



Nigeria: State Action on Business Enabling Reforms (SABER) Program (P177442)

WESTERN AND CENTRAL AFRICA | Nigeria | Finance, Competitiveness and Innovation Global Practice | Requesting Unit: AWCW2 (6548) | Responsible Unit: EAWF2 (9779)

IBRD/IDA | Program-for-Results Financing | FY 2023 | Team Leader(s): Ruchita Manghnani, Bertine Kamphuis

Seq No: 5 | Archived on 04-Sep-2024 | ISR01504 | Created by: Ruchita Manghnani on 13-Aug-2024 | Modified by: Mistre Hailemariam Mekuria on 03-Sep-2024

1. PROJECT DEVELOPMENT OBJECTIVE

1.1 Development Objective

Original Development Objective (Approved as part of Approval package on 28-Sep-2022)

The Program Development Objective (PDO) is to improve (1) the efficiency of land administration, (2) the regulatory framework for private investment in fiber optic infrastructure, (3) services provided by investment promotion agencies and public-private partnership units, and (4) the efficiency and transparency of government-to-business services in participating states.

2. OVERALL RATINGS

Name	Previous	Current
Progress towards achievement of PDO	● Satisfactory	● Satisfactory
Overall Implementation Progress (IP)	● Moderately Satisfactory	● Moderately Satisfactory
Overall Risk Rating	● Substantial	● Substantial

3. KEY ISSUES & STATUS

3.1 Implementation Status and Key Decisions

External Borrowing Plan (EBP): The EBP was amended in December 2023 to include SABER.

Disbursement Against Prior Results (PR): The verification of PR by the Independent Verification Agency (IVA) consultants has been completed. Twenty-eight states met the Eligibility Criteria (EC), twenty-two states achieved the PR under DLI1, twenty-two states achieved the PR under DLI4, ten states achieved the PR under DLI5, and twenty-one states achieved the PR under DLI6. In total, twenty-three states are qualified to receive program funds for the PR achievement (total of SDR 52,136,400.00), subject to the signing of the SLAs between the Federal Government of Nigeria and the states.

Deadlines for Year 1 (2023) DLIs and EC have passed. Sixteen states leveraged Technical Assistance (TA) for DLI1.1; seven states for DLI1.2; twelve states for DLI2; nine states for DLI3; fifteen states for DLI4; thirteen states for DLI5; fifteen states for DLI6; ten states for DLI7.1; and twenty-six states for DLI8.



Progress on Year 2 (2024) ECs and DLIs: Deadlines for four of the five Year 2 EC have passed. Thirty-two states have published the 2023 Progress Report by July 31, 2024; thirty-six states published the Annual FY23 audited financial statement by July 31, 2024; thirty-five states published the Annual FY24 state budget by January 31, 2024; and 36 states (and FCT) published the annual State Debt Sustainability Analysis and Debt Management Strategy Report (SDSA-DMSR) by December 31, 2023. The deadline for the preparation, approval and publication of State Business Enabling Reforms Action Plan (BERAP) 2025 is December 31, 2024. TA for DLIs 1.2, 2 and 7 is ongoing and TA for other DLIs is being initiated by the TA providers.

4. DATA ON FINANCIAL PERFORMANCE

4.1 Disbursements (by loan)

Loan/Credit/TF	Status	Original	Revised	Cancelled	Disbursed	Undisbursed	% Disbursed
IDA-72090	Effective	750.00	750.00	0.00	1.98	743.01	0.26%

4.2 Key Dates (by loan)

Loan/Credit/TF	Status	Approval	Signing	Effectiveness	Orig. Closing	Rev. Closing
IDA-72090	Effective	29-Sep-2022	06-Jan-2023	14-Jun-2023	31-May-2026	31-May-2026

4.3 Program Action Plan

Action Description	Hire qualified Environmental and Social Officers at the PCU and provide capacity building/system strengthening program to strengthen their skills.				
Source	DLI#	Responsibility	Timing	Timing Value	Status
Environmental and Social Systems	NA	PCU	Due Date	28-Jun-2024	Delayed
Completion Measurement	Inclusion of the listed specialist in the team and maintained throughout the Program implementation; and Training Module and Implementation Support Supervision Report of World Bank Task team.				
Comments	The Environment Specialist has been seconded from the Environmental Assessment (EA) Department. The hiring of the Social Specialist is ongoing.				

