

REPORT

NIGER DELTA GOVERNANCE INDEX

Africa Network for Environment and Economic Justice

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INTRODUCTION

Governance has quality, standards, best practices, normative attributes, reputation and exemplary character. It is within these attributes that governance has been characterized as fair, good, bad, effective, optimal, functional and sustainable or otherwise unfair, poor, ineffective, and mal-functional. The concept of good governance and the diverse indications of it, embrace issues of morality, ethics, normative preferences and ends that are subjective and qualitative.

From the political dimension, good governance embodies *responsible, participatory, transparent, accountable and equitable management of public affairs within a constitutional, structural and process framework of rules, rights, pluralism and legitimacy* (Ikelegbe, 2016:204). On the other hand, to the institutional, bureaucratic and administrative dimension, good governance embodies *rational, impersonal, impartial, fair, equitable and efficient management of public affairs, on the basis of values, rules, procedures and processes that are clear, well defined and predictable* (Ikelegbe, 2016:204).

However, within the Niger Delta Region, several literatures suggest that lack of good governance in the Niger Delta region is the greatest obstacle to development and realization of the Sustainable Development Goals (SDGs)¹. That is why, despite the amount of resources that has accrued to the region since the discovery of oil in commercial quantity in 1956, the region remains underdeveloped with alarming poverty rate and other low human development indicators.

ANEEJ 2018² identified a number of challenges hindering the implementation of reforms in the region. The report identified some of such challenges as youth restiveness occasioned by huge youth unemployment following years of underdevelopment of the region, weak institutions with associated corruption and poor management of public resources, collusion of International Oil Companies with government and traditional institutions, some of which are deeply involved in sharp practices and even as they fail in their Corporate Social Responsibilities (CSR).

The development of a “cross State” index to assess the state of governance would first require the assessment of the development and governance problems, and the challenges that exist in the region. A few of the challenges have been mentioned above and some of the emerging reforms across States in the region have been reflected in the scoring approach as captured in the various data sources used for the Niger Delta Governance Index.

The Niger Delta Governance Index is aimed at advancing peer review among States in the Niger Delta and to encourage healthy competition. It is also to highlight drivers of performance which are reflected in the scores of the high performing States.

OVERVIEW OF SOME EXISTING GOVERNANCE INDEXES AND INDICATORS

There are existing governance indexes that measure quality of governance. An index is an overall ranking of performance in specified indicators and measures. What is measured is regarded as central to governance. The indexes identify and measure trends and patterns of governance in specific dimensions of governance. The indexes seek comprehensive, objective, quantifiable, evidence based and actionable outcomes that presents the picture of the state of governance. Governance indexes hope to stimulate debate, deepen conversations, enable learning from comparative experiences and enable leaders, public officials and development practitioners to seek improvements in governance through reforms.

The World Governance Index (WGI) is the largest governance ranking, involving 215 countries and territories and has been undertaken since 1996. It is the most widely used in studies of governance (Morino et al, 2016). WGI quantifies stakeholder perception of the quality of national governance and seeks accurate measures of governance which is then deployed for cross country comparisons. The WGI has advantage in

¹ Love, O. Arugu and John Kalama (2018). Challenges of Good Governance in the Niger Delta: Implication for Development. International Journal of Advanced Studies in Economics and Public Sector Management, Volume 6, Number 1, Pp 15-24

² ANEEJ 2018, The Impact of Corruption in the Niger Delta

the generation of empirical evidence on governance that provides activists, state reformers and development practitioners, the tools for advocacy, agitation and actions.

The Ibrahim Index of African Governance has been published since 2007 and is currently in its 12th edition. The IIAG measures and monitors governance performance and provides a front picture of the state of governance in African countries. Because it is undertaken annually, it enables the assessment of progress in governance and development in Africa.

While there are broad indexes on governance, there are also specific indexes on aspects or components of governance. The Index of Public Integrity (IPI) measures public integrity of States through the ability to control corruption and responsible spending of public resources. In 2016, the IPI covered 105 countries and produced by the European Centre for Anti-Corruption and State Building (ERCAS). The Transparency International Corruption Perception Index (CPI) ranks countries and territories on perceived levels of public sector corruption. It was first launched in 1995 and is based on national integrity system that evaluates corruption in thirteen (13) key pillars of a nation's governance system.

