs Service and the Central Bank of Nigeria. New policies requiring legislative backing would, after passage by the National Assembly be submitted to the Ministry of Justice for legal drafting. There is also the Tariff Review Committee/Board, which reviews all request and issues relating to tariffs.

At the formal level, the organised private sector (OPS)² or business linkages in policy formulation are mainly through membership in advisory public committees, direct lobbying through formal bilateral consultations and voluntary submission, ad-hoc opinion feedback, policy advice and pre-budget memoranda which has become a traditional hallmark of the OPS. In spite of the fact that contemporary trend of economic liberalisation has created changes in the balance of power between the state and OPS in favour of the latter, their role in policy formulation is still minimal and mainly reactive.

Effective formulation and implementation of trade policy requires collaboration among the relevant government ministries and agencies and continuous dialogue and consultation with major stakeholders. As the expanding mandate of the WTO has drawn more domestic institutions into the process of designing and implementing trade and trade-related policies, coordination within and among ministries and other governmental agencies and stakeholders has become a major problem in Nigeria.

The extent of consultation is still limited. The mechanism of coordination within the government is usually through inter-ministerial meetings/committees coordinated by the Federal Ministry of Commerce. Inter-Ministerial meetings may be held on a case-by-case basis to co-ordinate policies of various ministries. In addition, the National Council on Trade, which meets once a year, co-ordinates policies at federal, state and local levels? There are also the National Focal Point on Multilateral Trading Matters; the Export Strategy Committee; and the Committee on Export, Import, Free Trade Zone, Freeport and Procurement Policies; which meets on ad-hoc bases. Policy decisions of non-state actors such as Manufacturers Association of Nigeria (MAN), Association of Small Scale Industry (NASSI) and NACCIMA that are relevant in trade policy formulation are often taken in the National Council on Commerce (NCC) – the highest body/council where trade policy and issues are taken. It is imperative to emphasize that dialogue/policy decisions taken at the National council on Commerce (NCC) are institutionalized. However, the feedback mechanisms on the decisions taken are reported back to the council on yearly basis as “Reports of Implemented Trade Decisions.”

There are several coordination problems arising from the split in responsibility between trade policy formulation and authority to negotiate and sign trade agreements and staffing of the

² The evolution of the OPS in Nigeria reveals dynamism bereft of consistency or stability just as the wider political and economic environment.

various ministries and other government agencies involved with trade-related policy making. Several problems currently manifesting include inadequate capacity for monitoring and analysing the trade policies of key trading partners and limited personnel with requisite knowledge of international trade law. National consultation and coordination on WTO activities involve functions that are largely technical, requiring the specialised knowledge and skills of trade analysts, lawyers, economists, and so forth, as well as rigorous analysis that are beyond the capacity of members of the inter-ministerial and other committees.

4. Trade Negotiations

Nigeria aspires to take full advantage of the opportunities and concessions available in international trade relations at bilateral, multilateral, regional or continental levels. This is noticeable in Nigeria's active participation in the Economic Community of West African States (ECOWAS), African Union (AU), Cotonou Agreement, EU-ACP Agreement, and the Africa Growth and Opportunity Act (AGOA) of the United States of America.

Nigeria automatically became a member of GATT on attaining political independence in 1960. Since then, the country has participated in many multilateral trade negotiations under the auspices of the GATT. These include the Tokyo Round and Uruguay Round negotiations. Indeed GATT forms the main pillar of the nation's trade policies. Nigeria is a signatory and foundation member of the WTO agreement. Nigeria has made specific ratification as to compliance level on areas of Agriculture, Textiles and Pre-shipment Inspection. Nigeria's positions at the WTO are aligned with those of other developing countries which seek for improved market access to developed countries' markets, and preferential treatment on account of non-market issues such as food security, poverty eradication, rural development and debt repayment.

Nigeria has since 1995, established the Nigeria Trade Office, which operates under the auspices of the Nigerian Permanent Mission in Geneva. The Trade Office handles all trade-related activities in Geneva, such as the activities of the World Trade Organisation (WTO), World Intellectual Property Organisation (WIPO), UNCTAD and the International Trade Centre (ITC). The substantive head of the Trade Office is an Ambassador who is the Head of Delegation to the WTO, and as such accountable directly to the Honourable Minister of Trade, who is regarded as the Chief Negotiator, in this round of negotiations under the Doha Development Agenda. The Ambassador doubles as the Alternate or Deputy. The Minister of Commerce represents Nigeria at the Ministerial Conference, which is the highest decision making body of the WTO. It takes place every two years and it usually attracts considerable attention and media interest.

