

BECANS BUSINESS ENVIRONMENT REPORT

Volume 1, Number 14, 2007

EKITI STATE

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SYNOPSIS

EKITI State scores 42.65% on the business environment index, obtaining the highest scores on security and infrastructure while the lowest score is on business development support.

On infrastructure and utilities, the state scores 53.67%, performing relatively better on water supply, access to information and social infrastructure. She performed relatively low on energy and transportation. There is need for increased priority to infrastructural facilities, especially in the areas of transportation and energy.

On legal and regulatory services, the state scores a total of 30.17%, which is relatively low. Though the state performs relatively better on tax administration, her performance on all the measures is relatively low. The performance on contract enforcement/commercial disputes resolution was the weakest. There is need for the state to give increased priority to the various aspects of legal and regulatory framework, especially in the areas of business registration, tax, land matters as well as contract enforcement and commercial dispute resolution, which would promote investor's confidence in establishing and running business in the state.

On business support and investment promotion, the state performs relatively low, scoring 27.5%. On the average, the state performs relatively better on entrepreneurship promotion and public-private partnership and performs relatively low on investment promotion services, access to finance and credit as well as support to industrial clusters/layouts/parks. Her performance on support to industrial clusters/layouts/parks is the weakest. There is need for the state to promote the establishment of industrial clusters/layouts/parks in addition to giving more emphasis to other aspects of business support services, which promote entrepreneurial incentives to invest.

On security, the state scores 60%, performing relatively better on police resource availability than on major and minor crimes as well as public perception of security. The state needs to improve on her crime management as well as rating by the public in relation to the conduciveness of business environment and police performance.

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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

Ekiti State is in the south-western region of the country. It has a population of 2,364,212 and covers a land area of 5,435 square kilometers. It has 16 Local Government Areas and lies between latitude $7^{\circ} 15^1$ and $8^{\circ} 5^1$ N and longitude $4^{\circ} 45^1$ E.

1.2. Economic Potentials

The state is endowed with agricultural and mineral resources. Agriculture is the backbone of the economy. Some of the major commodities include cocoa, coffee, kola nut, cashew and oil palm, citrus fruits, coconut, mango, sugar-cane, guava and pineapple. Others include yam, cocoyam, cassava, maize, plantain/banana, rice, beans pepper, tomatoes, varieties of vegetables, as well as livestock and fisheries products.

The mineral deposits include cassiterite, columbite and tantalite which are found in Ijero, Ceramic (Ball) clays, kaolin, feldspa, bauxite, foundry quartzities, mica/moscovite. It has good commerce and tourism potentials. Some of the exciting tourist centres include Ikogosi Warm Springs Resort Centre, Ikogosi-Ekiti, Erinta Water Falls, Ipole-Iloro, Olosunta Hills, Ikere-Ekiti, Fajuyi Square, Ado-Ekiti, Ero Dam, Ikun-Ekiti, as well as Egbe Dam, Egbe-Ekiti.

1.3. Investment Climate, Policies and Institutions

The industrial policy hinges on the exploitation of the abundant and rich mineral and other industrial raw material resources for industrialization. Some of the strategies include reduction of government's equity participation to not more than 10%, provision of adequate and vital infrastructure, streamlining and improving the state's regulatory environment. More than 20 commercial banks with varying number of branches operate in the state.

1.4. Budget Profile

Internally generated revenue (IGR) accounted for 6.98% of total budget in 2005. Per capita values of health capital and education capital budgets were ₦207.58 and ₦177.16 respectively (Table 1).

Table 1: Budget Profile, 2005

Budget	Total value (₦m)	Per capita value (₦)
Federal Accounts Revenue	16,840.79	7,136.93
Internally Generated Revenue	1,264.00	535.59
Total Budget	20,954.42	8,878.99
Capital Budget to Health	489.90	207.58
Capital Budget to Education	418.10	177.16

2.0 BUSINESS ENVIRONMENT SCORECARD

The state scores 42.65% on the business environment index. The performance across the four benchmarks is as follows:

Table 2: Performance across the benchmarks

Benchmark	Actual Score	Maximum Score	Percentage Score
Infrastructure (F)	16.1	30.0	53.67
Legal and Regulatory (R)	9.05	30.0	30.17
Business Support and Investment Promotion (B)	5.5	20.0	27.5
Security (S)	12.0	20.0	60.0
Total	42.65	100.0	XXXXXXX

