

BECANS BUSINESS ENVIRONMENT REPORT

Volume 1, Number 13, 2007

EDO STATE

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SYNOPSIS

EDO State scores 52.45% on the business environment index. It performs relatively better on infrastructure and utilities and lower on legal and regulatory services.

The state scores 62.83% on infrastructure and utilities benchmark. It scores relatively higher on transportation, access to information and social infrastructure. On the other hand, it scores relatively lower on energy.

She scores 46.67% on legal and regulatory services. It performs relatively better on business registration and tax administration. However, it performs relatively low on commercial dispute resolution and land registration.

The state scores 48.0% on business support and investment promotion benchmark, performing relatively better on support for industrial clusters/layouts/parks and investment promotion. It scores relatively lower on entrepreneurship promotion, public-private partnership and access to finance.

She scores 50.0% on security benchmark, performing relatively better on police coverage compared to the other measures.

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ACRONYMS AND ABBREVIATIONS

ACGSF = Agricultural Credit Guarantee Scheme Fund

ADR = Alternative Dispute Resolution

CAC = Corporate Affairs Commission

CAMA= Companies and Allied Matters Act

CBN = Central Bank of Nigeria

C of O = Certificate of Occupancy

FAR= Federal Account Revenue

IGR = Internally Generated Revenue

LGA =Local Government Area

LUA = Land Use Act

NACRDB = Nigerian Agricultural Cooperative and Rural Development Bank

NBS = National Bureau of Statistics

PHCN= Power Holding Company of Nigeria

PPP = Public-Private Partnership

SMEs = Small and Medium Enterprises

SMEEIS = Small and Medium Enterprises Equity Investment Scheme

1.0 BACKGROUND INFORMATION

1.1 Geopolitical Profile

Edo State was created on 27 August, 1991 from the old Bendel State (former Mid-western Region). The state has 18 local government areas (LGAs). Based on the 2006 Census, the state has a population of 3,218,332. It covers a land area of 19,187 square kilometers. It lies roughly between latitudes 05⁰ 44' N and 07⁰ 34' N, and between longitudes 05⁰ 4'E and 06⁰ 45'E.

1.2 Economic Potentials

Agriculture dominates economic activities. Major agricultural crops include cassava, rice, plantain, yam, sugar cane, cashew, groundnuts, tomatoes, cotton and tobacco, which are geared towards the local and national markets. Other major commodities include rubber, palm oil and kernel, timber and cocoa while fruits such as citrus, pineapple, guava, coconut, mango, pear and cherry. Major elements of the agribusiness economy include palm oil and kernel production with oil-processing mills at Okomu, Nigerian Institute for Oil Palm Research (NIFOR) and Presco Oil Palm Plantation. The main export potential lies in timber, rubber and cocoa.

The state is one of the oil producing states. Other mineral resources include natural gas, limestone, clay, chalk and marble, among others. Limestone abounds in the northern parts of the state and is currently utilized by the Edo State Cement Factory, Okpella. Other manufacturing activities include sawmills and timber processing industries, animal feed, textile-mills, carpet manufacturing, floor tiles and furniture firms, printing and production companies, etc and general crafts, which include cloth weaving, pottery, carving, blacksmithing and jewellery. The state has a number of tourist sites, namely, the bronze-casting centres, the royal palace in Benin City, the National Museum, Benin, the Benin Moat, the Okomu wildlife sanctuary and the Ososo tourist centre. Edo State has one of Africa's richest heritages of artworks, and Benin City is known worldwide for its famous bronze casters who continue to produce excellent works.

1.3 Investment Climate, Policies and Institutions

The economic policies emphasize industrial, trade and commerce and SMEs development. These are being pursued through infrastructural development (water, power and energy, roads etc.), financial intermediation and manpower development. Key investment potentials include agricultural production, processing and packaging (especially vegetable oils, rubber, fruit juice etc), wood works, oil and gas, petrochemicals, mining, tourism and arts and craft.

1.4 Budget Profile

Internally Generated Revenue (IGR) was 16.87% of total budgeted revenue in 2005. The total budget per capita was ₦14014.17 while the health and education budgets per capita were ₦941.47 and ₦1105.37, respectively.

