

# **BECANS BUSINESS ENVIRONMENT REPORT**

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Volume 1, Number 8, 2007

## **BENUE STATE**



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## BENUE STATE



**AFRICAN INSTITUTE FOR APPLIED ECONOMICS**

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**SYNOPSIS**

BENUE State scores 49.15% on the business environment index.

It scores 54.0% on infrastructure and utilities. It performs relatively higher on transportation and access to information, electricity, but lower on social infrastructure and water supply.

The state scores a total of 41.83% on legal and regulatory services. Within this benchmark, the state performs relatively better in the areas of land registration, business registration and tax administration. On the other hand, it performs relatively lower on commercial dispute resolution.

It scores 49.95% on business support and investment promotion. Within this benchmark; the state scores relatively better on investment promotion, support for industrial clusters and public-private partnership. On the other hand, it performs relatively lower on access to finance.

The state scores 52.5% on security. It performs relatively better on major crimes, police coverage and business/company executives' assessment of security. On the other hand, it performs relatively lower on minor crimes.

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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**

Benue state is located in the eastern part of the middle belt of Nigeria. It covers a land area of 30,800 sq. km. The capital is Makurdi. The population is 4,219,244 according to the 2006 census. The state has 23 local government areas.

### **1.2 Economic Potentials**

Agriculture forms the backbone of the economy. Most parts of the state lie in the southern guinea savannah belt. Major economic tree crops include locust bean, shea-butter, silk cotton, mahogany, cashew, guava, mango and orange. Among the major food crops include cassava, yam, rice, maize, sorghum, soybean and millet. The state is also richly endowed with minerals, including limestone, kaolin, coal, feldspar, batyrite, wolframite, bauxite, mineral salt and precious stones.

### **1.3 Investment Climate, Policies and Institutions**

The key policy thrusts in the key areas of agriculture and industry as enshrined in the SEEDS and investors' guide is to create an enabling environment for investments that will create wealth and employment and reduce poverty. Major areas of investment include commercial farming (especially rice, soybean, citrus, yam, maize), agribusiness (processing and packaging of agricultural products such as fruit juice, rice and the derivatives, yam and cassava chips and flour), livestock production, mining and cement production.

### **1.4 Budget Profile**

Internally generated revenue (IGR) constituted 24.16% of the state's total budgeted revenue in 2005. Health and education capital budgets were 9.16% and 4.95% of the total capital budget of ₦35860.00m, respectively. The federal allocation revenue (FAR) and IGR per capita were ₦4969.60 and ₦1582.94, respectively. Health and education capital budgets per capita were ₦1026.78 and ₦554.60, respectively, in 2005 (Table 1).

Table 1: Budget Profile, 2005

Item	Amount (₦ m)	Amount per capita (₦)
Federation Account Revenue (FAR)	20,971.72	4,969.60
Internally Generated Revenue (IGR)	6,680.00	1,582.94
Total capital budget	47,315.00	11,212.09
Capital health budget	4,333.00	1,026.78
Capital education budget	2,340.00	554.60

## 2.0 BUSINESS ENVIRONMENT SCORECARD

### 2.1 Business Environment Index

The state scores 49.15 on the business environment index. The performance on the business environment benchmarks is given in the table as follows.

Table 2: Performance across the Benchmarks

Code	Benchmark	Actual Score	Max. score	Percent score
F	Infrastructure and utilities	16.20	30.0	54.0
R	Legal and regulatory services	12.55	30.0	41.83
B	Business support and investment promotion	9.9	20.0	49.95
S	Security	10.50	20.0	52.50
	<b>Total</b>	<b>49.15</b>	<b>100.0</b>	

