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Email: fison2011@yahoo.com, fison1976@gmail.com, www.fison.ng.org.
Tel: 08023325185, 08023545803, 08185477818

Analysis of Informal Cross-Border Fish Trade in Okpara Market, Okpara, Oyo State, Nigeria

*Adeshina, I., Agbeja, Y. E., Balami, D. H., Adewale, Y. A. and O. Y. Yusuf***Abstract**

Informal cross-border fish trade (ICBFT) is one of the ways of bridging the gap created by formal trade to meet citizenry needs. In Nigeria, its extent and manner of operation has not been clearly reported. ICBFT in Okpara market was examined. One Hundred and Twenty questionnaires were purposively distributed to the Cross-Border Fish Traders and responses were analysed using descriptive statistics and Multiple Regression analysis. Results showed that smoked fish was the dominant fish traded with little/no value addition. A kilogram of fish was sold at two-thousand naira per kilogram as agreed by 90% of the traders while every trader sold an average of 100kg (82%) on every market day. The Fish Traders' sources of capital were mainly from personal money (61%) while means of currency exchange were parallel market (75%). There was no formal source of information (95%) and transaction was done through cash, barter and/or credit arrangement (36%). The regression analysis ($r = 0.941$) showed that there was linear relationships between the number, size and price of fish being traded in the market with significant effect on Nigeria's economy. The results indicated that Nigeria is losing much to the activities of Informal Cross-Border Fish Trade which could boost Gross Domestic Product (GDP) if it is recognized, formalized and incorporated into the economy of this country.

Key words: Traders, illegal activities, economy.

Introduction

Fish and fishery has contributed to the supply of quality protein to human population from time immemorial and is a source of livelihood for riverine dwellers as well as interest groups. The activities centered herein must be conducted in a responsible manner.

Fish trade activity involves selling and buying of fish and fish products. It is no longer a local business as it entails transactions across regions and nations (Roos *et al.*, 2003; Sheriff *et al.*, 2008; Balami *et al.*, 2013). Informal Cross-Border Fish Trade (ICBFT) refers to trading of fish and fish products across the borders of two or more nations without passing through the official route, without the consent of the assigned agencies or authorized dues paid (Balami, 2011). Reports showed that ICBT accounted for about 20% to 75% of transactions amongst West African nations (Abbot and Makeham 1990; FAO, 1999; Soule and Obi, 2001; Kate, 2003). The Nigerian hub is one of the most active, with informal exports going to countries like Benin, Niger, Chad and Cameroon. Nigerian borders are porous and the fisheries activities at the cross-border trade are not fully understood. Many individuals including government officials cannot categorically give information on fisheries activities at the border due to the informal nature of the business (Little, 2005; Jean-Guy and Ajumbo 2012). In Nigeria, the government and populace are aware of these activities but its extent and manner of operation have not been clearly reported, and available data is fractional which has rendered the formulated fisheries policies ineffective. Hence, the need for this study which aimed to analyse the ICBFT in Okpara market, Benin-Nigeria Border.

Materials and Methods**Study site:**

Okpara in Oyo State is an agrarian town which contributes significantly to the food supply of the state and nation at large. Okpara town is located about Latitude 7° 25' North and Longitude 3° 5' East (Oyo State Government, 1978). The town shares border with Republic of Benin therefore promoting international trade, relationships and socio-cultural believe.

One Hundred and Twenty (120) representative respondents were selected purposively for this study which comprised of fisher folks only. The market takes place every four days when fisher folks usually arrive on the eve of the market day locally called "aisunoja" to display their goods. Structured questionnaires were administered on "aisunoja" and data obtained were subjected to descriptive statistics and multiple regressions.

Results and Discussion

Table 1 shows that the form of the fish that dominated Okpara market was smoked fish (77.5%), the value addition common at the market was air-dried and packaged in a simple polythene bags (52.5%), stored in a warehouse (55.8%) which is mostly rented (75.8%).

Table 2 revealed that the market operated twice in a week (94.2%), with a basket of fish (approximately 1kg) sold at ₦2000 (90.8%). The profitability of the activities in the market was rated high (71.7%), through personal contacts (69.2%) and an average of 100kg and above was sold by each traders/fisherman per week (82.5%). Majority of the traders use their personal money for the business (61.7%), received market information from friends and relatives (95.0%), mode of payments in the market was by cash and barter where necessary (39.2%), and traders rely solely on parallel market for foreign exchange (75.0%), majority of traders claimed government restrictions and laws restricted official sales across borders (87.5%).

