

BECANS BUSINESS ENVIRONMENT REPORT

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KANO STATE



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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

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SYNOPSIS

Kano state scores 51.5% on the business environment index. It scores highest on security and business development support while the least score is on legal and regulatory services.

The state scores 51.5% on infrastructure and utilities, performing relatively better on transportation and access to information. It performs relatively low on energy, water supply and social infrastructure.

The state scores a total of 38.5% on legal and regulatory services, performing relatively better on tax administration, land registration and property rights than the rest of the measures. The performance on contract enforcement/commercial dispute resolution is the weakest.

The state scores 58.75% on business development support and investment promotion, performing relatively better on support for industrial clusters/layouts/parks, investment promotion services and access to finance and credit. It performs relatively low on entrepreneurship promotion and public private partnership.

The state scores a total of 63.75% on security, performing relatively better on minor crimes as well as public perception of security. There is need for improvement on police coverage.

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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

Kano state is the second largest industrialized state in Nigeria. It is the centre of commerce and the economy in northern Nigeria. It lies between latitudes 12°23' and 9°33' north and longitudes 9°29' and 7°43' east. It has a population of 9,383,682, in 2006. The estimated total land area is 20,760 square kilometers. It has 44 local government areas.

1.2 Economic Potentials

Agriculture is the mainstay of the state's economy, engaging at least 75% of the entire rural population. The state is rated the highest producer of groundnuts in the country. Other leading agro commodities in the state include cotton, sorghum, maize, cowpea, millet, rice, cassava, sugar cane, wheat, and a variety of fruits and vegetables. The state is also active in livestock production. The state has large deposits of minerals resources, including tin, gypsum, niobium, uranium, zinc, silver, kaolin, feldspar, granite, lead, glass sand and gold among others. It is also endowed with lakes, dams and underground water.

Kano has notable tourism resources which include historical monuments and sites, such as Kurmi market established in the 15th century in the heart of Kano city, the century's old city wall, the Gidan Rumfa, the famous Kano mosque, the Tiga Dam, and the Kano zoological garden.

There about 400 privately owned large firms and SMEs producing various items such as textile materials, tanned leather, foot wears, cosmetics, plastics, enamel ware, pharmaceuticals, ceramics, furniture and bicycles. Other products include agricultural implements, soft drinks, food and beverages, dairy products, vegetable oil, groundnut oil, animal feeds and flour.

1.3. Investment Climate, Policies and Institutions

According to the state's economic policy documents, the main thrust of the Kano state government is the creation of a friendly investment climate for key sectors of the state economy. Towards this, the state has adopted a package of policy incentives aimed at attracting both local and foreign investors for boosting investment, employment, as well as the

utilization of the abundant local raw materials in the state. Some of the policy strategies include provision of free industrial plots (especially in rural and semi-urban centres), provision of free land for the construction of housing estates for workers, five-year tax exemption and extension of government patronage.

1.4. Budget Profile

Internally generated revenue (IGR) was 12.68% of total budgeted revenue in 2005. The per capita amounts of health capital and education capital budgets were N116.20 and N318.90 respectively (Table 1).

Table 1: Budget Profile, 2005

Budget	Total value (Nm)	Per capita value (N)
Federal Accounts Revenue	32,014.99	3,413.11
Internally Generated Revenue	4,648.15	495.54
Total Budget	41,691.28	4,444.70
Capital Budget for Health	1,090.00	116.20
Capital Budget for Education	2,991.24	318.90

2.0 BUSINESS ENVIRONMENT SCORECARD

The state scores a total 51.5% on the business environment index. The detail of the state's performance on the benchmarks is as follows.

