

The Nigeria Customs Service and Economic Diplomacy in the Enhancement of Nigeria's Economic Relations

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Abstract

This study examined the role of the Nigeria Customs Service (NCS) in economic diplomacy and the enhancement of Nigeria's economic relations. The NCS is an important institution in Nigeria's external economic relations through revenue collection, trade facilitation, border management and anti-smuggling activities. The study adopts a qualitative historical and documentary research design, drawing on academic literature, policy documents and international trade sources. Content analysis was used to examine the evolution of customs administration, trade facilitation reforms and the changing economic diplomacy of successive administrations. The findings show that the NCS has increasingly moved beyond traditional revenue collection towards trade facilitation, digitalisation, risk management and implementation of regional and international trade commitments. Reforms such as NICIS II, e-payment systems, risk-management mechanisms and the Single Window initiative have strengthened transparency and efficiency. However, corruption, weak border infrastructure, insecurity, policy inconsistency and limited regional integration continue to constrain its effectiveness. The study concludes that sustained digitalisation, institutional strengthening, policy continuity, capacity building and international cooperation are necessary to enhance the NCS as an instrument of Nigeria's economic diplomacy and regional trade competitiveness.

Keywords: *Nigeria Customs Service (NCS), Economic diplomacy, Trade facilitation, Border management, Regional economic integration*

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Background of the Study

States as principal actors in international relations, have continued to assert her dominance of the international arena. The international system with all its inter lined variables, actors and institutions, has been an arena of competition, conflict and co-operation displaying the three Cs of international relations. In asserting their sovereignty, States have increasingly shifted from traditional military-centered diplomacy to economic focused diplomacy, in line with the evolving trend in international relations. States now pursue economic interests such as trade expansion, investment promotion, market access, and technological cooperation, as critical components of foreign policy. Economic diplomacy is an essential tool that States resort to, in the international system in order to advance their national economic interests. Economic diplomacy relates to the use of trade policy, foreign relations and institutional mechanisms in a strategic way to stimulate exports, import control, remote investments, building regional and international economic relations. Economic diplomacy has emerged as an essential tool in Nigeria's international relations policies, because Nigeria is highly vulnerable to international politics.

Oil, as the major source of Nigeria's foreign exchange, has so much politics embedded in it, in addition to the country's membership of Regional and Global Economic Institutions. This disposition has brought enough push on Nigeria's economic frame. The Nigerian Custom Service (NCS) is a foremost sector of the Federal Government of Nigeria, that regulates the entry and exist of goods, collects custom duty and also checks activities of smuggling within the country. Created in 1891 and organised under the Customs and Exercise Management Act (CEMA), now cited as NCS Act 2023, the NCS is strategically positioned in the economic governance system of the country. Initially, the NCS was more involved in the collection of revenues for the colonial and post-colonial government.

The NCS came to be a key set-piece of economic diplomacy and trade regulation in the middle phase. Was mainly responsible for enforcing import/export law and regulations, protecting domestic industries, promoting legitimate trade and acting as an enforcement agency for international trade agreements. According to Samaila and Maguji 2022, Customs administration is a key function to the regulation of cross border trade and the development of the economy of any State. The NCS, also facilitated Nigeria's engagement in regional means of commerce. The NCS also carries out security function by countering smuggling, trafficking and illicit financial flows, that pose serious threats to economic stability. The NCS is at the end stage, and has undergone wide-spread modernization, to enhance her efficiency and transparency. This includes the use of the Nigerian Integrated Customs Information System (NICIS II), electronic payment system, and electronic cargo clearance platforms etc.

These innovations are consistent with trade facilitation standards advocated by the World Trade Organization (WTO) and the United Nations Economic Commission for Europe (UNECE), which focus on making customs operations more automated and transparent. In general, the NCS is both revenues generating, and facilitative institution. Her performance has a direct impact on Nigeria economic diagnostic results, regional integration and international

trade competitiveness. According to Oriaku et al 2024, Nigeria's Customs Service is a vital institution of Nigeria's economic diplomacy, both as revenue collection body, and a trade facilitation agency. This essentially mirrors Nigeria's broader economic policies to manage domestic economic needs, while fulfilling global economic responsibilities in the highly globalised world we live.