Action Description	Inclusion of E&S considerations in PPP framework for participating states in DLI3.
--------------------	--



Source	DLI#	Responsibility	Timing	Timing Value	Status
Environmental and Social Systems	4	PCU	Due Date	31-Dec-2024	Not Yet Due
Completion Measurement	Published on state’s official website: the PPP legal and institutional framework, including E&S considerations.				
Comments	Not yet due				

Action Description	Include in the Program Operational Manual, E&S guidelines for participating states to explore core social inclusion activities such as gender, SEP, SEA/H, and protection of the vulnerable groups including OHS, etc.				
Source	DLI#	Responsibility	Timing	Timing Value	Status
Environmental and Social Systems	3	PCU	Due Date	13-Dec-2023	Delayed
Completion Measurement	Completed guidelines disseminated to stakeholders, training provided, and the guidelines operationalized				
Comments	Delays in onboarding of E&S specialists. To be completed as soon as specialists are onboarded.				

Action Description	Develop e-waste management strategy for managing e-waste result from the program.				
Source	DLI#	Responsibility	Timing	Timing Value	Status
Environmental and Social Systems	NA	PCU	Due Date	13-Dec-2023	Delayed
Completion Measurement	E-waste management strategy document.				
Comments	To be updated.				

Action Description	Protocol adopted and implemented for reporting, management and investigation of fraud and corruption allegations operationalized in MDAs implementing SABER Program.				
Source	DLI#	Responsibility	Timing	Timing Value	Status
Fiduciary Systems	NA	PCU	Due Date	13-Jul-2023	In Progress
Completion Measurement	Protocol adopted by PCU one month after effectiveness				
Comments	The timing value is 1 month after effectiveness, which is currently estimated at mid-July, 2023				



Action Description	Reporting, management and investigation of fraud and corruption allegations operationalized in MDAs implementing SABER Program.				
Source	DLI#	Responsibility	Timing	Timing Value	Status
Fiduciary Systems	NA	PCU	Recurrent	Semi-Annually	Not Yet Due
Completion Measurement	Report on fraud and corruption allegations submitted twice a year as part of Program implementation progress report.				
Comments	Not due.				

Action Description	Assignment of Project Accountants and internal auditor to PCU				
Source	DLI#	Responsibility	Timing	Timing Value	Status
Fiduciary Systems	NA	OAGF/ FPFMD	Due Date	13-Sep-2023	Completed
Completion Measurement	Accountants and Internal Auditor assigned				
Comments	completed				

Action Description	Compile data on recurrent expenditures of the relevant MDAs for the participating states, certified by the OAuGF and an opinion provided.				
Source	DLI#	Responsibility	Timing	Timing Value	Status
Fiduciary Systems	NA	PCU	Recurrent	Yearly	Not Yet Due
Completion Measurement	PCU submitted compiled data on recurrent expenditures certified by OAuGF with an opinion expressed, within 9 months of the end of fiscal year.				
Comments	Not due				

Action Description	Timely transfer of Program funds from the federal to the participating states towards achievement of DLIs				
Source	DLI#	Responsibility	Timing	Timing Value	Status
Fiduciary Systems	NA	PCU	Recurrent	Continuous	Not Yet Due
Completion Measurement	Service standard of 14 days to be established in the PIM; States' share of funds received in the Special Fund Account (part of TSA) at the federal level are transferred to the States' accounts within 14 days.				
Comments	Not yet due				



5. KEY DATES

Key Events	Planned	Actual
Approval	29-Sep-2022	29-Sep-2022
Effectiveness	30-Jun-2023	14-Jun-2023
Mid-Term Review No. 01	13-Jun-2025	
Operation Closing/Cancellation	31-May-2026	

6. SYSTEMATIC OPERATIONS RISK-RATING TOOL

Risk Category	Rating at Approval Approval Package - 29 Sep 2022	Last Approved Rating ISR Seq. 04 - 09 May 2024	Proposed Rating
Political and Governance	● Substantial	● Substantial	● Substantial
Macroeconomic	● Moderate	● Moderate	● Moderate
Sector Strategies and Policies	● Substantial	● Substantial	● Substantial
Technical Design of Project or Program	● Substantial	● Substantial	● Substantial
Institutional Capacity for Implementation and Sustainability	● High	● High	● High
Fiduciary	● Substantial	● Substantial	● Substantial
Environment and Social	● Moderate	● Low	● Low
Stakeholders	● Moderate	● Moderate	● Moderate
Overall	● Substantial	● Substantial	● Substantial



