

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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BEANS BUSINESS ENVIRONMENT REPORT

Volume 1, Number 31, 2007

OSUN STATE



AFRICAN INSTITUTE FOR APPLIED ECONOMICS

AGRICULTURE



NATIONAL PLANNING COMMISSION



FEDERAL RESERVE BANK OF CLEVELAND

BECA'S BUSINESS ENVIRONMENT REPORT

Volume 1, Number 1, 2007

The Business Environment Report (BER) is a quarterly publication that provides a comprehensive overview of the Nigerian business environment. It covers a wide range of topics, including economic indicators, government policies, and market trends. The report is designed to help businesses and investors make informed decisions in a rapidly changing market. It also provides valuable insights into the challenges and opportunities facing the Nigerian economy.

OSUN STATE

This Report is based on a
Synthesis Report (SR) and
Series

Business Environment Report
Analysis, conclusions, and
recommendations are
presented in the following
Appendix

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AFRICAN INSTITUTE FOR APPLIED ECONOMICS

In collaboration with



National Planning Commission



Central Bank of Nigeria

BECANS Business Environment Report

Volume 1, Number 31, 2007

Published by

African Institute for Applied Economics

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FIRST PUBLISHED, 2007

© African Institute for Applied Economics

ISSN 1597-9954

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SYNOPSIS

OSUN State scores 47.15% on the business environment index. She performs relatively better on security than the rest of the benchmarks.

The state scores 49% on infrastructure and utilities, performing relatively better on access to information and social infrastructure. She performs relatively low on energy, water supply and transportation. Its performance on transportation is the weakest. There is need for increased priority to infrastructural facilities especially in the areas of transportation, energy and water supply.

The state scores a total of 33.5% on legal and regulatory environment. Though the state performs relatively low on all the measures, its performance on contract enforcement/commercial dispute resolution was the weakest. There is need to give increased priority to contract enforcement/commercial dispute resolution as well as other key aspects of legal and regulatory framework that would promote investor's confidence in establishing and running business.

The state scores 43.25% on business development support and investment promotion, performing relatively better on public private partnership and support for industrial clusters. It performs relatively low on entrepreneurship promotion and access to finance and credit. There is need to give increased intervention on key aspects of business environment which promote incentives to invest by entrepreneurs, including access to credits.

Security: The state scores a total of 68.75% on security, performing relatively better on availability of police resources and public perception of security services. It performs relatively low on crime management and prevention. There is need for further improvement on security, especially in the areas of crime tracking and prevention.

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. Geographical Profile	9
1.2. Economic Potentials	9
1.3. Investment Climate, Policies and Institutions.....	9
1.4. Budget Profile (2005).....	9
2.0 BUSINESS ENVIRONMENT SCORECARD	10
2.1 Infrastructure and Utilities.....	11
2.2 Legal and Regulatory Services	16
2.3 Business Support and Investment Promotion	21
2.4 Security.....	25

List of Tables

Table 1: Budget Profile, 2005	10
Table 2: Performance across Benchmarks.....	10
Table 3: Scores on the Measures under Infrastructure and Utilities	12
Table 4: Values on Indicators of Infrastructure and Utilities Indicators	12
Table 5: Scores on the Measures under Legal and Regulatory Services	16
Table 6: Values on Legal and Regulatory Services Indicators.....	16
Table 7: Scores on the Measures under Business Support and Investment Promotion	22
Table 8: Values on Indicators of Business Support and Investment Promotion	22
Table 9: Scores on the Measures under Security	25
Table 10: Values on Security Indicators	25

List of Figures

Figure 1: Performance across Benchmarks.	11
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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. Geographical Profile

Osun state is located in southwestern Nigeria. It has a population of 3,423,535 in 2006 and covers a area of approximately 8,602 square kilometers. It comprises 30 local government areas.