Statement of the Problem

Nigeria's bilateral and multilateral engagements with the major economic stakeholders in the world has enhanced the country's economic diplomacy. Nigeria's relations with China, the European Union, and Russia, have improved her foreign investments, economic development and trade structure. Chronologically, Nigeria has gone through several political regimes with different disposition on Nigeria's economic diplomacy. The Structural Adjustment Programme (SAP) of the Babangida's regime created a new orientation towards trade liberalization and openness. During this period, customs was strengthened in tariff reforms and import rule making. Succeeding administration sought integration into the global trade through policy adjustments, regional agreements and modernization of the border management systems. Other issues, including lack of proper control measures, corruption, and lack of enforcement, from institutions, have negatively impacted Nigeria's trade landscape, signaling the need to have a well-functioning institution that will activate customs administration and economic diplomacy.

In addition, border closures and protectionists measures have also left mixed results, concerning regional integration and trade performance, laying bare, a balance between National Security and economic exposure. This dynamism, illustrate how customs administration can be complete in its efforts to strike a balance between trade facilitation and enforcement, that is now a top priority of economic diplomacy, globally. Although there have been numerous efforts through institutional reforms, policy measures etc, to improve the NCS, the Service still has enormous structural and operational challenges which have affected its effectiveness in the centre space of Nigeria's economic diplomacy. It is in this context, that this work will address the efforts of the Nigeria's Customs Service in the advancement of Nigeria's economic diplomacy.

Aim and Objectives

The aim of this work is to assess the Nigeria Customs Service (NCS) in economic diplomacy and the enhancement of Nigeria's economic relations. Specific objectives include:

1. To examine the Nigeria Customs Service (NCS)
2. Analyze economic Diplomacy in Nigeria's Foreign Policy
3. Assess the Nigeria Customs Reforms and Modernization efforts
4. Evaluate the efforts of the NCS in Nigeria's Economic Diplomacy.

Theoretical Framework

This study will be anchored on two theories: the liberal institution theory and dependency theory, as the prism through which the modus operandi of the Nigeria Custom Service (NCS)

in the context of international trade and economic diplomacy, will be understood. It will unravel the institutional and structural dynamics that influence Nigeria's trade dynamics and customs clearance.

The Liberal Institutions Theory

According to the liberal institution theorists, Robert Keohane, John Kenberry and Joseph Nye, the existence of institution encourages sustainable co-operation among States by building trust and reduce uncertainty. As an international relations theory, liberal institution theory argues that international co-operation is both feasible and sustainable in an anarchic world through the use of institutional norms, regimes and organization. The United Nations (UN) for instance, provides diplomatic frameworks for States to relate and resolve global disputes and co-ordinate human development. The World Trade Organization (WTO) sets clear rules for global trade and address economic disputes to avoid trade wars. The European Union (EU), the African Union (AU) etc and other regional organizations use deep integration and binding political rules to maintain regional and sub-regional peace and economic prosperity. According to Keohane 1995, liberal institutionalism underscores international and domestic institution to foster global co-operation and interdependence through institutionalized rules and policies. These institutions, according to him, varies based on their interests in addressing common challenges, as politics, trade, finances, human rights, well-being and environmental management. The founding blocs of liberal institutionalism are States, Institutions and interdependence.

Dependency Theory

Dependency theory basically explores the unequal relationships in the world. Dependency theory is a development theory that addresses the unequal, and exploitative economic relationships between the rich core States and the poor peripheral States, in which the peripheral rich States exploits the poor peripheral states to enhance themselves. Foremost proponents of this theory are Raul Prebisch and Andre Gunder Frank. Prebisch argues that developed nations lose out in trade by exporting cheap raw materials to developed countries, while buying expensive manufactured good. Also, Gunder Frank, known as the “Father of dependence Theory”, argues that rich “core” nations deliberately keep Poorer “Periphery” nations dependent, and underdeveloped, to extract their wealth. Dependency Theory is an account of the global economy on the basis of inequalities between the developing and developed countries. Initially in the theory, it claims that developing economies such as Nigeria are structurally dependent on the advanced economies, because of longstanding practice of colonialism and unfair trade relations with advanced economies. The bilateral trade between Nigeria and other countries presents such asymmetries of exporting raw materials and importing finished goods, as Halidu and Atandu (2023) clarify. Dependency theory, in the intermediate phase, emphasizes that this framework impedes economic development in peripheral States. Nigeria's dependence on import of goods and foreign investment has caused this State of dependency which makes the nation's industrial capacity to be weak. Ojo and Adebayo (2021) also point out that the overall system of international market dynamics advantageous for developed economies, gives seriously a lion's debt share to the foreign

