

BECANS BUSINESS ENVIRONMENT REPORT

Volume 1, Number 34, 2007

RIVERS STATE

BECANS BUSINESS ENVIRONMENT REPORT

Volume 1, Number 34, 2007

RIVERS STATE



AFRICAN INSTITUTE FOR APPLIED ECONOMICS

In collaboration with



National Planning Commission



Central Bank of Nigeria

BECANS Business Environment Report

Volume 1, Number 34, 2007

Published by

African Institute for Applied Economics

128 Park Avenue, GRA

P.O. Box 2147 Enugu, Nigeria

Phone: (042) 256644, 300096

Fax: (042) 256035

Email: aiaeinfo@aiae-nigeria.org

www.aiae-nigeria.org

FIRST PUBLISHED, 2007

© **African Institute for Applied Economics**

ISSN 1597-9954

All rights reserved. No part of this publication may be reproduced or transmitted in any form or by any means, electronic or mechanical, including photocopying, recording or any information storage and retrieval system, without permission in writing from the copyright owner.

SYNOPSIS

RIVERS State scores 47.45% on business environment index. It performs relatively better on infrastructure and utilities than on business development support, security and legal and regulatory services.

It scores 57.0% on the infrastructure and utilities benchmark. It performs relatively better on water supply, access to information and transportation, and relatively low on energy and social infrastructure.

The state scores 42.67% on the legal and regulatory services, performing relatively better on business registration, commercial dispute resolution and land registration than on tax administration.

It scores 45.25% on business support and investment promotion. It performs relatively better on entrepreneurship promotion and support for industrial cluster/layouts/parks, relatively low on investment promotion, public private partnership and access to finance.

The state scores 42.5% on security. It performs relatively low on police coverage and public perception of security.

TABLE OF CONTENTS

SYNOPSIS.....	5
TABLE OF CONTENTS	6
List of Tables	7
List of Figures.....	7
ACRONYMS AND ABBREVIATIONS	8
1.0 BACKGROUND INFORMATION.....	9
1.1. Geopolitical profile	9
1.2. Economic potentials.....	9
1.3. Investment climate, policies and institutions	9
1.4. Budget profile.....	9
2.0 BUSINESS ENVIRONMENT SCORECARD	10
2.1 Business Environment Index	10
2.2 Infrastructure and Utilities	11
2.3 Legal and Regulatory Services.....	14
2.4 Business Support and Investment Promotion	20
2.5 Security.....	23

List of Tables

Table 1: Budget profile, 2005	9
Table 2: Performance on the benchmarks	10
Table 3: Scores on measures under infrastructure and utilities	11
Table 4: Values on infrastructural and utility indicators	11
Table 5: Scores on legal and regulatory measures	15
Table 6: Values on legal and regulatory indicators.....	15
Table 7: Scores on measures under business development benchmark.....	20
Table 8: Values on business support and investment promotion indicators.....	20
Table 9: Scores on the measures of security	23
Table 10: Values on security indicators.....	23

List of Figures

Figure 1: Performance across benchmarks	10
---	----

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

The state is located in the Niger Delta between latitudes 4⁰ and 6⁰ north and longitudes 6⁰, 29' and 7⁰ 31' east. It has a land area of 12,240 sq. km and has a population of 5,185,400. It has 23 local government areas (LGAs).

1.2. Economic potentials

Rivers State is endowed with enormous reserves of crude oil and natural gas, and many petrochemical and oil servicing firms flourish in the state. Agriculture is the mainstay of the rural economy. Some of the major crops include cassava, yam, maize, rubber and oil palm. The state has potentials for both inland and off-shore fishing.

1.3. Investment climate, policies and institutions

The economic policy thrust of the state as enshrined in the state's SEEDS document is the attainment of sustainable human development, global competitiveness and make life more meaningful for the majority of its citizenry. Specifically the state government strives to diversify its production base through encouragement of increased agricultural production as strengthen the SME through the creation of enabling infrastructural environment for SME development and increased private sector participation.

1.4. Budget profile

Internally generated revenue accounted for 16.53% of total budgeted revenue in 2005. The capital budgets for health and education were ₦583.82 and ₦786.13 per capita, respectively (table 1).