Table 2: Performance across the Benchmarks

Benchmark	Actual Score	Maximum Score	Percentage Score
Infrastructure (F)	15.45	30.0	51.5
Business support and Investment promotion (B)	11.75	20.0	58.75
Legal and Regulatory (R)	11.55	30.0	38.5
Security (S)	12.75	20.0	63.75
Total	51.5	100.0	

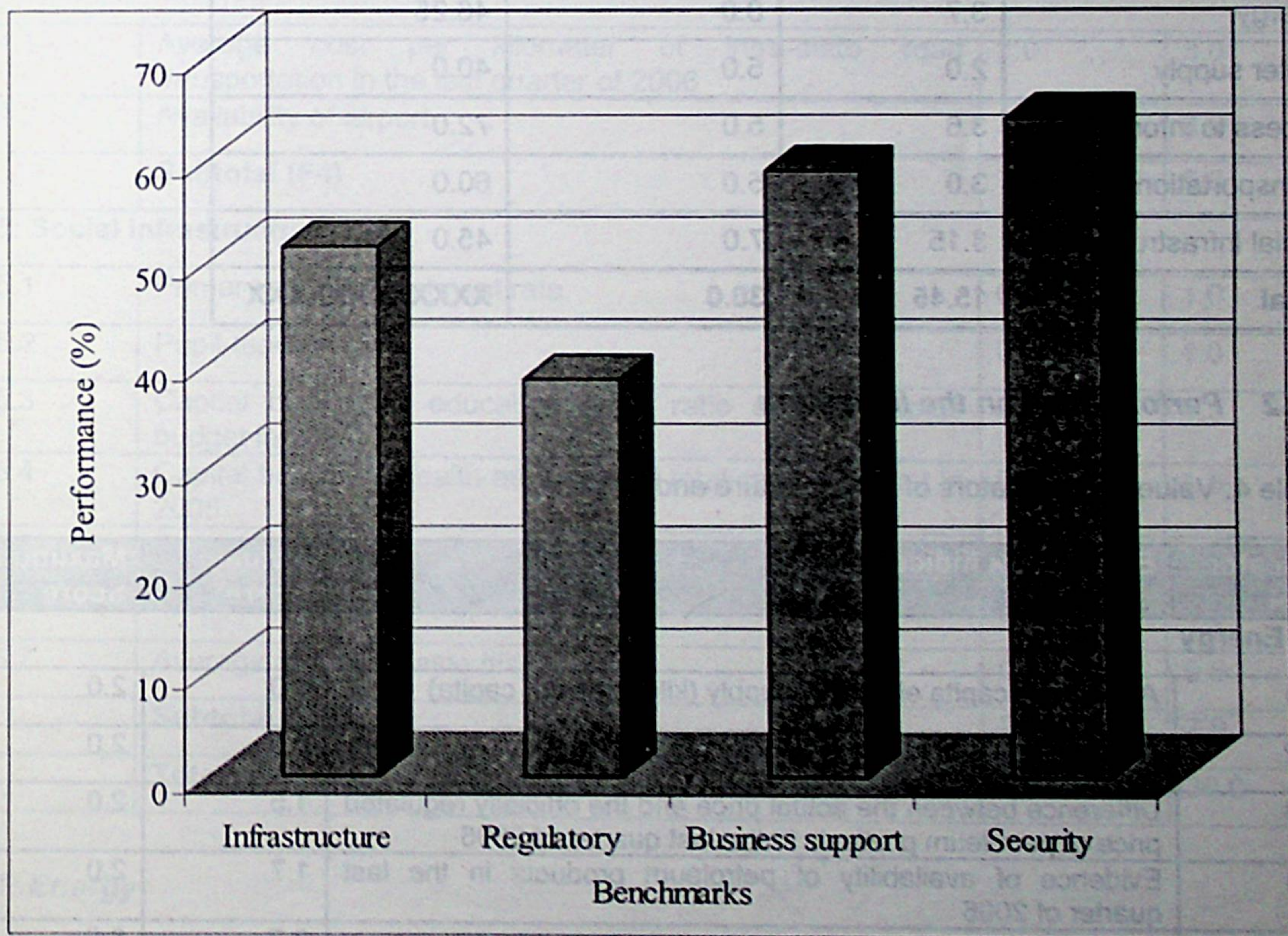


Figure 1: Performance across Benchmarks

2.1 Infrastructure and Utilities

The state scores 51.5% on infrastructure and utilities. The details are summarized in tables 3 and 4.