The Freedom in the World survey by Freedom House assesses the degree of freedom in 193 countries, while the International Risk Guide assess 161 countries. The Global Integrity Index is produced by Global Integrity and their 2007 index involved 55 countries. The Open Budget Index is produced by the Open Budget Office, and involves 59 countries. The Global Competitiveness Index has been produced by the World Economic Forum since 2004 and its 2007 version covered 131 countries. The Country Performance and Institutional Assessment is produced annually by the World Bank and currently involves 76 countries. These indexes produce global profiles in the different specified socio-political and economic areas. Though, they do not strictly pertain to governance, they measure several indicators that are associated or that reflect the quality of governance.

A critical assessment of the governance indexes reveal several characteristics. The indexes utilize composite indicators, measures or variables in different dimensions or specified aspects of governance. The composite indicators are organized into several categories.

Table 1 Selected Governance Indexes and their Indicators

IBRAHIM INDEX OF AFRICAN GOVERNANCE	WORLDWIDE GOVERNANCE INDICATORS	INSTITUTE OF GOVERNANCE	UNITED NATIONS ECONOMIC AND SOCIAL COMMISSION FOR ASIA AND THE PACIFIC
Safety and rule of law	Voice and accountability	Legitimacy and voice	Participation
Participation and human rights	Political stability and lack of violence	Direction	Consensus orientation
Sustainable economic opportunity	Government effectiveness	Performance	Accountability
Human development	Regulatory Quality	Accountability	Transparency
	Rule of law	Fairness	Responsiveness
	Control of corruption		Effectiveness and efficiency
			Equity and Inclusiveness
			Rule of law

METHODOLOGY

The Niger Delta Governance Index (NDGI) used secondary data sourced from existing indexes or rankings of States in Nigeria on a number of governance issues by different organisations. It relied on reports which have already been published. The original data were then transformed or standardised and weighted based on professional experience before arriving at the scores which were thereafter presented in percentages.

The data were sourced from the following publications;

- Nigerian States Budget Transparency Survey, 2018 report, published by the Civil Resource Development and Documentation Centre (CIRDDOC) Nigeria³
- Corruption in Nigeria: Patterns and Trends Second Survey on Corruption as Experienced by the Population, 2019, published by Nigerian Bureau of Statistics in collaboration with the United Nations Office on Drugs and Crime and UK Aid⁴
- State of the States report, 2019 Edition, published by BudgIT⁵
- Doing Business in Nigeria 2018 report, published by the World Bank⁶

The Nigeria State Budget Transparency survey uses questionnaire to generate primary data based on International Budget Partnership's Open Budget Survey. The State Budget Transparency Index as published by CIRDDOC can be disaggregated into three sub-indexes;

- State Budget Document Availability Index. This measures the number of publicly available budget documents and their content;
- State Public Participation Index. This measures the extent to which the State executive, State House of Assembly and Auditor General involves citizens throughout the budget process; and,
- State Procurement Process Index. This measures how robust States procurement processes are and how much information is provided throughout the process

The prevalence of bribery in Nigeria is calculated as the number of adult Nigerians who had at least one contact with a public official and who paid a bribe to a public official, or were asked to pay a bribe by a public official, on at least one occasion in the 12 months prior to the survey, as a percentage of all adult Nigerians who had at least one contact with a public official.

The fiscal sustainability ranking is anchored on three key indices (each with different weights) that form the overall sustainability index. These sub-indices are:

- States' ability to meet their recurrent expenditures independently of the federal government;
- State's ability to meet their recurrent expenditures with both its internally generated revenue and federal allocations; and,
- How long it would take States to pay off their total debt stock.