The Trade Office is headed by the Ambassador to the WTO and reports directly to the Honourable Minister of Commerce. It therefore operates under the direct supervision of the Ministry. In the Ministry, the Trade Office liaises with the External Trade Department, which has oversight functions for external trade matters, and hence the Trade Office itself. Reports of the Trade Office are mainly channelled to the Ministry, oftentimes in the attention of the Director, External Trade. The Commerce Ministry co-ordinates all trade related activities in Geneva.

The work of the WTO is carried out in the context of meetings, which takes place in formal and informal modes at several levels –the Ministerial Conference, General Council and subsidiary bodies. Formal and informal meetings are held simultaneously by various bodies, undermining the capacity of small delegates like Nigeria to participate. Notwithstanding the provision on voting in Article IX.1 of the Marrakech Agreement establishing the WTO, it is absolutely essential that that the process leading to the point at which decisions are taking should be all-inclusive with clear participation by all stakeholders. However, according to Nigerian Negotiators, there is not much of information flow between Abuja and Geneva. The flow of information has tended to be move in only one direction, i.e. from Geneva to Abuja, with little or no feedback from Abuja.

The paucity of Nigeria's human and material resources and its limited knowledge-base in relation to many of the issues being addressed in the negotiations are serious binding constraints on the country's ability to secure a full appreciation of the implications of the issues and proposals being discussed in various negotiating groups. This, in turn, limits her ability to fully participate across the board, and to identify and effectively project its national interests in the negotiations. These handicaps are worsened by the unfortunate practice of frequently re-assigning officials to and away from Geneva thereby precluding acquisitions of the necessary competence and

confidence in interacting with officials from other countries which derive from long experience and the weak link between officials in Geneva and Abuja.

It is becoming apparent that due to the complexity of the entire WTO system, Nigeria made commitments beyond the capacity of her administrative and institutional capacity to implement. Like other developing countries, Nigeria took on unprecedented obligations not only to reduce trade barriers, but to implement significant reforms in trade procedures and in many areas of regulation that impact on the business environment in the domestic economy such as intellectual property law and technical, sanitary and phytosanitary standards. Some of these obligations reflect little awareness of the development problems of developing economies and little appreciation of the limited capacities of these countries to carry out the functions implied in the provisions and rules of the WTO agreement. Implementation of WTO rules requires more than just removal of obstructive policies. It also requires creating infrastructure and institutions that facilitate economic activity. For example, implementing the TRIPS provision would require installation of equipment, establishment of procedures, and training of staff.

5. Research and Analytical Support for Trade Policy and Trade Negotiations

Research and analytical support is perhaps the weakest link in Nigeria's trade policy formulation and negotiation. There is no identifiable source or structure of research and analytical support for trade policy and trade negotiators within FMC. Occasionally, national seminars are organised through which some form of support is derived. However, these can hardly be regarded as veritable means of deriving policy positions, without the backing of solid research and analysis.

To address this existing lack of research and analytical base to support trade policy and trade negotiators, the establishment of a Foreign Trade Institute akin to the kind of role, played by the Nigerian Institute of International Affairs (NIIA), in the area of foreign affairs was proposed. The Abdulsalami Abubakar led regime, accordingly approved it. However, since the granting of the approval, not much has happened.

An important institutional framework which emerged in recent years is the reconstitution of two vital national committees, the national focal point on WTO which transformed into the Enlarged National Focal Point (ENFP) in 2001 and the National trade Policy Review Committee which drafted Nigeria's trade policy document. The ENFP was inaugurated on 16th June, 2001 and it represents a deliberate attempt by the Ministry to involve all stakeholders including civil society in the formulation and harmonisation of Nigeria's position for multilateral trade negotiations. The NFP (now ENFP) serves as the standing Inter-Ministerial body, charged with the overall co-ordination of government positions on trade-related developments in Geneva. It is responsible for articulating Nigeria's position in trade negotiations. Its membership is drawn from all relevant Ministries and agencies, including the academia and the representatives of the Organised Private Sector (OPS) with the Federal Ministry of Commerce as the Secretariat.

The NFP is thus expected to consider the various issues emanating from Geneva, in order to make recommendations and advise government accordingly. Thereafter, decisions taken can be communicated through its Secretariat, the Federal Ministry of Commerce, to the Trade Office in Geneva, for advocacy or defence, as appropriate. Sadly however, the NFP hardly meets. Part of the reason attributed to this state of inactivity, is that the Secretariat lacks the necessary funding to keep the process going.

The negotiations in the Uruguay Round cover a wide variety of complex issues. An active and effective participation by any country requires the regular presence of officials with appropriate technical skills and knowledge of how GATT works. The officials would also need to be supported by the provision of timely, appropriate and adequate technical analysis, advice and directives from their country's capital, (Oyejide, 2000).