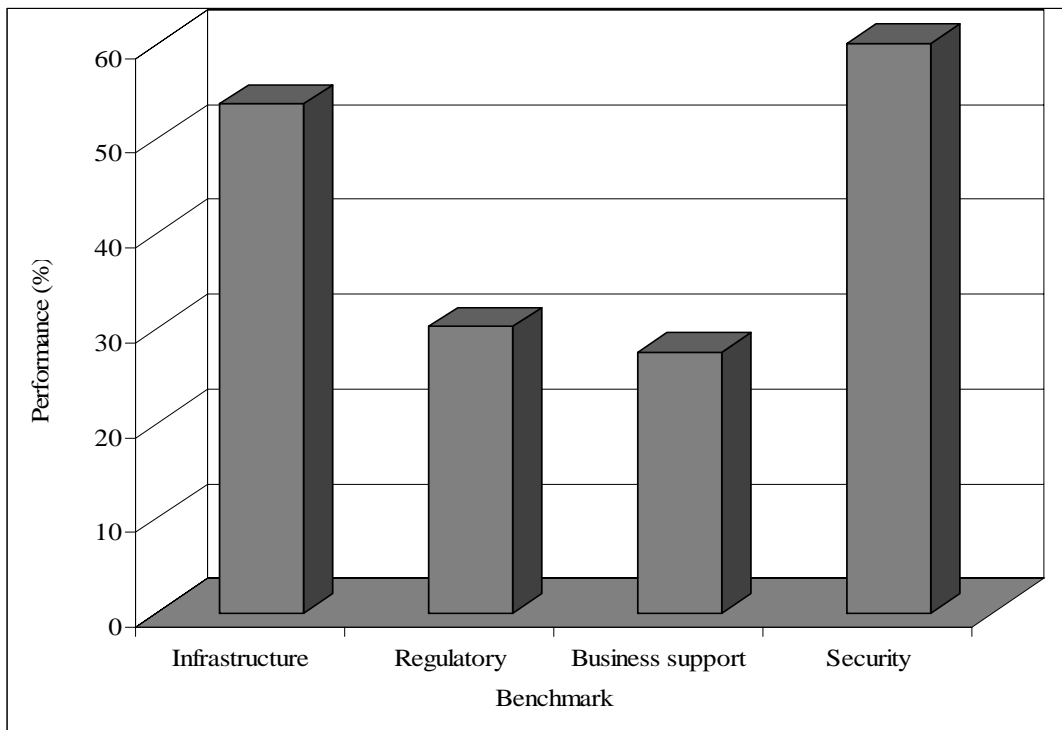


Figure 1: Performance across Benchmarks

2.1 Infrastructure and Utilities

The state scores 53.67% on this benchmark.

2.1.1 Performance on the Measures

Table 3: Scores on the Measures under Infrastructure and Utilities

Code	Measure	Actual Score	Maximum Score	Percentage Score
F1	Energy	4.0	8.0	50.0
F2	Water supply	3.5	5.0	70.0
F3	Access to information	3.25	5.0	65.0
F4	Transportation	1.0	5.0	20.0
F5	Social infrastructure	4.35	7.0	62.14
	Total	16.1	30.0	XXXXXXXX

2.2.2 Performance on the indicators

Table 4: Values on Indicators of Infrastructure and Utilities

Label	Indicator	Actual Score	Maximum Score
	F1: Energy		
F1.1	Annual per capita electricity supply (kilowatts per capita)	0.5	2.0
F1.2	Average hours of public electricity supply per 24 hour day	0.0	2.0
F1.3	Difference between the actual price and the officially regulated price of petroleum products in the last quarter of 2006	1.5	2.0
F1.4	Evidence of availability of petroleum products in the last quarter of 2006	2.0	2.0
	Subtotal (F1)	4.0	8.0
	F2: Water supply		
F2.1	Daily per capita liters of water supply	2.0	2.0
F2.2	Average price of 20 liters of private water supply	1.0	2.0
F2.3	Proportion of firms' total daily water requirement obtained from private supply	0.5	1.0
	Subtotal (F2)	3.5	5.0
	F3: Access to information		
F3.1	Number of post offices per 100, 000 persons	0.25	1.0
F3.2	Tele-Density for fixed lines (number of telephone lines per 1000 persons)	0.5	0.5
F3.3	Incidence of mobile phone ownership	0.1	0.5
F3.4	Availability of local television stations	0.7	1.0
F3.5	Availability of radio stations	0.7	1.0
F3.6	Availability of functional website containing information	1.0	1.0
	Subtotal (F3)	3.25	5.0
	F4: Transportation		
F4.1	Average cost per kilometer of intra-state road transportation in the last quarter of 2006	1.0	3.0
F4.2	Availability of airport	0.0	2.0
	Subtotal (F4)	1.0	5.0