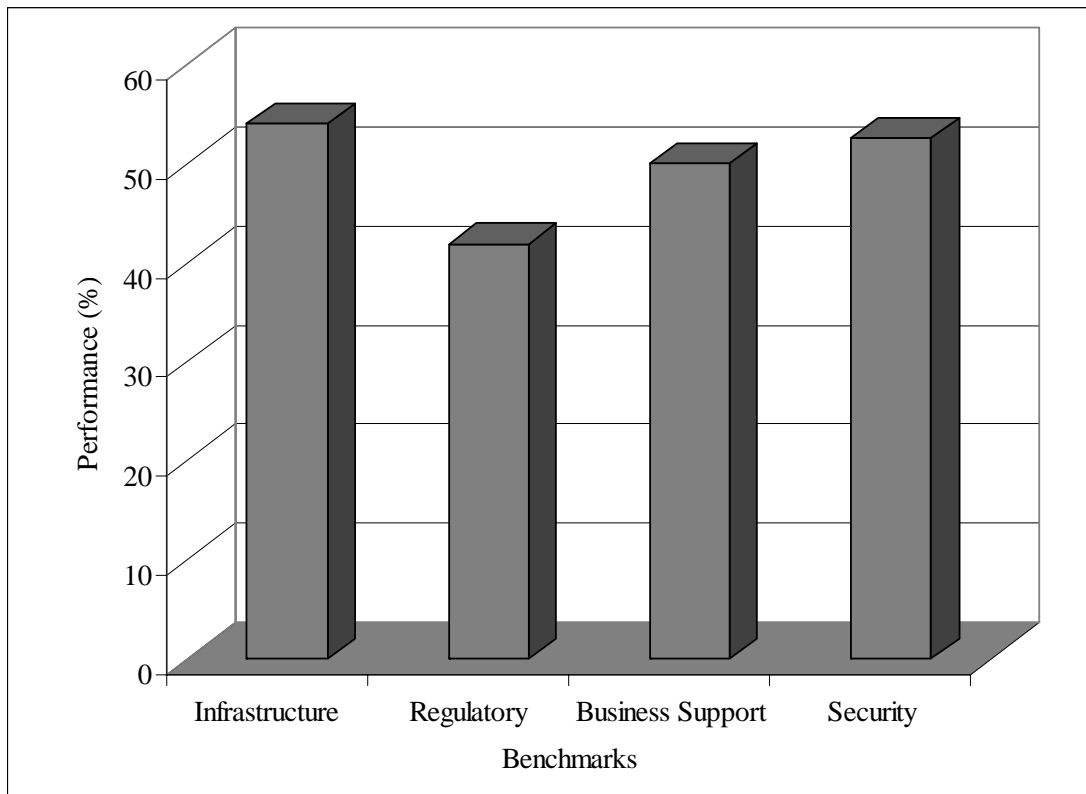


Figure 1: Performance across Benchmarks

## 2.2 Infrastructure and Utilities

The state has aggregate scores of 54.0% on the infrastructure and utilities benchmark. The details are summarized in tables 3 and 4.

### 2.2.1 Performance on the measures

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

Code	Measure	Actual score	Max. score	Percent score
F1	Energy	4.20	8.0	52.8
F2	Water supply	1.0	5.0	20.0
F3	Access to information	3.30	5.0	56.0
F4	Transportation	5.0	5.0	100.0
F5	Social infrastructure	2.70	7.0	38.57
	<b>Total</b>	<b>16.20</b>	<b>30.0</b>	

### 2.2.2 Performance on indicators of infrastructure and utilities

Table 4: Performance on the Indicators

Indicator label	Indicator	Actual score	Maximum score
<b>F1:</b>	<b>Energy</b>		
F1.1	Annual per capita electricity supply (kilowatts per capita)	1.50	2.0
F1.2	Average hours of public electricity supply per 24 hour day	0	2.0
F1.3	Difference between actual and officially regulated price of petroleum products in the last quarter of 2006	1.0	2.0
F1.4	Evidence of availability of petroleum products in the last quarter of 2006	1.70	2.0
	<b>Subtotal (F1)</b>	<b>4.20</b>	<b>8.0</b>
<b>F2</b>	<b>Water supply</b>		
F2.1	Evidence of public water supply	0	2.0
F2.2	Average price of 20 liters of water	1.0	2.0
F2.3	Proportion of firms' total water requirement obtained from private water supply	0	1.0
	<b>Subtotal (F2)</b>	<b>1.0</b>	<b>5.0</b>