economic relations of Nigeria. This imbalance makes overdependence of Nigeria in international trade negotiation. Moreover, Bukar and Arabaci (2023) contend that Nigeria China intermingled relationship, is not a straightforward one of dependency as the growth in the volume of Nigeria-China's trade cannot always yield equitable development. Rather, trade deficits and debt dependency frequently grows, thus intensifying structural inequalities at the last phase, leaving this vicious circle of structural change. Thus, in the ambit of this study, the Nigeria Customs Service is a foremost instrument for effective regulation, revenue generation and promotion of Nigeria industries, which will help Nigeria to reduce her dependency on the international environment.

Conceptual Review

The conceptual framework of this study allows one to have conceptual understanding of the key ideas that explains the Nigeria Customs Service (NCS) and economic diplomacy. It elucidates the interactions between economic diplomacy, trade facilitation and customs administration in shaping Nigeria's trade performance in international trade and regional integration landscape. It is upon these concepts that we can now analyze the role of State institution in economic relations, in the era of globalization. The concepts of foreign policy, economic diplomacy and trade facilitation will be reviewed to enhance understanding the NCS, in Nigeria's economic diplomacy. These broad concepts pave the way for analyzing how the NCS will help to generate revenues and strengthen border control and the implementation of the economic diplomacy trade policies.

Foreign Policy

Foreign policy is strictly States strategies in international relations. Foreign policy are mechanism pool by States to guide their relationships in the international arena. According to Goldstein and Pevehouse 2008, foreign policy are strategies government put in place to guide their actions in the international arena. Foreign policy spells the objectives that States leaders have decided to pursue in a given relationship or situation. Foreign policy is the bedrock on which States external relations are laid. A State's relations with other States and Bodies, as well as her disposition to global issues, are directed by her foreign policy. Foreign policy is the different strategies that guides a States relationships with other States, international organization and other global issues.

This means that foreign policy is made up of different global issues, relationship with other countries and even domestic politics. Foreign policy is a set of strategies and decision made by a country's government to interact with other nations in the international arena. Foreign policy is essential in understanding the global political, economic, social landscape, and the implication of a country' actions on the world stage. Foreign policy is the sum total of official external relations conducted by independent actor (usually a State) in international relations. According to **Charles and Abdul** "foreign policy of a State, usually refers to the general principles by which a State governs its reactions to the international environment". Foreign policy can be seen in terms of high diplomacy, concerned primarily with other states, with international stability and the rules of the international system foreign policy is aimed at the

promotion of national interest through the cultivation of good relations with other governments. Negotiations and maintenance of international agreements usually form the bedrock of foreign policy. From the above Nigeria's foreign policy represents those explicit objectives which Nigeria wants to pursue and achieve in her external interaction including economic diplomacy goals.

The Economic Diplomacy

Economic diplomacy is the economic state craft adopted in international relations to advance States global interests. Economic diplomacy involves a wide range of activities, from negotiating trade agreements, to attracting investment, and promoting local companies abroad. Economic diplomacy includes building international coalitions to strengthen States economy.

Economics diplomacy is a strategic instrument applied by States in international engagement, trade talks and institutional coordination in accordance with the realization of national economic objectives. Chukwu (2023) noted that the daunting domestic problem that confronted the administration of IBB in 1988 constituted serious threats to the country's foreign policy. It was in response to this that the Babangida administration concentrated on the economic components of the country's foreign policy. This was achieved by the introduction of the principle of economic diplomacy to Nigeria's foreign policy, aimed to increase capital inflow and expansion of foreign trade. The idea behind this foreign policy initiative was based on the existing relationship between politics and economics, as it forms the basis for relationship among States.

A country with a weak economic base cannot make any meaningful impact in the international arena. According to Okolie (2015), economic diplomacy is the deployment of political influence and international negotiations to improve a country's economic welfare. It includes activities such as market access negotiations, customs cooperation and trade facilitation. As an integral concept, Haruna (2023) posits that economic diplomacy is the conscious application of economic instruments like trade policy, investment agreements and customs administration among others, to impact international relations, for the benefit of the country's development process. Barridge & James (2019) concur that economic diplomacy is the use of economic instruments, trade policies and commercial relations to achieve foreign policy objectives. It thus includes; negotiation on trade agreements, investment promotion, export expansion, and participation in the global economic institutions. Before Nigeria's involvement in the international arena, economic diplomacy mainly featured export promotion and export-friendly trade contracts, with developed and emerging economics.

