

**AFRICAN INSTITUTE FOR
APPLIED ECONOMICS**

Promoting evidence-based decision making...



ACTIVITY REPORT 2007



ACTIVITY REPORT 2007



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REVIEW OF 2007 AND PROSPECTS FOR 2008

During the year 2007, research and advocacy were predominated by our flagship programme – the Business Environment and Competitiveness across Nigerian States (BECANS). Activities in the year commenced with Associate Fellows Retreat and Conference which took place on 4th January 2007, with the theme “Networking for Results”. The well-attended annual event afforded Associate Fellows opportunity to critically appraise the progress and challenges in research, capacity building, networking and policy advocacy.

The successful implementation of the BECANS programme was climaxed by the national launch of the first-ever Business Environment Reports on Nigerian States, on 16th August 2007. The period leading to the national launch was challenging. Starting from January 2007, the Technical Working Group carried out data verification, quality control and data analysis to estimate and evaluate the business environment models. Evidence from the data analysis and model estimations was used to develop the Business Environment Reports. The reports have two variants: the state-specific business environment reports and the national synthesis report which gives comparative summary of states’ performance.

The BECANS programme has impacted significantly on the country in many ways. It has produced a monitoring framework with which the National Planning Commission and State Governments can periodically assess and evaluate business environment across the country. BECANS was implemented through close collaboration with National Planning Commission, Central Bank of Nigeria, Nigeria Economic Summit Group, Manufacturers Association of Nigeria, National Association of Chambers of Commerce, Industry, Mines and Agriculture, National Association of Small and Medium Enterprises, National Association of Small Scale Industrialists, Human Rights Law Services and several University Faculties. The collaboration has deepened public-private dialogue for improved state-level business environment in Nigeria. The embedded dissemination and advocacy activities have stimulated the implementation of business environment-enhancing reforms in some states of the country. Moreover, BECANS has improved state-level informational and database resources for catalysing evidence-based advocacy by private sector and civil society organisations.

Besides the BECANS programme, the year 2007 recorded milestones in research and advocacy. The study on agricultural processing and post-harvest conditions across the country produced salient findings on the state of Nigeria’s agro-industrial linkages and proffered models and actionable measures to unlock agricultural processing activities. Based on studies and reviews of international best practices and consultations with (feedback from) wide-range of stakeholders, the Institute produced the Base Document on the South-East Nigeria Economic Commission, in pursuant of its corporate social responsibility to its immediate geopolitical community. The South-East Nigeria Economic Commission Initiative is designed to evolve an institutionalized public-private partnership framework for accelerating the economic and social development of the south-east states of Nigeria in a sustainable manner.



There was considerable progress in other areas including training, teamwork and networking, Associate Fellows and the production and dissemination of newsletters. Training continued under the Peer Learning Seminar Series. The Seminar series is the principal medium for peer review, information sharing and cumulative acquisition of skills among Associate Fellows. Research teamwork continued under the five-legged thematic workgroup structure of the Institute. On the platform of the thematic workgroups, Associate Fellows provided critical professional consultancies (technical, analytical and capacity-building services) to various government and private sector organizations. Meanwhile, the AIAE Newsletter which made its debut in the year 2006 has proved to be a valuable tool of communication and feedback with Associate Fellows and stakeholders. Two editions of the AIAE Newsletter were published. During the year 2007, getting the thematic workgroups to function effectively remained a major challenge. Like in the year 2006, the myriad logistics and coordination problems continue to diminish research and intellectual outputs of the thematic workgroups. The situation underscores the need for institutional strengthening, development of infrastructure, enhanced human resources and better, more predictable funding to ensure more robust, sustained and longer-term organizational development and research programming.

The prospects for 2008 look very positive. There is large scope for greater research and programming opportunities in the increasing demand for research and analytical work as bases for public policy, as guide for investment decisions by private sector and as evidence tool for advocacy by private sector and civil society groups. The expected milestones for the year 2008 include the landmark steps for the actualization of the South-East Nigeria Economic Commission and laying the framework for the second-round of the BECANS for updating the Business Environment Reports. Also, it is envisaged that AIAE will enter into collaborative programming with other organizations, particularly the Central Bank of Nigeria, for the development of macroeconomic models for Nigeria.

In order to remain dynamic and proactive, the Institute will articulate a five-year strategic plan, 2009-2014. By the strategic plan, christened Project Leading-edge, the Institute will enunciate the framework guide for institutional strengthening and research programming during the five year period. The framework will proffer critical niche strategies, programme thrusts and implementation models to enhance and sustain AIAE's leading-edge as an economic research think-tank. Together, we shall deliver on this goal.

Prof. Eric Eboh
Executive Director



1.0 AFRICAN INSTITUTE FOR APPLIED ECONOMICS

1.1 IDENTITY

The African Institute for Applied Economics [AIAE] was incorporated as a Company Limited by Guarantee in Nigeria in 2000. It is a not-for-profit and non-partisan organization devoted to economic policy research. The Institute facilitates policy advocacy, training, networking and provides consulting services.

1.2 VISION

The Institute envisions a Renascent Africa that is democratic, prosperous and a major player in the global economy.

1.3 MISSION

The Institute aspires to provide leadership in helping Nigeria and Africa think through the emerging economic renaissance. The Institute's mission is to promote evidence-based decision making.

1.4 METHODS & APPROACHES

- Responsive and proactive research- critical economic and allied research to extend the frontiers of knowledge as well as provide evidence for informed policymaking.
- Facilitating links and dialogue between policymakers and key stakeholders including private sector and civil society.
- Convening expert forums on key economic and development questions.
- National and International Networking and Collaboration.
- Consulting services – policy and institutional reforms, training and capacity building.

1.5 PROGRAMME AREAS

There are five programme areas, as follows:

1. Trade, Regional Integration and Competitiveness (TRIC);
 - Survey and comparative analysis of productivity and competitiveness highlighted by regular Competitiveness and Sustainability Report.
 - Research into technological innovations, products and services shaping the new economy.
 - National and sub-regional trade, de-regulation and competition policies.
 - Analysis of proposals for policy coordination and harmonization in ECOWAS.
 - Options for effective integration of Africa into the global economy.



2. Macroeconomic Analysis, Modeling and Forecasting (MAMF);
 - Exchange rate regimes and policies promoting economic diversification and international competitiveness.
 - Macroeconomic stabilization and growth.
 - Development and adaptation of empirical models for policy analysis and forecasting.
3. Public Sector Economics and Management (PSEM);
 - Fiscal federalism and the rationalization of fiscal structures.
 - Taxation and incentives.
 - Debt and budgetary policies.
 - Divestment of public enterprises.
 - Public investment policy.
4. Poverty, Income Distribution and the Labour Market (PIDLAM); and
 - Bottom-up perspectives on constraints to broad-based growth.
 - Decentralization and efficiency of public service delivery systems.
 - Poverty traps, vulnerability and coping mechanisms of the poor to risks and shocks.
 - Education, health and gender issues.
 - Evaluating market and non-market approaches to poverty reduction.
 - Wage determination, labour market distortions and productiveness.
5. Agriculture and Rural Development (AGRUD).
 - Policy and institutional reforms.
 - Technology generation, transfer and use.
 - Agribusiness and micro-enterprise development.
 - Food security, poverty and rural livelihoods.
 - Agricultural trade and commercialization.



2.0 GOVERNANCE AND MANAGEMENT

2.1 BOARD OF DIRECTORS

The Institute is governed by a Board of Directors. Professor Eric Chiedum Eboh is the Executive Director.

2.2 MANAGEMENT AND HUMAN RESOURCES

✚ **Staff:** The Institute is headed by an Executive Director. Other staff positions include the Finance Manager, Administrative Coordinator, Corporate Affairs Manager, Programme Officers, Research Associates, Research Assistants, Administrative Secretary, Administrative Assistants, Finance Assistants and Librarian.