Some of the basic capacity constraints currently facing Nigeria are:

- Limited knowledge base – the absence of in-depth knowledge and understanding of rules, technical issues, etc.
- Limited research, analysis and evaluation capacities.
- Lack of access to up-to-date information regarding global developments and their potential impact, including policy formulation by trading partners.
- Lack of attention to national policy formulation on a detailed and coordinated basis
- Lack of attention to strategic and tactical planning, especially on a long-term or far-reaching basis.
- Lack of attention to the anticipation of possible future developments and the consequent formulation of pre-emptive positions or appropriate policy alternatives. Lack of forward thinking, results in the absence of a rapid-response capacity.

The impact of these constraints negatively affects the capacity of Nigeria to participate effectively in the WTO negotiations on the basis of sound preparation and detailed strategy formulation. The inability to strategize effectively serves to relegate Nigeria's participation in the negotiations to the realm of a reactive or defensive response as opposed to the optimum proactive, results-oriented approach.

Several external initiatives currently exist geared towards providing trade capacity building. While Nigeria is not a beneficiary of JITAP, an initiative sponsored by the WTO, ITC and UNCTAD that provide assistance in the follow-up and implementation of the Uruguay Round agreements³, Nigeria has, however, received various supports in the area of trade policy as shown in Table 2. Most of these supports are from the United States Government and the World Trade Organisation. At the time of this study, DFID is implementing a programme that seeks to provide technical assistance to Nigeria's preparation for Cancun in Services⁴. The programme is assessing the requests made to Nigeria in the current GATS negotiations and to investigate how Nigeria could respond.

An evaluation of these capacity building efforts indicates that they fail to take sufficient account of the institutional inadequacies and structural deficiencies that prevent optimal deployment of financial assistance to support activities that could use these results in a more profitable and creative way. They generally operate in a dispersed manner, and very rarely adopt a comprehensive approach to trade capacity building (TCB).

³ The beneficiaries of JITAP are Benin, Burkina Faso, Côte d' Ivoire, Ghana, Kenya, Tanzania, Tunisia and Uganda.

⁴ The three teams brought in by Odi were headed by Val Imber from [Oxford Policy Management](#). One formed a general negotiating strategy, one dealt with services (with Ian Gillson as the international consultant) and one dealt with agriculture, along with local consultants.

Table 2: External Support to Nigeria on Trade Policy and Regulations

Trade category	Donor country/Agency	Project/Activity	Commitment date
Trade mainstreaming in PRSPs/dev. Plans	United States	Not applicable	30/09/2001
Trade mainstreaming in PRSPs/dev. Plans	United States	Commercial Law Development Program	30/09/2002
Trade mainstreaming in PRSPs/dev. Plans	World Trade Organisation (WTO)	Conference	19/09/2001
SPS and TBT	United States	Policy approaches to SPS International Standards and Trade Policy Implications	30/09/2002
SPS and TBT	United Nations Industrial Development Organisation (UNIDO)	Strengthening industry related institutional support base – Support to the Standards Organisation of Nigeria	05/02/2001
Trade Facilitation	World Trade Organisation (WTO)	Regional workshop	19/06/2001
Customs valuation	Canada	Capacity building	01/04/2002
Dispute Settlement	World Trade Organisation (WTO)	Regional seminar	24/06/2002
Trade-related intellectual property rights	United States	Enforcement Conference	30/09/2002
Trade-related intellectual property rights	United States	Visiting scholars program in October 2001	30/09/2002
Trade-related intellectual property	United States (USAID)	Commercial Law Development Program	30/09/2002

rights			
Agriculture	World Trade Organisation (WTO)	Regional seminar	25/04/2001
Negotiation Training	World Trade Organisation (WTO)	Regional workshop	25/04/2002
Trade and Environment	World Trade Organisation (WTO)	Regional workshop	22/02/2001
Trade and Investment	UNIDO	Country Service Framework (CSF) for Nigeria – Investment Promotion Component	02/05/2002
Trade and Investment	World Trade Organisation (WTO)	Regional seminar	27/06/2002
Trade and Investment	United Nations Industrial Development Organisation (UNIDO)	Country Service Framework (CSF) for Nigeria – Investment Promotion Component	05/06/2002
Transparency and Government Procurement	United States	Commercial Law Development Program	30/09/2002
Trade-related training education	United States	Human Capacity Development/Higher Education & Training Systems	30/09/2002
Short Trade Policy Courses	World Trade Organisation (WTO)	Regional training course	17/06/2002

Source: World Trade Organisation (2003).

