

BECANS BUSINESS ENVIRONMENT REPORT

Vol. 1, No. 2, 2007



Abia State



AFRICAN INSTITUTE FOR APPLIED ECONOMICS

Business Environment Reports (BERs) disseminate the results and findings of research and analyses of the conditions for private enterprise and doing business across Nigerian states. The report series is aimed at providing the scientific evidence base for constructive dialogue between state governments, private sector and civil society. The series intends to stimulate policy advocacy and greater attention to the critical role of state governments in promoting competitive private enterprise. The reports would be updated on a regular basis to reflect new developments and changing performance of the business environment across Nigerian states.

This Report is based on research methodology described in the Synthesis Report (Vol., No. 1) of the Business Environment Report Series.

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National Training Commission



State Government

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SYNOPSIS

ABIA STATE scores 42.65% on the business environment index. It obtains highest score on security and infrastructure while the least score is on legal and regulatory services.

Infrastructure and Utilities: The state scores 49.83% on infrastructure and utilities, performing relatively better on access to information and social infrastructure, while it performs relatively low on energy, water supply and transportation.

Legal and Regulatory Services: The state scores a total of 30.17% on legal and regulatory environment, which is relatively low, obtaining the highest grade on land registration and property rights and the least on contract enforcement/commercial disputes resolution. On the average, the state performs relatively low on all the measures, including business registration, tax administration and contract enforcement/commercial dispute resolution. The performance on contract enforcement/commercial dispute resolution is the weakest.

Business Support and Investment Promotion: The state scores 43.25% on business development support and investment promotion. Relatively, the state performs better on support for industrial clusters, access to finance and credit and public-private partnership, while she performs relatively low on entrepreneurship promotion and investment promotion services.

Security: The state scores 50% on security, performing relatively better on minor crimes and police resource availability than on major crimes and public perception of security.

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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

LGA = Local Government Area

IGR = Internally Generated Revenue

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 IN FORMATION

1.1. Geopolitical Profile

Abia State was created on 27th August 1991 out of the old Imo State. It occupies a land area of about 5,833.77 km². The state lies between longitudes 07^o 00 and 08^o 10 East. It comprises 17 Local Government Areas. Based on the 2006 national census, Abia state has a population of 2,833,999.

1.2. Economic Potentials

Agriculture is the major occupation of the people especially in the rural areas, involving over 70% of the population. Tree/cash crops such as oil palm, raffia palm, cocoa, cashew, kolanuts, rubber, coffee and coconut are cultivated in large quantities in the State. The major food crops include cassava, yam, cocoyam, rice, plantain and maize, among others. A wide array of fruits/horticultural commodities including mango, citrus, pineapple, native pear, etc are also produced in substantial amounts. Livestock and fish farming are also important components of the state's agro-economy. Apart from agricultural resources, the state is endowed with huge mineral resources, which include petroleum and natural gas, silica sand, laterite/gravel, tar sand/cil shale, black marble, limestone, gypsum, kaolin, bentonite clay, phosphate, copper, gold, salt, galena, lignite, lead zinc, among others.

In addition to agriculture and mineral resources, there is active indigenous entrepreneurial capacity, abundant skilled and unskilled manpower which express itself in the intensity of informal industrial activities in the two major urban towns of Aba and Umuahia. Aba is regarded as the commercial capital of South-East in recognition of its long standing industrial and commercial status.

1.3. Investment Climate, Policies and Institutions

Apart from having one of the largest markets in Africa (the Ariara Market), it is strategically positioned and serves as the major centre of industrial and commercial activities of adjoining states, especially Rivers, Bayelsa, Akwa-Ibom, Cross River, Imo, Enugu, Ebonyi and Anambra states. The state is served by both rail and road transport, as well as nearby Owerri and Port-Harcourt airports.

According to the state economic policy document, the economic vision is to achieve even and balanced development through integrated, multi-sectoral grassroots development approach and economic empowerment of the people. Specific strategies include people empowerment, infrastructural provision and promotion of the private sector.

1.4. Budget Profile

Internally generated revenue accounted for 8.89% of total budgeted revenue in 2005. Health capital budget and education capital budget in 2005 were ₦169.96 and ₦390.46 respectively on per capita basis (Table 1).