Table 1: Budget profile, 2005

Budget	Total value (₦'m)	Per capita value (₦)
Federal Accounts Revenue	114,795.51	22,118.60
Internally Generated Revenue	22,728.23	4,379.24
Total Budget	104,728.23	20,178.85
Capital Budget to Health	3,030	583.82
Capital Budget to Education	4,080	786.13

2.0 BUSINESS ENVIRONMENT SCORECARD

The state scores 47.45% on business environment index. Performance across the benchmarks is as follows.

2.1 Business Environment Index

Table 2: Performance on the benchmarks

Code	Benchmark	Actual Score	Max. score	Percent score
F	Infrastructure and utilities	17.1	30.0	57
R	Legal and regulatory services	12.8	30.0	42.67
B	Business support and investment promotion	9.05	20.0	45.25
S	Security	8.5	20.0	42.5
	Total	47.45	100.00	XXXXXXX

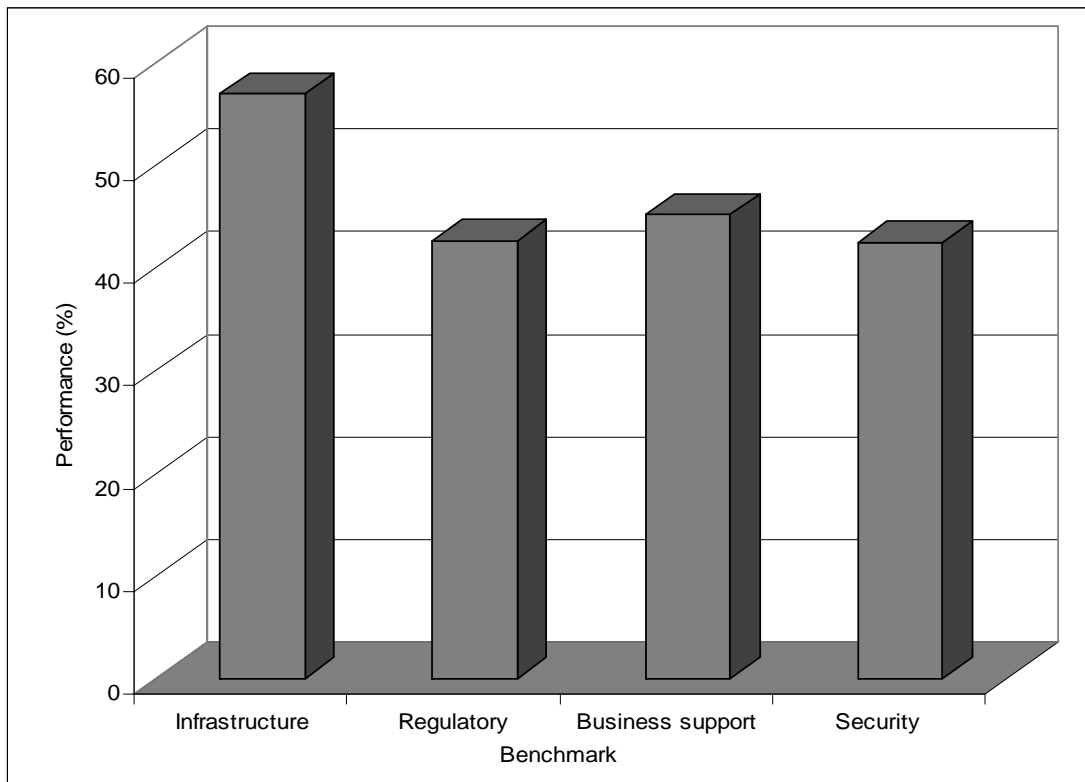


Figure 1: Performance across benchmarks

2.2 Infrastructure and Utilities

The state scores 57.00% on the benchmark.