Another phase of economic diplomacy is the Chinese phenomena, where economics and politics are combined. Nigeria's efforts to place domestic economic policies in accord with world-class policies are evident in her membership in regional and global institutions like the ECOWAS, African Continental Free Trade Area (AfCFTA), and the World Trade Organization. All these framework facilitate co-operation, minimizes trade barriers and

enhance regional integration. Economic diplomacy, however, is not just about external relations, but also internal institutions that are key to having things work at the border, for example, the Nigeria Customs Service (NCS), guarantees implementation of international agreements better at the border. In addition, foreign economic relations and dependency on international trade flows has significant impact on Nigeria's economic diplomacy as argued by Ojo and Adebayo (2023). Conversely Saleh (2022) observes that Nigeria prioritizes economic diplomacy in different ways, depending on the levels of openness, protectionism and institutional reforms under the different political administrations. For instance, the Babangida era, Structural Adjustment programme (SAP) began the trend of trade liberalization which opened Nigeria's economy to the world. Eventually, economic diplomacy can be used as a development instrument in charge of the generation of revenue, foreign investments and competitiveness in trade. To succeed, its effectiveness must be backed by institutional capacity, policy stability and effective border management. Economic diplomacy can only reach its full potential in the promotion of sustainable development and international competitiveness with effective implementation mechanisms of which an effective customs system is an important part.

Trade Facilitation

Trade generally is the voluntary exchange of goods and services, or financial assets between people, corporations or States. We have different types of trade; domestic trade, international trade, financial trading, or barter, commonly called, 'trade by barter'. key benefits of all these trades are basically resource sharing and economic growth. Trade is the act by which people swap something of value to obtain another valuable item. Trade involves the transfer of goods and services. Trade mainly involves buying, selling and exchange. For our study, international trade is the exchange of goods, capital and services across national borders between at least two States. International trade is the purchase and sale of goods and services in the international system and comes in the forms of export and import. Trade is an integral part of the economy of all States and is an outstanding pillar in the world economy.

Trade Facilitation is the simplification, standardization, and harmonization of the rules, procedures and documentary, required to move goods across national borders. Trade facilitation is the stream lining, strengthening and harmonization of international trade procedures to minimize trade transaction costs and delays. Trade facilitation aims to reduce trade costs and speed up the import and export of goods. The World Trade Organization WTO, defines trade facilitation as the process of cutting down on bureaucratic “red tape” at borders, enhancing transparency and providing predictable customs procedures. The WTO runs the Trade Facilitation Agreement (TFA), which sets global rules for speeding up customs clearance and helping developing States upgrade their border infrastructure. Sluggish customs procedures can cause delays in clogged imports or exports, and thus drive-up trade costs at the outset of trade operations. In the intermediate phase, trade facilitation is an influencing factor of economic competitiveness. Safacimanesh and Jenkins (2021) share the view that better trade facilitation leads to greater welfare gains from trade, attracted by a reduced cost of doing trade, including viable and efficient regional trade system. Nigeria has long suffered from trade

difficulties, because of weak infrastructure, delayed documents and ineffective administration. But gradually, efficiency is being boosted by the reforms including digital customs platform and automation systems. The UNECE (2020), highlights that “trade facilitation is now only about speed, transparency, accountability and institutional coordination”. So, the principals are essential in minimizing corruption and enhancing compliance in customs. Meanwhile, Joshua et al., (2020) states that trade facilitation is closely connected to economic expansion especially when the trade constraints in developing countries have impact on economic growth. Trade facilitation impacts regional integration and competitiveness in the global market. Accordingly, efficient customs is important for frameworks like AfCFTA to succeed, Mustapha and Adetoye (2020) points out that. Trade facilitation efforts have been poor and regional integration efforts weak and fragmented. Hence, Nigeria's economic diplomacy will remain a central component in the smooth flow of trade across borders and the integration of Nigeria into the global economy. The economy of Nigeria will rely on trade facilitation as a Central Backbone Report indicates. Trade facilitation, therefore, is essential to Nigeria's economic diplomacy as the smooth flow of goods across borders and the measure of Nigeria's integration to the world economy is hinged on this.