<b>F3</b>	<b>Access to information</b>		
F3.1	Number of post offices per 100,000 of the population	0	1.0
F3.2	Tele-density of fixed lines (number of telephone lines per 1,000 persons)	0.50	0.50
F3.3	Incidence of mobile phone ownership	0.10	0.50
F3.4	Availability of TV stations	0.70	1.0
F3.5	Availability of radio stations	1.0	1.0
F3.6	Availability of a functional website	1.0	1.0
	<b>Subtotal (F3)</b>	<b>3.3</b>	<b>5.0</b>
<b>F4</b>	<b>Transportation</b>		
F4.1	Average cost of per kilometer of intra-state road transportation	3.0	3.0
F4.2	Availability of airport	2.0	2.0
	<b>Subtotal (F4)</b>	<b>5.0</b>	<b>5.0</b>
<b>F5</b>	<b>Social infrastructure</b>		
F5.1	Primary school enrolment	0.75	1.0
F5.2	Pupil-teacher ratio	0.50	1.0
F5.3	Capital budget to education as % of total capital budget	0.50	1.50
F5.4	Capital budget to health as % of total capital budget	0	1.50
F5.5	Private sector rating of waste management	0.40	0.50
F5.6	Frequency of waste disposal	0.25	1.0
F5.7	Average monthly waste disposal levy	0.30	0.50
	<b>Subtotal (F5)</b>	<b>2.70</b>	<b>7.0</b>
	<b>Total</b>	<b>16.20</b>	<b>30.0</b>

### ***F1: Energy indicators***

***F1.1: Annual per capita electricity supply (kilowatts per capita):*** With an estimated annual power supply of 31,602.54kw, the per capita power supply was 0.07kw. The state scores 1.50 out of a maximum of 2.0.

**F1.2: Average hours of public electricity supply per 24 hour day:** Business firms reported that PHCN supplied power for less than 2 hours in a 24-hour day. The state scores 0 out of a maximum of 2.0.

**F1.3: Difference between actual and officially regulated price of petroleum products in the last quarter of 2006:** There were differences between actual and officially regulated prices of petrol, kerosene and diesel ranging from 11-20%. The state scores 1.0 out of 2.0.

**F1.4: Evidence of availability of petroleum products in the last quarter of 2006:** The survey shows that petrol and kerosene were available all the time while diesel was available only 50% of the time, giving the state 1.70 out of a maximum of 2.0.

### **F2: Water supply indicators**

**F2.1: Evidence of public water supply:** The state's daily public water supply was less than 2 liters per capita, giving the state 0 out of a maximum of 3.0.

**F2.2: Average price of a 20 liter container of water:** Evidence shows that water is obtained from private water vendors at an average price of ₦8 to ₦10 per 20 liters. The state scores 1.0 out of a maximum 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%, giving the state 0 out of a maximum of 1.0.

### **F3: Access to information indicators**

**F3.1: Number of post offices per 100,000 persons:** The state has 18 post offices. The number per 100,000 is 0.43. The state scores 0 out of 1.0.

**F3.2: Tele-density for fixed lines (number of telephone lines per 1,000 persons):** The total number of fixed telephone lines is 36,008. This gives 8.53 per 1,000 of the population. The state scores the maximum 0.50.

**F3.3: Incidence of mobile phone ownership:** In 2006, the incidence of mobile phones for the state was 12.9%. The state scores 0.10 out of a maximum of 0.50.

**F3.4: Availability of television stations:** There are federal and state television stations operating, giving the state 0.7 out of 1.0.

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

**F3.6: Availability of functional website containing information:** There was evidence that the state has a current website which was confirmed through internet search. The state scores the maximum 1.0.

#### **F4: Transportation indicators**

**F4.1: Average cost per kilometer of intra-state road transportation in the last quarter:** The average transport fare for intra-state road movement is ₦5.00 and below per kilometer. This earns the state the maximum score of 3.0.

**F4.2: Availability of airport:** The state has an airport and therefore scores the maximum point of 2.0.

#### **F5: Social infrastructure indicators**

**F5.1: Primary school enrolment rate:** Primary net enrolment in 2006 was 77.7%. The state scores 0.75 out of a maximum of 1.0.

