A joint report published by the International Finance Corporation (IFC) and the World Trade Organization (WTO) titled " Trade Finance in West Africa " examines the main obstacles to economic growth in four economies in West Africa, namely: Côte d'Ivoire, Ghana, Nigeria and Senegal. Despite all these countries have registered an increase in trade flows over the last decade, with more firms participating in cross-border commerce and exports, this growth is constrained by the high cost and limited supply by banks of financial solutions to support international trade. Between 2010 and 2020, the number of exporters rose by around 75 percent in Côte d'Ivoire and Senegal, while the number of importers doubled. However, raw materials still make up more than 70 percent of total exports in these countries, with a low participation in regional and global value chains.

The conclusions of the report is that lower costs and greater availability of financing could significantly increase exports and imports in all four countries, in a measure estimated about 26 billion USD per year. In this regard, the cost of trade finance is indicated as higher, compared to other regions in Africa and in the world. The average price for opening a letter of credit ranges between 2 to 4 percent of the transaction value per year, compared with the 2 percent global emerging markets average and a 0.25–0.50 percent rate in more advanced countries. Lowering these costs, the report notes, could spur trade within the Economic Community of West African States (ECOWAS), but also with other African countries and with developing countries on other continents.

To date, in the four economies analyzed in the report, the majority of banks provides financing for consumer goods, but sectors like agriculture and infrastructure are underserved. The trade finance market covers only 25 percent of merchandise exports and imports in the four countries surveyed, compared to an average of 40 percent for Africa as a whole and nearly 80 percent globally. The reasons for such a low coverage is the high cost of bank services and the high rates of rejections by banks, which disproportionately affect small and medium-sized enterprises, especially those owned by women. Rejections are high because financial institutions in the 4 analysed countries consider most of applicants to be high risk and unable to provide sufficient collateral against the banking services they ask.

Another barrier that limits the ability of banks to provide more trade finance includes challenges in working with foreign correspondent banks (lenders providing banking services to financial institutions in other jurisdictions). This is because banks in these countries are reported to have less extensive networks of correspondent banking relationships than other countries in the ECOWAS and other African regions.

Because of these constraints, only a small percentage of assets allocated by banks to trade finance are concretely mobilised to support international trade operations, with an overall trade finance gap between supply and demand in the four economies estimated in about $14 billion annually.