Table 1: Budget profile, 2005

Item	Amount (₦m)	Amount per capita (₦)
Federation Account Revenue (FAR)	22970.92	7830.22
Internally generated revenue	4660.00	1447.20
Total budget	45125.63	14014.17
Capital budget to health	3031.52	941.47
Capital budget to education	3559.30	1105.37

2.0 BUSINESS ENVIRONMENT SCORECARD

The state scores 52.45% on the business environment index. The performance across the benchmarks is as follows.

Table 2: Performance across the Benchmarks

Code	Benchmark	Actual Score	Maximum score	Percentage score
F	Infrastructure and utilities	18.85	30.0	62.83
R	Legal and regulatory services	14.0	30.0	46.67
B	Business support and investment promotion	9.60	20.0	48.0
S	Security	10.0	20.0	50.0
	Total	52.45	100.0	XXXXXX

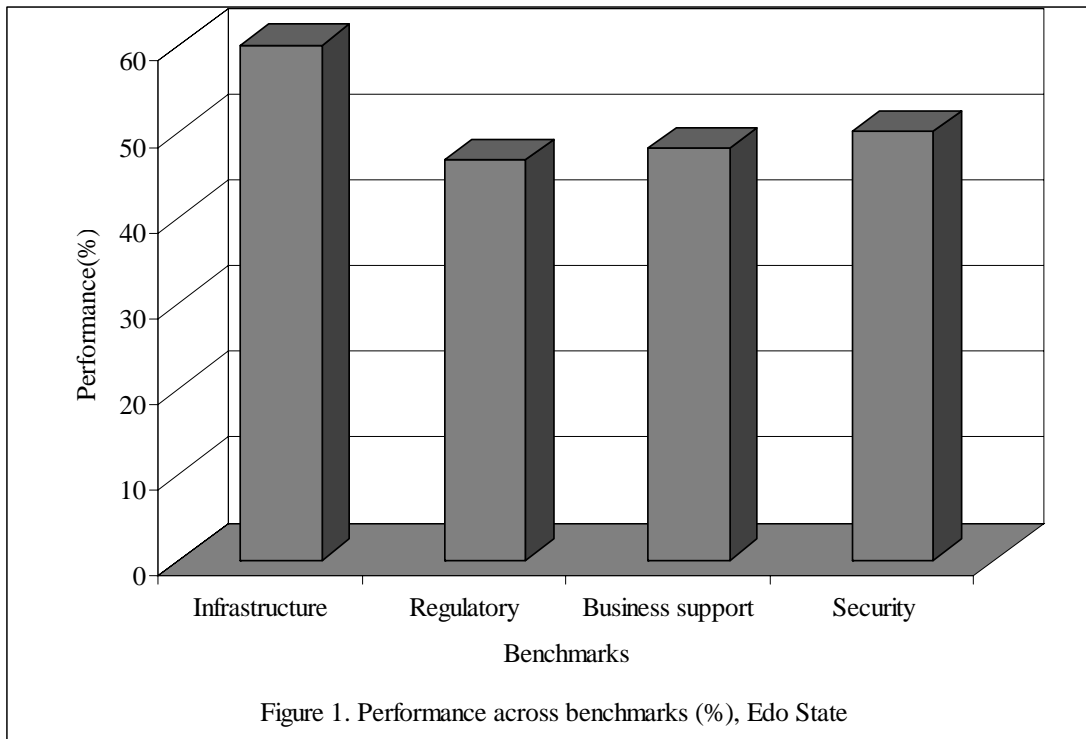


Figure 1: Performance across benchmarks.

2.1 Infrastructure and Utilities

The state has aggregate score of 62.83% on this benchmark.