Table 1: Budget profile 2005

S/N	Budget Indicator	Total value (Nm)	Per capita value (N)
1	Federal Accounts Revenue	20,805.31	7,351.70
2	Internally Generated Revenue	1,851.00	654.06
3	Total Budget	23,968.00	8,469.27
4	Capital Budget to Health	481.00	169.96
5	Capital Budget to Education	1105.00	390.46

2.0 BUSINESS ENVIRONMENT SCORECARD

2.1. Business Environment Index

The state scores 42.65% on the business environment index. Details are contained in table 2 and figure 1.

Table 2: Summary of state performance across benchmarks

Benchmark	Actual Score	Maximum Score	Percentage Score
Infrastructure (F)	14.95	30.0	49.83
Legal and Regulatory (R)	9.05	30.0	30.17
Business development support (B)	8.65	20.0	43.25
Security (S)	10.0	20.0	50.0
Total Score	42.65	100.0	XXXXXXXXXXXX

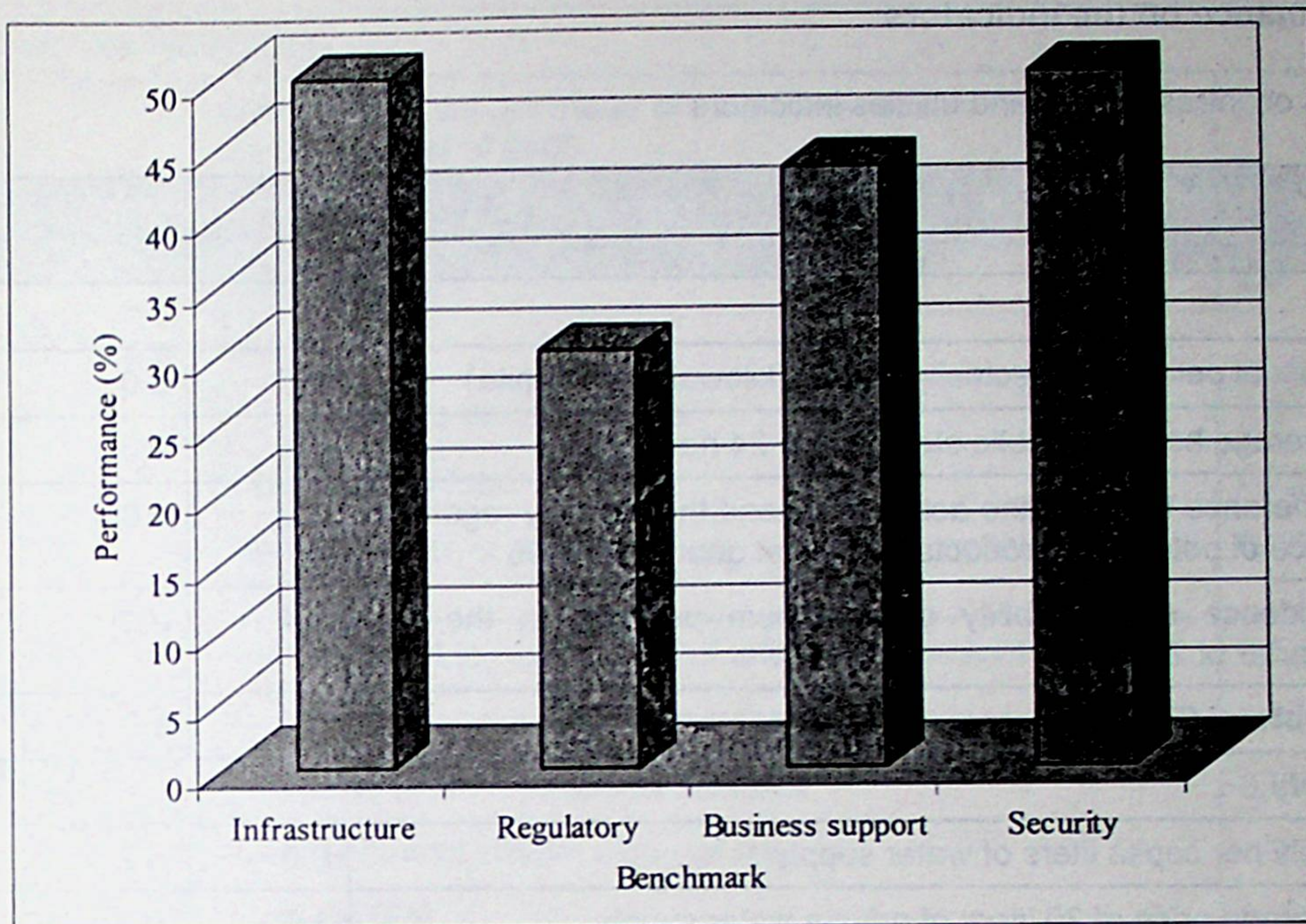


Figure 1: Performance across benchmarks

2.2 Infrastructure and Utilities

The state scores 49.83% on infrastructure and utilities. Details are contained in tables 3 and 4.

2.2.1 Performance on the measures

Table 3: Scores on the measures of infrastructure and utilities

Measure	Actual Score	Maximum Score	Percentage Score
Energy	3.4	8.0	42.5
Water supply	2.0	5.0	40.0
Access to information	3.65	5.0	73.0
Transportation	2.0	5.0	40.0
Social infrastructure	3.9	7.0	55.7
Total	14.95	30.0	XXXXXXXXXXXX

2.2.2 Performance on the indicators

Table 4: Values on infrastructure and utilities indicators

Indicator label	Benchmark Indicator	¹ 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 in 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	1.0	2.0
F1.4	Evidence of availability of petroleum products in the last quarter of 2006	1.4	2.0
	Subtotal (F1)	3.4	8.0
F2: Water Supply			
F2.1	Daily per capita liters of water supply	0.5	2.0
F2.2	Average price of 20 liters 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)	2.0	5.0
F3: Access to Information			
F3.1	Number of post offices per 100, 000 of the population	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	0.2	0.5
F3.4	Availability of local television stations	0.7	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)	3.65	5.0

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.