2.1.1 Performance on the measures

Table 3: Scores on the Measures under Infrastructure and Utilities

Measure	Actual Score	Maximum Score	Percentage Score
Energy	3.7	8.0	46.25
Water supply	2.0	5.0	40.0
Access to information	3.6	5.0	72.0
Transportation	3.0	5.0	60.0
Social infrastructure	3.15	7.0	45.0
Total	15.45	30.0	XXXXXXXXXXXX

2.1.2 Performance on the indicators

Table 4: Values on indicators of Infrastructure and Utilities

Indicator label	Benchmark Indicator	Actual Score	Maximum Score
F1: Energy			
F1.1	Annual per capita electricity supply (kilowatts per capita)	0.0	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	1.7	2.0
	Subtotal (F1)	3.7	8.0
F2: Water Supply			
F2.1	Daily per capita liters of water supply	1.5	2.0
F2.2	Average price of 20 liters of private water supply	0.0	2.0
F2.3	Proportion of firms' total daily water requirement obtained from private supply	0.5	1.0
	Subtotal (F2)	2.0	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 for fixed lines (number of fixed 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	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)	3.6	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	0.5	1.0
F5.2	Pupil-teacher ratio	0.5	1.0
F5.3	Capital budget to education as a ratio of total capital budget in 2005	0.75	1.5
F5.4	Capital budget to health as a ratio of total capital budget in 2005	0.5	1.5
F5.5	Private sector rating of waste management	0.3	0.5
F5.6	Frequency of waste disposal services	0.5	1.0
F5.7	Average monthly waste disposal levy	0.1	0.5
	Subtotal (F5)	3.15	7.0
	Total	15.45	30.0

F1: Energy

F1.1: Annual per capita electricity supply (kilowatts per capita): With an estimated annual power supply of 59,865.49kw, the per capita power supply in the state was is 0.006 and the state scores zero out of 2.0.

F1.2: Average hours of public electricity supply per 24-hour day. Evidence shows that public power supplies 2 to 7 hours of electricity out of 24 hours in a 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 of 2006: The state scores 1.5 points out of 2.0. For the three products - petrol, kerosene and diesel, there is 1 - 10% price difference between the official prices and what the people pay.

F1.4: Evidence of availability of petroleum products in the last quarter of 2006: Evidence shows that petrol and diesel are available all the time while kerosene is available only 50% of the time, giving the state a score 1.7 out of 2.0.

F2: Water supply

F2.1: Daily per capita liters of water supply: There was no documented evidence of public water supply even though the state official gave per capita daily water supply of about 20 liters. The state scores 1.5 out of 2.0.

F2.2: Average price of 20 liters of private water supply: Survey shows that private water supply sales at ₦10.00 and above for 20 liters. The state scores 0 out of a maximum of 2.

F2.3: Proportion of firms' total daily water requirement obtained from private supply: The survey shows that 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 33 post offices. The number of post offices per 100,000 is 0.35, giving the state a score 0 out of 1.0.

F3.2: Tele-density for fixed lines (Number of telephone lines per 1000 persons): The state has a total of 282,300 allocated fixed lines, and dividing this by the state 2006 population figure gave the number of telephone lines per 1000 as 30.08. The state scores the maximum point of 0.5

F3.3: Incidence of mobile phone ownership: The state scores 0.1 out of 0.5.

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

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

F3.6: Availability of functional website containing information on the state: Evidence (website search) shows that the state has a functional website. The website is www.kanostate.net 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: From the survey, average transport fare per kilometer for intra-state road movement is ₦11.00 to ₦15.00. The state scores 1.0 out of a maximum of 3.0.

F4.2: Availability of Airport: The state has an airport that serves both domestic and international carriers. The state scores the full points of 2.0.

F5: Social infrastructure

F5.1: Primary school enrolment rate: Primary school net enrolment for 2006 was 47.8% and the state scores 0.5 out of 1.0.

F5.2: Pupil - teacher ratio: Total primary enrolment is 1,392,726 while total number of teachers is 29,715. This gave a pupil-teacher ratio of 47:1. The state scores 0.5 out of 1.0.