The Nigeria Customs Services (NCS)

The Nigeria Customs Service is one of the oldest revenue and border management services of the Nigerian government. It was established in 1891 under the colonial administration and became full-fledged with the enactment of the Customs and Exercise management Act (CEMA). Its long-terms development has led to its being a significant tool of state power and economic government, mainly in the sphere of international trade regulation and economic diplomacy. Initially, the Agency was more involved in the collection of revenues for the colonial and post-colonial governments. The NCS came to be a key set-piece of economic diplomacy and trade regulation in the middle phase of its consolidation. It is mainly responsible for enforcing import/export laws and regulations, protecting domestic industries, promoting legitimate trade and acting as an enforcement agency for international trade agreements. The Agency also enables Nigeria's engagement in regional means of commerce like the ECOWAS and African Continental Free Trade Area (ACFTA), through the adequate implementation of trade policies at their border.

The NCS also carries out security function by countering the smuggling, trafficking and illicit financial flows, which pose serious threats on economic stability. Security threats and illegal maritime activities are also factors impacting on customs operations, particularly in the coastal areas. As a strategic agency of the Federal Ministry of Finance, the NCS is a key service within Nigeria's external economic relations and fiscal stability. Revenue collection is one of the key roles of the NCS more through a number of taxes like import duty, export duty, excise tax, etc. This function will continue to be relevant to the overall economy of Nigeria, as the country continues to rely heavily on oil revenue. Customs revenue also serves stabilization of government expenditure as highlighted by Ojo & Adebayo (2023), The service is also tasked with trade facilitation where goods need to move efficiently between borders, within the ambience of international rules and regulations, such as the trade facilitation principles of the

World Trade Organization (WTO) that include “rationalization” of trade-related procedures and reduction of “red tape” at the borders. As for the anti-smuggling operations, NCS is crucial to safeguard the national economy from illegal imports, loss of revenue and security threats. This function is directly connected to National security and the Economic security, NCS is charged with border control and surveillance, which has grown to be crucial in the face of instability and illicit cross-border trade that have been threats to Nigeria's border relationship. The NCS is pivotal to the implementation of government trade policies, tariff regimes, import controls and/or trade and investment agreements for the ECOWAS and AfCFTA protocols. In enforcing these policies, the agency is a significant instrument of economic diplomacy to regulate Nigeria's economic engagements abroad and help the nation remain competitive in the global economic system (Mustapha & Adetoye, 2020). In this light, the Nigeria Customs Service occupies a cross-boundary position between customs revenue and trade facilitation, as well as trade relation between Nigeria and the rest of the world.

Modernization of the Nigeria Customs Service

The modernization of Nigeria Customs Service (NCS) is an expression of strategic move to enhance efficiency, transparency and competitiveness of Nigerian trade in the world, recognizing the rising demands in global trade and its integration in the world's economic system. The NCS has implemented a few technological and administrative changes with the view of improving trade facilitation and minimizing operational bottlenecks. All the changes are geared at bringing Nigeria in line with global best practices as prescribed by global trade institutions like the WTO and UNECE. Key modernization initiatives of the NCS include the following.

(a) B'Odogwu Indigenous Customs Clearance Platform

One of the latest modernization reforms of Nigeria Customs Service (NCS) that seeks to replace the Nigeria Integrated Customs Information System II (NICIS II), is the B'Odogwu indigenous customs clearance platform. It is considered a home-grown digital platform designed to streamline customs operations, ease trade and decrease reliance on foreign technology. B'Odogwu was created to enhance the efficiency, transparency, and fill the gap left by poor customs data management by the nation. It allows importers, exporters, freight forwarders and customs agents to handle trade-related documents electronically, track cargo progress and fill customs clearance process with a built-in digital solution. This automation eliminates any delays caused by manual documentation and substantially cuts down cargo clearance time. Moreover, the system also virtualizes people-to- people contact between customs personnel and traders, hence decreasing opportunities for corruption and revenue leakages. Furthermore, by being managed in Nigeria, B'ODogwu further improves upon the security of data and the sustainability of institutions, as information technology professionals from Nigeria can now maintain the system for the company. This is in line with the overarching public sector reforms targets in Nigeria to attain overall digital transformation and indigenous technological development (Mustapha & Adetoye, 2020). In addition, the platform aligns with international trade facilitation standards supported by the World Trade Organization (WTO), such as promoting automation and simplifying customs procedures for increased