2.1.1 Performance on the measures

Table 3: Scores on the Measures under the Infrastructure and Utilities Benchmark

Code	Measure	Actual score	Max. score	Percent score
F1	Energy	3.75	8.0	46.88
F2	Water supply	3.0	5.0	60.0
F3	Access to information	3.70	5.0	74.0
F4	Transportation	4.0	5.0	80.0
F5	Social infrastructure	4.40	7.0	62.86
	Total	18.85	30.0	XXXXXXX

2.1.2 Performance on the indicators

Table 4: Values on Indicators of Infrastructure and Utilities

Code	Indicator	Actual score	Max. score
F1:	Energy		
F1.1	Annual per capita electricity supply (kilowatts per capita)	0.50	2.0
F1.2	Average hours of public electricity per 24 hour day	0.50	2.0
F1.3	Difference between actual and officially regulated price of petroleum products in the last quarter of 2006	1.35	2.0
F1.4	Evidence of availability of petroleum products in the last quarter of 2006	1.40	2.0
	Subtotal (F1)	3.75	8.0
F2	Water supply		
F2.1	Evidence of public water supply	1.0	2.0
F2.2	Average price of 20 liters of water	2.0	2.0
F2.3	Proportion of firms' total water requirement obtained from private water supply	0	1.0
	Subtotal (F2)	3.0	5.0
F3	Access to information		
F3.1	Number of post offices per 100,000 persons	0	1.0
F3.2	Tele-density of fixed lines	0.50	0.50
F3.3	Incidence of mobile phone ownership	0.20	0.50
F3.4	Availability of TV stations	1.0	1.0
F3.5	Availability of radio stations	1.0	1.0
F3.6	Availability of a functional website	1.0	1.0
	Subtotal (F3)	3.7	5.0
F4	Transportation		
F4.1	Average cost of per kilometer of intra-state road transportation	2.0	3.0
F4.2	Availability of airport	2.0	2.0
	Subtotal (F4)	4.0	5.0
F5	Social infrastructure		
F5.1	Primary school enrolment	0.75	1.0
F5.2	Pupil-Teacher ratio	1.0	1.0
F5.3	Capital budget to education as share of total capital budget in 2005	1.0	1.0
F5.4	Capital budget to health as share of total capital budget in 2005	1.0	1.50
F5.5	Private sector rating of waste management	0.10	0.50
F5.6	Frequency of waste disposal	0.25	1.0
F5.7	Average monthly waste disposal levy	0.30	0.50
	Subtotal (F5)	4.40	7.0
	Total	18.85	30.0

F1: Energy indicators

F1.1: Annual per capita electricity supply (kilowatts per capita): Estimated power supply for the state was 52,762.21kw. With the 2006 population figure of 3,218,332, the per capita electricity supply is 0.017kw, giving the state scores 0.50 out of a maximum of 2.0.

F1.2: Average hours of energy supplied by PHCN per 24-hour day: Public power supplies between 2-7 hours of electricity out of 24 hours in a day. The state scores 0.50 out of 2.0.

F1.3: Difference between actual and officially regulated price of petroleum products in the last quarter of 2006: The difference for petrol and diesel ranged between 1 and 10% while the difference for kerosene ranged from 11 to 20%. The state scores 1.35 out of a maximum of 2.0.

F1.4: Evidence of availability of petroleum products in the last quarter of 2006: The survey shows that petrol was available all the time while kerosene and diesel were available only 50% of the time. The state scores 1.40 out of a maximum of 2.0.

F2: Water supply indicators

F2.1: Evidence of public water supply: Estimated supply was 8-13litres per capita. The state scores 1.0 out of 3.0.

F2.2: Average price of a 20 liter container of water: The survey shows that the average price of 20 liters of water is ₦5.00 and below, giving the state the maximum point of 2.0.

F2.3: Proportion of firms' total water requirement obtained from private water supply: The proportion of total water requirement obtained from private supply by business firms ranges from 60% to 70%. The state scores 0.0 out of 1.0.

F3: Access to information indicators

F3.1: Number of post offices per 100,000 of the population: The state has 27 post offices. With a population of 3,218,332, the number of post offices per 100,000 persons is 0.84 and the state scores 0 out of 1.0.

F3.2: Tele-density for fixed lines (number of telephone lines per 1,000 persons): The state has a total of 410,928 fixed lines, giving 127.7 lines per 1,000 persons. The state scores the maximum point of 0.5.

F3.3: Incidence of mobile phone ownership: Evidence shows that incidence of mobile phones was 49.8%, giving the state a score of 0.2 out of 0.5.

F3.4: Availability of television stations: There are one federal, one state and one private television stations operating. The scores the maximum point of 1.0.