F5.3: Capital budget to education as % of total capital budget in 2005: The state's 2005 total capital budget was ₦18,971,000,000.00 while the capital budget for education was ₦2,991,242,000.00, representing 15.77% of total capital budget. The state scores 0.75 out of a maximum of 1.5

F5.4: Capital budget to health as % of total capital budget in 2005: The total capital budget was ₦18,971,000,000.00 while the capital budget for health was ₦1,090,000,000.00, representing 5.75% of total capital budget. The state scores 0.5 out of a maximum of 1.5.

F5.5: Private sector rating of waste management: The survey shows that on the average, firms rated waste management as good, and the state scores 0.3 out of a maximum of 0.5.

F5.6: Frequency of waste disposal services: The frequency of waste collection is every fortnight. The state scores 0.5 out of a maximum of 1.0

F5.7: Average monthly waste disposal levy: The average monthly levy for paid by business firms in the state for waste disposal ranged from ₦501.00 to ₦1000.00. The state scores 0.1 out of a maximum point of 0.5.

2.2 Legal and Regulatory Services

The state scores a total of 38.5% on the benchmark.

2.2.1 Performance on the Measures

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

Measure	Actual Score	Maximum Score	Percentage Score
Business registration	1.3	4.0	32.5
Tax administration	5.25	10.0	52.5
Contract enforcement/commercial disputes resolution	0.00	6.0	0.0
Land registration and property rights	5.0	10.0	50.0
Total	11.55	30.0	

2.2.2 Performance on the Indicators

Table 6: Values on Indicators of Legal and Regulatory Services

Indicator label	Benchmark Indicator	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) 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	0.0	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	0.5	0.5

R1.8	Duration for obtaining certificate of registration for business names after filing all papers	0.0	0.5
	Subtotal (R1)	1.3	4.0
R2: Tax administration			
R2.1	Evidence of database of taxable persons	1.5	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	0.5	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	1.0	1.0
R2.6	Number of taxes paid by manufacturing firms	0.75	1.0
R2.7	Amount paid as business premises levy in the state 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 non payment of business premises are enforced	1.0	1.0
	Subtotal (R2)	5.25	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	0.0	2.0
R3.3	Evidence of availability/establishment of formal Alternative Dispute Resolution	0.0	2.0
	Subtotal (R3)	5.25	10.0
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	0.75	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	0.75	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	0.75	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 in the state	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)	5.0	10.0
	Total	11.55	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: There was no evidence that the state has ceased registrations of business names. However, information from CAC HQs indicates that no state still registers business names in Nigeria. The state scores 0.5 out of a maximum of 1.0.

R1.2: Evidence that improperly registered business names are not given recognition by the State: Evidence provided was not relevant to the information required for the indicator and there was no oral evidence. The state scores 0 out of 0.5.

R1.3: Evidence of a task force against the display of unregistered business names by firms: There was no evidence of a taskforce against the display of unregistered business names. The state scores 0 out of 0.5.

R1.4: Existence of an office of the Corporate Affairs Commission in the state: There was evidence of existence of CAC branch office, and this was reaffirmed by the CAC HQs in Abuja. The state scores the full point of 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: There was no available evidence showing that there is a publication of the CAC branch office location in the state as well as services rendered. The state scores 0 out of a maximum of 0.25.

R1.6: Evidence that the CAC branch office has a service charter. There is no evidence of a service charter at the CAC state branch office. The state scores zero 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 state CAC office has a V-Sat with which it assesses the CAC on-line services. The state scores the maximum point of 0.5.

R1.8: Duration for obtaining certificate of registration for business names after filing all papers: It takes over five working days to obtain registration. The state scores 0 out of 0.5.

R2. Tax administration

R2.1: Evidence of database of taxable persons: The state has computerized database for taxable persons, and scores the maximum point 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 sample tax assessment forms but did not show if they were sent to individual tax payers or not. The state scores 0.5 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 validation of tax paid to other tiers of government and other states. The state scores 0 out of 1.0.

R2.4: Evidence of a Tax Appeal Tribunal/Revenue Courts: There was no evidence of existence of tax appeal tribunal/court. The state scores 0 out of 1.5.

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

R2.6: Number of taxes paid by manufacturing firms: Evidence from MAN shows that 12 taxes were paid by manufacturers. The state scores 0.75 out of a maximum of 1.0.