F4: Transportation			
F4.1	Average cost per kilometer of intra-state road transportation in the last quarter of 2006	2.0	3.0
F4.2	Availability of airport	0.0	2.0
	Subtotal (F4)	2.0	5.0
F5: Social Infrastructure			
F5.1	Primary school enrolment rate	1.0	1.0
F5.2	Pupil-Teacher ratio	0.75	1.0
F5.3	Capital budget to education as % of total capital budget in 2005	0.75	1.5
F5.4	Capital budget to health as % of total capital budget in 2005	0.5	1.5
F5.5	Rating of public waste management by enterprises	0.1	0.5
F5.6	Frequency of waste disposal services	0.5	1.0
F5.7	Average monthly waste disposal levy	0.3	0.5
	Subtotal (F5)	3.9	7.0
	Total Score	14.95	30.0

F1: Energy

F1.1: Annual per capita electricity supply (kilowatts per capita): With an estimated annual power supply of 43,194.21kw, the per capita power supply is 0.02 and the state scores 0.5 out of 2.0.

F1.2: Average hours of energy supplied by PHCN per 24 hour day: The survey shows that public power supplies only 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: Evidence shows there is 10-20% price difference between the official prices and what the people pay for petrol, kerosene and diesel. The state scores 1.0 out of 2.0.

F1.4: Evidence of availability of petroleum products in the last quarter of 2006: Evidence shows that petrol is available all the time while both kerosene and diesel are available only 50% of the time, giving the state 1.4 out of 2.0.

F2: Water supply

F2.1: Daily per capita liters of water supply: Estimated daily per capita water supply falls within 2 to 7 litres range and the state scores 0.5 out of 2.0.

F2.2: Average price of 20 liters of private water supply: The survey shows that private water supply costs about ₦5.00 per 20 litres. The state scores 1.5 out of a maximum of 2.0.

F2.3: Proportion of firms' total daily water requirement obtained from private supply: Business firms get 60 to 70% of their total water need through private supplies. The state scores zero 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 48 post offices, and dividing this by the state 2006 population figure gave the number of post offices per 100,000 as 1.69 and the state scores 0.25 out of 1.0.

