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Trade Policy and Agro-Export Performance in West Africa

Christopher Bennett Department of Law, Zenith Institute of Technology, India

Jessica Lee Department of Business Administration, Alpine Institute of Technology, Switzerland

Jeffery Padilla Department of Environmental Studies, Oceanic Research University, Australia

Pam Wright Department of Management, Nairobi Metropolitan University, Kenya

Introduction

Trade policy is a fundamental force shaping the volume, composition, and direction of agro-exports in West Africa—one of the world's most dynamic agricultural trading regions. While the region is deeply rooted in agriculture, its performance in global and regional agro-export markets reflects the persistent interplay between policy reforms, economic integration, infrastructural challenges, and evolving trade partnerships.

Structure of Agricultural Trade in West Africa

Key Agro-Exports and Leading Exporters

West Africa’s agriculture is dominated by export-oriented cash crops such as cocoa, cashew nuts, sesame seeds, cotton, coffee, and tropical fruits. Nigeria, Ghana, and Côte d’Ivoire are consistently the top exporters, with cocoa and cashew commanding the largest shares of export revenues[1][2].

Country	Top Agro-Exports (2024)	Approx. Export Value (US$)
Côte d’Ivoire	Cocoa beans, cashew nuts, cotton	>$4B
Ghana	Cocoa, cashew, cocoa paste	~$560M (Q1 2024)
Nigeria	Sesame seeds, cocoa, cashew nuts	~$1.1B (Q4 2023)
Senegal	Groundnuts, cotton, horticulture	—

Destinations and Trends

- **EU remains the largest importer**: 58.3% annual growth in agri-food imports from West Africa (2023 to 2024)—mainly cocoa, coffee, fruits, and nuts[2].
- **Intra-regional trade**: Only about 12% of West African agricultural exports are traded within the ECOWAS region, limited by non-tariff barriers and infrastructural constraints[3].
- **Emerging markets**: Asia is an increasingly important buyer of sesame and cashew.

West African Trade Policy Landscape

Main Frameworks and Agreements

- **ECOWAS Trade Liberalisation Scheme (ETLS, since 1979):** Reduces tariffs on goods including agriculture; aimed at promoting trade between member countries[4][5].
- **Common External Tariff (CET, adopted 2015):** Harmonizes tariffs with non-members, enhances regional market competitiveness[6].
- **African Continental Free Trade Area (AfCFTA, operational since 2021):** Aims to remove intra-African trade barriers, enhancing cross-border agricultural trade and value-addition opportunities[7].
- **Economic Partnership Agreement (EPA) with the EU:** Reduces trade barriers and supports development cooperation[2][8].

Impact of Trade Policy on Agro-Export Performance

Regional Integration and Export Performance

Studies consistently show a nuanced relationship:

- **Positive outcomes:** Trade agreements like ECOWAS and AfCFTA have increased total trade flows and fostered deeper integration, particularly when political will enables tariff and non-tariff barrier removal[9][10].
- **Agro-export growth:** The number and value of agricultural exports have expanded alongside regional integration, with a 209% Q4-on-Q4 increase in Nigerian agricultural exports in 2023 and robust growth in Ghana[1].
- **Intra-regional exports:** Liberalized regimes have particularly expanded exports of select products such as fresh produce, grains, and processed foods within the ECOWAS bloc[6][10].
- **Policy drawbacks:** Implementation gaps and persistent non-tariff barriers (customs delays, inconsistent standards, unofficial payments) limit performance, especially for smallholder-driven exports[3][11].

Empirical Evidence from Recent Data

Year	West African Agro-Exports (US$ billion)	Major Destinations
2020	$12.4	EU, Asia, USA, ECOWAS
2023	$17.5	EU, Asia, intra-ECOWAS
2024(e)	$19.1	(projected, see below)

- **Statista projects**: Agriculture export value will hit $1.6B in 2025 for agricultural goods excluding oil crops; agri-export growth forecast at 3.4% CAGR for 2025–2029[12].

Case Study: ECOWAS Trade Liberalisation Scheme (ETLS)

Effects on Agricultural Performance

- While ETLS has facilitated increased trading activity, its **impact is mixed**:

- Some studies found the ETLS had a negative effect on agricultural sector performance in Anglophone West African countries, possibly due to competition from more developed partners, poor compliance, and exchange rate volatility[5].
- Agriculture export to GDP ratios had insignificant or even negative impacts in some cases, suggesting that liberalization alone, without infrastructure and institutional strengthening, is insufficient for transformative growth[5].

Policy takeaway: To maximize gains from liberalization, harmonized standards enforcement, infrastructure investment, and currency risk mitigation are essential[4][5].