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

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

R2.9: Penalties for non payment of business premises are enforced: They are enforced by government officials, giving the state the maximum score of 1.0.

R3. Contract enforcement/commercial disputes resolution

R3.1: Establishment of information systems on caseload and judicial statistics: There was no evidence showing existence of caseload factor. 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: The time spent between filing and obtaining judgment on business dispute is more than 52 weeks. The state scores 0 out of 2.0.

R3.3: Evidence of availability/establishment of formal Alternative Dispute Resolution: Available evidence shows that the state is yet to have an ADR system. The state scores zero out of 2.0

R4. Land registration and property rights

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

R4.2: Evidence that the state has enacted a land tenure law to operationalise the Land Use Act: There is evidence of existence revised handbook on procedures and guidelines for land acquisitions and transactions published in 1999. The state scores 0.75 out of 1.0.

R4.3: Official cost (charge) of obtaining governor's consent relative to the price of land: Average cost of obtaining governor's consent is between 5 and 10% of total value of land. The state scores 0.5 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. The state scores 0.75 out of 1.0.

R4.5: Computerization of land transactions in the state: The state's land registry is not yet computerized. The state scores 0 out of a maximum of 1.0.

R4.6: Time taken to search the registry for confirmation of validity of title in the case of transfer of rights of ownership of land: The period of time taken to search the registry and

obtain confirmation of validity of transfer of ownership is 1 to 2 weeks. The state scores 0.75 out of a maximum of 1.0.

R4.7: Time taken to search the registry for confirmation of validity of title in the case of transfer of rights of ownership of land: From the survey, the time taken to search the registry and obtain confirmation of validity of transfer of ownership is 1 to 2 weeks. The state scores 0.75 out of 1.0.

R4.8: Evidence of active support for and promotion of equipment leasing: There was no evidence of active support for equipment leasing. However, the state ADP renders tractor hiring services to farmers, and this is a form of support for equipment leasing. 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 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: There was some form of mechanism for protection of property rights in the state based on oral submissions. The state scores 0.75 out of 1.0.

2.3 Business Support and Investment Promotion

The state scores 58.75% on the benchmark. The details are summarized in tables 9 and 10.

2.3.1 Performance on the Measures

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

Measure	Actual Score	Maximum Score	Percentage Score
Entrepreneurship promotion	0.75	3.0	25.0
Access to finance and credit	5.4	8.0	67.75
Investment promotion services	3.0	5.0	60.0
Support for industrial clusters	1.6	2.0	80.0
Public-private partnership	1.0	2.0	50.0
Total	11.75	20.0	

2.3.2 Performance on the Indicators

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

Indicator label	Indicator	Actual Score	Maximum Score
B1: Entrepreneurship promotion			
B1.1	Existence of specific policies and/or institutions to promote entrepreneurship	0.75	3.0
	Subtotal (B1)	0.75	3.0
B2: Access to finance and credit			
B2.1	Number of companies that benefited from SMEEIS in 2005 relative to national average	1.2	1.5
B2.2	Relative number of commercial bank branches as at May 2006	1.2	1.5
B2.3	NACRDB loans as % of agricultural capital budget in 2005	1.5	1.5
B2.4	Volume of ACGSF loans disbursed to agro-businesses as a percentage of agriculture capital budget in 2005	0.5	1.5
B2.5	Repayment of ACGSF loans	1.0	2.0
	Subtotal (B2)	5.4	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)	1.0	1.0
B3.4	Existence of published and up to date directory of business firms	1.0	1.0
	Subtotal (B3)	3.0	5.0
B4: Support for industrial clusters			
B4.1	Existence of an industrial cluster	1.0	1.0
B4.2	Government infrastructure programmes to support the cluster	0.6	1.0
	Subtotal (B4)	1.6	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	11.75	20.0

B1: Entrepreneurship promotion

B1.1: Existence of specific policies and/or institutions to promote entrepreneurship (business start-up and business growth): There was no evidence of policies and institutions for promoting entrepreneurship, but there were budgetary provisions for it. The state scores 0.75 out of 3.0.