Prof. Eric Eboh, Executive Director

✚ **Associate Fellows:** Much of the substantive research work of the Institute is carried out through a network of experts within and outside Nigeria who are affiliated to the Institute as Associate Fellows. By end of 2007, the Institute has one hundred and eighty (180) Associate Fellows each with at least a Masters Degree in Economics, Social Sciences and related Disciplines. Thirty (30) new members were admitted during the year.

3.0 RESEARCH AND TRAINING

3.1 BUSINESS ENVIRONMENT AND COMPETITIVENESS ACROSS NIGERIAN STATES (BECANS)

Purpose and Objectives

The basic purpose of BECANS is to promote evidence-based advocacy for business environment reforms in Nigerian states. Within this setting, the project seeks to provide comprehensive and authoritative assessment of business environment across Nigerian states. One major rationale of BECANS is the yawning need for independent regular assessments and monitoring of business environment across Nigerian states. These assessments will provide the evidence tool for more informed, credible and effective advocacy by private sector and civil society organizations and inform ongoing self-appraisals and peer review among State Governments. The goal is to stimulate reforms in the policy, regulatory and institutional environment for doing business across Nigerian states.



Project Components

BECANS consists of four mutually reinforcing and complementary components. The four components include research, survey, dissemination and advocacy. The research component involves the development of a domesticated framework of methods and indicators for assessing and benchmarking sub-national business environment and competitiveness in Nigeria. It also involves the testing and validation of the methods, benchmarks and indicators to ensure their suitability, reliability and efficacy. The survey component involves regular annual surveys to collect and update data and statistics on business environment and competitiveness (BEC) across states, as well as empirical evaluation of the indicators of business environment and competitiveness. The dissemination component involves the preparation of state-level business environment reports and national synthesis report on all states. The reports would then be communicated to elicit feedback and utilisation. The advocacy component involves the establishment of mechanisms for the engagement and dialogue between public and private sector and civil society.

The principal partners in the BECANS programme are as follows:

- Central Bank of Nigeria;
- National Planning Commission;
- National Bureau of Statistics;
- Manufacturer's Association of Nigeria (MAN);
- Human Rights Law Services (HURILAWS);
- National Association of Small and Medium Enterprises (NASME); and
- Department of Economics, Federal University of Science and Technology, Yola.

The major achievements of BECANS are as follows:

Stakeholder Mobilisation

Collaboration was intensified with existing partners including Central Bank of Nigeria, National Planning Commission, National Bureau of Statistics, Nigerian Economic Summit Group Ltd/Gte, Manufacturers Association of Nigeria, Human Rights Law Services, Federal University of Technology, Yola and National Association of Small and Medium Enterprises.



A Cross section of participants at FOBEANS 2007 on August 16, 2007 at Transcorp Hilton, Abuja

Research

Research activities during the year consisted of verification, processing and analysis of data obtained from the surveys. Some additional data were sought to meet observed data gaps. The data were fitted to the rating model and evaluated to produce values/estimates and then rankings of the states on all the indicators studied. The research activities were carried out through a series of working sessions of the Technical Working Group (TWG).

Publication and Dissemination of BECANS Reports



The BECANS reports were published during the year. The reports are in two parts. The first is the state reports describing state-specific performance on the respective benchmarks, measures and indicators. The second is the national synthesis report which gives the summary performance of the respective states benchmarked against one another. Dissemination and advocacy climaxed in the launching of the BECANS reports. The occasion took place on 16th August, 2007 at the Transcorp Hilton Hotel, Abuja. Media partnership was agreed with BusinessDay Newspapers for public enlightenment, special reportage, review articles and press commentaries. In addition, BECANS news reports and commentaries were done by other newspapers including ThisDay Newspapers, Punch Newspapers, Champion Newspapers and others. A total of 8 commentaries, 14 articles and several serialized publications spanning over some weeks were recorded during the year.



Impact of BECANS

The project has made significant impact as follows:

- Increased stakeholder awareness and appreciation of the crucial role of business environment in promoting investments, employment and reducing poverty;
- Deepened public-private partnership in state-level business environment research, measurement and benchmarking in Nigeria;
- Stimulated the implementation of reforms in various areas of business environment in the states;
- Improved informational resources of state-level civil society and private sector groups for evidence-based advocacy for good economic governance;
- Generated and supplied comprehensive data sets on business environment and ratings of the states, for the first time in the history of Nigeria;
- Engendered greater interest and action in research and studies on business environment at the state level;
- Revealed the latent data weaknesses and inadequacies in the various federal and state government ministries, departments and agencies;
- Catalyzed sustained evidence-based stakeholder dialogue for improving business climate at the state level;
- Produced a policy monitoring framework by which the National Planning Commission and State Governments can periodically assess and evaluate business environment across the states of the country; and
- Increased the prospects for peer review among the federating states in the country.

3.2 ENTERPRISE SURVEY UNDER THE FEDERAL INLAND REVENUE SERVICE PROJECT

This project was carried out for the Federal Inland Revenue Service (FIRS). It was aimed at developing a robust electronic taxpayer database in the country. It involved the development of survey methodology and data collection instruments, as well as, coordinating and supervising taxpayer census and data collection throughout the 36 States and FCT. The survey team comprised the lead (national coordinating) institution - Nigeria Institute for Social and Economic Research (NISER)), six regional coordinators/supervisors and 37 state survey teams covering 36 states and FCT. AIAE coordinated the enumeration exercise in the south-south zone comprising Akwa Ibom, Bayelsa, Cross River, Delta, Edo, and Rivers states.

The work involved supervision of census of all the business activities in all the local government areas. The census covered more than 50 business activities in the region including: Banks, Financial Institutions, Agric & Plantation, Conglomerate, Textile & Garment Industries, Building & Construction, etc. More than eighty three thousand (83,000) business enterprises were enumerated in the region.



As regional coordinator, monitor and supervisor, AIAE contributed quality control to the enumeration exercise. This helped to minimize on-the-field errors such as omissions, unreasonable entries, impossible entries and double entries.

3.3 SIZE, NATURE AND TRENDS OF THE INFORMAL SECTOR OF THE NIGERIAN ECONOMY: EVIDENCE FROM MACROECONOMIC AND MICROECONOMIC ANALYSIS

This study was carried out with support from the USAID REFORMS project, under subcontract with Development Alternatives Incorporated (DAI), Washington, DC. U.S.A. The study is intended to inform and guide national policies for harnessing the informal sector for economic growth and development.

Objectives

It examines the characteristics and the socioeconomic and institutional determinants of informal sector enterprises. The study evaluates production processes, productivity, and investment and business conditions at the enterprise level. Also, the study estimates the size, relative contributions as well as the trends of Nigerian informal sector. The goal of the study is to improve understanding of the size, character and dynamics of informal sector in order to provide empirical evidence-based insights for overall economic planning, policy targeting and program design.

Methods

The study adopts a two-pronged approach. The first is the macroeconomic (econometric) modeling to estimate the determinants, causality and size of the informal sector in relation to the Gross Domestic Product. The macroeconomic framework used is the multiple-indicator multiple-cause (MIMIC) model, while the estimation was done using the Seemingly Unrelated Regression (SURE) technique.

The second approach is based on survey of enterprises. The survey was designed to obtain data on enterprise level characteristics, production patterns, investment practices and business conditions. The survey also collected data covering the socioeconomic profile of enterprise owners, nature and determinants of enterprise level behaviour as well as growth patterns. The survey covered the South-South and South-East geopolitical zones of the country, comprising eleven (11) states. A total of four thousand, four hundred and fifty five (4,455) enterprises spanning various segments of informal sector were covered in the survey. Analysis of enterprise level data was done using a combination of techniques. Techniques employed include descriptive statistics and non-parametric methods. In addition, deeper analysis was done using the econometric models - Ordered Multinomial Logit model and the Cobb-Dougllass Production Function.