competitiveness in global trade (WTO, 2020). From an economic standpoint, the platform will amplify Nigeria's economic diplomacy, boost ease of doing business, and facilitate regional trade integration under the African Continental Free Trade Area (AfCFTA), while boosting investing confidence within the region. In sum, B'odogwu is a significant leap in the direction of an efficient, transparent and technology-enabled customs administration in Nigeria. It has replaced the NICIS II platform.

(b) E-Payment Systems

The launch of e-payment system for entries into the Nigeria Customs Service marks another landmark in the NCS modernization process, to enable importers and exporters pay customs duty, tariff and all other applicable charges electronically via designated banking platform and approved electronic channels. This reform according to Folarin, 2021, seriously curtailed cash transactions which were always linked to issues of inefficiency and corruption risks. E-payment systems have made payment processes more transparent in terms of revenue, as they make it possible to record all payments electronically and track it in real time. This helps minimize revenue leakages and enhance accountability in public finances. The system also accelerates the clearance mechanism as it eliminates the need for the physical banking procedure; thus, enhancing the facilitation of trade and minimizing delays at the ports and borders. Economically, e-payment systems would add credibility to Nigeria's trade as the customs would be run like international best practices. Digital payment systems are an integral part of contemporary trade facilitation regimes, which act as an important driver towards efficient, reduced transaction costs in trade, according to WTO (2020). Furthermore, the system can aid the efforts of Nigeria to promote foreign direct investment in providing a more certain and transparent trade environment. Overall, e-payment systems are a vital reform that could lead to improvements in efficiency, less corruption, and better integration of Nigeria's trading system into the world.

(c) Risk Management Systems

Risk Management Systems (RMS) are introduced within the Nigeria Customs Service to improve the quality and effectiveness of the inspection of cargoes on the frontier and border. RMS do not physically examine every shipment of imported goods, but instead rely on data-driven processes to determine the “red alert” shipments that need a more detailed examination. This allows for more efficient use of operating resources and restrict limited resources to the highest-risk areas. The system utilizes cutting edge data analytics, intelligence sharing and profiling tools to evaluate cargo, based on their origin, cargo type, importer history and compliance. This help alleviate congestion in ports and shorten clearance times for low-risk cargo and enhances trade facilitation (Safacimanesh & Jenkins, 2021). Additionally, it promotes Nigeria's capacity to deter smuggling, fraud and security threats. On the economic diplomacy side, RMS boosts Nigeria's image as a trade efficient country and becomes enmeshed with the international customs standards set by the World Customs Organization and WTO subjects. Efficient risk-based inspection systems play an important role in minimizing transaction costs and boosting investor confidence (WTO, 2020). Moreover, RMS plays a significant role in bolstering national security, aiding in the detection of

smuggling and illegal trading operations, with far reaching consequences both for economic stability and the security of the region. On balance, the system is one of a step from manual inspecting towards intelligence-based customs administration.

(d) Single Window Project

The Single Window Project is one of the major trade facilitation projects initiated by the Nigeria Customs Service (NCS) aimed at making all regulatory agencies involved in trade related import and export processes, converge on a single window in the digital space. Traders will now have to file all the desired documents in one e-portal, rather than dealing with individual government departments. This system facilitates mutual coordination among various agencies including customs, immigration, Port authorities and standards organizations. This cuts down on duplicative processes, slash paperwork and improves transparency in trade. The Single Window is in line with international trade facilitation principles that have been promoted by WTO, which helps simplification and harmonization of border procedures. From a business standpoint, the system has also shown to lower the cost of doing business in Nigeria by decreasing the delays at ports and making the clearance procedure more predictable. This is in a bid to make Nigeria more appealing as a trade hub in the West African Regions and strengthen the regional integration agenda under the umbrella of ECOWAS and AfCFTA arrangements (Mustapha & Adetoye, 2020). From the viewpoint of economic diplomacy, the Single Window Project adds to Nigeria's credibility in international trade for having decided to adopt a modern and efficient customs administration with transparency. Additionally, it helps to create jobs for citizens by making it easier to import and export goods, thereby providing opportunities for foreign investments.