**F5.2: Pupil-Teacher ratio:** Primary enrolment is 919,738 while total number of teachers is 22,928. This gave a pupil-teacher ratio of 40:1. The state scores 0.5 out of a maximum of 1.0.

**F5.3: Capital budget to education as % of total capital budget in 2005:** Education capital budget was 8.07% of the total capital budget. The state scores 0.5 out of a maximum of 1.50.

**F5.4: Capital budget to health as % total capital budget in 2005:** The health capital budget was 1.50% of the total capital budget. The state scores 0 out of a maximum of 1.50.

**F5.5: Private sector rating of waste management:** Based on rating by business and company executives, the state scores 0.40 out of 0.5.

**F5.6: Frequency of waste disposal service:** The survey shows that waste is disposed monthly, giving the state 0.25 out of 1.0.

**F5.7: Average monthly waste disposal levy:** The average cost paid for waste disposal by businesses ranged from ₦201-₦500 per month. The state scores 0.3 out of 0.5.

## 2.3 Legal and Regulatory Services

The state has aggregate score of 41.83% on legal and regulatory services.

### 2.3.1 Performance on the measures

Table 5: Performance on Measures under Legal and Regulatory Services

Code	Measure	Actual score	Max. score	Percent score
R1	Business registration	1.55	4.0	38.75
R2	Tax administration	4.75	10.0	47.50
R3	Commercial dispute resolution	0	6.0	0
R4	Land registration and property rights	6.25	10.0	62.50
	<b>Total</b>	<b>12.55</b>	<b>30.0</b>	

### 2.3.2 Performance on the indicators

Table 6: Performance on the Indicators

Indicator label	Indicator	Actual score	Maximum score
<b>R1</b>	<b>Business registration</b>		
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	0.25	0.50
R1.3	Evidence of existence of a task force against the display of unregistered names by firms	0	0.50
R1.4	Existence of an office of the Corporate Affairs Commissions	0.30	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	0.50
	<b>Subtotal (R1)</b>	<b>1.55</b>	<b>4.0</b>

<b>R2</b>	<b>Tax administration</b>		
R2.1	Evidence of database of taxable persons	1.0	1.50
<b>R2.2</b>	Evidence of publication of the tax notices and sending of tax assessment notices to registered tax payers in the last three years	0.50	1.0
R2.3	Evidence of a mechanism for validation of tax paid to other tiers of government and other states in the federation	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
2.7	Amount paid as business premises levy per annum	1.0	1.0
R2.8	Number of days between receipt of demand notice and enforcement of penalties	0.50	1.0
R2.9	Penalties for non payment of business premises levy are enforced	1.0	1.0
	<b>Subtotal (R2)</b>	<b>4.75</b>	<b>10.0</b>
<b>R3</b>	<b>Commercial dispute resolution</b>		
R3.1	Establishment of information systems on caseload and judicial statistics	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
	<b>Subtotal (R3)</b>	<b>0</b>	<b>6.0</b>
<b>R4</b>	<b>Land registration and property rights</b>		
R4.1	Availability and usability of a cadastral map of the state	1.0	1.0
R4.2	Evidence that the state has enacted a land tenure law to effectuate the Land Use Act	0	1.0
R4.3	Official cost (charge) of obtaining governor's consent relative to the price of land in the highest profile business area in the state capital	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	0.75	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	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	1.0	1.0
R4.10	Evidence of effective protection of private property rights	0	1.0
	<b>Subtotal (R4)</b>	<b>6.25</b>	<b>10.0</b>
	<b>Total</b>	<b>12.55</b>	<b>30.0</b>

### ***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:*** There is evidence that only the Corporate Affairs Commission (CAC) registers businesses and 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 business premises registry admits only business names registered by the CAC. The state scores the maximum 0.25.

***R1.3: Evidence of existence of a task force (or regulatory actions) against the display of unregistered names by firms:*** There was no evidence of existence of a task force against the display of unregistered business names by firms. The state scores 0.0 out of a maximum 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 but there is no evidence that the branch is headed by an assistant registrar. The state scores 0.30 out of a maximum 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 from where information on how to access CAC services can be obtained. The state scores the maximum point 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 out of a maximum of 0.5.