Findings

The estimated model used two indicators of informality in Nigeria by applying the seemingly unrelated regression (SUR). The model showed consistency as indicated by a high correlation between the two indicators – Income-expenditure gap (IEG) and currency demand ratio (CDR). The model estimated that the size of the informal sector has grown from 44.04% of GDP in 1970 to 66.75% of GDP in 2005. The macroeconomic analysis showed that the size of the informal sector has direct relationship with the widening gap between labour supply and demand, that is, unemployment, high tax burden and government control of the economy. On the other hand, the microeconomic analysis showed that whole sale and retail trade and personal services dominate the informal sector. Most female-owned businesses are in retail trade, personal services and hospitality services. Most enterprises are dominated by persons without post-secondary schooling. The study reveals that the sector has very low level of linkage with the formal sectors of the economy. The model estimates show a very labour-intensive production process, very high incremental capital -output ratio (ICOR) and low returns to labour. Some of the most severe business constraints experienced by informal sector operators include lack of access to and high cost of funds, poor infrastructure (particularly electricity and transportation) and incessant taxes and levies by government.

3.4 SOCIOECONOMIC IMPACT OF MOBILE TELECOMMUNICATIONS IN NIGERIA, A STUDY COMMISSIONED BY NIGERIAN COMMUNICATIONS COMMISSION (NCC)

Objective

The study provides scientific quantitative evidence on the socioeconomic impact of mobile ICT in Nigeria, with the aim of informing and guiding the strategic planning and policies of the Nigerian Communications Commission (NCC).

Methods

Five mobile ICT consumer categories are identified: individual consumers, small businesses, large firms, government ministries, departments and agencies (MDAs) and non-governmental organisations (NGOs). Each of these is considered to be a separate class of consumer with different features and characteristics thus requiring that they are analyzed separately. Secondary data was used for the macroeconomic estimations. Primary data was collected from a total sample of 8,000 comprising 5624 persons, 1180 small businesses, 290 large businesses, 495 government ministries, departments and agencies (MDAs) and 383 non-governmental agencies (NGOs). The study adopts two mutually complementary analytical approaches:



microeconomic and macroeconomic modelling and analysis. The micro-level analysis makes use of simple descriptive statistics and contingent valuation method (CVM). Different econometric methods were used to analyze the impact on economic growth, productivity, demand and supply for mobile telecommunication.

Findings

The study found that ownership of mobile handset varies by gender, education and location; but ownership is generally limited by ability to pay. The most important factors that determine the choice of network are network coverage, good customer service and interconnectivity. The quintile regression model of the determinants of expenditure reveals that the responsiveness of expenditure on Mobile Phone services is non-homogenous implying that factors that determine expenditure on Mobile Phone services have different degrees of impact on wealthy and poor individuals. The major determinants of willingness to pay include household size, age group and household wealth index score. The main areas of impact of mobile phones on firms' activities include: improved business opportunities, improved response to emergencies, great ability to compete with other firms, improved corporate relation, and improved decision making, among others.

At the macroeconomic level, the study also revealed that mobile information communication technology is a catalyst to enhancing labour productivity. There was about 39.4% increase in labour productivity at the national level and approximately 53% at the firm level. Estimates of mobile ICT diffusion show that mobile ICT sub sector is about 2.5% of the 2006 GDP. This figure represents about 29.6% increase from the 2005 estimates. Also mobile ICT has a positive relationship with productivity and economic growth. Mobile ICT infrastructure generated an average of about 42 kobo gain to the economy for every N1.00 increase in the consumption of mobile ICT. This is generated through an increase in the demand for mobile telephone and increase in labour productivity. The mobile ICT subsector generates about 0.2% of the GDP growth. In return, a 1% increase in economic growth boosts the growth of the mobile ICT subsector by about 0.4. However, there is an indication which suggests that the growth rate of mobile ICT subsector will decline in 2007 if not checked. The subsector facilitated about 2.7% increase in reduction in poverty in 2006. This is reflected on the relationship between mobile ICT and development indicators measured by per capita GDP in 2006. This contribution is through mobile ICT labour augmenting relationship and mobile ICT employment generation. Mobile ICT is income inelastic. Increase in income of consumers increase the demand for mobile ICT. However, the increase in expenditure on mobile ICT is not as much as the increase



in income. Further breakdown shows that, for every N1.00 increase in income there is approximately 60 kobo increase on mobile ICT effective demand. Mobile ICT sub sector has a network demand effect. In the long run the demand for mobile ICT in Nigeria will rise as its price or tariff reduces.

3.5 AGRICULTURAL PROCESSING AND POST-HARVEST CONDITIONS IN NIGERIA: ENTERPRISE-LEVEL EXPERIENCES AND POLICY IMPLICATIONS

This study examines Nigeria's agricultural processing problems at the enterprise level. The link between these problems and the overarching business environment is explored. The study captures the real-life experiences and viewpoints of enterprise owners, managers and other stakeholders in agricultural processing and post-harvest development. It is anticipated that the insights generated would inform the Federal Ministry of Agriculture in rallying stakeholders for developing agricultural processing in Nigeria.

The study involved gathering of information from relevant government ministries, departments and agencies which shape the policy-institutional conditions of agricultural processing and post-harvest activities. In addition, enterprise-level data was obtained using researcher-administered questionnaire. The questionnaire contained information about the status of the enterprises, their production activities, operational constraints and the role of the business environment. A total of seven agricultural commodities were studied. They are cassava, rice, sugar cane, poultry, cattle, fish and fruits. The choice of commodities aligns with the priorities of the Federal Government of Nigeria, as enunciated under the Presidential Initiatives.

The enterprises were selected based on major commodity belts of the country while simultaneously ensuring adequate agro-ecological spread. In line with the selection principles, States which fall within the commodity belts and which have nationally significant or distinctive producing-processing clusters were identified. The procedure led to the selection of thirty eight (38) enterprises cutting across fifteen (15) States of the country. The States are: Lagos, Kano, Bornu, Bayelsa, Cross River, Anambra, Ebonyi, Ogun, Ondo, Oyo, Edo, Benue, Plateau, Adamawa, Niger and Federal Capital Territory.

From the macro point of view, the bane of agricultural development in Nigeria is incessant changes in policy and the concomitant policy uncertainty which deters private investment and increases risks of business and investment decision-making. The lingering policy-based constraints include policy discontinuity, high mortality and turnover of government programmes, lack of inter-agency coordination and collaboration and non- or poorly-implemented government measures. On the other hand, current evidence shows that enterprise-level conditions in study states are difficult. As a result, there are persisting problems of high operational cost, low processing capacity and under-investment in agricultural processing.



Evidence at the enterprise level reveals that the constraints and limitations of agricultural processing are typical of the business conditions across the country. They are as follows: deficiencies in power, water and road infrastructure; inefficient and non-transparent regulatory institutions; inadequate and irregular supply of agricultural raw materials for processing; multiple taxes and levies; low level of security; poor contract enforcement/dispute resolution institutions; lack of adequate/suitable access to credit/finance and obsolete poorly-performing equipments and facilities.