The Doing Business in Nigeria 2018 report focuses on business regulations and their enforcement in four Doing Business areas. It measures aspects of regulation that enable or hinder entrepreneurs in starting, operating or expanding a business. The four Doing Business areas include;

1. Starting a business. Records the procedures, time, cost and paid-in minimum capital required for a small or medium-size domestic limited liability company to formally operate; includes a gender dimension to account for any gender discriminatory practices

³ CIRDDOC 2018. Nigerian States Budget Transparency Survey Report

⁴ NBS 2019. Corruption in Nigeria: Patterns and Trends Second Survey on Corruption as Experienced by the Population, in collaboration with the United Nations Office on Drugs and Crime and UK Aid

⁵ BudgIT 2019. State of the States Report

⁶ World Bank. 2018. Doing Business in the Nigeria 2018. Washington, DC: World Bank. License: Creative Commons Attribution CC BY 3.0 IGO

2. Registering property. Records the procedures, time and cost required to transfer a property title from one domestic firm to another so that the buyer can use the property to expand its business, use it as collateral or, if necessary, sell it; assesses the quality of the land administration system; includes a gender dimension to account for any gender discriminatory practices.
3. Enforcing contracts. Records the time and cost for resolving a commercial dispute through a local first-instance court, which hears arguments on the merits of the case and appoints an expert to provide an opinion on the quality of the goods in dispute; assesses the existence of good practices in the court system.
4. Dealing with construction permits. Records the procedures, time and cost required for a small or medium-size domestic business to obtain the approvals needed to build a commercial warehouse and connect it to water and sewerage; assesses the quality control and safety mechanisms in the construction permitting system.

Limitation

- The Niger Governance Index report used only available secondary data. The second edition will explore both primary and secondary data sources
- The index does not capture all governance dimensions, only aspects of governance where published report are available, have been used

INDICATORS, SOURCES AND WEIGHT ASSIGNED

S/N	INDICATORS	SOURCE	WEIGHT ASSIGNED TO INDICATORS
1	Budget Transparency	Nigerian States Budget Transparency Survey Report 2018 by CIRDDOC	15%
2	Public Participation	Nigerian States Budget Transparency Survey Report 2018 by CIRDDOC	15%
3	Transparent Procurement Process	Nigerian States Budget Transparency Survey Report 2018 by CIRDDOC	20%
4	Prevalence of Corruption	Nigerian Bureau of Statistics/UNODC report on Corruption in Nigeria: Patterns and Trends Second Survey on Corruption as Experienced by the Population - 2019	15%
5	Fiscal Sustainability	State of the States report by Budget - 2019	15%
6	Starting a Business (distance to frontier score, DTF)	Doing Business in Nigeria 2018 by World Bank Group with the Enabling Business Environment Secretariat (EBES) and the Federal Ministry of Industry, Trade and Investment (FMITI)	5%
7	Dealing with Construction Permit (%)	Doing Business in Nigeria 2018 by World Bank Group with the Enabling Business Environment Secretariat (EBES) and the Federal Ministry of Industry, Trade and Investment (FMITI)	5%
8	Registering Property (%)	Doing Business in Nigeria 2018 by World Bank Group with the Enabling Business Environment Secretariat (EBES) and the Federal Ministry of Industry, Trade and Investment (FMITI)	5%
9	Enforcing Contracts (%)	Doing Business in Nigeria 2018 by World Bank Group with the Enabling Business Environment Secretariat (EBES) and the Federal Ministry of Industry, Trade and Investment (FMITI)	5%