**R1.8: Duration for obtaining certificates of registration for business names after filing all papers:** Evidence shows that it takes over 5 working days to obtain a certificate of business registration from the branch. The state scores 0 out of a maximum of 0.5.

## **R2: Tax administration indicators**

**R2.1: Evidence of database of taxable persons:** There was evidence of a manually compiled database of tax payers. The state scores 1.0 out of a maximum 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 places notices on its notice-boards. The state scores 0.50 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 no evidence of a mechanism for the validation of taxes paid to other tiers of government and other states of the federation. The score is 0 out of a maximum of 1.0.

**R2.4: Evidence of a Tax Appeal Tribunal/Revenue Courts:** There was no evidence that the state has a tax appeal 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 is 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. The state scores 0.75 out of a maximum of 1.0.

**R2.7: Amount paid as business premises levy capital per annum:** Evidence shows that business premises levy paid by business firms is less than ₦5, 000.00. The state scores the maximum 1.0.

**R2.8: Number of days between receipt of demand notice and enforcement of penalties:** Business firms reported that it takes 30-90 days between receipt of demand notice and enforcement of penalties. The state scores 0.5 out of a maximum of 1.0.

**R2.9: Enforcement of penalties for nonpayment of business premises:** The survey shows that state government officials enforce collection of penalties for nonpayment of business premises levy. The state scores the maximum 1.0.

**R3: Commercial dispute resolution indicators**

**R3.1: Establishment of information systems on caseload and judicial statistics:** There was no evidence of a case load factor of the judges, giving the state 0 out 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 more than 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 evidence of a cadastral map of the state and the map has been up-dated in the last 20 years. The state scores the maximum 1.0.

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

**R4.3: Official cost (charge) of obtaining governor's consent relative to the price of land in the highest profile business area in the state capital:** There was evidence that the cost is between 3%-5%. 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):** There was evidence that it takes 6-12 months to obtain a C of O even when it is shown that some can be granted in lesser time. The state scores 0.75 out of a maximum of 1.0.

**R4.5: Computerization of land transactions:** There was evidence that land transactions are manually carried out. The state scores 0.75 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:** Evidence shows that it takes less than one week to search the registry for confirmation of validity of title in the case of a transfer of rights of ownership. The state scores the maximum 1.0.

**R4.7: Time taken for obtaining the governor's consent for transfer of rights of ownership of land:** Evidence shows that it takes more than 8 weeks to obtain governor's consent for transfer of rights of ownership of land. The state scores 0 out of 1.0.

**R4.8: Evidence of active support for and promotion of equipment leasing:** There was evidence of government support for and promotion of equipment leasing. The state scores the maximum 1.0.

**R4.9: Evidence of laws that require mandatory subscription to insurance and mortgage contributions:** There was evidence of a law requiring mandatory subscription to insurance and mortgage contributions. The state scores the maximum 1.0.

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

## 2.4 Business Support and Investment Promotion

The total score for business support and investment promotion benchmark is 49.95%.

### 2.4.1 Performance on the measures

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

Code	Measure	Actual score	Max. score	Percent score
B1	Entrepreneurship promotion	1.50	3.0	50.0
B2	Access to finance	2.0	8.0	25.0
B3	Investment promotion service	3.50	5.0	70.0
B4	Support for industrial clusters	1.40	2.0	70.00
B5	Public-private partnership	1.50	2.0	75.0
	<b>Total</b>	<b>9.90</b>	<b>20.0</b>	