In order to tackle these binding constraints, the study recommends a *corridor approach* to the development of agricultural processing and post-harvest activities. The corridor approach describes a holistic and integrated model of public-private sector partnership for developing competitive agricultural processing. It involves the designation of commodity-based processing hubs in contiguous farming areas and targeting them with a complete set of infrastructural, regulatory and capacity building measures. The measures will seek to develop model agricultural processing centres which demonstrate adequate infrastructure services, sound technical and managerial skills, modern production facilities and efficient processing methods and technology. The centres will foster high quality of agricultural processing, competitive product standards, better site facilities and sanitation, stable power, adequate water supply as well as tailored credit. The model could serve as a virile tool to operationalise the current federal government's industrial policy on enterprise zones and industrial clusters. The centres will foster the achievement of the existing benchmark 70% local content (raw materials utilisation) for agro-allied industries in Nigeria.

3.6 RESEARCH LEADING TO THE PRODUCTION OF BASE DOCUMENT FOR THE ESTABLISHMENT OF SOUTH-EAST NIGERIA ECONOMIC COMMISSION (SENEC)

The SENEC Initiative grew out of the recommendations of the Stakeholders Forum on Industrial Clusters held in September 26, 2006 in Enugu under the auspices of Enugu. AIAE initiated the SENEC process by constituting an Interim Steering Committee to midwife the establishment of the SENEC. The Committee was inaugurated on January 15, 2007. The Committee then established three subcommittees as follows:

- Study Sub-committee;
- Sensitization and Publicity Sub-committee (a.k.a. Communication Sub-committee); and
- Consultation Sub-committee.

Based on necessity, a fourth subcommittee – the Legal Framework Sub-committee - was later established.



A work session of the SENEK sub-committee on Communication at the AIAE Conference Room

The Study Subcommittee was charged with preparing a framework document to serve as working paper for dialogue, consultations and mobilization for the SENEK. The Subcommittee carried out its duties through variety of methods and techniques:

- extensive review of the literature on best practices around the world;
- call for memorandum from all Ndigbo (persons and organizations) at home and in the Diaspora;
- interviews with selected individuals and organizations; and
- consultations and dialogue with Ndigbo organizations.

Based on feedback and revisions, the Subcommittee published the draft framework document, the Memorandum for the Establishment of South-East Nigeria Economic Commission (SENEK). The Memorandum is a key tool of AIAE strategy to foster a South-East Nigeria Economic Commission. It provides a base document to guide stakeholders in deciding the character, structure and functions of the Commission. It lays out the strategic framework in terms of context and rationale, international best practices, relevance and impact of the Commission.

By rallying stakeholders for the creation of a sub-national economic development agency for the South-East geopolitical zone in Nigeria, AIAE is fulfilling its niche objective of fostering the utilization of research-based evidence for policymaking. In taking the opportunity to facilitate the creation of the South-East Nigeria Economic Commission, AIAE demonstrates a high level of corporate social responsibility, geared to impact its immediate economic environment. But, the task is enormous indeed. Hence, AIAE is deploying its critical mass of intellectual and networking resources. The array of positive feedback and commentaries recorded in the course of preparing the Memorandum is vindication of the timeliness, relevance and prospects of the initiative. There is therefore, a strong basis to intensify our march towards actualizing this innovative organisational paradigm for the south-east geopolitical zone.

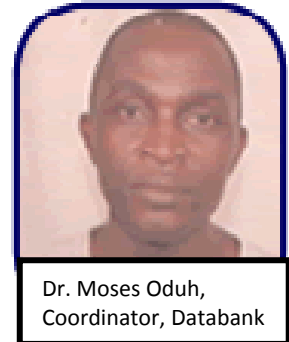


3.7 TRAINING

During the year, the Institute organized a certificate-based Training Course on *Capital Stock Measurement and Survey*, for staff of National Bureau of Statistics (NBS), from October 15-20, 2007.

4.0 THE DATABANK UNIT

The year witnessed tremendous progress in strengthening the AIAE Databank to become a one-stop data shop for internal research purposes of the Institute. The central goal of the databank is to develop and maintain an on-going robust, credible and up-to-date statistical database of macroeconomic, microeconomic, social sector and human development indicators to support research at the Institute. The Databank Unit commenced operations on 7th January, 2006. It is charged with the functions, viz, sourcing, assembling and mobilizing data into the databank; organizing and processing data into systematic storage system for easy retrieval and utilization; and constant updating and improvement of the statistical database to ensure credibility, reliability and usability. It is intended that the Databank will provide quick and inexpensive access of Institute researchers to verifiable datasets on various economic and development indicators. It is also envisaged that Databank will serve as an important data and information resource for researchers, private sector and policymakers.



Dr. Moses Oduh,
Coordinator, Databank

The Databank Unit employs inventive methods to source and organize data into meaningful and usable datasets for research and related uses. It assembles and harmonizes existing data from government statistical agencies, international agencies and other statistical organizations. It draws data also from existing primary surveys of the Institute and other research institutes. It carries out data transformations based on data history and theoretical framework. It uses literature based on the behavioural pattern and general acceptability of data (as proxy and indicator) and their relationship with social, political and economic variables to develop a specific indicator.

The sources of the data for the Databank include official Nigerian government sources such as the National Bureau of Statistics, Central Bank of Nigeria, National Planning Commission. Other sources include the international agencies such as the World Bank (WB), United Nations Development Programme (UNDP), International Monetary Fund (IMF), World Trade Organisation (WTO), Economic Community of West African States (ECOWAS) and others. Also, the Databank Unit undertakes data transformation based on data history, while adopting interpolated and extrapolated data techniques.



As at December 2007, the Databank has 6,036 indicators - time series and cross sectional. The bank contains 209 sub-data generic names, 23 Sources (including AIAE transformed data and surveys). There are 13 generic names as follows: macroeconomic indicators, agriculture, health, migration, labour, governance, corruption, elasticities, energy, trade, human development indices, human poverty indices and population. The traditional indicators constitute 30 percent of the total data while the transformed data, based on data history formed 60 percent. The remaining 10 percent are primary data.

5.0 PEER LEARNING SEMINAR SERIES

The Peer Learning Seminars provide platform for training, learning and intellectual interaction among Associate Fellows. The Seminar offers intellectual discussion on major conceptual and methodological questions; experts are invited to deliver well-researched papers addressing specific research concepts and methodologies.



Participants at a peer learning session on the *Use of SPSS in Evaluation and Monitoring*

6.0 NETWORKING, OUTREACH AND AFFILIATIONS

During the year, AIAE intensified its national and international networking and outreach programs with partner and collaborating institutions, both within and outside the country. The Institute participated in several national and international conferences. Some of these conferences are given below.

- Nigerian Economic Summit (NES 13), with the theme – Nigeria: Positioning for the Top 20 League, held 5-7 September, 2007 at Abuja. The Executive Director (Prof. Eric Eboh) presented a paper titled - The role of state-level policy in business competitiveness.
- 4th National Conference on Investment themed “Creating an Enabling Investment Environment for the Realization of Vision 2020”, organised by the Nigerian Investment



Promotion Commission (NIPC) held at Ibadan on 23rd -25th October, 2007. The Executive Director presented a paper titled –Business Environment across Nigerian States: Evidence and Challenges.

- African Economic Conference with the theme- “Opportunities and Challenges for Africa in the Global Arena” organised by the African Development Bank and the United Nations Economic Commission for Africa held at Addis Ababa, Ethiopia, 15-17 November, 2007.
- African Technology Policy Studies Network (ATPS) Annual Conference and Workshop on “Science, Technology and Climate Change Adaptation in Africa”, 19-23 November, 2007, Johannesburg, South Africa. The Executive Director presented a paper titled- Resource Degradation, Poverty and Growth in Nigeria: Implications for Climate-Change Adaptation.