F3.5: Availability of radio stations: There are one federal, one state and one private radio stations operating. The scores the maximum point of 1.0.

F3.6: Availability of functional website containing information: Evidence shows that the state has a functional website and scores the maximum point of 1.0.

F4: Transportation indicators

F4.1: Average cost per kilometer of intra-state road transportation in the last quarter: The survey shows that the cost per kilometer of intra-state transport ranges from ₦6.00 to ₦10.00. The state scores 2.0 out of a maximum of 3.0.

F4.2: Availability of airport: The state has an airport operating regular flights and gets the maximum score of 2.0.

F5: Social infrastructure indicators

F5.1: Primary school enrolment rate: Primary net enrolment in 2006 was 77.0%. The state scores 0.75 out of a maximum of 1.0.

F5.2: Pupil-Teacher ratio: Total enrolment was 291,654 and total number of teachers was 12,100, giving a pupil-teacher ratio was 24:1. The state scores the maximum point of 1.0.

F5.3: Capital budget to education as a ratio of total capital budget in 2005: The 2005 total capital budget was ₦21,635.83 million and education capital budget was ₦3,559.302 million, representing 16.45% of the total capital budget. The state scores 1.0 out of a maximum of 1.5.

F5.4: Capital budget on health as a ratio of total capital budget in 2005: The total capital budget was ₦21,635.834m and health capital budget was ₦3,031.518m, representing 14.01% of the total capital budget. The state scores 1.0 out of a maximum of 1.5.

F5.5: Private sector rating of waste management: The private sector rated waste management to be fair and the state gets 0.1 out of 0.5.

F5.6: Frequency of waste disposal service: The survey shows that waste was disposed on a monthly basis, giving the state a score of 0.25 out of 1.0.

F5.7: Average monthly waste disposal levy: The average monthly levy for waste disposal ranges from ₦201.00 to ₦500.00, giving the state 0.3 out of 0.5.

2.2 Legal and Regulatory Services

The state scores 46.67% on the benchmark.

2.2.1 Performance on the measures

Table 5: Scores on the Measures under Legal and Regulatory Services

Code	Measure	Actual score	Max. score	Percent score
R1	Business registration	2.75	4.0	68.75
R2	Tax administration	5.0	10.0	50.0
R3	Commercial dispute resolution	2.0	6.0	33.33
R4	Land registration and property rights	4.25	10.0	42.50
	Total	14.0	30.0	XXXXXXXXXX

2.2.2 Performance on the indicators

Table 6: Values on the Indicators

Code	Indicator	Actual score	Max. score
R1	Business Registration		
R1.1	Cessation of registration of business names at the State Ministry of Commerce since the Companies and Allied Matters Act (CAMA) and setting up of CAC	0.75	1.0
R1.2	Evidence that improperly registered business names are not given recognition by the state	0.50	0.50
R1.3	Evidence of existence of a task force against the display of unregistered names by firms	0.50	0.50
R1.4	Existence of an office of the Corporate Affairs Commissions in the state	0.50	0.50
R1.5	Evidence of publication of the activities of CAC branch	0.25	0.25
R1.6	Evidence that the CAC office branch has a service charter	0	0.25