1.2. Economic Potentials

Osun State has rich agricultural and mineral resources, as well as tourism. The major agricultural commodities are cassava, sweet potato, cocoyam, maize, rice, cowpea and groundnuts. Also, there are considerable potentials for the production of cotton, walnut, sugarcane, sugar, cocoa, kolanut, coconut, oil palm, raffia palm, cashew, fruits and vegetables, livestock, forestry and fisheries products. The mineral deposits include talc, kaolin, granite, clay, gold, limestone, feldspar, cassiterite, columbite and mica. Some of the tourism potentials include the renowned Oranmiyan Staff and the Ife Museum, Osun Osogbo shrine, Olumirin Waterfalls, Erin-Ijesha, Mbari-Mbayo Heritage, Idi-Baba Cultural Centre and Adunni Susan Wenger's Art Works Center in Osogbo.

1.3. Investment Climate, Policies and Institutions

The industrial policy seeks to accelerate industrial development through the provision of enabling environment for private sector industrial investment. The strategies include the facilitation of land acquisition for agricultural and industrial development, privatization of existing government-owned enterprises and establishment of industrial estates. Presently, two industrial estates are being developed, one in Osogbo, the other in Ilesa. There are two loan schemes, namely the small-scale industries credit scheme and industrial development fund..

1.4. Budget Profile (2005)

Internally generated revenue accounted for 16.55% of total revenue in 2005. Health capital and education capital budget were ₦439.44 and ₦868.76 on per capita basis, respectively in 2005. (Table 1).

Table 1: Budget Profile, 2005

Budget	Total value (Nm)	Per capita value (N)
Federal Accounts Revenue	19,342.49	5,655.70
Internally Generated Revenue	3,836.56	1,121.80
Total Budget	25,217.16	7373.44
Capital Budget for Health	1,502.87	439.44
Capital Budget for Education	2,971.16	868.76

2.0 BUSINESS ENVIRONMENT SCORECARD

The state scores 47.15% on the business environment index. The performance on the respective benchmarks is as follows.

Table 2: Performance across Benchmarks

Benchmark	Actual Score	Maximum Score	Percentage Score
Infrastructure (F)	14.7	30.0	49.0
Business development support (B)	8.65	20.0	43.25
Legal and Regulatory (R)	10.05	30.0	33.5
Security (S)	13.75	20.0	68.75
Total	47.15	100.0	XXXXXXX

