



## SEA EMPOWERMENT & RESEARCH CENTRE LTD/GTE RC1422713

*Nurturing Transport, Sanitizing Marines*

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### **BARRIERS TO INTERNATIONAL TRADE**

Sea Empowerment and Research embarked on a fact finding mission in order to investigate and identify technical and operational barriers to international trade (BTT) in Nigeria Maritime industry and proffer expertise based solutions.

#### **AIM:**

To proffer solutions and champion the cause legally and through collaborations towards eradicating vices littered in the maritime sector that concomitantly affects international trade and operational costs, hinders the growth and efficiency of the maritime sector.

In international trade a very important principle governs - any product that is moved from one country to another and must meet the requirements of the importing country. All requirements for the product are traditionally divided into mandatory, voluntary for the application and those usually assumed (without their documentary formalizations). The composition of the mandatory requirements is established by the legislation of the country and that's why compliance with it is verified both for domestically manufactured goods and for

imported. If there is a difference between mandatory requirements in the country of origin and the importing country, the manufacturer of the goods faces the following problems.

The first, to scrutinize these requirements to the product, existing in the country of importation, it is necessary to hold an information search and analysis of its results

Secondly, adapt its products to the mandatory requirements of the importing country.

Thirdly, when exporting its products to various countries to create a variety of modifications of production to meet the requirements of different markets, which is due, firstly, to the breaking of sterility (it is clear that it leads to the increase in cost, because it is one thing to make hundreds of identical products and ten parties of ten different), and secondly, to the establishment and tracking of logistics supply chain.

Fourthly, confirm on entry the compliance of its products with mandatory requirements of the country (sanitary, phytosanitary, environmental, technical etc.) through the procedure stipulated by the legislation of the country of obligatory conformity assessment procedures, such as research (testing), state registration, state control (surveillance), certification of conformity, declaration of conformity, inspections and so on to obtain the relevant documents for conformity assessment.

All these factors make exports very difficult because of financial and time-consuming costs; that's why the technical barriers can be comparable by significance with the tariff and other customs and logistics barriers, and often presents either the insurmountable problems for imports or leads to long delays at the ports.

Historically, technical barriers appeared for the following reasons.

Each country was developing standards and technical regulations for the needs of industry and society at the national level, which do not always took into account international best practice.

As a result the requirements for the same products could be and often actually varied in different countries. With the growth of international

trade these differences have become a real problem for the manufacturing industries, especially in the major exporting countries. On the other hand, local industries quickly realized that these differences might protect them from competitive imports and therefore supported it.

In general for the imported products it became harder and harder to meet many diverse requirements.

Participants of multilateral trade negotiations quickly realized this. At the end, decisions worked out on these problems have been transformed in the TBT Agreement.

The agreement is intended to ensure that technical regulations and standards, as well as testing and certification procedures do not create unnecessary obstacles to trade. At the same time the mandatory requirements of regulations primarily should be based on specially developed for these purpose uniform standards. In the absence of such standards or in justified cases even if they exist in the country and now have the right to establish the required levels of protection that they consider appropriate, for example, to protect the lives and health of people, animals, plants or the environment.

[https://www.wto.org/english/docs\\_e/legal\\_e/17-tbt\\_e.htm](https://www.wto.org/english/docs_e/legal_e/17-tbt_e.htm)

When technical and operational barriers are eliminated, world trade organization posits that trade will increase and if trade increases world GDP by 1% per year, what is the global impact of this increase over 10 years? How does this increase compare to the annual GDP of countries.

*World Development Indicators (online) published by the World Bank.*

<http://wdi.worldbank.org/tables>

Technical and operational barriers to international trade have assumed gigantic source of concern in Nigeria maritime industry, especially as it affects trade impute and output, cost of doing business, ease of doing business and direct foreign investment.

This research intends through direct maritime operators and operations to identify areas that constitute barriers in port operations, international guidelines that are not strictly adhered and conflicting international technical standards with Nigeria.

<https://www.worldbank.org/en/topic/trade-facilitation-and-logistics>