### 2.4.4 Performance on the indicators

Table 8: Values on Indicators of Business Support and Investment Promotion

Indicator label	Indicator	Actual score	Maximum score
<b>B1</b>	<b>Entrepreneurship promotion</b>		
B1.1	Existence of specific policies and/or institutions to promote entrepreneurship	1.50	3.0
	<b>Subtotal (B1)</b>	<b>1.50</b>	<b>3.0</b>
<b>B2</b>	<b>Access to finance</b>		
B2.1	Number of companies that benefited from SMEEIS in 2005 relative to national average	0.50	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 percent of agriculture capital budget in 2005	0	1.50
B2.4	Volume of ACGSF loans disbursed to agro-businesses as percent of agriculture capital budget in 2005	0	1.50
B2.5	Repayment rate of ACGSF loans for the period, 2002-2005	1.0	2.0
	<b>Subtotal (B2)</b>	<b>2.0</b>	<b>8.0</b>
<b>B3</b>	<b>Investment promotion services</b>		
B3.1	Existence of special programmes/incentives that promote technology innovations	1.50	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	1.0	1.0
B3.4	Existence of up to date directory of business firms	1.0	1.0
	<b>Subtotal (B3)</b>	<b>3.5</b>	<b>5.0</b>
<b>B4</b>	<b>Support for industrial cluster/layout/park</b>		
B4.1	Presence of an industrial cluster/layout/park	1.0	1.0
B4.2	Infrastructure programmes to support the cluster/layout/park	0.40	1.0
	<b>Subtotal (B4)</b>	<b>1.40</b>	<b>2.0</b>
<b>B5</b>	<b>Public-Private partnership</b>		
B5.1	Public-Private partnership in security, infrastructure and utilities, credit provision, training and mentoring	1.50	2.0
	<b>Subtotal (B5)</b>	<b>1.50</b>	<b>2.0</b>
	<b>Total</b>	<b>9.90</b>	<b>20.0</b>

**B1: Entrepreneurship promotion indicators****B1.1: Existence of specific policies and/or institutions to promote entrepreneurship:**

There is evidence of budgetary allocation for entrepreneurship development and a special agency for business development. The state scores 1.50 out of a maximum of 3.0.

**B2: Indicators of access to finance**

**B2.1: Number of companies that benefited from SMEEIS in 2005 relative to national average:** Evidence shows that 17.5% of companies had access to SMEEIS relative to the national average. The state scores 0.50 out of 1.5.

**B2.2: Relative number of bank branches as at May 2006:** The total number of bank branches was 48, representing 55% of the national average. The state scores 0.5 out of a maximum of 1.5.

**B2.3: NACRDB loans as % of agriculture capital budget in 2005:** The 2005 capital budget for agriculture was ₦2,686,300,000 and the NACRDB loans was ₦126,026,009.59, equivalent of 4.69% of agriculture capital budget. The state scores 0 out of a maximum of 1.5.

**B2.4: Volume of ACGSF loans disbursed to agro-businesses as % of agriculture capital budget in 2005:** The 2005 capital budget for agriculture was ₦2,686,300,000 while the volume of ACGSF loans was ₦99,839,000.00, equivalent of 3.7% of agriculture capital budget. The state scores 0 out of a total of 1.50 points.

**B2.5: Repayment rate of ACGSF loans, 2002-2005:** The repayment rate for the period was 55.36%, giving the state 1.0 out of a maximum 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 and tax incentives, giving the state 1.50 out of a maximum 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 special incentives either in the state's SEEDS document or investors guide. The state scores 0 out of a maximum 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 investment guide. The state scores the maximum point of 1.0.

**B3.4: Existence of up-to-date directory of business firms:** There was evidence of existence of an up-to-date directory of business firms, giving the state maximum point of 1.0.

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

**B4.1: Presence of industrial clusters/layouts/parks:** There was evidence of industrial layouts in some major towns, giving the state the maximum score of 1.0.

**B4.2: Government's infrastructure programmes to support the clusters/layouts/parks:** There was evidence of infrastructure programme but no evidence of security and telecommunication provision. The state scores 0.40 out of a maximum of 1.0.

#### **B5: Indicator of public private partnership**

**B5.1: Public private partnership in security, infrastructure and utilities, credit provision, training and mentoring:** There was evidence of infrastructure and credit provisioning in partnership with the private sector as well as training and mentoring. The score is 1.50 out of a maximum of 2.0.

## **2.5 Security**

The state scores a total of 52.50% on security. The details are summarized in tables 9 and 10.