2.2.1 Performance on the measures

Table 3: Scores on measures under infrastructure and utilities

Code	Measure	Actual score	Max. score	Percent score
F1	Energy	3.5	8.0	43.5
F2	Water supply	3.5	5.0	70.0
F3	Access to information	3.7	5.0	74.0
F4	Transportation	3.0	5.0	62.0
F5	Social infrastructure	3.4	7.0	48.5
	Total	17.1	30.0	XXXXXXXXXX

2.2.2 Performance on the indicators

Table 4: Values on infrastructural and utility indicators

Code	Indicator	Actual score	Max. score
F1	Energy		
F1.1	Annual per capita electricity supply (kilowatts per capita).	0.5	2.0
F1.2	Average hours of public electricity per 24 hour day	0.5	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	1.0	2.0
	Subtotal (F1)	3.5	8.0
F2	Water supply		
F2.1	Daily per capita litres of water supply	2.0	3.0
F2.2	Average price of 20 litres of private water supply	1.5	2.0
F2.3	Proportion of firms' total daily water requirement obtained from private supply	0.0	1.0
	Subtotal (F2)	3.5	5.0

F3	Access to information		
F3.1	Number of post offices per 100, 000 of the population	0.0	1.0
F3.2	Tele-density of fixed lines (number of telephone lines per 1,000 persons)	0.5	0.5
F3.3	Incidence of mobile phone ownership	0.2	0.5
F3.4	Availability of local television stations	1.0	1.0
F3.5	Availability of radio stations	1.0	1.0
F3.6	Availability of functional website containing information	1.0	1.0
	Subtotal (F3)	3.7	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	2.0	2.0
	Subtotal (F4)	3.0	5.0
F5	Social infrastructure		
F5.1	Primary school enrolment rate	0.75	1.0
F5.2	Pupil-teacher ratio	0.75	1.0
F5.3	State's capital budget to education as percentage of total capital budget in 2005	0.5	1.5
F5.4	State's capital budget to health as percentage of total capital budget in 2005	0.0	1.5
F5.5	Private sector rating of waste management	0.3	0.5
F5.6	Frequency of waste disposal services	1.0	1.0
F5.7	Average monthly waste disposal levy	0.1	0.5
	Subtotal (F5)	3.4	7.0
	Total Score	17.1	30.0

F1.1: Monthly/annual per capita supply of electricity: The estimated public power supply is 63,518.03 kilowatts, giving a per capita supply of 0.012kw. The state scores 0.5 out of 2.0.

F1.2: Average number of hours of electricity supply per day: The average number of hours of electricity supply is between 2 and 7 hours per day. The state scores 0.5 out of 2.0.

F1.3: Difference between the actual price and the officially regulated price of petroleum products in the last quarter: The difference between the actual price and the officially

regulated price of petroleum is or 1 to 10% for petrol, kerosene and diesel. The state scores 1.5 out of 2.0.

F 1.4: Evidence of availability of petroleum products in the last quarter of 2006: The survey shows that petrol, kerosene and diesel are available 50% of the time. The state scores 1.0 out of 2.0.

F2- Water supply

F2.1: Evidence of public water supply: The total daily volume of water supply is 106,686 cubic meters of water supply. This is equal to 106,686,000 litres. The per capita daily water supply is 20.6 litres. The state scores the maximum point of 2.0.

F2.2: Average price of 20litre of private water supply: The average price of private water supply is ₦7.00 per 20 litres. The state scores 1.5 out of 2.0.

F2.3: Proportion of firm's total daily water supply that is from private supply: The survey shows that the proportion of a firm's total daily water supply obtained from private water supply is between 60% and 70%. The state scores 0.0 out of 1.0.

F3 Access to information

F 3.1: Number of post offices per 100,000 of the population: The state has 26 post offices and this gives 0.5 post offices per 100,000 persons. The state scores 0.0 out of 1.0.

F3.2: Tele-density of fixed lines (number of telephone lines per 1,000 persons): The number of fixed lines is 324,800, giving 62.6 fixed lines per 1,000 persons. The state scores the maximum point of 0.5.

F3.3: Incidence of ownership of mobile lines: The incidence of mobile phone ownership is 40%. The state scores 0.2 out of 0.5.

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

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

F3.6: Availability of functional and updated website: An internet search shows that the state has a functional and updated website (www.riverstatenigeria.net). The state scores the maximum point 1.0.

F4: Transportation

F4.1: Average cost of per kilometre of intra state transportation: The cost per kilometer of intra-state road transportation is between ₦11.00 and ₦15.00. The state scores 1.0 out of 3.0.