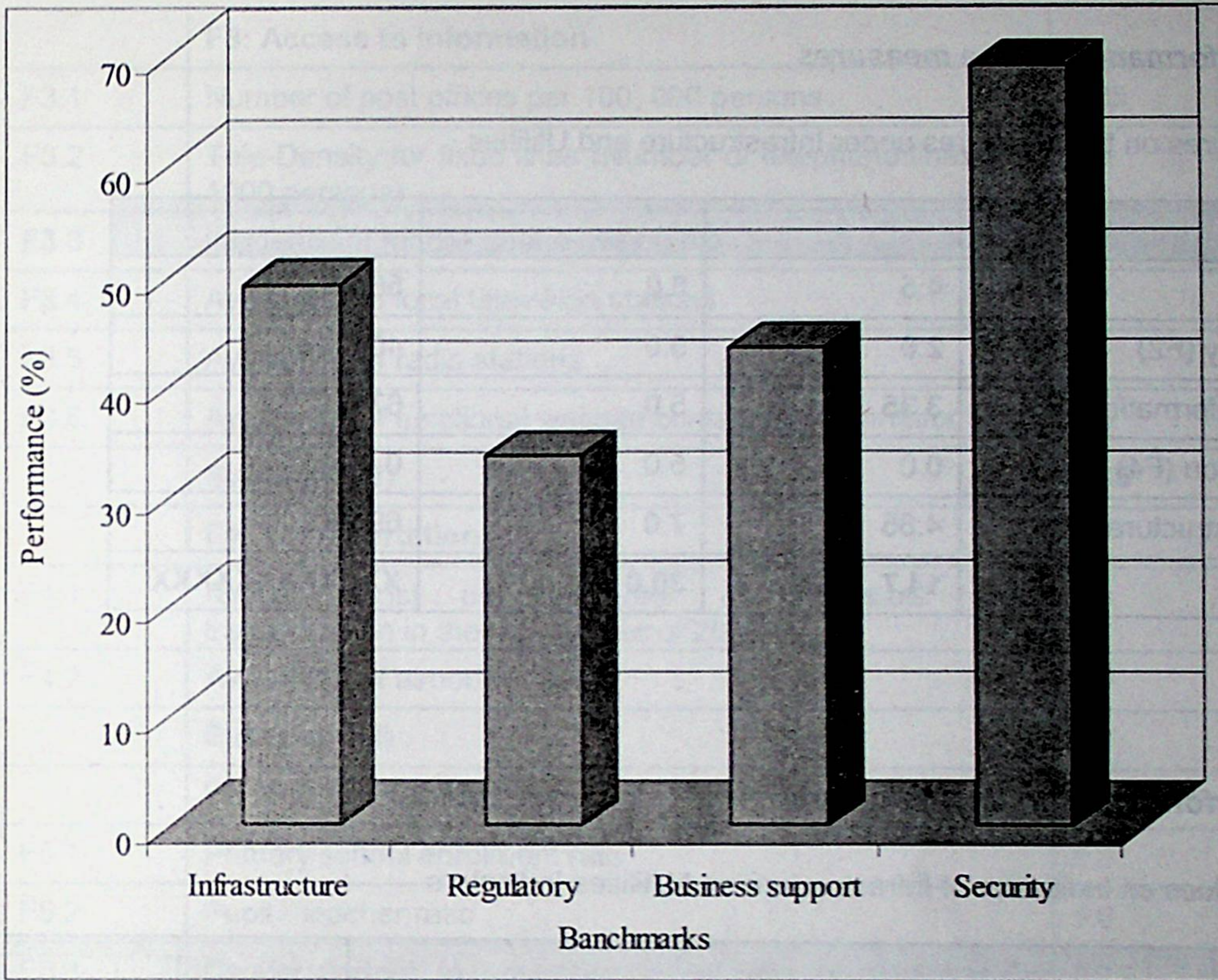


Figure 1: Performance across Benchmarks.

2.1 Infrastructure and Utilities

The state scores 49.0% on infrastructure and utilities benchmark.

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 (F1)	4.5	8.0	56.25
Water supply (F2)	2.0	5.0	40.0
Access to information (F3)	3.35	5.0	67.0
Transportation (F4)	0.0	5.0	0.0
Social infrastructure (F5)	4.85	7.0	69.20
Total	14.7	30.0	XXXXXXXXXXXX

2.1.2 Performance on the indicators

Table 4: Values on Indicators of Infrastructure and Utilities Indicators

Code	Indicator	Actual Score	Maximum Score
	F1: Energy		
F1.1	Annual per capita electricity supply (kilowatts per capita)	0.5	2.0
F1.2	Average hours of public electricity supply per 24 hour day	0.5	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	2.0	2.0
	Subtotal (F1)	4.5	8.0
	F2: Water supply		
F2.1	Daily per capita liters of water supply in the state	1.0	2.0
F2.2	Average price of 20 liters of private water supply	1.0	2.0
F2.3	Proportion of firms' total daily water requirement obtained from private supply	0.0	1.0
	Subtotal (F2)	2.0	5.0

	F3: Access to information		
F3.1	Number of post offices per 100, 000 persons	0.25	1.0
F3.2	Tele-Density for fixed lines (Number of telephone lines per 1000 persons)	0.5	0.5
F3.3	Incidence of mobile phone ownership	0.2	0.5
F3.4	Availability of local television stations	0.7	1.0
F3.5	Availability of radio stations	0.7	1.0
F3.6	Availability of functional website containing information	1.0	1.0
	Subtotal (F3)	3.35	5.0
	F4: Transportation		
F4.1	Average cost per kilometer of intra-state road transportation in the last quarter of 2006	0.0	3.0
F4.2	Availability of airport	0.0	2.0
	Subtotal (F4)	0.0	5.0
	F5: Social infrastructure		
F5.1	Primary school enrolment rate	1.0	1.0
F5.2	Pupil - teacher ratio	1.0	1.0
F5.3	Capital budget to education as a ratio of total capital expenditure 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	1.0	1.0
F5.7	Average monthly waste disposal levy	0.3	0.5
	Subtotal (F5)	4.05	7.0
	Total	14.7	30.0

F1: Energy

F1.1: Annual per capita electricity supply (kilowatts per capita): With an estimated annual power supply of 69,555.41kw, the per capita power supply is 0.02. The state scores 0.5 out of 2.0.