R1.7	Availability of accessible on-line real-time service at the CAC branch office	0	0.50
R1.8	Duration for obtaining certificates of registration for business names after filing all papers	0.25	0.50
	Subtotal (R1)	2.75	4.0
R2	Tax Administration		
R2.1	Evidence of database of taxable persons	1.50	1.50
R2.2	Evidence of publication of the tax notices and sending of tax assessment notices to registered tax payers in the last three years	0.75	1.0
R2.3	Evidence of a mechanism for validation of tax paid to other tiers of government and other states in the federation	1.0	1.0
R2.4	Evidence of a Tax Appeal Tribunal/Revenue Courts	0	1.50
R2.5	Evidence of one-stop shop for tax payment to state and local government	0	1.0
R2.6	Number of taxes paid by manufacturing firms	0.75	1.0
R2.7	Amount paid as business premises levy capital per annum	0.50	1.0
R2.8	Number of days between receipt of demand notice and enforcement of penalties	0.0	1.0
R2.9	Penalties for non payment of business premises levy are enforced	0.50	1.0
	Subtotal (R2)	5.0	10.0
R3	Commercial Dispute Resolution		
R3.1	Establishment of information systems on caseload and judicial statistics	2.0	2.0
R3.2	Average time (in weeks) between filing a business dispute in court and obtaining judgment	0	2.0
R3.3	Evidence on availability/establishment of formal alternative dispute resolution	0	2.0
	Subtotal (3)	2.0	6.0
R4	Land Registration and Property Rights		
R4.1	Availability and usability of a cadastral map of the state	0	1.0
R4.2	Evidence that the state has enacted a land tenure law to operationalize the Land Use Act	0	1.0
R4.3	Official cost (charge) of obtaining governor's consent relative to the price of land	0.75	1.0
R4.4	Time taken to obtain C of O (between submission of application forms and eventual granting of consent)	0.75	1.0
R4.5	Computerization of land transactions	0	1.0
R4.6	Time taken to search the registry for confirmation of validity of title in the case of transfer of rights of ownership	1.0	1.0

R4.7	Time taken for obtaining the governor's consent for transfer of rights of ownership of land	0.75	1.0
R4.8	Evidence of active support for and promotion of equipment leasing	1.0	1.0
R4.9	Evidence of laws that require mandatory subscription to insurance and mortgage contributions	0	1.0
R4.10	Evidence of effective protection of private property rights	0	1.0
	Subtotal (R4)	4.25	10.0
	Total	14.0	30.0

R1: Business registration indicators

R1.1: Cessation of registration of business names at the State Ministry of Commerce since the Companies and Allied Matters Act (CAMA) and setting up of CAC: Evidence shows that only the Corporate Affairs Commission (CAC) registers businesses and that the Ministry of Commerce has placed a notice to that effect. The state scores 0.75 out of a maximum of 1.0.

R1.2: Evidence that improperly registered business names are not given recognition by the state: Evidence shows that the state's internal revenue services and related agencies recognize registered businesses as tax payers and that the state's business premises registry admits only business names registered by the CAC, giving the state the maximum score of 0.5.

R1.3: Evidence of existence of a task force (or regulatory actions) against the display of unregistered names by firms: Evidence shows existence of a task force against the display of unregistered business names by firms. The state scores the maximum point of 0.5.

R1.4: Existence of an office of the Corporate Affairs Commissions: There was evidence of the existence of a business name registry of the CAC. The state gets the full score of 0.5.

R1.5: Evidence of publication of the activities of CAC branch (leaflets, fliers, handbills, booklets and/or websites) from where information on how to access CAC services can be obtained and which are freely issued: There was evidence of a booklet on how to access to CAC services can be obtained, giving the state the maximum score of 0.25.

R1.6: Evidence that the CAC office branch has a service charter: There was no evidence that the CAC branch has a service charter. The state scores 0 out of a maximum of 0.25.

R1.7: Availability of accessible on-line real-time service through which names can be searched for and reserved at the CAC branch office: There was no evidence that the CAC branch is on-line. The state scores 0.0 out of a maximum of 0.5.

R1.8: Duration for obtaining certificates of registration for business names after filing all papers: There was evidence that certificate of registration of a business can be obtained within 5 days. The state scores 0.25 out of a maximum of 0.5.

R2: Tax administration indicators

R2.1: Evidence of database of taxable persons: There was evidence of a computerized database of tax payers. The state scores the maximum point of 1.5.

R2.2: Evidence of publication of the tax notices and sending of tax assessment notices to registered tax payers in the last three years: There was evidence that the tax office sends letters and assessment notices to tax payers. The state scores 0.75 out of a maximum of 1.0.

R2.3: Evidence of a mechanism for validation of tax paid to other tiers of government and other states in the federation: There was evidence of a mechanism for the validation of taxes paid to other tiers of government and other states of the federation. The state gets the maximum score of 1.0.

R2.4: Evidence of a Tax Appeal Tribunal/Revenue Courts: There was no evidence that the state has a tax tribunal/revenue court. The state scores 0 out of a maximum of 1.5.