7. RESULTS

7.1 PDO Indicators by PDO Outcomes

Improved land administration and land-based investment process								
Indicator Name	Baseline		Actual (Previous)		Actual (Current)		Closing Period	
	Value	Month/Year	Value	Date	Value	Date	Value	Month/Year
States with at least 50% of Certificates of Occupancy (CofOs) issued and duly registered since 01 January 2012 digitized and indexed in accordance with international good standards. (Number) DLI	0.00	May/2022	0.00	29-Dec-2022	0.00	29-Dec-2022	10.00	Dec/2025
Improved regulatory framework for private investment in fiber optic infrastructure								
Indicator Name	Baseline		Actual (Previous)		Actual (Current)		Closing Period	
	Value	Month/Year	Value	Date	Value	Date	Value	Month/Year
States adopting aggregate fees for broadband deployment on a per linear basis at a maximum of NGN 145 per meter (Number) DLI	0.00	May/2022	0.00	29-Dec-2022	0.00	29-Dec-2022	20.00	Dec/2025
Improved services provided by investment promotion agencies and public-private partnership units								
Indicator Name	Baseline		Actual (Previous)		Actual (Current)		Closing Period	
	Value	Month/Year	Value	Date	Value	Date	Value	Month/Year
States that establish an IPA performing the key functions	0.00	May/2022	0.00	29-Dec-2022	0.00	29-Dec-2022	15.00	Dec/2025



of Marketing, Information, Assistance and Advocacy. (Number)								
States that establish a PPP coordinating unit mandated to facilitate PPPs and that has publicly disclosed their PPP pipeline projects on a portal. (Number)	0.00	May/2022	0.00	29-Dec-2022	0.00	29-Dec-2022	12.00	Dec/2025
Improved efficiency and transparency of government-to-business services								
Indicator Name	Baseline		Actual (Previous)		Actual (Current)		Closing Period	
	Value	Month/Year	Value	Date	Value	Date	Value	Month/Year
States in which all state-level and local government taxes, levies, and fees from businesses can be paid electronically (Number) DLI	0.00	May/2022	0.00	29-Dec-2022	0.00	29-Dec-2022	20.00	Dec/2025
States in which fees, procedures, and service delivery timelines of five key business-enabling environment State-level MDAs are published on a website. (Number) DLI	0.00	May/2022	0.00	29-Dec-2022	0.00	29-Dec-2022	10.00	Dec/2025

7.2 Intermediate Results Indicators by Results Areas

Improved land administration and land-based investment process



Indicator Name	Baseline		Actual (Previous)		Actual (Current)		Closing Period	
	Value	Month/Year	Value	Date	Value	Date	Value	Month/Year
States with at least 90% of new CofOs registered during 2025, digitized and indexed, with 15% increase in share of female-owned or co-owned (Number)	0.00	Dec/2021	0.00	29-Dec-2022	0.00	29-Dec-2022	10.00	Dec/2025
States adopting a Framework for Responsible Investment in Land-Intensive Agriculture (FRILIA), or equivalent, through a State Executive Order. (Number)	0.00	Dec/2021	0.00	29-Dec-2022	0.00	29-Dec-2022	7.00	Dec/2024
Improved regulatory framework for private investment in fiber optic infrastructure								
Indicator Name	Baseline		Actual (Previous)		Actual (Current)		Closing Period	
	Value	Month/Year	Value	Date	Value	Date	Value	Month/Year
States with approved Right of Way (ROW)-related requests published on state official website. (Number)	0.00	May/2022	0.00	29-Dec-2022	0.00	29-Dec-2022	20.00	Dec/2024
Improved services provided by investment promotion agencies and public-private partnership units								
Indicator Name	Baseline		Actual (Previous)		Actual (Current)		Closing Period	
	Value	Month/Year	Value	Date	Value	Date	Value	Month/Year
States that adopted (a) a PPP legal and institutional framework and (b) a PPP Fiscal Commitment and	0.00	May/2022	0.00	29-Dec-2022	0.00	29-Dec-2022	12.00	Dec/2024



Contingent Liability (FCCL) framework. (Number)								
Improved efficiency and transparency of government-to-business services								
Indicator Name	Baseline		Actual (Previous)		Actual (Current)		Closing Period	
	Value	Month/Year	Value	Date	Value	Date	Value	Month/Year
States that publish schedule of trade related fees and levies on inter-state movement of goods on a state website (Number)	0.00	May/2022	21	05-Jan-2023	21	05-Jan-2023	17.00	Dec/2023
States in which inventory of all investment incentives (Federal and State) available in the State are published on a state website (Number)	0.00	May/2022	22	05-Jan-2023	22	05-Jan-2023	15.00	Dec/2023
States with at least a 10% increase in the number of firms in the state that obtained export certificates from NEPC (Number) DLI	0.00	May/2022	0.00	29-Dec-2022	0.00	29-Dec-2022	12.00	Dec/2024
States that adopted presumptive turnover tax regime for small businesses, and subsumed business-related local government charges into a consolidated demand notice. (Number)	0.00	May/2022	0.00	29-Dec-2022	0.00	29-Dec-2022	16.00	Dec/2025
States that established at least two small claims courts	0.00	May/2022	0.00	29-Dec-2022	0.00	29-Dec-2022	20.00	Dec/2024



having tried at least one case each. (Number) DLI							
---	--	--	--	--	--	--	--