F1.2: Average hours of public electricity supply per 24 hour day: Evidence shows that public power supplies 2-7 hours of electricity out of 24-hour 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 indicates about 1 to 10% price differential between the official prices and actual prices of petrol, kerosene and diesel. The state scores 1.5 out of 2.0.

F1.4: Evidence of availability of petroleum products in the last quarter of 2006: Petrol, diesel and kerosene are available all the time. The state scores the maximum point of 2.0.

F2: Water supply

F2.1: Daily per capita liters of water supply in the state: Total daily water supply is estimated at 28.25 million litres. With a population of 3,423,535, daily water supply per capita is 8.25litres. The state scores 1.0 out of a maximum of 2.0.

F2.2: Average price of 20 liters of private water supply: There is heavy dependence on private water supply, which costs about ₦10.00 for 20 litres. The state scores 1.0 out of a maximum of 2.0.

F2.3: Proportion of firms' total daily water requirement obtained from private supply: Evidence shows that business firms get 60-70% of their total water need through private supplies. The state scores 0 out of a maximum of 1.0.

F3: Access to information

F3.1: Number of post offices per 100, 000 of the population: The total number of post offices is 48. The number of post offices per 100,000 is 1.4 and the state scores 0.25 out of 1.0.

F3.2: Tele-density for fixed lines (number of telephone lines per 1000 persons): The state has about 128,476 fixed lines. With the 2006 population, the number of lines per 1000 persons is 37.53. The state scores the maximum point of 0.5.

F3.3: Incidence of mobile phone ownership: Incidence of ownership of mobile telephone lines is 31.9 %. The state scores 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 the maximum of 1.0.

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

F3.6: Availability of functional website containing information on the state: A search through the internet shows that the state has a functional and regularly updated website. 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: Average transport fare per kilometer for intra-state road movement is more than ₦15.00. The state scores zero out of a maximum of 3.0.

F4.2: Availability of airport: There is no airport. The state scores 0 out of a maximum of 2.0.

F5: Social infrastructure

F5.1: Primary school enrolment rate: The primary school net enrolment for 2006 was 85%; the state scores the maximum point of 1.0.

F5.2: Pupil - teacher ratio: Total primary enrolment is 411,415 while total number of teachers is 17,311. This gave a pupil-teacher ratio of 24:1. The state scores the maximum point of 1.0.

F5.3: Capital budget to education as a ratio of total capital budget in 2005: The 2005 total capital budget was ₦21,516,446,000.00 while the capital budget for education was ₦2,971,167,000.00, representing 13.8% of total capital budget. The state scores 0.75 out of a maximum of 1.5.

F5.4: Capital budget to health as a ratio of total capital budget in 2005: The total capital budget was ₦21,516,446,000.00 while the capital budget for health was ₦1,502,868,000.00, representing 7.0% of total capital budget. The state scores 0.5 out of a maximum of 1.5.

F5.5: Private sector rating of waste management: Based on the rating of waste management by enterprises, the state scores 0.3 out of a maximum of 0.5.

F5.6: Frequency of waste disposal services: Based on rating by businesses, the state scores the maximum point of 1.0.

F5.7: Average monthly waste disposal levy: The average monthly amount paid by business firms for waste disposal is ₦201.00 – ₦500.00. The state scores 0.3 out of a maximum of 0.5.

2.2 Legal and Regulatory Services

The state scores a total of 34.33% on legal and regulatory services. Details are summarized in tables 5 and 6.