R2.5: Evidence of one-stop shop for tax payment to state and local government: There was no evidence of one-stop shop for the payment of taxes. The score was 0 out of 1.0.

R2.6: Number of taxes paid by manufacturing firms: The total number of taxes paid by manufacturing firms is 15, giving the state 0.75 out of a maximum of 1.0.

R2.7: Amount paid as business premises levy in the state capital per annum: The survey shows that business premises levy per annum ranges from ₦5,000.00 to ₦10,000.00. The state scores 0.5 out of a maximum of 1.0.

R2.8: Number of days between receipt of demand notice and enforcement of penalties: The survey shows that the number of days is less than 30, giving the state 0.0 out of 1.0.

R2.9: Enforcement of penalties for nonpayment of business premises: The sample of business firms also reported that penalties for nonpayment of business premises levy are enforced by government appointed tax consultants. The state earns 0.5 out of a maximum of 1.0.

R3: Commercial dispute resolution indicators

R3.1: Establishment of information systems on caseload and judicial statistics: There was evidence of a case load factor of judges and it showed some details of time, cost and efficiency measures. The state gets the maximum score of 2.0.

R3.2: Average time (in weeks) between filing a business dispute in court and obtaining judgment: There was evidence that it takes over 52 weeks between filing a business dispute in court and obtaining judgment. The state scores 0 out of a maximum of 2.0.

R3.3: Evidence on availability/establishment of formal alternative dispute resolution: There was no evidence of establishment of ADR mechanism. The state scores 0 out of 2.0.

R4: Land registration and property rights indicators

R4.1: Availability and usability of a cadastral map of the state: There was no evidence of a cadastral map of the state. The state scores 0 out of a maximum of 1.0.

R4.2: Evidence that the state has enacted a land tenure law to operationalize the Land Use Act. There was no evidence of a gazetted land tenure law in place. The state scores 0 out of 1.0.

R4.3: Official cost (charge) of obtaining governor's consent relative to the price of land: Evidence shows that the cost is between 3% and 5% and the state scores 0.75 out of a maximum of 1.0.

R4.4: Time taken to obtain C of O (between submission of application forms and eventual granting of consent): Evidence shows that it takes 6-12 months to obtain a C of O even though some may get it earlier. The state scores 0.75 out of a maximum of 1.0.

R4.5: Computerization of land transactions: There was no evidence that the state has computerized its land transactions. The state scores 0 out of a maximum of 1.0.

R4.6: Time taken to search the registry for confirmation of validity of title in the case of transfer of rights of ownership: It takes less than one week to search the registry for confirmation of validity of title. The state gets the maximum score of 1.0.

R4.7: Time taken for obtaining the governor's consent for transfer of rights of ownership of land: The survey shows that it takes 2 to 4 weeks to obtain the governor's consent for transfer of rights of ownership of land. The state scores 0.75 out of a maximum of 1.0

R4.8: Evidence of active support for and promotion of equipment leasing: The survey did not show evidence of active support for equipment leasing. However, the state ADP renders tractor hiring services to farmers and this is a form of support for equipment leasing, giving the state the maximum of score of 1.0.

R4.9: Evidence of laws that require mandatory subscription to insurance and mortgage contributions: There was no evidence of a law requiring mandatory subscription to insurance and mortgage contributions. The state scores 0 out of 1.0.

R4.10: Evidence of effective protection of private property rights: There was no evidence of a law protecting private property. The state scores 0 out of a maximum of 1.0.

2.3 Business Support and Investment Promotion

The state scores a total 48% on the benchmark.

2.3.1 Performance on the measures

Table 7: Scores on the Measures under Business Support and Investment Promotion

Code	Measure	Actual score	Max. score	Percent score
B1	Entrepreneurship promotion	1.50	3.0	50.0
B2	Access to finance	1.80	8.0	22.5
B3	Investment promotion service	1.80	8.0	22.5
B4	Support for industrial clusters	1.80	2.0	90.0
B5	Public-Private partnership	1.0	2.0	50.0
	Total	9.6	20.0	XXXXXXX