RESULT OF THE NIGER DELTA GOVERNANCE INDEX

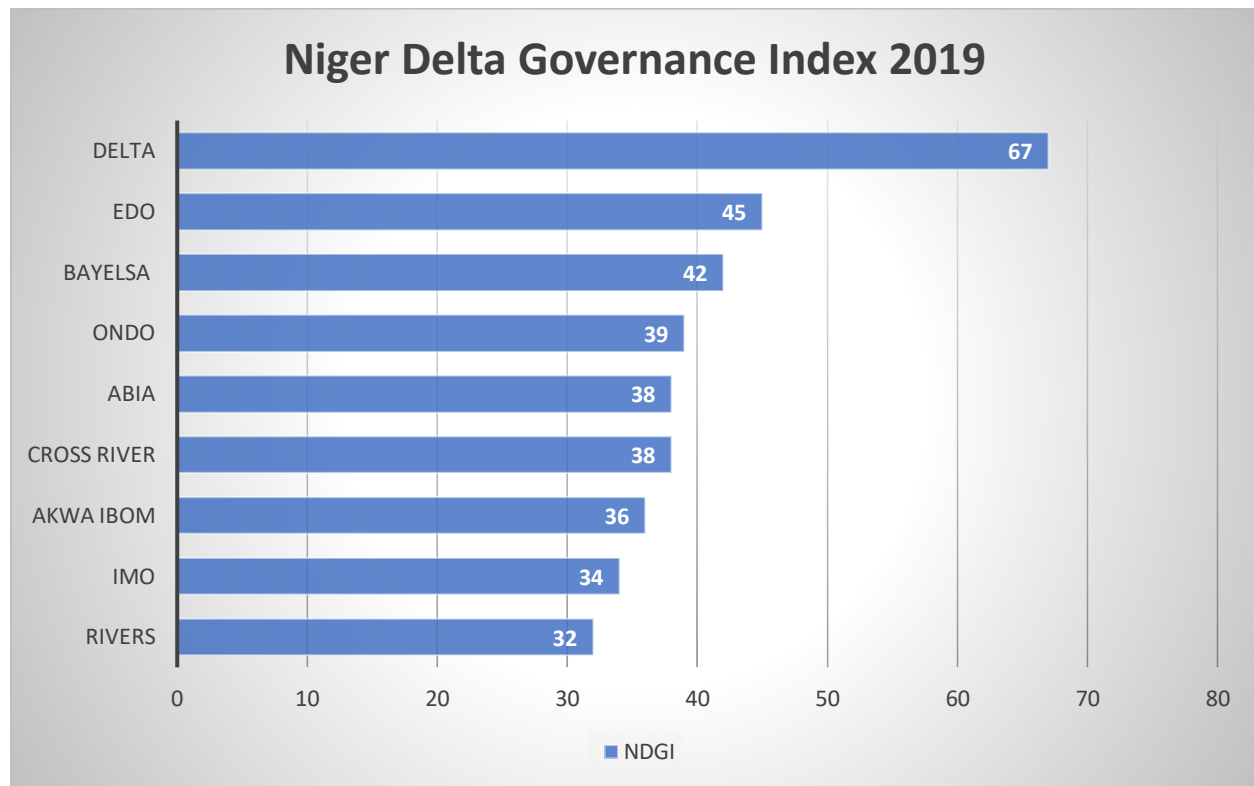


Fig 1: Niger Delta Governance Index

Fig 1 above shows the Niger Delta Governance Index for the nine States. The result indicates that out of a total of 100%, Delta State stand out with a score of 67% and followed by Edo State with a score of 45%. The next is Bayelsa State which scored 42%, while Ondo State scored. Abia and Cross River State score 38% while Akwa Ibom, Imo and Rivers States trail behind with 36%, 34% and 32% scores respectively. The result indicates the generally poor state of governance cross the Niger Delta States which is also a reflection of the state of governance in Nigeria. Apart from Delta State, other eight States scored below the average of 50% on the ranking.

This finding is corroborated by the views expressed in several literatures including that of Love, O. Arugu and John Kalama (2018), Dhikru A. Yagboyaju and Akinola A.O. (2019)⁷, Nigeria Bureau of Statistics (2020)⁸ and UNDP Niger Delta Human Development Report (2006)⁹. Love, O. Arugu and John Kalama in their paper asserted that of all the problems that undermined development in the Niger Delta, political corruption arising from bad governance is cited as the greatest impediment that stifles SDGs in the area. The paper concluded that, It was clear that the Niger Delta region is a victim of high level of corruption and bad governance which have retarded the development and attainment of SDGs.

The UNDP Niger Delta Human Development Report sort to explore how the delta's human development dilemma raises the question of why abundant human and natural resources have had so little impact on poverty. The report showed that the region's human development index (HDI) score, a measure of well-being encompassing the longevity of life, knowledge and a decent standard of living, remains at a low value of 0.564 (with 1 being the highest score), the area rates far below countries or regions with similar oil and gas resources. The ratings (as at 2006) put the Niger Delta at a slightly higher level than Nigeria's overall

⁷ Dhikru A. Yagboyaju and Akinola A.O. (2019). Nigerian State and the Crisis of Governance: A Critical Exposition, Journal of Indexing and Matrics, Vol 9, Issue 3 <https://journals.sagepub.com/doi/full/10.1177/2158244019865810>

⁸ <http://nigerianstat.gov.ng/elibrary>

⁹ UNDP Niger Delta Human Development Report (2006)