	F5: Social infrastructure		
F5.1	Primary school enrolment rate	1.0	1.0
F5.2	Pupil - teacher ratio	1.0	1.0
F5.3	Capital budget to education as a ratio of total capital budget in 2005	0.5	1.5
F5.4	Capital budget to health as a ratio of total capital budget	0.5	1.5
F5.5	Private sector rating of waste management	0.1	0.5
F5.6	Frequency of waste disposal services	0.75	1.0
F5.7	Average monthly waste disposal levy	0.5	0.5
	Subtotal (F5)	4.35	7.0
	Total Score	16.1	30.0

F1: Energy

F1.1: Annual per capita electricity supply (kilowatts per capita): With an estimated annual power supply of 24,500.52kw, the per capita power supply was 0.01 and the state scores 0.5 out of 2.0.

F1.2: Average hours of public electricity supply per 24-hour day: Evidence shows public power supplies less than 2 hours of electricity out of 24 hours in a day. The state scores 0.0 out of 2.0.

F1.3: Difference between the actual price and the officially regulated price of petroleum products in the last quarter of 2006: For the three common products - petrol, kerosene and diesel, there was 1 - 10% price difference between the official prices and what the people pay. The state scores 1.5 out of 2.0.

F1.4: Evidence of availability of petroleum products in the last quarter of 2006: Evidence shows that petrol, diesel and kerosene are normally available all the time. The state scores the full point of 2.0.

F2: Water supply

F2.1: Daily per capita litres of water supply: Evidence shows that per capita water supply is 33.5 litres. The state scores the maximum point of 2.0

F2.2: Average price of 20 liters of private water supply: Private water supply costs between ₦8.00 and ₦10.00 for 20 litres. The state scores 1.0 out of a maximum of 2.

F2.3: Proportion of firms' total daily water requirement obtained from private supply: Business firms get 25 to 39% of their total water need through private supplies. The state scores 0.5 out of a maximum of 1.0.

F3: Access to information

F3.1: Number of post offices per 100, 000 of the population: The state has 42 post offices, and dividing this by the state 2006 population figure gave the number of post offices per 100,000 as 1.78. The state scores 0.25 out of 1.0.

F3.2: Tele-density for fixed lines (Number of telephone lines per 1000 persons): The state has 56,400 fixed lines. With the 2006 population, the number of lines per 1000 persons is 23.86. The state scores the maximum point of 0.5.

F3.3: Incidence of mobile phone ownership: The incidence of mobile phone ownership was 19.4%. The state scores 0.1 out of 0.5.

F3.4: Availability of local television stations: There are federal and state television stations and the state scores 0.7 out of 1.0.

F3.5: Availability of radio stations: There are federal and state radio stations. The state scores 0.7 out of a maximum of 1.0.

F3.6: Availability of functional website containing information: A search on the internet shows that the state has functional website. The website is www.ekitistate.com and is regularly updated. The state scores the maximum point of 1.0.

F4: Transportation

F4.1: Average cost per kilometer of intra-state road transportation in the last quarter: The average transport fare per kilometer of intra-state road movement is ₦11.00 to ₦15.00. The state scores 1.0 out of 3.0.

F4.2: Availability of airport: The state has no airport. It is served by the nearby Akure airport in Ondo State which is about 40km away. The state scores 0 out of 2.0.

F5: Social Infrastructure

F5.1: Primary school enrolment rate: Primary school net enrolment was 89.2%. The state scores the maximum point of 1.0.

F5.2: Pupil - teacher ratio: Primary enrolment is 192,280 while total number of teachers is 10,163. This gave a pupil-teacher ratio of 19:1. 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 total capital budget was ~~N~~8,285,440,000,000.00 while the capital budget to education was ~~N~~418,100,000.00, representing 5.05% of total capital budget. The state scores of 0.5 out of a maximum of 1.5.