7.0 ASSOCIATE FELLOWS’ NETWORK

7.1 PRINCIPLES AND SCOPE OF FELLOWS’ NETWORKING

The research network of the Institute connects Associate Fellows within five thematic groups. The groups are:

- Trade, Regional Integration and Competitiveness (TRIC);
- Macroeconomic Analysis, Modeling and Forecasting (MAMF);
- Public Sector Economics and Management (PSEM);
- Poverty, Income Distribution and the Labour Market (PIDLAM); and
- Agriculture and Rural Development (AGRUD).

The Institute networks Associate Fellows is a novel scientific networking arrangement that provides rich opportunities for intellectual self-enhancement, academic interaction and mutual learning. The thematic groups constitute the research hub of the Institute. The Institute provides needed peer networking facilities, training and capacity building, quality assurance, administrative coordination and scientific supervision. By the Institute’s research network, Associate Fellows have a credible platform for international networking with scientific institutions, research organizations and academic and professional societies. During 2007, a total of thirty (30) new Associate Fellows were admitted. This increased the number to one hundred and eighty (180) Associate Fellows as at December 2007.



7.2 THE ASSOCIATE FELLOWS RETREAT 2007

The annual Associate Fellows Retreat/Conference for 2007 was held on 4th January 2007 at Enugu. The Keynote Address was “Research Networking, Professional Development and Institution Building” by Dr. Kasirim Nwuke, Senior Economist, United Nations Economic Commission for Africa (UNECA). Also, Dr. Nwuke facilitated highly interesting discussion among Associate Fellows, particularly regarding opportunities for research partnership with United Nations Economic Commission for Africa (UNECA). The Retreat featured another speech by the former Economic Adviser to the President and Chief Executive, National Planning Commission, Dr. Osita Ogbu. There was another speech on “From Research to Policy Practice: Experiences and Challenges in the Monetary Policy Department of the Central Bank of Nigeria” by Mr. James Olekah, Director, Monetary Policy, Central Bank of Nigeria. Based on the speech, there was rich exchange of ideas about the nexus of economic research and policy.



Associate Fellows pose for a group photograph at the Associate Fellows Retreat held on the 4th of January, 2007 in Enugu

The Retreat/Conference was attended by more than eighty (80) Associate Fellows from different parts of the country. Discussions at the Retreat focused on strengthening the thematic work groups as anchors for competitive research, peer networking and making the Associate Fellows network more accountable, effective and productive. Also, the participants considered practical actions to improve capacities and skills of Associate Fellows, enhance information flow and communication and promote research outputs of the Institute.



7.3 SAMPLE RESEARCH AND RELATED OUTPUTS OF ASSOCIATE FELLOWS

ACHIKE, A. I.



Dr. (Mrs.) A. I. Achike is a Senior Lecturer in the Department of Agricultural Economics, University of Nigeria, Nsukka. She holds a PhD degree in Agricultural Economics. Her main research interests include gender and development, socioeconomic analysis and agribusiness.

- Achike, A. I. (2007). South - South Trade and Regional Integration Agreements: Some Perspectives for Africa. *Lead paper published in the 2007 Proceedings of the Second Annual Conference of the Trade Policy Training Centre in Africa (TRAPCA)*.
- Achike, A. I. (2007). Effects of Trade Liberalization on Prices of Carbohydrate Staples in Nigeria. *Work in Progress Report Submitted to the African Economic Research Consortium (AERC), Nairobi Kenya*.

AGU, CHUKWUMA



Chukwuma Agu holds a PhD in Economics, University of Nigeria, Nsukka. He is Research Coordinator at the African Institute for Applied Economics. His research interests include macroeconomics, regional integration and trade policy. He has published a good number of scientific papers in local and international journals. He has attended a number of international training courses and conferences in U. S.A. and U.K.

- Oji, G. O. and Agu, C. (2007). *How competitive are Nigerian Ports in West Africa?* in Collier, Paul, Soludo, C. C. and Patillo, Catherine (EDs.) *Economic Policy Options for a Prosperous Nigeria*, Palgrave Macmillan, UK.
- Agu, C. and Achike, A. I. (2007). "South South Trade and Regional Integration Arrangements in Africa: Some Perspectives" Presented at the Trade Policy Training and Research Centre in Africa (TRAPCA) Conference on Multilateral, Regional and Bilateral Trade Agreements: Emerging Scenarios and Challenges for African and Least Developed Countries, Royal Swazi Hotel, Mbabane, Swaziland, November.
- Agu, C. (2007). "Aid for Trade and Capacity Building Needs for Trade in Africa" Presented at the Trade Policy Training Centre in Africa (TRAPCA) Conference on Multilateral, Regional and Bilateral Trade Agreements: Emerging Scenarios and Challenges for African and Least Developed Countries, Royal Swazi Hotel, Mbabane, Swaziland, November.
- Agu, C. (2007). "What does the Central Bank of Nigeria Target? An analysis of the Policymakers' Reaction Function" Final Report to the *African Economic Research Consortium*, Nairobi, Kenya, December.
- Agu, C. (2007). "Export Credits Agencies, Debt and Africa's Development Challenges" Policy Brief prepared for the Institute for Global Dialogue (IGD), Midrand, South Africa, September.



AMAKOM, UZOCHUKWU



Uzo Chukwu Amakom holds a Ph.D in Economics. He is currently a lecturer in Economics, Nnamdi Azikiwe University, Awka, Nigeria. His research interest covers poverty and income distribution, Public Finance Analysis (PFA), Industrial growth and development, Gender Analysis as well as growth and trade issues.

- Amakom, U. (2007). "Leather and Leather Products: A Viable Non-oil Export Potential for Nigeria" in Wohlmuth, et al (eds) *Africa Development Perspectives Yearbook 2007: Africa-Commodity Dependence, Resource Curse and Export Diversification, Vol XII*. London, Transaction Publishers, pp 343-373.
- Amakom, U. & Ezeaku, L. C. (2007). "Export Constraints of the Kano Leather Industry: A Study of Industrial Clusters in Nigeria" *International Journal of Development Studies – Concepts for Further Development*, Vol. II, No. 006, pp 43-59.
- Amakom, U. & Obi, A. (2007). "Nigeria's Education Sector Allocation and Expenditures (1995-2005): Implications for Poverty Reduction and Gender Empowerment", *Journal of Economic Studies*, Volume 6, No. 1, pp 1-19
- Amakom, U. & Nwabude, E. 2007, "Economics of Environmental Sustainability in Nigeria: The Need for Women to Have Say in It" *The International Journal of Gender and Contemporary Studies (IJGCS)*, Vol. 1, pp. 12-31.

ICHOKU, HYCINTH, E.



Hyacinth Eme Ichoku (Rev. Dr.) holds a PhD in Economics from the University of Cape Town. He is a Lecturer in the Department of Agricultural Economics, University Nigeria, Nsukka. His research interests include Health Financing and Poverty.

- Ichoku, H. E. and Fonta, W. M. (2007) "A Re-examination of the redistributive effects of direct healthcare financing under alternative decomposition frameworks". A paper presented at the 7th Conference of International Association of Health Economists, Copenhagen Business School, Copenhagen, July 7-11, 2007.
- Ichoku, H. E., Fonta, W. M. and Ogujiuba, K. (2007). "Can out-of-pocket health financing be fair? Empirical Evidence from Nigeria" A paper presented at the meeting of the Society for the Study of Economic Inequality – Berlin Academy of sciences – Berlin, July 12 – 15, 2007-11-07.
- Ichoku, H. E, Fonta, W. M. and Kedir, A. (2007). "Measuring individual valuation distributions using a Stochastic Payment Card Approach: application to solid waste management in Nigeria" *Environment, Management and Sustainability*.
- Fonta W. M., Ichoku, H. E., Ogujiuba, K. K. and Chukwu, J. O. (2007). "Using a contingent valuation approach for improved solid waste management facility: Evidence from Enugu State, Nigeria" *Journal of African Economies*.