F3.2: Tele-density for fixed lines (number of fixed telephone lines per 1000 persons): The state has 127,400 telephone lines, and dividing this by the 2006 population figure gave the number of lines per 1000 as 44.95 and the state scores the full marks of 0.5.

F3.3: Incidence of mobile phone ownership: The incidence of mobile phone ownership was obtained from NBS and the state has 35.5%, scoring 0.2 out of 0.5.

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

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

F3.6: Availability of functional website containing information: There is state website from which some information was obtained. The website is www.abiastate.ng.com and is regularly updated. The state scores 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 for intra-state road movement ranges from ₦6.00 to ₦10.00. The state scores 2.0 out of 3.0.

F4.2: Availability of Airport: The state has no airport but is close to and served by both the Port Harcourt and Owerri airports. The state scores zero out of 2.0.

F5: Social infrastructure

F5.1: Primary school enrolment rate: The state's primary school net enrolment for 2006 was 82.6% and the state scores 1.0.

F5.2: Pupil-Teacher ratio: Primary school pupil-teacher ratio for 2006 is 30:1. The state scores 0.75 out of 1.0.

F5.3: Capital budget to education as % of total capital budget in 2005: The capital budget for education was ₦1,105,000,000.00, equivalent of 12.0% of total capital budget. The state scores 0.75 out of 1.5.

F5.4: Capital budget to health as % of total capital budget in 2005: Capital budget for health was ₦481,000,000.00, equivalent of 5.2% of total capital budget. The state scores 0.5 out of 1.5.

F5.5: Private sector rating of waste management in the state: Public on the average rated waste management as fair and the state scores 0.1 out of a maximum of 0.5.

F5.6: Frequency of waste disposal services: The survey shows that collection of waste is carried out every fortnight, giving the state a score of 0.5 out of a maximum of 1.0.

F5.7: Average monthly waste disposal levy: The average monthly levy paid by business firms for waste disposal ranges from ₦201.00 to ₦500.00. The state scores 0.3 out of 0.5.

2.3 Legal and Regulatory Services

The state scores a total of 30.17% on legal and regulatory services. Details are contained in tables 5 and 6.

2.3.1 Performance on the Measures

Table 5: Scores on the measures of legal and regulatory services

Measure	Actual Score	Maximum Score	Percentage Score
Business registration	1.8	4.0	45.0
Tax administration	2.0	10.0	20.0
Contract enforcement/commercial disputes resolution	1.0	6.0	16.7
Land registration and property rights	4.25	10.0	42.5
Total	9.05	30.0	XXXXXXXXXXXXXXXX

2.3.2 Performance on the Indicators

Table 6: Values on legal and regulatory services indicators

Indicator label	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	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	0.5	0.5
	Subtotal (R1)	1.8	4.0

R2: Tax administration			
R2.1	Evidence of database of taxable persons	0.0	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	0.5	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	0.0	1.0
R2.6	Number of taxes paid by manufacturing firms	0.0	1.0
R2.7	Amount paid as business premises levy in the state capital per annum	1.0	1.0
R2.8	Number of days between receipt of demand notice and enforcement of penalties for late payment of taxes by tax authorities	0.0	1.0
R2.9	Penalties for non payment of business premises are enforced	0.5	1.0
	Subtotal (R2)	2.0	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	0.5	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	0.75	1.0
R4.6	Time taken to search the registry for confirmation of validity of title in the case of transfer of rights of ownership 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	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)	4.25	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 was no evidence to show that improperly registered business names are not given recognition. The state scores zero 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: There was no availability of a taskforce against display of unregistered business names in the state. The state scores zero out of 0.5.

R1.4: Existence of an office of the Corporate Affairs Commission: The state has a CAC branch office. 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 CAC activities in the state. The state scores zero out of 0.25.

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

R1.8: Duration for obtaining certificate of registration for business names after filing all papers: Evidence shows that it takes within one day to obtain certificate of registration after filling all papers at the branch office. The state scores the maximum point of 0.5.