F4.2: Availability of airport: There is an airport for both domestic and international flights. The state scores the maximum point of 2.0.

F5 Social Infrastructure

F5.1: Primary school enrolment rate: The primary school enrolment rate is 76.8% and the state scores 0.75 out of 1.0.

F5.2: Pupil-teacher ratio: The total enrolment for the period is 338,268 while the total number of teachers for the period is 8,914, giving a pupil- teacher of 37.9:1. The state scores 0.75 out of 1.0.

F5.3: State's capital budget to education as % of total capital budget in 2005: The capital budget to education as a percentage of the total capital budget for 2005 was 5.6%. The state scores 0.5 out of 1.5.

F5.4: Capital budget to health as % of total capital budget in 2005: The total capital budget to health was ₦3,030,000,000.00, representing 4.15% of total capital budget The state scores 0.0 out of 1.5.

F5.5: Private sector rating on waste management: The survey shows that waste management is rated as good. The state scores 0.3 out of 0.5.

F5.6: Frequency of waste disposal: Refuse disposal by waste management authority is daily. This earns the state the maximum 1.0.

F 5.7: Average monthly waste disposal levy: The average monthly disposal levy is between ₦500.00 and ₦1000.00. The state scores 0.1 out of 0.5.

2.3 Legal and Regulatory Services

The state scores 42.67% on the benchmark

2.3.1 Performance on the measures

Table 5: Scores on legal and regulatory measures

Code	Measure	Actual score	Max. score	Percent score
R1	Business registration	1.8	4.0	45.0
R2	Tax administration	3.25	10.0	32.5
R3	Commercial disputes resolution	3.5	6.0	58.3
R4	Land registration and property rights	4.25	10.0	42.5
	Total	12.8	30.0	XXXXXXX

2.2.2 Performance on the indicators

Table 6: Values on legal and regulatory 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	0.5	1.0
R1.2	Evidence that improperly registered business names are not given recognition by the State	0.25	0.5
R1.3	Evidence of existence of a task force (or regulatory actions) in the state against the display of unregistered business names by firms	0.0	0.5
R1.4	Existence of an office of the Corporate Affairs Commission in the state	0.3	0.5
R1.5	Evidence of publication of activities of the CAC branch (leaflets, fliers, hand bills, booklets and/or websites) from where information on how to access CAC services can be obtained and which are freely issued	0.25	0.25
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 in the state	0.5	0.5
R1.8	Duration for obtaining certificate of registration for business names after filing all papers	0.0	0.5
	Sub total (R1)	1.8	4.0

R2	Tax administration		
R2.1	Evidence of database of taxable persons	1.0	1.5
R2.2	Assessment Notices to Evidence of publication of tax notices and sending of Tax 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	0.0	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 in the state	0.5	1.0
R2.7	Amount paid as business premises levy in the state capital per annum	0.0	1.0
R2.8	Number of days between receipt of demand notice and enforcement of penalties for late payment of taxes by tax authorities in the state	0.5	1.0
R2.9	Penalties for non payment of business premises are enforced	0.5	1.0
	Subtotal (R2)	3.25	10.0
R3	Commercial dispute resolution		
R3.1	Establishment of information systems on caseload and judicial statistics	1.0	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	1.5	2.0
	Subtotal (R3)	3.5	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 effectuate the Land Use Act	1.0	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	0.5	1.0
R4.4	Time taken for obtaining C of O (between submission of application form and eventual granting of consent)	0.0	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	0.75	1.0
	Subtotal (R4)	4.25	10.0
	Total	12.35	42.5

R1: Business registration

R1.1: Cessation of business registration at the state's Ministry of Commerce since the setting up of CAC: Evidence shows that the state has stopped registration of business names, but there is no evidence that the ministry has placed public notice indicating that only CAC registers businesses; and, that the business register has been transferred to CAC. The state scores 0.5 out of 1.0.

R1.2: Evidence that improperly registered names are not given recognition: Evidence shows that improperly registered businesses are not recognized as CAC registration number is a requirement. The state scores 0.25 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: The state has no taskforce against the display of unregistered business names and scores 0.0 out of 0.5.

R1.4: Existence of an office of the Corporate Affairs Commission: There is evidence of a CAC office with a registry. The state scores 0.3 out of 0.5.