Economic Diplomacy in Nigeria's Foreign Policy

As earlier stated, economic diplomacy is a strategic available instrument for States in intentional engagements, trade transactions and institutional coordination for economic enhancement. Economic diplomacy gained framework in Nigeria's foreign policy from the era of President Babangida on 1986. As earlier stated, Chukwu, 2023 attests that, the daunting domestic problem that confronted the Babangida administration constituted serious threats to the country's foreign policy. It was in response to this domestic reality that the Babangida government concentrated on the economic components of the State's foreign policy. This was achieved by the introduction of the principle of economic diplomacy with the aim to increase capital inflow and expansion of foreign trade. The idea behind this initiative was based on the existing relationships between politics and economics, as its forms the basis for relationship among States.

This effort of the Babangida Administration started with the introduction of the Structural Adjustment Programme (SAP) aimed to deregulate the economy and cut back on State's intervention and well integrate Nigeria into the world economy. Consequently, trade policy issues came to be a fulcrum for Nigeria's external economic exchange during this era.

The important aspect of this policy was trade liberalization, which entailed lowering of tariffs, ease of restrictions on imports, and promoting foreign capital. With the return to democratic rule in 1999, Nigeria entered another era of economic diplomacy that involved returning to the international economic markets, economic institutions, reforms and increase in international economic collaborations. Nigeria, under the Governments of Obasanjo, Yar'Adua and Jonathan, actively explored trade with big trade partners including China, the European Union (EU) and ECOWAS States. During this period, Nigeria also witnessed trade openness as the nation sought to be integrated into the world, through Foreign Direct Investment (FDI). Trade openness and inflow of FDI significantly impacted on economic growth during this period.

The Buhari Administration from 2019-2023, adopted a less liberal stance on economic diplomacy because of the domestic challenges of rising insecurity, economic recession and high smuggling through the countries porous borders. Among the most debated politics of this period was the border closure policy, which had a significant impact on the ECOWAS region in terms of trading activities, as well as cross-border economic integration. This period also saw efforts re-ignited towards the implementation of the ACTTA with Nigeria finally signing the African Continental Free Trade Agreement (ACFTA). The policy aimed to improve intra-African trade and economic integration across the continent. This agreement has promoted Nigeria's economic engagement with the African continent and the international economic platform. President Tinubu's 4D Agenda is also economic diplomacy tailored.

The Nigeria Custom Service (NCS) and Nigeria's Economic Diplomacy

The Nigeria Customs Service (NCS) has been in the centre of Nigeria's economic diplomacy from the era of the Babangida Administration when economic diplomacy became a major focus of Nigeria's foreign policy directive. The NCS has witnessed so much integration into that dream. The impact of Babangida's reforms geared towards economic diplomacy were felt in the NCS, which had to adopt its revenue collection points and revenue enforcement techniques to address the changing economic conditions. Customs tariffs we revamped more, along market-oriented lines, than protectionism. The SAP period also added to the rise of import of goods into Nigeria, because a series of deprotection of Nigeria's industries affected the ability of the manufacturing companies to compete. While this led to a paradox in the economic diplomacy meta space, as the openness to trade brought with it more external engagements, it weakened the productive capacity of the internal meta space.

A major agency and a key actor to deal with this transition has been the NCS, who reviews tariff regime and streamline more movement of goods across the borders. Customs clearance and procedure also played a role in trade de-regulation, reducing bureaucracy and bottlenecks to drown foreign funds and for better relations in international trade. Obviously, there were economic challenges, such as devaluation of currency, and increasing smuggling activities as a result of policy inconsistencies and inadequate enforcement capacity. Economic diplomacy under the Babangida government changed the trade orientation of Nigeria from one of

protectionism, to one of liberalization, with the NCS as a major structure for implementation of economic reforms and controlled economic integration of Nigeria into the global trade arena.

In Nigeria's return to democratic era from 1999, the NCS has been a major player in the government economic diplomacy efforts, through better revenue collection mechanism and better operations especially at the border posts, as earlier enumerated in the NCS reforms and modernization. This period was the era of the beginning to modernize customs with a greater emphasis on efficiency, transparency and automation of customs process. Attempts were made to decrease corruption, decrease, the time spent in customized clearance processes, and enhanced compliance with international trade. These reforms were in line with the world's expectation, within the context of the WTO.