R2: Tax administration

R2.1: Evidence of database of taxable persons: The survey shows that there is no database of taxable persons in the state. The state scores zero out of the maximum points 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: The survey shows that tax notices are placed on the notice boards. The state scores 0.5 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: The survey did not show evidence of validation of tax paid in other tiers of government and other states. The state scores zero 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 zero 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: The number of taxes paid by manufacturing firms is 39. The state scores zero out of a maximum of 1.0.

R2.7: Amount paid as business premises levy capital per annum: Business premises levy paid in the state is less than ₦5,000.00. The state scores 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 zero out of 1.0.

R2.9: Penalties for nonpayment of business premises are enforced: Enforcement of penalties for non-payment of business premises is carried out by consultants appointed by the state government. The state scores 0.5 out 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 zero 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 from filing and obtaining judgment on business dispute ranges from 27 to 52 weeks, giving the state 1.0 out of 2.0.

R3.3: Evidence of availability/establishment of formal Alternative Dispute Resolution: The state is yet to have an alternative dispute resolution mechanism. 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 is administrative land map, not a cadastral map. The state scores zero out 1.0.

R4.2: Evidence that the state has enacted a land tenure law to operationalise the Land Use Act: The state is yet to have a land tenure law that would complement the Land Use Act. The state scores zero 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: Average cost of obtaining governor's consent is 6% to 10% of the total cost of the 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 survey shows that it takes 6-12 months to obtain C of O. However, some people may spend less than that while in some cases, it may take longer. The state scores 0.75 points out of 1.0.

R4.5: Computerization of land transactions: There was evidence of some of the computerization of land registry, giving the state 0.75 out of a maximum of 1.0.

R4.6: Time taken to search the registry for confirmation of validity of title in the case of transfer of rights of ownership of land: The time taken to search the registry and obtain confirmation of validity of transfer of ownership ranges from 1-2 weeks. The state scores 0.75 out of a total 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: There was no evidence of active support for equipment leasing. However, the agricultural development programme provides tractor hiring services in the state to farmers, and this is a form of support for equipment leasing. The state scores 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 zero out of 1.0.

R4.10: Evidence of effective protection of private property rights: The survey did not show evidence of laws that protect property rights. The state scores zero out of 1.0.

2.4 Business Support and Investment Promotion

The state scores 43.25% on business support and investment promotion. Details are contained in tables 7 and 8.

2.4.1 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	4.0	8.0	50.0
Investment promotion services	1.5	5.0	30.0
Support for industrial clusters/layout/park	1.4	2.0	70.0
Public private partnership	1.0	2.0	50.0
Total	8.65	20.0	XXXXXXXXXXXXXX

2.4.2 Performance on the Indicators

Table 8: Values on 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	0.8	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 % agriculture capital budget in 2005	0.0	1.5
B2.5	Repayment of ACGSF loans (2002-2005)	2.0	2.0
	Subtotal (B2)	4.0	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 (base year 2004)	0.5	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 clusters/layout/park			
B4.1	Existence of industrial cluster/layout/park	1.0	1.0
B4.2	Government infrastructure programmes to support the industrial cluster/layouts/parks	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	1.0	2.0
	Subtotal (B5)	1.0	2.0
	Total Score	8.65	20.0

B1: Entrepreneurship promotion

B1.1: Existence of specific policies and/or institutions to promote entrepreneurship (business start-up and business growth): The budget provides for entrepreneurship programmes. The state scores 0.75 out of 3.

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 that has access to SMEEIS was 104.72% of the national average in 2005. The State scores 1.2 out of a maximum of 1.5.

B2.2: Relative number of commercial bank branches as at May 2006: Data for computation was obtained from the CBN. The number of commercial banks branches as a percentage of National average was 113 in 2005. The state scores 0.8 out of 1.5.

B2.3: NACRDB loans as % of capital budget to agriculture in 2005: NACRDB loan was 9.6% of capital budget for agriculture. The state scores zero out of 1.5.

B2.4: Volume of ACGSF loans disbursed to agro-businesses as a percentage of state's capital budget for agricultural in 2005: ACGSF loan was 1.35% of the capital budget for agriculture. The state scores zero out of 1.5.

B2.5: Repayment of ACGSF loans: Loan repayment rate in the state for the period 2002 to 2005 was 118.24%. The state scores the maximum points of 2.0.