F5.4: Capital budget to health as a ratio of total capital budget in 2005: The total capital budget was ~~N~~8,285,440,000,000.00 while the capital budget for health was ~~N~~537,350,000.00, representing 6.49% of total capital budget. The state scores 0.5 out of a maximum of 1.5.

F5.5: Private sector rating of waste management: Based on rating by business/company executives, the state scores 0.1 out of 0.5.

F5.6: Frequency of waste disposal services: Frequency of waste collection is one week. The state scores 0.75 out of a maximum of 1.0.

F5.7: Average monthly waste disposal levy: Average monthly levy paid by business firms for waste disposal is ~~N~~200.00 and below. The state scores the maximum point of 0.5.

2.2 Legal and Regulatory Services

The state scores a total of 30.17% on the benchmark. The details are summarized in tables 5 and 6.

2.2.1 Performance on the Measures

Table 5: Scores on Measures of Legal and Regulatory Services

Measure	Actual Score	Maximum Score	Percentage Score
Business registration (R1)	0.8	4.0	20.0
Tax administration (R2)	4.5	10.0	45.0
Contract enforcement/commercial disputes resolution (R3)	1.0	6.0	16.67
Land registration and property rights (R4)	2.75	10.0	27.5
Total	9.05	30.0	XXXXXXX

2.2.2 Performance on the Indicators

Table 6: Values on Indicators of Legal and Regulatory Services

Indicator label	Indicator	¹ Actual Score	Maximum 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	0.5	1.0
R1.2	Evidence that improperly registered business names are not given recognition	0.0	0.5
R1.3	Evidence of existence of a task force (or regulatory actions) against the display of unregistered business names by firms	0.0	0.5
R1.4	Existence of an office of the Corporate Affairs Commission	0.3	0.5
R1.5	Evidence of publication of activities of the 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	0.0	0.25

¹ 0% score does not necessarily imply that the state has zero units of the particular property or attribute. Also, 100% score does not necessarily imply that the state has full units of the particular property. Rather, the two extreme scores merely reflect the two extreme points of the measuring scale used to evaluate the performance of respective states on this property or attribute.

R1.6	Evidence that the CAC branch office has a service charter	0.0	0.25
R1.7	Availability of accessible on-line real-time services through which names can be searched for and reserved at the CAC branch office	0.0	0.5
R1.8	Duration for obtaining certificate of registration for business names after filing all papers	0.0	0.5
	Subtotal (R1)	0.8	4.0
	R2: Tax administration		
R2.1	Evidence of database of taxable persons	1.0	1.5
R2.2	Evidence of publication of 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	0.0	1.0
R2.4	Evidence of a Tax Appeal Tribunal/Revenue Courts	0.5	1.5
R2.5	Evidence of one-stop shop for tax payment to state and local governments	0.0	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	0.5	1.0
R2.8	Number of days between receipt of demand notice and enforcement of penalties for late payment of taxes by tax authorities	0.0	1.0
R2.9	Penalties for nonpayment of business premises are enforced	1.0	1.0
	Subtotal (R2)	4.5	10.0
	R3: Contract enforcement/commercial disputes resolution		
R3.1	Establishment of information systems on caseload and judicial statistics	0.0	2.0
R3.2	Average time (in weeks) between filing a business dispute in court and obtaining judgment	1.0	2.0
R3.3	Evidence of availability/establishment of formal Alternative Dispute Resolution	0.0	2.0
	Subtotal (R3)	1.0	6.0
	R4: Land registration and property rights		
R4.1	Availability and usability of a cadastral Map of the State	0.0	1.0
R4.2	Evidence that the state has enacted a land tenure law to operationalise the Land Use Act	0.0	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	0.0	1.0
R4.4	Time taken for obtaining C of O (between submission of application form and eventual granting of consent)	0.75	1.0

R4.5	Computerization of land transactions	0.0	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 of land	0.5	1.0
R4.7	Time taken for obtaining the Governor's consent for transfer of rights of ownership of land	0.5	1.0
R4.8	Evidence of active support for and promotion of equipment leasing	1.0	1.0
R4.9	Evidence of a law that requires mandatory subscription to insurance and mortgage contributors	0.0	1.0
R4.10	Evidence of effective protection of private property rights	0.0	1.0
	Subtotal (R4)	2.75	10.0
	Total	9.05	30.0

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: The state scores 0.5 out of 1.0.

R1.2: Evidence that improperly registered business names are not given recognition: There is no evidence that the state does not give recognition to improperly registered names. The state scores 0 out of 0.5.