HDI of 0.453. The report cited social instability, poor local governance, competition for economic resources and environmental degradation as factors that have contributed to the low HDI. The report concluded that the issues cut across the entire Nigerian nation, with many areas afflicted by poor governance, conflicts, corruption, environmental degradation and social exclusion

Dhikru A. Yagboyaju and Akinola A.O., share a broader view beyond the region and posited that the Nigerian government has failed to guarantee the security of a large section of the population, and militancy and insurrection have militated against effective governance since the return of civil rule in 1999. The report identified institutional weaknesses, ethnic politics, historical reality, and evolution of Nigeria into unnegotiated statehood as factors that contributed to the weakness of the state and its institutions in the performance of its constitutional obligations. The report added that apart from the weak political leadership exemplified.

The 2019 Poverty and Inequality in Nigeria report release by the Nigeria Bureau of Statistics established a sharp correlation between poor governance and poverty. The report identified Delta State as the State with the least population of poor people in the Niger Delta, with only 6% of total population classified as poor. The NBS report also showed that Edo State has 12% of its total population classified as poor, with Cross River State emerging within the Niger Delta region as the State with the highest proportion of poor population (36.3%).

About the Africa Network for Environment and Economic Justice (ANEEJ)

The Africa Network for Environment and Economic Justice (ANEEJ) is a non-governmental organization whose goal is to amplify the voice of the weak, the less privileged and the marginalized groups in the society including women, youths, and People Living With Disabilities in order to increase their participation in the democratic decision-making process. As its basis, ANEEJ believes in a democratic system for managing human interest and operates within two broad areas namely environmental and economic justice. ANEEJ advocates the importance of supporting the Nigerian national government and state governments in delivering equitable services the citizens.

For about 25 years, ANEEJ has been working in Nigeria (Niger Delta region and other parts of the country) and other parts of the World, designing and managing projects that addresses poverty, inequality, corruption, injustice, environmental degradation, democracy and governance challenges and access to WASH services among other. Working with local communities, civil society organizations (both local and international), the private sector, State, national and foreign governments, our focus has been on asset recovery and management, Debts and Structural Adjustments, sustainable development, institutional building, the alleviation of poverty and economic empowerment among others areas.

Since inception, ANEEJ has worked with over 100 civil society organisations while hosting the Secretariat of the Publish What You Pay (PWYP) Campaign, Nigeria from 2004 to 2008 and the Nigerian Network on Stolen Assets. ANEEJ led the Jubilee Debt Movement in Nigeria campaigning for the cancellation of the nation's odious debt. This yielded a major result in 2005 when Nigeria got debt cancellation from the Paris and London Club of creditors. The organisation also coordinated CSOs that were involved in monitoring repatriated money looted by Late General Sani Abacha under the Public Expenditure Management and Financial Accountability Review (PEMFAR), a tripartite agreement involving The World Bank, Civil Society Organisations and Nigerian government. ANEEJ in 2003 established the Society for Water and Sanitation (NEWSAN), a coalition of over 300 CSOs working in the area of Water and Sanitation. ANEEJ is currently monitoring the utilisation of \$322.5M recovered Abacha loot now been used for National Social Investment Programme in Nigeria.

Additionally, ANEEJ is a founding member and currently the Chairperson, Board of Trustees of the Reality of Aid (RoA) Africa, a Sub-sect of Reality of Aid International. ANEEJ also chaired RoA International from 2016-2019. It is currently the Nigerian focal point for Civil Society Organisations Platform for Development Effectiveness (CPDE) and has contributed chapters to the Reality of Aid Global and Africa editions since 2004. ANEEJ has been granted Special Consultative Status of Economic and Social Council (ECOSOC) by the United Nations with all attendant privileges and has managed (and still managing) projects funded

by many donors including USAID, DFID, EU, British Council (including J4A, FOSTER, RoLAC, Palladium/MODAC), UNDP/UNODC, McArthur Foundation, OSIWA, Royal Norwegian Embassy, Canadian and Swiss Embassies, Heinrich Boel Foundation, Global Green Grant, Action Aid, EED (Now Bread for the World,) among others.

ANEEJ is currently implementing a 3-year Open Niger Delta (OPENED) project funded by Bread for the World. The project has galvanized major stakeholders in the region to come together and advocate for open, transparent, inclusive and accountable government.

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