IGBOKWE, EDWIN



Edwin Igbokwe is a professor of agricultural extension and rural sociology at the University of Nigeria, Nsukka. His research interests include agricultural transformation and rural economics and interface with governance and economic policy.

- Ozor, Nicholas and Igbokwe, E. M. (2007). "Roles of agricultural biotechnology in ensuring adequate food security in developing societies". *African Journal of Biotechnology*, Vol. 6 (14), pp. 1597-1602.

NWAFOR, MANSON



Manson Nwafor is a Policy Economist at the International Institute of Tropical Agriculture (IITA), Ibadan. His area of research is the application of CGE modeling to generate policy-relevant solutions. He is currently working with the Nigeria Commercial Agriculture Project, hosted by the IITA.

- Nwafor, Manson. (2007). "Literature Review of Development Targets In Nigeria". Prepared for the International Institute of Tropical Agriculture and International Food Policy Research Institute under the CIDA funded Agriculture Policy Support Facility (APSF) which aims at improving the use of evidence in agriculture policy making in Nigeria.
- Nwafor, Manson. (2007). "Tracking Key Dimensions o Knowledge Management Related To Agriculture Led, Pro-Poor, Gender And Environment Sensitive Growth". Prepared for the International Institute of Tropical Agriculture and International Food Policy Research Institute under the CIDA funded Agriculture Policy Support Facility (APSF) which aims at improving the use of evidence in agriculture policy making in Nigeria.

NZEH, CELESTINE



Celestine Emeka Peter Nzeh holds an MSc Degree of Agricultural Economics from University of Nigeria, Nsukka. He is currently pursuing a Ph.D in Resource and Environmental Economics at University of Nigeria, Nsukka.

- Nzeh, C. E. P. and Eboh, E. C. (2007). "Analysis of Income Effects of forest Products Activities among rural households in Enugu state Nigeria" *Journal of Agriculture and Social Research (JASR)*, Vol. 7, No. 1, 2007, ISSN 1595-7470. Pages 23-33.
- Nzeh, C. E .P. (2007). "Socio-Economic analysis of marketing of yam in Enugu urban, Enugu State, Nigeria". Addendum of proceedings of Nigerian Association of Agricultural Economists (NAAE), 9th Annual National Conference held at Abubakar Tafawa Balewa University (ATBU), Bauchi state, Nigeria, page 474.



ODUH MOSES



Moses Oduh holds a PhD in Economics, University of Nigeria, Nsukka. His main research interests include macroeconomic analysis and modeling, econometric analysis and measurements. He has actively participated in many research studies at the Institute.

- Principal Member of the AIAE research team that carried out the study - *Socioeconomic Impact of Mobile Telecommunications in Nigeria*, for Nigerian Communications Commission, Abuja.
- Principal Member of the AIAE research team that carried out the study – *Middle Class in Nigeria – Profile, Determinants and Characteristics: 1980-2007*, for National Bureau of Statistics, Abuja.
- Principal Member of the AIAE research team that carried out the study – *Size, Determinants and Trends of Informal Sector of the Nigerian Economy*, under the USAID REFORMS project.

ONYUKWU, O. ONYUKWU



Onyukwu E. Onyukwu is a Development Economist and Public Policy Analyst. He holds a Masters Degree in Economics from University of Nigeria, Nsukka and another Masters Degree in Development Studies from Leeds University, United Kingdom. He is currently researching on strategies for inclusive growth, development finance policy and strategy.

- Onyukwu, O. E. (2007). “Enugu State Education Public Expenditure Review (1999–2005)”. Study for DFID/World Bank, Abuja, Nigeria. (with P. Bennell and S. Oladeji).
- Onyukwu, O. E. (2007). “Non-Agricultural Market Access (NAMA) Negotiations and Agreements: The Nigerian Interest” Research Report Prepared For the National Planning Commission (NPC), Abuja (with N. I. Ikpeze, P. C. Ekeocha, M. Nwafor and M. O. Oduh).
- Onyukwu, O. E. and Okoye, C. U. (2007). “Sustaining Poverty Alleviation Efforts through Inter-Agency Collaboration in Nigeria” (in Omeje, K. C. (ED.) *State-Society Relations in Nigeria: Democratic Consolidation, Conflicts and Reforms*) London: Adonis & Abbey Publishers, Pp. 176 – 203.
- Onyukwu, O. E., Ukeje, S. and Agu, C. (2007). “Banking Regulation and Reforms in Nigeria: *The Consolidation Experience*” (in Omeje, K. C. (EDs.) *State-Society Relations in Nigeria: Democratic Consolidation, Conflicts and Reforms*) London: Adonis & Abbey Publishers, Pp. 204 – 229.



OZOR, NICHOLAS



Nicholas Ozor holds a PhD in Agricultural Extension and Rural Development, University of Nigeria, Nsukka. He was also a Commonwealth Scholar at University of Reading, U. K. He has researched considerably on cost sharing in technology dissemination.

- Ozor, N. (2007). Challenges to Effective Use of Information Communication Technologies (ICTs) in the Delivery of Agricultural Extension Service. *Journal of Agricultural Extension Vol. 10: 40-45.*
- Ozor, N. (2007). Barriers to Effective Privatization and Commercialization of Agricultural Extension Service in Nigeria: the Perceptions of Extension Professionals in Enugu State. *Journal of Extension Systems, Vol. 23, No.1: 98-115.*
- Chukwuone N.A., A.E. Agwu and N. Ozor, 2007. Constraints and Strategies toward Effective Cost-Sharing of Agricultural Technology Delivery in Nigeria. *Journal: Journal of International Agricultural and Extension Education, Texas A&M U.S.A., Vol. 13(1): 29-41, 2006*
- N. Ozor, A.E. Agwu, N.A. Chukwuone, M.C. Madukwe and C.J. Garforth (2007). Cost-sharing of Agricultural Technology Transfer in Nigeria: Perceptions of Farmers and Extension Professionals. *Journal of Agricultural Education and Extension Vol. 13, No.1, 23-37, 2007.*

UCHE, CHIBUIKE U.



Prof. Chibuike Uche is a Professor of Banking and Financial Institutions and Dean, Faculty of Business Administration at the University of Nigeria Enugu Campus. He is a Chartered Accountant and holds a doctorate degree in accounting and finance from the London School of Economics and Political Science. He has published extensively in scientific and professional journals.

- Uche, Chibuike U. (2007). "The Accounting Profession in British West Africa" Edinburgh, Institute of Chartered Accountants of Scotland.
- Uche, Chibuike U. (2007). "The Future of the Past in Banking" 24th Inaugural Lecture of the University of Nigeria Nsukka (Nsukka, University of Nigeria Press).
- Uche, Chibuike U. (2007). "Collusion and Competition in Colonial Economies: Banking in British West Africa 1916-1960" (With Gareth Austin), *Business History Review* (Volume 81, pp.1-26, Harvard University Press).
- Uche, Chibuike U. (2007) "Colonial Heritage that is Failing West African Accountancy" *CA Magazine*, August 2007, pp.60-61.



UJAH, OLIVER



Ujah Oliver Chinedu holds an MSc Degree of Agricultural Economics from University of Nigeria, Nsukka. He is currently pursuing a Ph.D in Resource and Environmental Economics at University of Nigeria, Nsukka. He is the AIAE Liaison Officer dealing with Associate Fellows of the Institute.

- Ujah, O. (2007). *Diversification Potential of Cassava in the Nigerian Economy* – Book Chapter in the 2007 African Perspective Yearbook: Africa – Commodity Dependency, Resource Curse and Export Diversification, published by the University of Bremen, Germany.
- Ujah, O. (2007). “How Green is Nigeria’s Agricultural Development” – Book of Proceedings, 2007 Annual Conference of the Nigerian Association of Agricultural Economists (NAAE), held at Abubakar Tafawa Balewa University (ATBU), Bauchi, November 15-18.