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 (R1)	1.3	4.0	32.5
Tax administration (R2)	4.5	10.0	45.0
Contract enforcement/commercial disputes resolution (R3)	1.0	6.0	16.67.0
Land registration and property rights (R4)	3.25	10.0	32.5
Total	10.05	30.0	XXXXXXXX

2.2.2 Performance on the Indicators

Table 6: Values on Legal and Regulatory Services Indicators

Code	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 by the State	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	0.5	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 in the state	0.0	0.5
R1.8	Duration for obtaining certificate of registration for business names after filing all papers	0.0	0.5
	Subtotal (R1)	1.3	4.0
	R2: Tax administration		
R2.1	Evidence of database of taxable persons	1.0	1.5
R2.2	Evidence of publication of tax notices and sending of Tax Assessment Notices to registered tax payers in the last three years	0.75	1.0
R2.3	Evidence of a mechanism for validation of tax paid to other tiers of government and other states in the Federation	0.0	1.0
R2.4	Evidence of a Tax Appeal Tribunal/Revenue Courts	0.0	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	0.75	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	0.5	1.0
R2.9	Penalties for non payment of business premises are enforced	1.0	1.0
	Subtotal (R2)	4.5	10.0
	R3: Contract enforcement/commercial disputes resolution		
R3.1	Establishment of information systems on caseload and judicial statistics	0.0	2.0
R3.2	Average time (in weeks) between filing a business dispute in court and obtaining judgment	1.0	2.0
R3.3	Evidence of availability/establishment of formal alternative dispute resolution	0.0	2.0
	Subtotal (R3)	4.5	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	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 in the state	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 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	0.0	1.0
	Subtotal (R4)	3.25	10.0
	Total	10.05	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 a maximum of 1.0.

R1.2: Evidence that improperly registered business names are not given recognition by the State: There is no evidence that unofficial business names are not recognized by the state, given the state 0 out of a maximum of 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: There is evidence of a mobile court that undertakes regulatory activities for state registration/renewal of business/professional premises. The state scores the maximum point of 0.5.

R1.4: Existence of an office of the Corporate Affairs Commission: The state scores 0.3 point out of a maximum 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 is no evidence of publication of the CAC activities. The state scores 0 out of 0.25.

R1.6: Evidence that the CAC branch office has a service charter. There is no evidence that the CAC branch office has a service charter. The state scores 0 out of a maximum of 0.25.

R1.7: Availability of accessible on-line real-time services through which names can be searched for and reserved at the CAC branch office: There is no evidence of real-time on-line service at the branch office, giving the state 0 out of 0.5.

R1.8: Duration for obtaining certificate of registration for business names after filing all papers: The length of time for obtaining registration of business names is more than five working days. The state scores 0 out of 0.5.

R2: Tax administration

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

R2.2: Evidence of publication of tax notices and sending of Tax Assessment Notices to registered tax payers in the last three years: Tax assessment forms are sent to tax payers, giving the state 0.75 out of a maximum of 1.0

R2.3: Evidence of a mechanism for validation of tax paid to other tiers of government and other states in the Federation: The state does not yet have a mechanism for validation of taxes 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: The state is yet to have a tax tribunal/appeal court for the trial of tax defaulters, giving the state zero out of 1.5.

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

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

R2.7: Amount paid as business premises levy in the state capital per annum: The business premises levy paid in the state ranges from ₦5,000.00 to ₦10,000.00, giving the state 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 ranges from 30 to 90 days, giving the state 0.5 out of a maximum of 1.0.

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

R3: Contract enforcement/commercial disputes resolution

R3.1: Establishment of information systems on caseload and judicial statistics: The state has not yet got information systems on caseload and judicial statistics, giving the state 0 score out of a maximum of 2.0.

R3.2: Average time (in weeks) between filing a business dispute in court and obtaining judgment: The length of time from filing a business dispute and time judgment is received is 9 to 12 months (36 – 52 weeks). The state scores 1.0 out of 2.0.

R3.3: Evidence of availability/establishment of formal alternative dispute resolution (ADR): The state is yet to have a formal ADR, thus scoring 0 out of a maximum of 2.0.

R4: Land registration and property rights

R4.1: Availability and usability of a cadastral Map of the State: The state has a geographical map, not a cadastral map. 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: The state has a land law that complements the Land Use Act. There is no evidence of a state land reform, giving the state 0.75 out of 1.0.

R4.3: Official cost (charge) of obtaining governor's consent relative to the price of land in the highest profile business area in the State Capital: The official charge for obtaining the governor's consent is about 5 to 10% of the price of the land, giving a score of 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): It takes about 18 months to obtain C of O. The state scores zero out a maximum of 1.0.