R1.3: Evidence of existence of a task force (or regulatory actions) against the display of unregistered business names by firms: Evidence did not show existence of a task force against the display of unregistered business names. The state scores zero out of 0.5.

R1.4: Existence of an office of the Corporate Affairs Commission: The state scores the full point of 0.5.

R1.5: Evidence of publication of activities of the 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 no evidence of publication of activities of the CAC branch (leaflets, fliers, hand bills, booklets and/or websites). The state scores zero out of the maximum point of 0.25.

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

R1.7: Availability of accessible on-line real-time services through which names can be searched for and reserved at the CAC branch: The state CAC branch office had no facility to access the CAC on-line services. The state scores 0 out of 0.5.

R1.8: Duration for obtaining certificate of registration for business names after filing all papers: The survey shows that it takes more than 5 working days to obtain certificate of registration after filing all the papers. The state scores 0 out of 0.5.

R2: Tax Administration

R2.1: Evidence of database of taxable persons: Database of taxable persons is manually compiled. The state scores 1.0 out of a maximum of 1.5.

R2.2: Evidence of publication of tax notices and sending of Tax Assessment Notices to registered tax payers in the last three years: Evidence shows that tax notice letters are sent to individual 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: Evidence shows that there was no mechanism for validation of tax paid to other tiers of government and other states. The state scores 0 out of a total of 1.0

R2.4: Evidence of a Tax Appeal Tribunal/Revenue Courts: Evidence shows the practice of taking legal action on offenders following default of reminder notice. It did not state that the matter will be taken to the tax appeal tribunal/revenue court. The state scores 0.5 out of 1.5.

R2.5: Evidence of one-stop shop for tax payment to state and local governments: The state is yet to have a one-stop shop for tax payment. The state scores 0 out of 1.0.

R2.6: Number of taxes paid by manufacturing firms: The number of taxes paid by manufacturers is 11. The state scores 0.75 out of a maximum of 1.0.

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

R2.8: Number of days between receipt of demand notice and enforcement of penalties for late payment of taxes by tax authorities: The number of days between receipt of demand notice and enforcement of penalties is less than 30 days. The state scores 0 out of 1.0.

R2.9: Penalties for non payment of business premises in the state are enforced by: Enforcement of penalties for non-payment of business premises is carried out by the officials of state government. The state scores the maximum point of 1.0.

R3: Contract Enforcement/Commercial Disputes Resolution

R3.1: Establishment of information systems on caseload and judicial statistics: There was no evidence of existence of information systems on caseload and judicial statistics. The state scores 0 out of a maximum of 2.0.

R3.2: Average time (in weeks) between filing a business dispute in court and obtaining judgment: Average time between filing a business dispute in court and obtaining judgment is 27 to 52 weeks. The state scores 1.0 out of 2.0.

R3.3: Evidence of availability/establishment of formal Alternative Dispute Resolution: ADR mechanism is not yet in place. The state scores 0 out of 2.0.

R4: Land registration and property rights

R4.1: Availability and usability of a cadastral Map of the State: The state is yet to have a cadastral map of the towns and cities. The state scores 0 out of 1.0.

R4.2: Evidence that the state has enacted a land tenure law to operationalise the Land Use Act. Evidence provided indicates that the state is yet to have an operational land law beside the Land Use Act of 1978, giving the state 0 out 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: The official charge for obtaining the governor's consent is 15% for undeveloped plot. The state scores 0 out of 1.0

R4.4: Time taken for obtaining C of O (between submission of application form and eventual granting of consent. The average length of time for obtaining C of O is 6 – 12 months, giving the state 0.75 out of 1.0.

R4.5: Computerization of land transactions: The state is yet to have a computerized land transactions system, scoring 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 of land: The time taken to search the registry and obtain confirmation of validity of transfer of ownership is 1-2 months. The state scores 0.5 out of a maximum of 1.0.

R4.7: Time taken for obtaining the governor's consent for transfer of rights of ownership of land: The length of time spent to obtain governor's consent for transfer of rights of ownership of land is 1-2 months. The state scores 0.5 out of 1.0.

R4.8: Evidence of active support for and promotion of equipment leasing in the state: There was no evidence of active support for equipment leasing. However, the ADP renders tractor hiring services in the state to farmers, and this is a form of support for equipment leasing. The state gets the maximum of 1.0.