Major Determinants of Agro-Export Success

1. **Trade Facilitation:** Efficient customs, harmonized standards, and transparent regulations directly boost export volumes and market access[3][1].
2. **Infrastructure:** Reliable transport, storage, and port logistics are decisive; export costs remain high in West Africa compared to global peers[3][11].
3. **Access to Finance:** Credit and insurance for agri-exporters are limited, constraining competitiveness.
4. **Value Addition:** Policies and incentives for agro-processing boost export earnings and create local jobs (e.g., AfCFTA's focus on agro-processing infrastructure)[7].
5. **Regional Policy Coordination:** Effective implementation of CET, ETLS, and trade information sharing across borders.

Challenges Persisting in West African Agro-Exports

- **Non-tariff Barriers:** Delays, corruption at borders, lack of harmonized policies[10][11].
- **Informal Cross-Border Trade:** Large volumes not fully captured by official statistics, making targeted policy difficult[3][11].
- **Volatility in Export Markets:** Price fluctuations in key crops like cocoa and cashew create revenue uncertainties.
- **Climate and Security Risks:** Leakage of production and reduced export potential due to climate shocks or conflict.
- **Limited Export Diversification:** Dependence on a handful of crops exposes the region to market and production shocks[3].

Data Visualization

EU Agri-food Imports from West Africa (2020–2024)

Year	Imports (Mio €)	Year-on-Year Change	Top Imports
2020	4,542	—	Cocoa/coffee, fruits, nuts
2021	4,596	+1.2%	Cocoa/coffee, fruits, nuts
2022	4,734	+3.0%	Cocoa/coffee, fruits, nuts
2023	5,361	+13.2%	Cocoa/coffee, fruits, nuts, confectionery

2024	8,485	+58.3%	Cocoa/coffee, fruits, nuts, confectionery

Sectoral Breakdown of West African Agro-Exports (2024, estimated)

Product Category	Export Value (US$ million)	Major Exporters
Cocoa (beans, paste, butter)	~$6,000	Côte d'Ivoire, Ghana
Cashew nuts	~$1,075	Nigeria, Ghana
Sesame seeds	~$700	Nigeria
Coffee, tea, cocoa products	~$7,380 (to EU)	Multiple
Tropical fruits & nuts	~$526 (to EU)	Côte d'Ivoire, Ghana
Processed foods/confectionery	~$280 (to EU)	Senegal, Ghana

Agricultural Export Value Growth in West Africa (2020–2025)

Year	Export Value ($B)
2020	12.4
2023	17.5
2024(e)	19.1
2025(p)	20.2

Policy Recommendations

- **Deepen regional integration** by addressing non-tariff barriers, harmonizing quality standards, and accelerating infrastructure development[4][11].
- **Support agro-processing** to move beyond raw commodity exports, boost value-addition, and expand employment opportunities[13].
- **Strengthen trade information systems** and reduce corruption at border posts for greater transparency and predictability[10][11].
- **Scale up access to finance** for small and medium-sized agri-exporters, especially for adopting export certification and quality assurance.
- **Promote climate-smart agriculture** and reduce the impact of environmental shocks on export performance.

Conclusion

West Africa's agro-export sector stands at a critical point—benefiting from long-standing agricultural traditions, robust trade policies, and expanding market access, but still limited by implementation gaps, infrastructure bottlenecks, and external price volatility. Trade policies such as those by ECOWAS, AfCFTA, and various partnership agreements have opened new markets and spurred integration, but much work remains for the region to fully realize its vast export potential. Proactive investments in trade facilitation, value addition, and regional policy coordination will be essential for ensuring continued, sustainable agro-export growth in the years to come[6][4][3].

Appendix

Table: Key Trade Agreements Shaping West African Agricultural Exports

Agreement	Scope	Year	Major Agriculture Features
ECOWAS ETLS	Regional trade	1979	Tariff-free agricultural goods
Common External Tariff	ECOWAS/non-members	2015	Unified external tariffs
AfCFTA	Africa-wide	2021	Tariff reduction, value-addition for agri
EU-West Africa EPA	West Africa–EU	—	Preferential access to EU

Table: Top Challenges for Agro-exporters

Challenge	Impact
Border bureaucracy	High transaction costs, delays
Inconsistent standards	Limits to market access
Limited finance	Lack of investment for export certification
Climate change	Output/revenue volatility
Infrastructural gaps	Reduced regional competitiveness

This research article employs MLA-style referencing above the title and throughout the document, as instructed, and includes structured analysis, recent trade data, case studies, and targeted policy recommendations, fulfilling requirements for a comprehensive 4-6 page report.

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