B2: Access to finance and credit

B2.1: Number of companies that benefited from SMEEIS in 2005 relative to national average: The number of companies which benefited from SMEEIS was 104.72% of the national average. The state scores 1.2 out of a maximum of 1.5.

B2.2: Relative Number of bank branches as at May 2006: The number of banks branches as a percentage of national average is 129. The state scores 1.2 out of 1.5.

B2.3: NACRDB loans as % of capital budget to agriculture in 2005: NACRDB loan as a percentage of capital budget to agriculture was 148.86. The state scores the maximum point of 1.5.

B2.4: Volume of ACGSF loans disbursed to agro-businesses as % of capital budget for agriculture in 2005: The ACGSF loan was 24.92% of capital budget to agriculture. 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 57.35% giving the state a score 1.0 2.0.

B3: Investment promotion services

B3.1: Existence of special programmes/incentives that promote technology innovations: Evidence shows infrastructure provision, giving the state 1.0 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 1.0.

B3.3: Availability of published and up-to-date investment or business information guide to enlighten investors (base year 2004): There is a publication on investment potentials and opportunities (industrial guide) published in 2006. This is also contained in the state's website. The state scores the maximum point of 1.0.

B3.4: Existence of published and up-to-date directory of business firms: The state has a directory of business establishments, and scores the maximum point of 1.0.

B4: Support for industrial clusters

B4.1: Existence of an industrial cluster/layout/park: There were industrial layouts/clusters/parks. The state scores the maximum point of 1.0.

B4.2: Government infrastructure programmes to support the cluster/layout/park: There was infrastructural support, giving the state a score of 0.6 out of 1.0.

B5: Public-Private partnership

B5.1: Public-Private Partnership in security, infrastructure and utilities, credit provision, training and mentoring: The state scores 1.0 out of 2.0.

2.4 Security

The state scores a total of 63.75% on security benchmarks.

2.4.1 Performance on the Measures

Table 9: Scores on the Measures of Security

Measure	Actual Score	Maximum Score	Percentage Score
Major crimes (crime with violence)	9.0	12.0	75.0
Minor crimes (crimes without violence)	1.5	3.0	50.0
Police coverage	0.0	2.0	0.0
Perception of security	2.25	3.0	75.0
Total	12.75	20.0	

2.4.2 Performance on the Indicators

Table 10: Values on Indicators of Security

Indicator label	Indicator	¹ Actual Score	Maximum Score
S1: Major crimes (crime with violence)			
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 in 2005 per 100,000 persons	1.0	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)	9.0	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)	1.5	3.0
S3: Police coverage			
S3.1	Police-population in 2005 per 1,000 persons	0.0	2.0
	Subtotal (S3)	0.0	2.0
S4: Perception of security services			
S4.1	Assessment of the conduciveness of security to business	1.5	1.5
S4.2	Rating of police performance	0.75	1.5
	Subtotal (S4)	2.25	3.0
	Total	12.75	20.0

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: 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 81. The number of reported cases per 100,000 persons is 0.86. The state scores the maximum 2.0.

S1.2: Number of reported murder cases in 2005 per 100,000 persons: The number of reported murder cases is 51. The number of reported cases per 100,000 persons is 0.54. The state scores the maximum of 2.0.

S1.3: Number of reported rape cases in 2005 per 100,000 persons: The number of reported rape cases is 131, and the population is 9,383,682. The number of reported cases per 100,000 persons is 1.40 and the state gets 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 81. The number of reported cases per 100,000 persons is 3.58 and the state scores 1.0 out of 2.0.

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 1330. The number of reported cases per 100,000 persons is 14.17 and the state scores zero 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 1. The number of reported cases per 100,000 persons is 0.01 and 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 659. The number of reported cases per 100,000 persons is 7.02 and the state scores 1.5 out of the 3.0.

S3: Police coverage

S3.1: Police-population ratio in 2005 per 1,000 persons: The number of combatant policemen in 2005 is 7,643. The number of combatants per 1000 persons is 0.81 and the state scores the maximum of 2.0.

S4: Perception of security S4.1: Assessment of the conduciveness of security to business: The state scores the maximum point of 1.5.

S4.2: Rating of police performance: The state scores 0.75 out of 1.5.