R4.5: Computerization of land transactions in the state: The state has not yet computerized its land transactions system. 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 time taken to search the registry and obtain confirmation of validity of transfer of ownership is 1 to 2 months. The state scores 0.5 out of a maximum of 1.0.

R4.7: Time taken for obtaining the governor's consent for transfer of rights of ownership of land: The length of time spent to obtain governor's consent for transfer of rights of ownership of land ranges from 1 to 2 months, giving the state a score of 0.5 out of 1.0.

R4.8: Evidence of active support for and promotion of equipment leasing: The Agricultural Development Project offers tractor hiring services to farmers. 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 law requiring mandatory subscription to insurance and mortgage. The state scores 0 out of a maximum of 1.0.

R4.10: Evidence of effective protection of private property rights: The state is yet to have a law that effectively protects private property rights. The state scores 0 out of 1.0.

2.3 Business Support and Investment Promotion

The state scores 43.25% on the benchmark. The details are summarized in tables 7 and 8.

2.3.1 Performance on the Measures

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

Measure	Actual Score	Maximum Score	Percentage Score
Entrepreneurship promotion (B1)	0.75	3.0	25.0
Access to finance and credit (B2)	2.0	8.0	25.0
Investment promotion services (B3)	2.5	5.0	50.0
Support for industrial clusters (B4)	1.4	2.0	70.0
Public private partnership (B5)	2.0	2.0	100
Total	8.65	20.0	XXXXXXX

2.3.2 Performance on the Indicators

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

Indicator label	Benchmark Indicator	Actual Score	Maximum Score
	B1: Entrepreneurship promotion		
B1.1	Existence of specific policies and/or institutions to promote entrepreneurship (business start-up and business growth)	0.75	3.0
	Subtotal (B1)	0.75	3.0
	B2: Access to finance		
B2.1	Number of companies that benefited from SMEEIS in 2005 relative to national average	0.0	1.5
B2.2	Relative Number of bank branches as at May 2006	0.5	1.5
B2.3	NACRDB loans as % of agriculture capital budget in 2005	0.0	1.5
B2.4	Volume of ACGSF loans disbursed to agro-businesses as a percentage of agriculture capital budget in 2005	0.0	1.5
B2.5	Repayment of ACGSF loans in the state - percent repayment last year	1.5	2.0
	Subtotal (B2)	2.0	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 to enlighten investors (base year 2004)	0.5	1.0
B3.4	Existence of published and up to date directory of business firms	1.0	1.0
	Subtotal (B3)	2.5	5.0
	B4: Support for industrial clusters		
B4.1	Existence of industrial cluster/layout/park	1.0	1.0
B4.2	Government infrastructure programmes to support the industrial 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	2.0	2.0
	Subtotal (B5)	2.0	2.0
	Total	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): There is budgetary provision for entrepreneurship programmes, but there is no information on target number/beneficiaries. 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: Evidence shows that no enterprise had access to SMEEIS facilities. The state scores 0 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 67, giving a score of 0.5 out of 1.5.

B2.3: NACRDB loans as % of State's capital budget for Agricultural in 2005: The NACRDB loan as a percentage of capital budgets for agriculture was 5.08. The state scores zero out of a maximum 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: The ACGSF loan as a percentage of capital budget for agriculture was 6.22. The state scores 0 out of 1.5.

B2.5: Repayment of ACGSF loans in the state - percent repayment last year: Total ACGSF loan repayment rate for the period 2002-2005 was 62.47%. The state scores 1.5 out of a maximum of 2.0.

B3: Investment promotion services

B3.1: Existence of special programmes/incentives that promote technology innovations: There is evidence of budgetary provisions for industrial estate/parks at Oshogbo and Ilesa. The state scores 1.0 out of a maximum of 2.0

B3.2: Evidence of special incentives to promote linkages between large firms and small and medium enterprises: There is no evidence of special incentives for promoting linkages between large firms and SMEs. The state scores 0 out of a total of 1.0.

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

B3.4: Existence of published and up to date directory of business firms in the state; when last was it updated: The state has a directory of business establishments published in 2004. The state scores the maximum point of 1.0.