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

R4.10: Evidence of effective protection of private property rights: Evidence provided did not indicate existence of property rights law. The state scores 0 out of 1.0.

2.3 Business Support and Investment Promotion

The state scores a total of 27.5% on the benchmark.

2.3.1 Performance on the Measures

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

Measure	Actual Score	Maximum Score	% Score
Entrepreneurship promotion (B1)	1.5	3.0	50.0
Access to finance and credit (B2)	2.0	8.0	25.0
Investment promotion services (B3)	1.0	5.0	20.0
Support for industrial clusters	0.0	2.0	0.0
Public private partnership (B5)	1.0	2.0	50.0
Total	5.5	20.0	XXXXXXX

2.3.2 Performance on the Indicators

Table 8: Values on Business Development Support

Indicator label	Indicator	Actual Score	Maximum Score
	B1: Entrepreneurship promotion		
B1.1	Existence of specific policies and/or institutions to promote entrepreneurship	1.5	3.0
	Subtotal (B1)	1.5	3.0
	B2: Access to finance and credit		
B2.1	Number of companies that has benefited from SMEEIS in 2005 relative to national average	0.5	1.5
B2.2	Relative number of bank branches as at May 2006	0.5	1.5
B2.3	NACRDB loans as % of agriculture capital budget in 2005	0.0	1.5
B2.4	Volume of ACGSF loans disbursed to agro-businesses as % of agriculture capital budget in 2005	0.0	1.5
B2.5	Repayment of ACGSF loans 2002-2005 in %	1.0	2.0
	Subtotal (B2)	2.0	8.0
	B3: Investment promotion services		
B3.1	Existence of special programmes/incentives that promote technology innovations	0.0	2.0
B3.2	Evidence of special incentives to promote linkages between large firms, small and medium enterprises	0.0	1.0
B3.3	Availability of published and up-to-date investment or business information guide to enlighten investors (base year 2004)	0.0	1.0
B3.4	Existence of published and up-to-date directory of business firms	1.0	1.0
	Subtotal (B3)	1.0	5.0
	B4: Support for industrial clusters		
B4.1	Existence of industrial cluster/layout/park	0.0	1.0
B4.2	Government infrastructure programmes to support the cluster/layout/park	0.0	1.0
	Subtotal (B4)	0.0	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	5.5	20.0

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

There is policy provision in the SEEDS document and the budget, but there are no specific documentation regarding the number of target beneficiaries. The state scores 1.5 out of 3.0.

B2: Access to finance and credit

B2.1: Number of companies that has benefited from SMEEIS in 2005 relative to national average: Evidence shows that 34.9% of companies had access to SMEEIS facilities relative to national average. The state scores 0.5 out of a maximum of 1.5.

B2.2: Relative number of bank branches in the state as at May 2006: The number of banks branches as a percentage of national average was 64 in 2006. The state scores 0.5 out of 1.5.

B2.3: NACRDB loans as % of capital budget to agriculture in 2005: Evidence shows that NACRDB loan was 2.35% of capital budget to agriculture. The state scores 0 out of a maximum of 1.5.

B2.4: Volume of ACGSF loans disbursed to agro-businesses as a percentage of capital budget to agriculture in 2005: The ACGSF loan as a percentage of capital budgets to agriculture was 24.92%. The state scores 0.5 out of 1.5.

B2.5: Repayment of ACGSF loans: Total ACGSF loan repayment rate for the period 2002-2005 was 43.22%. The state scores 1.0 out of a maximum of 2.0.

B3: Investment Promotion Services

B3.1: Existence of special programmes/incentives that promote technology innovations: There was no evidence of special programmes/incentives that promote technology innovations. The state scores 0 out of 2.0.

B3.2: Evidence of special incentives to promote linkages between large firms and small and medium enterprises: There was no evidence showing existence of such special incentives. The state scores 0 out of a total of 1.0.

B3.3: Availability of published and up-to-date investment or business information guide to enlighten investors (base year 2004): The state has a directory of business organization

published in 2005, but there was no publication of investment opportunities/guide. The state scores 0 out of a maximum of 1.0.

B3.4: Existence of published and up-to-date directory of business firms, when last was it updated: The state has a directory of business establishments published in 2005. The state scores the maximum point of 1.0.

B4: Support for Industrial Clusters/Layouts/Parks:

B4.1: Existence of an industrial cluster: There was no evidence of existing industrial cluster/layouts/parks. The state only has a plan for one, which is yet to be established. The state scores 0 out of 1.0.