2.3.2 Performance on the indicators

Table 8: Performance on the Indicators

Code	Indicator	Actual score	Max. score
B1	Entrepreneurship promotion		
B1.1	Existence of specific policies and/or institutions to promote entrepreneurship	1.50	3.0
	Subtotal (B1)	1.50	3.0
B2	Access to finance		
B2.1	Number of companies that have benefited from SMEEIS in 2005 relative to national average	0.80	1.50
B2.2	Relative number of bank branches as at May 2006	0.50	1.50
B2.3	Volume of NACRDB loans disbursed to agro-businesses as % of agriculture capital budget in 2005	0	1.50
B2.4	Volume of ACGSF loans disbursed to agro-businesses as % agriculture capital budget in 2005	0	1.50
B2.5	Repayment rate of ACGSF loans for the period, 2002-2005	0.50	2.0
	Subtotal (B2)	1.8	8.0
B3	Investment promotion services		
B3.1	Existence of special programmes/incentives that promote technology innovations	2.0	2.0
B3.2	Evidence of special incentives to promote linkages between large firms and SMEs	0	1.0
B3.3	Availability of published and up-to-date investment or business information guide	0.5	1.0
B3.4	Existence of up-to-date directory of business firms	1.0	1.0
	Subtotal (B3)	3.50	5.0
B4	Support for industrial cluster		
B4.1	Presence of an industrial cluster/layout or park	1.0	1.0
B4.2	Government's infrastructure programmes to support the cluster/layout/park	0.80	1.0
	Subtotal (B4)	1.80	2.0
B5	Public-Private partnership		
B5.1	Public-Private partnership in security, infrastructure and utilities, credit provision, training and mentoring	1.0	2.0
	Subtotal (B5)	1.0	2.0
	Total	9.60	20.0

B1: Entrepreneurship promotion indicator

B1.1: Existence of specific policies and/or institutions to promote entrepreneurship (business start-up and business growth): Evidence shows special budget allocation in the 2005 state budget as well as an agency for entrepreneurial development scheme. The state scores 1.5 out of 3.0.

B2: Indicators of access to finance

B2.1: Number of companies that benefited from SMEEIS in 2005 relative to national average: 69.8% of companies had access to SMEEIS facilities relative to the national average, giving the state a score of 0.8 out of 1.5.

B2.2: Relative number of bank branches as at May 2006: The total number of bank branches was 84, representing 96% of the national average. The state scores 0.5 out of 1.5.

B2.3: NACRDB loans as percent of agriculture capital budget in 2005: The 2005 capital budget for agriculture was ₦915,436,000.00 and the NACRDB loans disbursed to the state was ₦133,838,174.41, representing 14.62% of the capital budget for agriculture. The state scores 0 out of 1.5.

B2.4: Volume of ACGSF loans disbursed to agro-businesses as % agriculture capital budget in 2005: The volume of ACGSF loans as percentage of 2005 agriculture capital budget was 9.89%. The state scores 0 out of 1.5.

B2.5: Repayment rate of ACGSF loans for the period, 2002-2005: The repayment rate for the period was 26.70% and the state scores 0.5 out of 2.0.

B3: Indicators of investment promotion services

B3.1: Existence of special programmes/incentives that promote technology innovations: There was evidence of infrastructure provision, tax incentives and special concessions. The state scores the maximum point of 2.0.

B3.2: Evidence of special incentives to promote linkages between large firms and small and medium enterprises: There was no evidence of such special incentives and the state scores 0.0 out of 1.0.

B3.3: Availability of published and up-to-date investment or business information guide to enlighten investors (base year 2004): There was evidence of an up-to-date copy of investors guide. The state scores 0.50 out of 1.0.

B3.4: Existence of up-to-date directory of business firms: There was evidence of an up-to-date directory of business firms. The state gets the maximum score of 1.0.

B4: Indicators of support for industrial cluster/layout/park

B4.1: Presence of an industrial cluster/layout or park: There are industrial layouts/clusters/parks in some major towns, giving the state the maximum score of 1.0.

B4.2: Government's infrastructure programmes to support the cluster/layout/park: There was evidence of infrastructure programme for water, power, roads and security. The state scores 0.8 out of 1.0.