B4: Support for industrial clusters/layouts/parks

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

B4.2: Government infrastructure programmes to support the cluster/layout/park: There is evidence of special infrastructural provisioning for the industrial clusters/parks/layouts as contained in the budget, giving the state 0.4 out of a maximum of 1.0.

B5: Public private partnership

B5.1: Public Private Partnership in security, infrastructure and utilities, credit provision, training and mentoring: There is evidence of collaboration with the private sector on credit and training, security services (taken as municipal services), and firm management. This gives the maximum point of 2.0.

2.4 Security

The state scores a total of 68.75% on security. The details are summarized in tables 9 and 10.

2.4.1 Performance on the measures

Table 9: Scores on the Measures under Security

Code	Measure	Actual Score	Maximum Score	Percentage Score
S1	Major crimes (crime with violence)	8.0	12.0	66.7
S2	Minor crimes (crimes without violence)	1.5	3.0	50.0
S3	Police coverage	2.0	2.0	100
S4	Perception of security services	2.25	3.0	75.0
	Total	13.75	20.0	XXXXXXX

2.4.2 Performance on the Indicators

Table 10: Values on Security Indicators

Code	Indicator	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	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)	8.0	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 ratio in 2005 per 1,000 persons	2.0	2.0
	Subtotal (S3)	2.0	2.0
	S4: Perception of security services		
S4.1	Assessment of the security in relation to business environment in 2006	1.5	1.5
S4.2	Rating of police performance in 2006	0.75	1.5
	Subtotal (S4)	2.25	3.0
	Total	13.0	20.0

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 31. The number of reported cases per 100,000 persons is 0.9 and the state scores the maximum point of 2.0.

S1.2: Number of reported murder cases in 2005 per 100,000 persons: The number of reported murder cases is 24, and the number of reported cases per 100,000 persons is 0.7, giving the state the maximum point of 2.0.

S1.3: Number of reported rape cases in 2005 per 100,000 persons: The number of reported rape cases is 65, and the number of reported cases per 100,000 persons is 1.9. The state scores the maximum point of 2.0.

S1.4: Number of reported assault cases in 2005 per 100,000 persons: The number of reported assault cases is 541, and the number of reported cases per 100,000 persons is 15.8. The state scores zero 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 is 743. The number of reported cases per 100,000 persons is 21.7 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 vandal/arson cases is 4, and the number of reported cases per 100,000 persons is 0.12, giving the state the maximum score 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 224, and the number of reported cases 100,000 persons is 6.54. The state scores 1.5 out of a maximum of 3.0.

S3: Police coverage

S3.1: Police-population ratio in 2005 per 1,000 persons: The number of combatant policemen in 2005 is 6,033, and the number of combatants per 1,000 persons is 1.76. The state scores the maximum point of 2.0.

S4: Perception of security services

S4.1: Assessment of the conduciveness (in terms of security) of the business environment: Based on assessment of security by business/company executives, the state scores the maximum point of 1.5.

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

21.3. Number of reported burglary and theft cases involving motor vehicles...
21.4. Number of reported burglary and theft cases involving cars and motor vehicles...
21.5. The number of reported cases per 10,000 persons is 1.7 and the state score is 2.0.

21.6. Number of reported aggravated assault cases in 2005 per 10,000 persons...
21.7. Number of reported aggravated assault cases in 2004 per 10,000 persons...
21.8. The number of reported cases per 10,000 persons is 2.9 and the state score is 2.0.

21.9. Number of reported crimes without violence...
21.10. Number of reported crimes without violence...

22.1. Number of reported fraud involving jewelry and clothing...
22.2. Number of reported fraud involving jewelry and clothing...
22.3. The number of reported fraud cases is 2.4 and the state score is 2.0.

23.1. Police response...
23.2. Police response...
23.3. Police response...
23.4. Police response...
23.5. Police response...

24.1. Perception of security services...
24.2. Perception of security services...
24.3. Perception of security services...
24.4. Perception of security services...
24.5. Perception of security services...

24.6. Perception of security services...
24.7. Perception of security services...
24.8. Perception of security services...
24.9. Perception of security services...
24.10. Perception of security services...

24.11. Perception of security services...
24.12. Perception of security services...
24.13. Perception of security services...
24.14. Perception of security services...
24.15. Perception of security services...

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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