B4.2: Government infrastructure programmes to support the cluster/layout/park: The state scores 0 out of 1.0.

B5: Public-Private partnership

Public Private Partnership in security, infrastructure and utilities, credit provision, training and mentoring: There was no evidence of private-public partnership in municipal services or any other infrastructure. The state scores zero out of 2.0.

2.4 Security

The state scores a total of 60% on security.

2.4.1 Performance on the Measures

The highest score is on police coverage (100%). See Tables 9 and 10.

Table 9: Summary of Performance on Security

Measure	Actual Score	Maximum Score	Percentage Score (%)
Major crimes (crime with violence)	7.0	12.0	58.33
Minor crimes (crimes without violence)	1.5	3.0	50.0
Police coverage	2.0	2.0	100
Perception of security	1.5	3.0	50.0
Total	12.0	20.0	XXXXXXX

2.4.2 Performance on the Indicators

Table 10: Values on Security Indicators

Indicator label	Indicator	² Actual Score	Maximum Score
	S1: Major crimes (crime with violence)		
S1.1	Number of reported armed robbery cases in 2005 per 100,000 persons	1.0	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 in 2005 per 100,000 persons	0.0	2.0
S1.5	Number of reported burglary and theft cases (including motor vehicle snatching) in 2005 per 100,000 persons	0.0	2.0
S1.6	Number of reported arson/vandalism cases in 2005 per 100,000 persons	2.0	2.0
	Subtotal (S1)	7.0	12.0
	S2: Minor crimes (crimes without violence)		
S2.1	Number of reported fraud (including forgery and counterfeiting and extortion cases in 2005 per 100,000 persons	1.5	3.0
	Subtotal (S2)	1.50	3.0
	S3: Police coverage		
S3.1	Police-population ratio in 2005 (per 1,000 persons)	2.0	2.0
	Subtotal (S3)	2.0	2.0
	S4: Perception of security services		
S4.1	Assessment of the security situation	0.75	1.5
S4.2	Rating of police performance	0.75	1.5
	Subtotal (S4)	1.5	3.0
	Total	12.0	20.0

² Major and minor crimes are indexed on a negative scale, the higher the percent the smaller the incidence of major or minor crimes.

S1: Major crimes (crime with violence)

S1.1: Number of reported armed robbery cases in 2005 per 100,000 persons: The number of reported armed robbery cases is 49 and the population is 2,364,212. The number of reported cases per 100,000 persons is 2.07, giving a score of 1.0 out of 2.0 points.

S1.2: Number of reported murder cases in 2005 per 100,000 persons: The number of reported murder cases is 28 and the number of reported cases per 100,000 persons is 1.18. The state scores the maximum point of 2.0.

S1.3: Number of reported rape cases in 2005 per 100,000 persons: The number of reported rape cases is 7, and the number of reported cases per 100,000 persons is 0.30, giving the state the full score of 2.0

S1.4: Number of reported assault cases in 2005 per 100,000 persons: The number of reported assault cases is 296, and the number of reported cases per 100,000 persons is 12.52, giving the state 0 out of 2 points.

S1.5: Number of reported burglary and theft cases (including motor vehicle snatching in 2005 per 100,000 persons: Number of burglary/theft cases and motor vehicle theft/snatching in 2005 was 542 and the number of reported cases per 100,000 persons is 22.93. The state scores 0 out of 2.0.

S1.6: Number of reported arson/vandalism cases in 2005 per 100,000 persons: The number of reported vandals/arson cases is 12 and number of reported cases per 100,000 persons is 0.51. The state scores the maximum point of 2.0.

S2: Minor Crimes (crimes without violence)

S2.1: Number of reported fraud (including forgery and counterfeiting and extortion cases in 2005 per 100,000 persons: The number of reported fraud cases is 131 and the number of reported cases per 100,000 persons is 5.54, giving the state a score of 1.5 out of 3.0.

S3: Police Coverage

S3.1: Police-population ratio in 2005 per 1,000 persons: The number of combatant policemen in 2005 is 4,716. The number of combatants per 1000 persons is 2.0 and the state scores the maximum point of 2.0.

S4: Perception of security

S4.1: Assessment of the conduciveness of security to business: Based on the rating by business/company executives, the state scores 0.75 out of a maximum of 1.5.

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