7.3 Disbursement Linked Indicators (DLI)

PBC Name		Baseline	Actual (Previous)		Actual (Current)		Closing Period
			Value	Date	Value	Date	
1:Improved efficiency in property registration and sustainability of the land-based investment process (Text)	Value	0	0	29-Dec-2022	0	29-Dec-2022	1.1.4 Published on state official website: (i) the process for obtaining CofO including all relevant MDAs, time frames and costs; (ii) the process for obtaining Construction Permits including all relevant MDAs, time frames and costs; AND1.1.4 New CofOs registered during 2025 (1 January 2025 to 31 December 2025) digitized and indexed on an ongoing basis in accordance with international good standards as



							established in the TOR meets target: Target: At least 90% of new CofOs registered; AND15% increase from 2021 to 2025 in the share of CofOs registered per year that are female owned or joint/co-owned.1.2.2 FRILIA, or equivalent, under satisfactory implementation with at least 1 pilot investment materialized under FRILIA and as confirmed by a social audit.
	Allocated Amount	0.00			0.00		30.00
DLI allocation			104.00				
2:Improved regulatory framework for private investment in fiber optic	Value	0	0	29-Dec-2022	0	29-Dec-2022	2.3 State maintained aggregate per linear meter fees for broadband deployment, online publication of ROW processes and fees,



infrastructure (Text)							and online publication of approved ROW-related requests;ANDIncrease in total deployed non-Gigabit Passive Optical Network (GPON) fiber optic cable kilometers against 2022 baseline meets target:Basic target: 20-99%Stretch target: >100%	
	Allocated Amount	0.00			0.00		48.00	
DLI allocation			108.00					
3:Development of an effective PPP framework (Text)	Value	0	0	29-Dec-2022	0	29-Dec-2022	3.3 State-level technical PPP coordination unit/agency maintained;AND State Project Facilitation Fund is established with a minimum funding of 3% of the total pipeline estimated capital investment.	



	Allocated Amount	0.00			0.00		20.00
DLI allocation			62.00				
4:Improved Investment Promotion Environment (Text)	Value	0	0	29-Dec-2022	0	29-Dec-2022	4.4 Published on state official website: Inventory of all investment incentives (Federal and State) available in the State and the number of entities receiving State investment incentives; ANDAn aftercare and retention program is adopted as per the verification protocols;ANDThe number of announced investments proactively supported by IPA meets target: Basic target: 1 to 4Stretch target: At least 5
	Allocated Amount	0.00			0.00		40.00
DLI allocation			105.00				



5:Increased transparency of official fees and procedures (Text)	Value	0	0	29-Dec-2022	0	29-Dec-2022	5.4 Published on state official website(s): fees, procedures, and service delivery timelines of five key BEE State MDAs. ANDGRMs at two key BEE State MDAs are operational and a minimum of 75% of grievances received are addressed within the specified SLAs. ANDPublish at least on a monthly basis on state official website(s): compliance with SLAs of five key BEE State MDAs.
	Allocated Amount	0.00			0.00		20.00
DLI allocation			60.00				
6:Increased transparency of fees and levies for inter-state trade and increased	Value	0	0	29-Dec-2022	0	29-Dec-2022	6.1.4 Published on state official website: schedule of trade related fees and levies on inter-state movement of goods;



exporter certification (Text)							AND report on complaints from traders and redress actions;AND A minimum of 75 percent of grievances received in the GRM are addressed within the specified service level agreements; ANDEliminated haulage fees and charges. 6.2.3 At least 20% increase in firms in the state that obtained export certificates from NEPC from the baseline year (2021).
	Allocated Amount	0.00			0.00		30.00
DLI allocation			89.00				
7:Simplified state and local business tax regimes (Text)	Value	0	0	29-Dec-2022	0	29-Dec-2022	7.1 State amended existing legislation or passed new legislation to adopt presumptive turnover tax regime for small businesses; AND, (b) State subsumed



							business-related local government charges/fees/taxes into a consolidated demand notice (one-time payment for year in which DLR is first achieved, up to Year 3) 7.2.2 All State-level and local government taxes, levies, and fees from businesses can be paid electronically; and there is an adoption rate of: Basic target: At least 33% of State collection of taxes, levies, and fees from businesses Stretch target: At least 66% of State collection of taxes, levies, and fees from businesses.	
	Allocated Amount	0.00			0.00		40.00	
DLI allocation			122.00					
8:Quick determination of	Value	0	0	29-Dec-2022	0	29-Dec-2022	8.3 Monthly performance reports	



commercial disputes (Text)						for small claims court for 2024 (Jan to Dec 2024) to be made available to the public on state Judiciary's website by 31 March 2025;AND75% of cases disposed within 60 days as recorded by the time to disposition report; AND75% of judgments executed within 30 days as recorded by the execution reports.
	Allocated Amount	0.00			0.00	20.00
DLI allocation			80.00			