UKWU, UKWU I.



Ukwu I. Ukwu is a Professor of Economics since 1983, with specialization in development economics and public policy. He has provided research and consultancy to many federal and state government institutions as well as international organisations such as UNDP, World Bank, ECOWAS and UNICEF. He was Director, Institute for Development Studies, University of Nigeria and Director of Research, National Institute for Policy and Strategic Studies.

- Ukwu, I. Ukwu (2007). “Towards Effective Public-Private Partnership in Private Sector Development. Keynote Address by the Guest Speaker at the 18th Enugu International Trade Fair Colloquium on the Theme: Enhancing Private Sector Development through Effective Policy Measures”, Enugu, 27 March 2007.
- Ukwu, I. Ukwu (2007). “The Challenge of Public Relations in Nigeria’s New Democracy”. Enugu, 13 July, 2007. Theme: Nigerian Institute of Public Relations Dr. Sam Epelle Annual Memorial Lecture, 2007.
- Ukwu, I. Ukwu (2007). “Planning With Facts: NBS and the Challenge of Data Ownership and Collaboration in MDG Statistics Management”. Theme: Data Harmonization on MDGs organised by the National Bureau of Statistics and the MDG Office Abuja, June 2007.



8.0 PUBLIC POLICY ADVOCACY

8.1 ENUGU FORUM (Development Policy Forum)

Enugu Forum is a civic platform, created and run by the Institute, for evidence-based policy advocacy. The purpose is to debate, propose and advocate policy options based on concrete evidence and sound analysis. It brings together diverse stakeholders including government officials, private sector operators, civil society groups, independent think-tanks, academics and NGOs to exchange views and examine critical social and economic issues affecting the country. It seeks to promote stakeholder interaction and shared understanding of policy alternatives. The primary objective is to create and sustain a platform for promoting the interactions among researchers, professionals and policy makers, thereby enhancing the links between research and policy making process. Its members include non-governmental organizations (NGOs), private sector organizations (PSOs), business associations, religious (faith-based) organizations, professionals, academics and researchers, businesspeople and government technocrats. It is supervised by a Steering Committee and managed by a Coordinating Committee hosted by the Institute.



A cross section of the high table at an Enugu Forum Policy Seminar on Investing in Stocks, delivered by Mr. John Ogar (standing) of CSL Stockbrokers Ltd. in Enugu in March, 2007. He is flanked (from left to right) by Elder Kalu U. Kalu,, Patron Enugu Forum, Mr. Victor Agunwa, a discussant, and Prof. Eboh, Executive Director, AIAE

During the year, Enugu Forum Policy Seminar focused on the Challenges and Prospects of the Nigerian Stock Market. The Seminar, held on 21st March 2007, was carried out in collaboration with CSL Stockbrokers Ltd., Lagos.



9.0 SOME INTERNATIONAL NETWORKS AND AFFILIATIONS

- **African Economic Research Consortium (AERC).** AIAE Associate Fellows are active participants in the research programme of the AERC, Nairobi, Kenya. The Institute also receives institutional support in the form of book grants from AERC. During the year, AIAE established formal institutional partnership with AERC in capacity building, institutional development and research networking.
- **USAID REFORMS project – Collaboration with Development Alternatives Inc. U.S.** Through the subcontract from Development Alternatives Inc. (DAI), the Institute intensified the implementation of aspects of the USAID NIGERIA REFORMS project.
- **Centre for Study of African Economies (CSAE), Oxford University, UK.** The Institute collaborates with the CSAE in a number of areas including training, research and dissemination.
- **African Society for Ecological Economics (ASEE).** The Institute is exploring arrangements to conduct collaborative research with member organizations of the African Society for Ecological Economics. Joint research projects are being prepared in response to international calls for proposals.
- **African Technology Policy Studies (ATPS) Network.** AIAE is entering into institutional partnership with ATPS for the purpose of deepening technology policy research in Africa.
- **Initiative for Policy Dialogue (IPD):** The Institute collaborates with the Initiative for Policy Dialogue, under the auspices of Prof. Joseph Stiglitz, Nobel Laureate and member of AIAE Board of Directors.

10.0 PUBLICATIONS

10.1 AIAE RESEARCH PAPER SERIES

AIAE Research Paper Series presents technical research results from work done by the Institute and/or its Affiliate scientists and researchers. The purpose is to disseminate research and analyses that informs policy debate and choices. It is directed to a professional audience and readership among economists, social scientists in government, business as well as in universities, research institutes and international development agencies. Before acceptance for publication, the Papers are subjected to rigorous independent technical reviews to assure scientific quality. AIAE Research Paper Series seeks to engender high quality scientific and intellectual discourse on key development questions, and hence, enhance strategic understanding of policy and programmatic options.

10.2 AIAE POLICY BRIEF SERIES

This Series publishes short, soft and general-interest papers. The objective is to provide rapid and easily comprehensible policy- and development-oriented discussions. Policy Briefs are targeted at a wide audience comprising policy makers, policy advisors, bureaucrats, non-governmental organizations, academic community, civil society groups and international



development partners. Policy Briefs seek to identify practical development challenges and options for solving them.

10.3 ENUGU FORUM POLICY PAPER SERIES

Enugu Forum Policy Paper Series publishes the proceedings and outcomes of workshops, conferences, seminars or public lectures held by the Enugu Forum. The Series provides documentation of the topical presentations, debate, comments and perhaps consensus at the Forum. It is intended to disseminate the Forum's intellectual discourse to a wider audience. The essence is to stimulate broader policy debate and promote multi-perspective dialogue on policy options. Enugu Forum Policy Papers constitute an advocacy instrument to canvass alternative development solutions and policy roadmaps, and hence promote appropriate policy responses to development questions. The Series also draws attention of government, private sector and civil society to salient dimensions of contemporary development challenges in Nigeria.

10.4 BECANS BUSINESS ENVIRONMENT REPORTS

During the year, the Institute published the first-ever Business Environment Reports on Nigerian States. It flagged the commencement of the BECANS report series on business environment across Nigerian States. This maiden publication of the series includes thirty six (36) different reports. They are as follows:



S/No.	Names	State	Volume No.
1.	Business Environment Scorecard of Nigerian States	National Synthesis Report	Vol. 1, No. 1
2.	BECANS Business Environment Report	Abia	Vol. 1, No. 2
3.	BECANS Business Environment Report	Adamawa	Vol. 1, No. 3
4.	BECANS Business Environment Report	Akwa Ibom	Vol. 1, No. 4
5.	BECANS Business Environment Report	Anambra	Vol. 1, No. 5
6.	BECANS Business Environment Report	Bauchi	Vol. 1, No. 6
7.	BECANS Business Environment Report	Bayelsa	Vol. 1, No. 7
8.	BECANS Business Environment Report	Benue	Vol. 1, No. 8
9.	BECANS Business Environment Report	Borno	Vol. 1, No. 9
10.	BECANS Business Environment Report	Cross River	Vol. 1, No. 10
11.	BECANS Business Environment Report	Delta	Vol. 1, No. 11
12.	BECANS Business Environment Report	Ebonyi	Vol. 1, No. 12
13.	BECANS Business Environment Report	Edo	Vol. 1, No. 13
14.	BECANS Business Environment Report	Ekiti	Vol. 1, No. 14
15.	BECANS Business Environment Report	Enugu	Vol. 1, No. 15
16.	BECANS Business Environment Report	Federal Capital Territory	Vol. 1, No. 16
17.	BECANS Business Environment Report	Gombe	Vol. 1, No. 17
18.	BECANS Business Environment Report	Imo	Vol. 1, No. 18
19.	BECANS Business Environment Report	Jigawa	Vol. 1, No. 19
20.	BECANS Business Environment Report	Kaduna	Vol. 1, No. 20
21.	BECANS Business Environment Report	Kano	Vol. 1, No. 21
22.	BECANS Business Environment Report	Katsina	Vol. 1, No. 22
23.	BECANS Business Environment Report	Kebbi	Vol. 1, No. 23
24.	BECANS Business Environment Report	Kogi	Vol. 1, No. 24
25.	BECANS Business Environment Report	Kwara	Vol. 1, No. 25
26.	BECANS Business Environment Report	Lagos	Vol. 1, No. 26
27.	BECANS Business Environment Report	Nasarawa	Vol. 1, No. 27
28.	BECANS Business Environment Report	Niger	Vol. 1, No. 28
29.	BECANS Business Environment Report	Ondo	Vol. 1, No. 30
30.	BECANS Business Environment Report	Osun	Vol. 1, No. 31
31.	BECANS Business Environment Report	Oyo	Vol. 1, No. 32
32.	BECANS Business Environment Report	Plateau	Vol. 1, No. 33
33.	BECANS Business Environment Report	Rivers	Vol. 1, No. 34
34.	BECANS Business Environment Report	Sokoto	Vol. 1, No. 35
35.	BECANS Business Environment Report	Taraba	Vol. 1, No. 36
36.	BECANS Business Environment Report	Yobe	Vol. 1, No. 37
37.	BECANS Business Environment Report	Zamfara	Vol. 1, No. 38

10.5. AIAE NEWSLETTER SERIES



During the year, the Institute commenced publication of a Newsletter series. The Newsletter is published in electronic and printed versions on a quarterly basis. The Newsletter complements the Institute's website in bringing information to the doorsteps of Associate Fellows and stakeholders. The Newsletter is designed to inform and enlighten our stakeholders and the general public on the programmes, activities, and developments at the Institute. It is intended to respond to the information needs of researchers,

government agencies, private sector and civil society. It also features guest articles, feedback



from stakeholders on Institute's activities and programmes and functions as a medium of interaction among Associate Fellows and with the Institute.

Two editions of the Newsletter were published during the year 2007. These are:

- Vol. 2. No. 4, March 2007
- Vol. 2. No. 5, August 2007

11.0 THE LIBRARY

AIAE envisages a library that is a leading resource centre of up-to-date economic and development policy literature in the country. The collections include books, journals, periodicals and electronic literature, from purchases, donations and the Internet. Library users increased by thirteen (13), giving a total of ninety one (91) at the end of 2007.

Training: The Librarian attended a one week training course on Computerized Documentation System/Integrated Software for Information Storage (CDS/ISIS) which is a database package the library is using for the book titles and the authors. The training was organized by the Raw Materials Research and Development Council (RMRDC), Abuja, from 27-31 August 2007. The programme is an information storage package created by UNESCO to encourage institutions to create database for their materials.



Queeneth Anyanwu, the librarian at the AIAE library.

Collection Development: The library's collections (hard copy) were increased by ninety five (95) copies including journals and books. The sources were the International Monetary Fund (IMF), World Bank, Central Bank of Nigeria (CBN), African Economic Research Consortium (AERC), Nordic Institute and others. Currently, the Institute can access thousands of e-journals in digital (virtual) libraries including Journal Storage (JSTOR) www.jstor.org and Online Access to Research in the Environment (OARE) www.oaresciences.org and FAO-AGORA www.aginternetwork.org databases.



12.0 IMPACT OF PROGRAMMES AND ACTIVITIES

Influencing Public Policy

In line with its objective of improving evidence-based decision making in public and private sectors, the Institute has impacted significantly on public policy in many respects. During 2007, the main vehicle for influencing public policy was the BECANS programme. Many states became aware of the role they could play to improve the business environment in their respective jurisdictions. Some took steps to remove some bottlenecks identified by the BECANS. Others have invited the BECANS project team to organize enlightenment and sensitization for the public service employees in order to promote better understanding of the business environment challenges and to identify the key areas for policy, regulatory and administrative reforms.

The Enugu Forum (Development Policy Forum) has improved links between researchers and policymakers. It has afforded academics and researchers vital civic platform to test their ideas, theses and propositions. The feedback from the Development Policy Forum sharpens the orientation of researchers to improve the relevance and impact of research to society and economy.

Strengthening scientific capacity

Through its research networking, AIAE has impacted positively in connecting researchers to national and international knowledge centres. Our programmes have provided opportunities for academics, scientists and researchers to conduct problem-solving research.

The library facilities have continued to offer up-to-date literature on economics and development. Post-graduate students and users from different parts of the country have benefitted from the library resources.

The Peer Learning Seminars have helped to improve the research proficiency and analytical skills of Associate Fellows. New knowledge, skills and competencies acquired by participants have contributed to improved academic and scientific quality, proficiency and productivity.

Carrying out cutting-edge policy research

The Institute has impacted very significantly on state-level economic policy benchmarking in Nigeria. Since 2005, it has continued to produce leading authoritative research evidence on the progress and impact of economic reforms at the state level. AIAE played a pioneering role in Nigeria's first-ever benchmarking of economic reforms at the state level, otherwise known as the SEEDS benchmarking. The exercise was first done in 2005 and the second round followed in 2006. In the same vein, AIAE is the first Nigerian research institution to conduct the benchmarking of the state-level business environment, otherwise known as BECANS. Both SEEDS benchmarking and BECANS assessment exercises have contributed immensely to evidence-based monitoring of policy and institutional reforms at the state level.



13.0 PRIORITIES AND PROSPECTS FOR THE YEAR 2008

Looking forward to 2008, there are bright prospects for sustainable research programming, greater research-and-policy networking, institutional strengthening and development of research capabilities.

Working with partners, we will review the BECANS research instruments, survey methods and data collection techniques, towards implementing the second round of surveys, data analysis, report writing and dissemination. State-level advocacy committees will be initiated to drive the BECANS enlightenment and advocacy activities in respective states. The Institute shall consult and dialogue with state-level stakeholders – government, private sector and civil society – to identify and prioritize reform measures for removing the weaknesses in the business environment, as revealed by BECANS.

The year 2008 will feature the articulation of AIAE five-year strategic plan, 2009-2014. The strategic plan, christened Project Leading-Edge, will produce the framework principles and methodology that will guide research programming and institutional development, in the next five years. It will articulate the niche goals, strategies and programmes for the period 2009-2014. It seeks to develop a validated framework plan, against which AIAE will benchmark/evaluate its competitive edge, organisational development and operational effectiveness. Project Leading-Edge is a strategic planning exercise aimed at fostering the AIAE mandate in line with its founding vision and mission. It will serve as operational paradigm for consolidating upon the achievements and progress of the Institute since inception.

Looking backward, Project Leading-Edge will afford the Institute opportunity to critically analyse its achievements and progress, examine its changing environment and attendant challenges and proffer strategies and measures for advancing its leading-edge position as an economic research think-tank. On the other hand, as a forward-looking exercise, the strategic plan will proffer ways and measures of aligning research programming and institutional development to the unfolding opportunities and challenges.

Furthermore, the Institute will continue to develop its information and communication technology (ICT) resources for improved networking capabilities. We shall work to develop more strategic sources of funding in order to ensure sustainable long-term programming. The Peer Learning Seminar series will be strengthened to upgrade skills and competencies of research staff and Associate Fellows. Also, the AIAE Databank Unit will be enhanced towards making a leading shop for credible, up-to-date and robust statistical database on key national, sub-national and international economic and development indicators.