B3: Investment promotion services

B3.1: Existence of special programmes/incentives that promote technology innovations: The survey shows provision of infrastructural support. The state scores full on infrastructure and obtained 1.0 out of 2.0 points.

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

B3.3: Availability of published and up-to-date investment or business information guide to enlighten investors in the state (base year 2004): There is a publication on investment potentials and opportunities published in 2001. The state scores 0.5 out of 1.0.

B3.4: Existence of published and up-to-date directory of business firms: There was no recent directory of business establishments. The state scores zero out of the maximum point of 1.0.

B4: Support for industrial clusters/layout/park

B4.1: Existence of an industrial cluster/layout/park: There was evidence of existence of industrial clusters/layouts/parks at Aba and Umuahia. The state scores the maximum point of 1.0.

B4.2: Government infrastructure programmes to support the cluster/layout/park: The survey showed infrastructural provisions for road and power, giving the state a score of 0.4 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

2.5. Security

The state scores 50% on security. Details are contained in tables 9 and 10.

2.5.1 Performance on the Measures

Table 9: Scores on measures of security

Measure	Actual Score	Maximum Score	Percentage Score
Major crimes (crime with violence)	5.0	12.0	41.67
Minor crimes (crimes without violence)	3.0	3.0	100.0
Police coverage	2.0	2.0	100.0
Perception of security	0.0	3.0	0.0
Sub-Total (S)	10.0	20.0	XXXXXXXXXXXX

2.5.2 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	0.0	2.0
S1.2	Number of reported murder cases in 2005 per 100,000 persons	1.0	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	-	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)	5.0	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	3.0	3.0
	Subtotal (S2)	3.0	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		
S4.1	Assessment of the conduciveness of security to business	0.0	1.5
S4.2	Rating of police performance	0.0	1.5
	Subtotal (4)	0.0	3.0
	Total Score	10.0	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 was 906, and the population is 2,833,999. The number of reported cases per 100,000 persons is 32.0. The state scores zero out of the full point of 2.0.

S1.2: Number of reported murder cases in 2005 per 100,000 persons: The number of reported murder cases was 68, and the population is 2,833,999. The number of reported cases per 100,000 persons is 2.4. The state scores 1.0 out of 2.0.

S1.3: Number of reported rape cases in 2005 per 100,000 persons: The number of reported rape cases was 39, and the population is 2,833,999. The number of reported cases per 100,000 persons is 1.4. The state scores the full points of 2.0.

S1.4: Number of reported assault cases in 2005 per 100,000 persons: The state scores zero.

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 898, and the population is 2,833,999. Reported cases per 100,000 persons is 31.7 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 was 13, and the population is 2,833,999. The number of reported cases per 100,000 persons is 0.5. The state scores the maximum 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 was 50, and the population was 2,833,999. The number of reported cases per 100,000 persons is 1.8. The state scores the full points of 3.0.

S3: Police coverage

S3.1: Police-population ratio in 2005 per 1,000 persons: The number of combatant policemen in 2005 was 5,334, and the population is 2,833,999. The number of combatants per 1000 persons is 1.9. The State scores the maximum 2.0.

S4: Perception of security services

S4.1: Assessment of the conduciveness of security to business environment: Based on rating by business and company executives, the State scores zero out of 1.5.

S4.2: Rating of police performance: Based on rating by business and company executives, the State scores zero out of 1.5.

23. Police coverage

23.1. Police population rate in 2005 per 1,000 persons. The number of complaints per 100 persons is 1.9. The rate for the previous year is 1.8.

24. Receipts of security services

24.1. Assessment of the consequences of security to business operations. Based on 100% of the total number of complaints. The rate for the previous year is 1.8.

LIST OF INSTITUTIONS AND AGENCIES COLLABORATING ON BECANS

National Planning Commission (NPC)

Central Bank of Nigeria (CBN)

National Bureau of Statistics (NBS)

Small and Medium Enterprises Development Agency of Nigeria (SMEDAN)

Manufacturers Association of Nigeria (MAN)

Nigerian Association of Small and Medium Enterprises (NASME)

Nigeria Economic Summit Group Ltd/Gte (NESG)

Human Rights Law Services (HURILAWS)

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