R1.5: Evidence of publication of activities of the CAC branch (leaflets, fliers, hand bills, booklets and/or websites) of the state: There are External User's Guide and radio jingles for the dissemination of CAC activities. The state scores the maximum point of 0.25.

R1.6: Evidence of a service charter at the CAC office: There is no evidence of a service charter at the CAC office. The state scores 0.0 out 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 office: The CAC branch is on-line. The state scores the maximum point 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 2 weeks to get a certificate for business registration after filing all papers. The state scores 0.0 out of 0.5.

R2: Tax administration

R2.1: Evidence of database for taxable persons: Evidence shows that database of taxable persons is manually compiled. The state scores 1.0 out of 1.5.

R2.2: Evidence of publication of tax notices and sending of Tax assessment notice to registered tax payers: There is evidence that tax assessment letters and notices are served taxable persons and organizations. The state scores 0.75 out 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 is no mechanism to validate taxes paid to other tiers of government. The state scores 0 out of 1.0.

R2.4 Evidence of a tax appeal tribunal/revenue courts: There is no evidence of existence of tax appeal tribunals/ revenue courts. The state scores 0.0 out of 1.5.

R2.5: Evidence of one-stop shop for tax payment to state and local governments: There is no evidence of a one-stop shop for tax payment. The state scores 0.0 out of 1.0.

R2.6: Number of taxes paid by manufacturing firms: The number of taxes paid by manufacturing firms is 20. The state scores 0.5 out of 1.0.

R2.7: Amount paid as business premises levy in the state capital per annum: Businesses report that the amount paid as business premises levy is in excess of N10,000.00 per annum. The state scores 0.0 out 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: It takes between 30 and 90 days to pay for business levies before tax officials begin to enforce penalties for default. The state scores 0.5 out of 1.0.

R2.9: Enforcement of penalties for nonpayment of business premises levy: It was found that independent consultants collect taxes and enforce penalties. The score is 0.5 out of 1.0.

R3: Commercial dispute resolution

R3.1: Establishment of information systems on caseload and judicial statistics: There is evidence of information system on caseload and judicial statistics, but there is no detail on time, cost and efficiency. The state scores 1.0 out of 2.0.

R3.2: Average time (in weeks) between filing a business dispute in court and obtaining judgment: The survey shows that it takes 27 to 52 weeks to obtain judgment after filing a business dispute. The state scores 1.0 out of 2.0.

R3.3: Evidence of availability/establishment of formal alternative dispute resolution: There is evidence of alternative dispute resolution mechanism, but there is no evidence referrals from high courts are sent to ADR. The state scores 1.5 out of 2.0.

R4: Land registration and property rights

R4.1: Availability and usability of a cadastral map of the state: The survey shows that the State is yet to have a cadastral map and scores zero out of 1.0.

R4.2: Evidence that the state has enacted a land tenure law to effectuate the Land Use Act: There is evidence of existence of a land law that complements the Land Use Act. The state scores the maximum point of 1.0.

R4.3: Official cost (charge) of obtaining governor's consent for granting of C of O: Evidence shows that the official charge for obtaining the governor's consent for the award of C of O is between 5 and 10% of the value of the land. The state scores 0.5 out of 1.0.

R4.4: Time taken to obtain C of O: It takes on the average 3 to 5 years to obtain C of O. The state scores 0.0 out of 1.0.

R4.5: Computerization of land transactions: Evidence shows that land transactions are still manually done, giving the state 0.0 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: It takes between one and two months to search and confirm validity of land titles. The state scores 0.5 out of 1.0.

R4.7: Time taken for obtaining the governor's consent for transfer of rights of ownership of land: It takes between one and two months to obtain governor's consent for the transfer of right of ownership of land. The state scores 0.5 out of 1.0.

R4.8: Evidence of active support for and promotion of equipment leasing: There is evidence of equipment leasing. The Ministry of Transport rents vehicles, tractors and other equipment to the public at a reduced rate. The state scores the maximum point of 1.0.

R4.9: Evidence of a law that requires mandatory subscription to insurance and mortgage contributors: There is no evidence of a law that requires mandatory subscription to insurance and mortgage contributors. The state scores 0.0 out of 1.0.