The local capacity for research that is relevant for supporting trade policy and trade negotiations exist in Nigeria especially in the Universities and research institutes. In contrast to most other African countries, Nigeria has expert skills and knowledge, both in academia and the private sector, on many issues bearing on trade policy. Unfortunately, a wide gulf exists between academics and practitioners. The linkages between research and policy are tenuous and weak and the research institutes are isolated from the policy making process. Trade policy making and negotiations have benefited minimally from existing studies outside the trade making circles in Nigeria.

6. Conclusion

This study set out to appraise the trade policy making process in Nigeria and research and analytical support for trade policy making. A study of best practice reveals that three elements are critical for a trade policy process to be efficient. These are government leadership, institutional capacity and the inclusion of all actors, including the relevant ministries, the business sector, trade promotion and regulatory bodies, think-tanks and other civil-society organisations.

All the three elements are deficient in Nigeria. At the policy level, a key constraint is the lack of resources at the Federal Ministry of Commerce, readily observable from the limited access of officials to telephones, computers, e-mail facilities and other communication gadgets. Access to information on trade issues related to Nigeria is extremely limited, in part due to poor access to the internet in the nation's capital. The current architecture of trade policy making in Nigeria requires intense consultations among several ministries and stakeholders if coherent positions are to be developed. Unfortunately, linkages among the ministries are very poor and there are no formal mechanisms for co-ordination among officials. The division of tasks among the ministries remains the subject of conflict. There are insufficient resources to communicate and co-ordinate work across ministries on multilateral and other trade issues; to raise stakeholders' awareness and invite participation in the formulation and implementation of trade policy and commission research. On external representation, the officials in Geneva are too few and ill equipped to deal with the complex, interlocking negotiating agendas. They lack the professional skills needed to interpret notification obligations under WTO obligations and then respond by gathering the relevant information. There is neither a WTO reporting mechanism, nor any formal coordination mechanisms among ministries for notifications while the links between the capital and Brussels and Geneva are at best tenuous.

Closely related to resource deficiencies is the serious capacity deficit in the Federal Ministry of Commerce. Very few trade officials have had basic training in trade economics or the management of international trade. The few competent ones are usually deployed outside FMC as part of the civil service routine transfers. The business sector still plays a limited role in spite of the formal inclusion of public/private consultative processes in the process of trade policy formulation and implementation. Moreover, private sector organisations have very limited capacity to access independently the risks and opportunities associated with Nigeria's participation in the various multilateral negotiating fora.

The WTO and other negotiating commitments have outgrown decision-making and negotiating processes that were appropriate for the GATT regime. Nigeria needs to evolve a process with a high degree of internal transparency and ensures effective participation of all stakeholders. Capacity gaps need to be addressed in a wide range of areas from policy-making and implementation to supply side responses. Stakeholders need to be engaged from the public and private sector, as well as academia and civil society. The record suggests that no country has been able to achieve substantial gains in trade without an effective trade policy framework. The collective efforts of all should be guided by a vision of a trade policy process capable of implementing a trade development strategy rooted in an overall national development and poverty reduction strategy.

Specialised knowledge and skills, necessary for conducting longer-term research on key issues, should be obtained through longer term contractual arrangements with institutions and individuals outside governments. Relevant capacities, in Nigerian academia, consulting firms and the private sector and, where appropriate, international sources, should be ascertained. Procedures for contracting and using this expertise should be specified. There are several Economic research Institutes in Nigeria but two agencies have demonstrated considerably potentials in forging this link. These are the Trade Policy Research and Policy Centre, Ibadan (TPRTP) and the Institute for public Analysis, Lagos. The TPRTP is a non-profit, non-governmental, and non-partisan international organisation set up within the Department of Economics, University of Ibadan, Ibadan, Nigeria. Its mandate is the analysis of international trade issues for the promotion of the integration of African economies both regionally and with the global economy. The Director of the Trade policy Research and Policy Centre was an adviser to the erstwhile Director-General of the WTO, Mr. Mike Moore. The Institute for public Analysis, Lagos is a private, non-profit organisation involved in research, education, and publication on

economic issues. Its objective is to provide market-oriented analysis of current and emerging policy issues, with a view to influencing the public debate and the political decision-making process.

Perhaps some lessons could be learnt from South Africa where the Trade and Industrial Policy Secretariat (TIPS) was established as an independent agency enjoying close ties to the South African Department of Trade and Industry (DTI). "TIPS" sponsors a public forum on trade and industrial policy, conducts focused studies on behalf of the DTI, and runs short training programs on methods for analysing trade policy. It is now establishing a regional network conducting trade policy research within SADC. The International Development Research Centre largely finances TIPS.

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