Nigeria boosted regional integration under the ECOWAS with a view to support free trade and cross border co-operation. Presently, the NCS is responsible for the implementation of governments liberal stance on economic diplomacy. NCS has intensified its anti-smuggling activities and lays a close watch on Nigeria's land borders. The ACFTA agreement sought to improve intra-African trade and economic integration across the continent that entailed reforms in the area of customs to facilitate the flow of goods into and out of countries. In keeping with the pattern of trade around the world, the democratic governments of Nigeria supported the implementation of electronic custom and automation applications, such as upgrading the Nigeria integrated customs information system (NICIS II). Such innovation was aimed at increasing transparency, minimizing corruption and efficiency in revenue clearance and collection activities. All these were big efforts to modernize the management of customs with a balance of economic diplomacy and security interests.

Conclusion

The Nigeria Customs Service NCS is indeed, a key force of cross border trade and Nigeria's international economic co-operation in its effort in combining revenue collection and frontier management functions with trade regulation. The NCS has continued to play a pivotal role in Nigeria's involvement in regional and international trade systems, through its core constitutional functions of revenue collection, enforcement of government trade policy and anti-smuggling operations and trade facilitation. Although there have been numerous efforts through institutional reforms, policy measures etc., to improve the NCS as an institution, the Service still has enormous structural and operational challenges that have affected her effectiveness in the promotion of Nigeria's economic diplomacy. In spite of these clogs, the Nigeria customs remain a veritable tool for the enhancement of Nigeria's economic diplomacy. Continued modernization activities like the NCS, e-payment systems, risk management packages and the single window project illustrate great strides in positioning Nigeria in line with world trade facilitation standards as proposed by the WTO and UNECE. The NCS still has its crucial role to play in the country's economic diplomacy and overall ability of Nigeria to be fully integrated into the global economy.

Recommendations

In view of the structural and operational impediments to the optimal performance of the Nigeria Customs Service we make the following recommendations:

1. Consolidation and strengthening of full digital customs automation to eliminate administrative bottlenecks, and increase the overall efficiency of trade processes at the ports and reduce revenue leakages
2. Improvement of anti-corruption enforcement mechanisms, to enhance the revenue generation. This effort will boost Nigeria's credibility in global trade instruments that will improve the country's economic diplomacy results.
3. Enhance border infrastructure and surveillance: Investment in state-of-the-art equipment like Cargo Scanners, automated checkpoints, surveillance drones, biometric identification systems and integrated communication networks will enhance the customs capacities to detect and prevent illegal trade and to comply with import and export regulations.
4. Commitment for promotion of regional trade integration. As a key player in the enforcement of regional trade agreements, Nigeria's commitment in the promotion of regional trade agreement with strengthen the NCS efforts in tariff enforcement, management of Nigeria's borders and regulation of trade. These regional integration of trade will make Nigeria, a major engine in the economic development of Africa and give her a higher profile in the governance of trade on the continent.
5. Enhancement of policy continuity across governments for efficient customs administration. High volatility of policy on trade regulations, import restricting and uneven border protection measures, creates uncertainties, hinders economic activities and discourages foreign investments.
6. Ensuring training and capacity building of customs officers to boost effectiveness professionalism and competitiveness of the NCS on the global platform. If the customs function continues to be digital and increasingly sophisticated by the nature of the complex international environment, officers need to have the skills to be current and modern in trade facilitation, risk management as well as international trade operations. Pilot training should be done on artificial intelligence, automated risk profiling, automated systems, for customs clearance and data analytics in digital customs systems. Continuous Professional Development (CPD) of customs officers will ensure their integrity and transparency in performing their functions.
7. Enhanced co-operation with international Trade Organizations to boost customs modernization, trade facilitation for consolidation of the country's economic diplomacy. Collaborations with important bodies including the WTO, the United Nations Economics Commission for Europe (UNECE), and the World Customs Organization (WCO) will be beneficial for AFCFTA and the ECOWAS trade protocols, to harmonies the domestic customs system with the regional and global systems, especially on capacity building on technical assistance, training and knowledge sharing.

All these hints, if properly articulated will consolidate the Nigeria's Customs Service position in Nigeria's economic diplomacy.

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