R4.10: Evidence of effective protection of private property rights: There is evidence of a law on protection of private property rights. The state scores 0.75 out of a maximum of 1.0.

2.4 Business Support and Investment Promotion

The state scores 45.25% on the benchmark

2.4.1 Performance on the benchmark

Table 7: Scores on measures under business development benchmark

Code	Measure	Actual score	Max. score	Percent score
B1	Entrepreneurship support and promotion	2.25	3.0	75.0
B2	Access to finance	3.4	8.0	42.5
B3	Investment promotion services	1.5	5.0	30.0
B4	Support for industrial clusters	1.4	2.0	70.0
B5	Public private partnership	0.5	2.0	25.0
	Total	9.05	20.0	XXXXXX

2.4.2 Performance on the indicators

Table 8: Values on business support and investment promotion indicators

Code	Indicator	Actual score	Max score
B1	Entrepreneurship promotion		
B1.1	Existence of specific policies and/or institutions to promote entrepreneurship	2.25	3.0
	Subtotal (B1)	2.25	3.0
B2	Access to finance		
B2.1	Number of companies that has benefited from SMEEIS in 2005 relative to national average	1.2	1.5
B2.2	Relative number of bank branches as at May 2006 in relation to national average	1.2	1.5
B2.3	NACRDB loans as % of State's Capital Budget to Agriculture in 2005	0.5	1.5

B2.4	ACGSF loans disbursed to agro-businesses as a percentage of Capital Budget to Agriculture in 2005	0.0	1.5
B2.5	Repayment of ACGSF loans – 2002-2005	0.5	2.0
	Subtotal (B2)	3.4	8.0
B3	Investment promotion services		
B3.1	Existence of special programmes/incentives that promote technology innovations	1.0	2.0
B3.2	Evidence of special incentives to promote linkages between large firms and 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)	5.0	1.0
B3.4	Existence of published and up to date directory of business firms	0.0	1.0
	Subtotal (B3)	1.5	5.0
B4	Support for industrial cluster/layout/park		
B4.1	Is there an industrial cluster/cluster/layout/park	1.0	1.0
B4.2	Government infrastructure programmes to support the cluster/layout/park	0.4	1.0
	Subtotal (B4)	1.4	2.0
B5	Public-private partnership		
B5.1	Public-private partnership in security, infrastructure and utilities, credit provision, training and mentoring	0.5	2.0
	Subtotal (B5)	0.5	2.0
	Total	9.05	20

B1: Entrepreneurship promotion

B1.1: Existence of policies and/or institutions to promote entrepreneurship: There is evidence of agencies/centers for entrepreneurship, policy on the number of beneficiaries per period as well as special budget allocation for entrepreneurship programmes. The state scores 2.25 out of a maximum of 3.0.

B2: Access to finance

B2.1: Number of companies that has benefited from SMEEIS in 2005 relative to national average: The number of companies that benefited from SMEEIS facilities in 2005 is 139.62% of the national average. The state scores 1.2 out of 1.5.

B2.2: *Relative number of bank branches as at May 2005:* The total number of bank branches within the period under review is 161, representing 184% of the national average. This gives the state 1.2 out of 1.5.

B2.3: *NACADB loans as a percentage of capital budget to agriculture:* NACRAD loans for 2005 amounted to ₦275,189,852.28, representing 24.7% of total Capital budget to agriculture. The state scores 0.5 out of 1.5.

B2.4: *Volume of ACGSF loans disbursed to agribusinesses as a percentage of capital budget to agriculture in 2005:* The volume of ACGSF loans as a percentage of capital budget to agriculture for 2005 was 5.3%. The state scores 0.0 out of 1.5.

B2.5: *Percent repayment of ACGSF loans last year:* The repayment rate for ACGSF loan is 25.09% for the period 2002-2005. The state scores 0.5 out of 2.0.

B3: Investment promotion services

B3.1: *Existence of special incentive to promote technology innovation:* There is evidence of infrastructural facilities to promote technology innovation. The state scores 1.0 out of 2.0.

B3.2: *Evidence of special incentive to promote linkages between large firms and small and medium enterprises:* There is no evidence of incentive for promoting linkages between large and small/medium firms. The state scores 0.0 out of a maximum of 1.0.