### **2.4.1 Performance on the measures**

Table 9: Performance on Measures under Security Benchmark

Code	Measure	Actual score	Max. score	Percent score
S1	Major crimes	8.0	12.0	66.67
S2	Minor crimes	0	3.0	0
S3	Police coverage	1.0	2.0	50.0
S4	Perceptions on security	1.50	3.0	50.0
	<b>Total</b>	<b>10.5</b>	<b>20.0</b>	

## 2.4.2 Performance on the indicators

Table 10: Performance on the Indicators

Indicator label	Indicator	<sup>1</sup> Actual score	Maximum score
<b>S1</b>	<b>Major crimes</b>		
S1.1	Number of reported armed robbery cases in 2005 per 100,000 persons	2.0	2.0
S1.2	Number of reported murder cases in 2005 per 100,000 persons	2.0	2.0
S1.3	Number of reported rape cases in 2005 per 100,000 persons	2.0	2.0
S1.4	Number of reported assault cases per 100,000 persons	0	2.0
S1.5	Number of reported burglary and theft cases (including motor vehicle snatching) in 2005 per 100,000 persons	0	2.0
S1.6	Number of reported arson/vandalism cases in 2005 per 100,000 persons	2.0	2.0
	<b>Subtotal (S1)</b>	<b>8.0</b>	<b>12.0</b>
<b>S2</b>	<b>Minor crimes</b>		
S2.1	Number of reported fraud (including forgery and counterfeiting and extortion) cases in 2005 per 100,000 persons	0	3.0
	<b>Subtotal (S2)</b>	<b>0</b>	<b>3.0</b>
<b>S3</b>	<b>Police coverage</b>		
S3.1	Police-population ratio	1.0	2.0
	<b>Subtotal (S3)</b>	<b>1.0</b>	<b>2.0</b>
<b>S4</b>	<b>Perceptions on security and safety</b>		
S4.1	Assessment of the conduciveness of security to business	0.75	1.50
S4.2	Rating of police performance	0.75	1.50
	<b>Subtotal (S4)</b>	<b>1.50</b>	<b>3.0</b>
	<b>Total</b>	<b>10.5</b>	<b>20.0</b>

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

### **2.4.3 Performance on the security indicators**

#### **S1: Major crimes**

**S1.1: Number of reported armed robbery cases per 100,000 persons:** The number of reported robbery cases was 49 and the population is 4,219,244. The number of cases per 100,000 persons is 1.16. The state scores the maximum 2.0.

**S1.2: Number of reported murder cases per 100,000 persons:** The number of reported murder cases was 27 and the population is 4,219,244. The number of cases per 100,000 persons is 0.64 and the state scores the maximum 2.0.

**S1.3: Number of reported rape cases per 100,000 persons:** The number of reported rape cases was 45 and the population is 4,219,244. The number of cases per 100,000 persons is 1.07. The state scores the maximum 2.0.

**S1.4: Number of reported assault cases per 100,000 persons:** The number of reported assault cases was 1499 and the population is 4,219,244. The number of cases per 100,000 persons is 35.53, giving the state 0.0 out of 2.0

**S1.5: Number of reported burglary and theft cases (including motor vehicle snatching) cases per 100,000 persons:** The number of reported burglary cases was 1480 and the population is 4,219,244. The number of cases per 100,000 persons is 0.0, giving the state the maximum 2.0

**S1.6: Number of reported arson/vandalism cases per 100,000 persons:** The number of reported cases was 38 and the population is 4,219,244. The number of cases per 100,000 persons is 0.9. The state scores the maximum 2.0

#### **S2: Minor crimes**

**S2.1: Number of reported fraud (including forgery and counterfeiting and extortion) cases per 100,000 persons:** The number of reported fraud cases was 747 and the population is 4,219,244. The number of cases per 100,000 persons is 17.7. The state scores 0 out 2.0.

**S3: Police coverage**

**S3.1: *Police-Population ratio*:** The number of combatant policemen in 2005 is 6,920 and the state's population is 4,219,244. The number of combatants per 1,000 persons is 1.64 and the state scores 1.0 out of a maximum of 2.0

**S4: Perceptions on security**

**S4.1: *Assessment of the security*:** Based on assessment of business and company executives, the state scores 0.75 out of a total of 1.5.

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