Table 1: Product Forms in the market

Responses		Percent	Mean±SD	Variance
Forms of products	Iced	3.3	2.16±0.45	0.202
	Smoked	77.5		
	Fresh	19.2		
	Total	100.0		
Value addition	Air-dried/package	52.5	1.86±0.95	0.896
	Salting	9.2		
	Smoking	38.3		
	Total	100.0		
Storage means	Outside	29.2	1.86±0.65	0.425
	Warehouse	55.8		
	Freezer	15.0		
	Total	100.0		
Store ownership	Others	5.0	2.14±0.04	0.323
	Rental store	75.8		
	Own store	19.2		
	Total	100.0		

Table 2: Marketing information and financing

Responses		Percent	Mean±SD	Variance
Operation regime	Fortnight	0.8	2.93±0.03	0.080
	Weekly	5.0		
	Twice/week	94.2		
	Total	100.0		
Price of fish per kilogram (Naira)	above 3000	1.7	2.89±0.36	0.131
	3000	7.5		
	2000	90.8		
	Total	100.0		
Profitability rating	Low	14.2	2.58±0.73	0.532
	Moderate	14.2		
	High	71.7		
	Total	100.0		
Source of customers	Randomly	25.8	1.79±0.52	0.267
	Personal contact	69.2		
	Advert/promotion	5.0		
	Total	100.0		
Average quantity of fish sold in a week	100kg and above	82.5	1.34±0.75	0.563
	51-100kg	0.8		
	10-50kg	16.7		
	Total	100.0		
Source of market information	Others	4.2	1.97±0.22	0.490
	Friends/relatives/business colleagues	95.0		
	Media	0.8		
	Own savings	61.7		
Source of initial funding	Relative or friend	27.5	1.49±0.69	0.471
	Financial institution	10.8		
	Total	100.0		
Mode of payment for goods (fish) purchase/sell	Combination	35.8	2.03±0.87	0.755
	Credit arrangement	25.0		
	Cash/Barter terms	39.2		
	Total	100.0		
Ways of obtaining foreign exchange	Others	19.2	1.87±0.84	0.234
	Parallel market	75.0		
	Official	5.8		
	Total	100.0		
Challenges	Government restriction	87.5	2.08±0.35	0.120
	Language barrier	10.0		
	Total	100.0		

Table 3: Fish Number, Size and Price at Okpara market

Items	Values						
Number of fish	12	9	16	25	21	17	4
Size (Kg)	2.1	2.3	3.4	2.5	2.6	2.1	2.0
Price (₦)	3500	3600	5100	3400	4000	3600	3000

$$Y = a + bx_1 - bx_2$$

$$Y = -0.111 - 0.009x_1 + 0.001x_2$$

$$r = 0.941$$

Where: x_1 = size, x_2 = price

Relationship between the number of fish, size and price in Okpara market:

The relationship between price, size and number of fish sold in the market (Table 3) was shown using simple regression and there was linear association. The F-calculated was greater than F-tabulated at 0.05 level (3.927). There was significant effect and linear relationship between the Number or Quantity of fish/ Size and prices in Okpara market. An average kilogram of fish was sold at ₦2000 in the market. Majority of the traders sold an average of 100kg per market. Individual fish traders could get an average of ₦200, 000 on every market day.

Conclusion and recommendations:

In Okpara market, the provision of information on cross-border markets was at best minimal. Inadequate border infrastructure and insufficient working capital played a major role because majority of the traders did not patronize banks/institutions; since policy makers generally regard ICBT as illegal, thus the scope and opportunities for developing ICBT related trade is very difficult. An understanding of ICBFT in Okpara market and Benin-Nigeria border would help in diversifying the economy, create jobs and ensure food security. ICBFT would have contributed to the effort of the Nigerian government on poverty eradication and agricultural transformation agenda. The idea of criminalized and illegalized ICBT revealed the insensitivity of and inadequate knowledge of policy makers' on ICBT and its contribution towards ensuring food security and job creation. Important information should be published in reader friendly language(s) and strategically displayed at border points in order to enhance communication and expedite implementation of policies.

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