B3.3: *Availability of published and up to date investment or information guide to enlighten investors:* The state has an investment guide but it is not updated. The state scores 0.5 out of 1.0.

B3.4: *Evidence of up-to-date directory of business firms:* There is no evidence of a directory of business firms, and the state scores zero out of 1.0.

B4: Support for industrial cluster/layout/park

B4.1: *Existence of industrial cluster/layout/park:* Evidence shows that a number of industrial layouts/clusters/parks exist. The state scores the maximum point of 1.0.

B4.2: *Government infrastructure programmes to support industrial cluster/layout/park:* The state supports industrial estates with roads and water supply. Apart from the police, other security arrangements are organized by the private firms. The same goes for power supply and telecommunication facilities. The state scores 0.4 out of 1.0.

B 5: Public private partnership

B5.1: Public private partnership in security, infrastructure and utilities, credit provision, training and mentoring: There is evidence of partnership in the area of waste management. The state scores 0.5 out of 2.0

2.5 Security

The state scores 42.5% on the benchmark

2.5.1 Performance on the measures

Table 9: Scores on the measures of security

Code	Measure	Actual score	Max score	¹ Percent score
S1	Major crimes (crime with violence)	6.0	12.0	50.0
S2	Minor crimes (crimes without violence)	0	3.0	0.0
S3	Police coverage	1.0	2.0	50.0
S4	Perception of security	1.5	3.0	50.0
	Total	8.5	20.0	XXXXXXX

2.5.2 Performance on indicators

Table 10: Values on security indicators

Code	Indicator	Actual score	Max score
S1	Major crimes		
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	1.0	2.0

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

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)	6.0	12.0
S2	Minor crimes		
S2.1	Number of reported fraud cases (including forgery and counterfeiting and extortion) in 2005 per 100,000 persons	0.0	3.0
	Subtotal (S2)	0.0	3.0
S3	Police coverage		
S3.1	Police-population ratio in 2005 per 1,000 persons	1.0	2.0
	Subtotal (S3)	1.0	2.0
S4	Perceptions on security		
S4.1	Assessment of the conduciveness of security to business	0.75	1.5
S4.2	Rating of police performance	0.75	1.5
	Subtotal (S4)	1.5	3.0
	Total	8.5	20.0

S1: Major crimes (crimes with violence)

S1.1: Number of reported armed robbery cases in 2005 per 100,000 persons: There are 134 reported armed robbery cases for the period. The number per 100,000 persons is 2.6. The state scores 1 out of 2.0.

S1.2: Number of reported murder cases in 2005 per 100,000 persons: There are 74 reported murder cases. The number per 100,000 persons is 1.4. The state scores the maximum point of 2.0.

S1.3: Number of reported rape cases in 2005 per 100,000 persons: There are 108 reported rape cases. The number per 100,000 persons is 21. The state scores 1.0 out of 2.0.

S1.4: Number of reported assault cases in 2005 per 100,000 persons: The number of reported cases is 2280. The number per 100,000 is 44. The state scores 0.0 out of 2.0.

S1.5: Number of reported burglary and theft cases (including motor vehicle snatching) in 2005 per 100,000 persons: There are 2050 reported burglary and theft cases. The number per 100,000 persons is 39.6. The state scores 0.0 out of 2.0.

S1.6: Number of reported arson/vandalism cases in 2005 per 100,000 persons: There are 27 reported arson cases. The number per 100,000 persons is 0.5. The state scores the maximum point of 2.0.

S 2: Minor crimes (crimes without violence)

S2.1: Number of fraud (including forgery and counterfeiting and extortion cases reported in 2005 per 100,000 persons: There are 549 reported fraud cases. The number per 100,000 persons is 10.6. The state scores 0.0 out of 3.

S3 Police coverage

S3.1: Population of combatant policemen in 2005 per 1,000 persons: There are 8,461 combatant policemen. The number per 1,000 persons is 1.6. The state scores 1.0 out of 2.0.

S4: Perceptions on security

S4.1: Assessment of the conduciveness of security to business: The state scores 0.75 out of 1.5.

S4.2: Rating of police performance: From the survey, the state scores 0.75 out of 1.5.