B5: Indicator of public-private partnership

B5.1: Public-Private partnership in security, infrastructure and utilities, credit provision, training and mentoring: Evidence shows public-private partnership on infrastructure provision, training and mentoring. The state scores 1.0 out of 2.0.

2.4 Security

The state scores 50.0% on the benchmark.

2.4.1 Performance on the measures

Table 9: Scores on the Measures under Security Benchmark

Code	Measure	Actual score	Max. score	Percent score
S1	Major crimes	5.0	12.0	41.67
S2	Minor crimes	1.50	3.0	50.0
S3	Police resources	2.0	2.0	100.0
S4	Perceptions on security	1.50	3.0	50.0
	Total	10.0	20.0	XXXXXXX

2.4.2 Performance on the indicators

Table 10: Values on the Indicators of Security

Code	Indicator	Actual score	Max. score
S1	Major crimes		
S1.1	Number of reported armed robbery cases per 100,000 persons in 2005	1.0	2.0
S1.2	Number of reported murder cases per 100,000 persons in 2005	1.0	2.0
S1.3	Number of reported rape cases per 100,000 persons in 2005	1.0	2.0
S1.4	Number of reported assault cases per 100,000 persons in 2005	0	2.0
S1.5	Number of reported burglary and theft cases (including motor vehicle per 100,000 persons in 2005)	0	2.0
S1.6	Number of reported arson/vandalism cases per 100,000 persons in 2005	2.0	2.0
	Subtotal (s1)	5.0	12.0
S2	Minor crimes		
S2.1	Number of reported fraud (including forgery and counterfeiting and extortion) cases per 100,000 persons	1.50	3.0
	Subtotal (S2)	1.50	3.0
S3	Police coverage		
S3.1	Police-population ratio	2.0	2.0
	Subtotal (S3)	2.0	2.0
S4	Perceptions on security		
S4.1	Assessment of the conduciveness of security to business	0.75	1.50
S4.2	Rating of police performance	0.75	1.50
	Subtotal (S4)	1.50	3.0
	Total	10.0	20

S1: Major crimes indicators¹

S1.1: Number of reported armed robbery per 100,000 persons: The number of reported robbery cases was 159 and the population is 3,218,332. The number of cases per 100,000 persons is 4.94, giving the state a score of 1.0 out of 2.0.

S1.2: Number of reported murder cases per 100,000 persons: The number of reported murder cases was 86 and the population is 3,218,332. The number of cases per 100,000 persons is 2.67, giving the state a score of 1.0 out of 2.0.

S1.3: Number of reported rape cases per 100,000 persons: The number of reported rape cases was 90 and the population is 3,218,332. The number of cases per 100,000 persons is 2.80. The state scores of 1.0 out of 2.0.

S1.4: Number of reported assault cases per 100,000 persons: The number of reported assault cases was 1,931 and the population is 3,218,332. The number of cases per 100,000 persons is 60, giving the state zero out of 2.0.

S1.5: Number of reported burglary and theft cases (including motor vehicle snatching): The number of reported burglary cases was 1,517 and the population is 3,218,332. The number of cases per 100,000 persons is 48.81. The state scores zero out of 2.0.

S1.6: Number of reported arson/vandalism cases per 100,000 persons: The number of reported cases was 4 and the population is 3,218,332. The number of cases per 100,000 persons is 0.12, giving the state the full score of 2.0.

S2: Minor crimes indicator

S2.1: Number of reported fraud (including forgery and counterfeiting and extortion) cases per 100,000 persons: The number of reported fraud cases was 271 and the population is 3,218,332. The number of cases per 100,000 persons is 8.42, giving the state a score of 1.3 out of 3.0

¹ Major and minor crimes are indexed on a negative scale, the higher the percent the smaller the incidence of major or minor crimes.

S3: Police coverage

S3.1: *Police-population ratio:* The police population in 2005 was 7,978, and the number per 1,000 of the population is 2.48, giving the state the full score of 2.0.

S4: Indicators of perceptions on security

S4.1: *Assessment of the conduciveness of security to business:* Based on the assessment of business/company executives, the state scores 0.75 out of 1.5.

S4.2: *Rating of police performance:* Based on the assessment of business/company executives, the state scores 0.75 out of 1.5.