



DEVELOPMENT FINANCE DEPARTMENT (DFD) – REPORT OF THE ACTIVITIES OF THE BUSINESS UNIT FROM JULY – SEPTEMBER, 2015

We provide herewith, the activities of the Development Finance Department for the Governor's Consultative Committee (GCC) meeting for the Third Quarter of 2015.

The Department carried out the following activities during the third quarter of the year in order to achieve its mandate of real sector growth, financial inclusion and entrepreneurship development. The strategic initiatives that drove the operations included: the Nigeria Incentive-Based Risk Sharing System for Agricultural Lending (NIRSAL), Commercial Agriculture Credit Scheme (CACS), Agricultural Credit Guarantee Scheme Fund (ACGSF), Agricultural Credit Support Scheme (ACSS), Interest Drawback Programme (IDP), Microfinance Policy, Financial Inclusion, Entrepreneurship Development activities, Power and Airline Intervention Fund (PAIF), Small and Medium Enterprises Credit Guarantee Scheme (SMECGS), SME Restructuring/Refinancing Fund (RRF), Real Sector Support Facility (RSSF), National Collateral Registry (NCR) and Nigeria Electricity Market Stabilisation Facility (NEMSF). The report which is structured into three parts highlights the achievements (activities), challenges and the way forward. **Part 1** reviews the real sector intervention efforts; **Part 2** highlights financial inclusion activities; **Part 3 and part 4** dwells on entrepreneurship development initiatives of the Department and commodity promotion activities.

PART ONE: REAL SECTOR INTERVENTION INITIATIVES

1.1 Nigeria Incentive-Based Risk Sharing System for Agricultural Lending (NIRSAL)

The Nigeria Incentive-Based Risk Sharing System for Agricultural Lending (NIRSAL) is a mechanism designed to provide farmers with affordable financial products, reduce the risk of financial institutions that grant them loans, build capacities of banks to lend to agriculture, as well as develop an incentive mechanism for Nigerian banks based on their commitment to agricultural financing.

1.1.1 Highlight of Activities/Achievements

- **181 (one hundred and eighty one)** Credit Risk Guarantees (CRGs) valued **N345.804mn** were approved during the 3rd quarter of 2015, bringing the total value to **N21.673 billion** in respect of **two hundred and forty seven (247)** Credit Risk Guarantee cover issued from inception to date.
- **No** GES CRG was approved from July to September, 2015, under the NIRSAL-GES Framework. However, following the reconciliation of the NIRSAL CRG Fee Account in respect of GES facilities granted by DMBs in 2014, **forty nine (49)** loans valued **N6.494billion** were confirmed to be eligible for NIRSAL guarantee but were not previously captured. They are now enlisted among the 2014 GES (Wet Season) guarantees. Consequently, the GES related guarantee now stands at **N39.487 billion** in respect of **207 projects** from inception to date.
- IDB claims are paid quarterly in respect of each of the projects. Cumulatively, 27 projects are benefitting under the IDB till date. Four (4) IDB claim valued **N5.295 million** was processed and paid in the period, bringing the total IDB claims paid under NIRSAL to **N300.516million**.
- No GES IDP was paid during the 3rd quarter, 2015. Cumulatively, the total GES IDP paid to date stood at **N439.084 million** for **91** projects.
- Met with BoA, Dangote Farms Ltd and Tomato Out-grower Farmers on 4th August, 2015 to agree on the terms of tripartite agreement between the parties on out-grower funding by BoA.
- Met with Nigeria Commodity Exchange (NCX) on 19th August, 2015 to discuss mode of partnering under their warehouse receipt scheme/programme.
- Held a meeting with Amo Byng Company Ltd. on 19th August, 2015 to discuss mode of ensuring ease of access to finance/NIRSAL Guarantee in respect of out-grower scheme.

- NIRSAL Team attended a meeting in WACOT Funtua, Katsina State on the mandate for training of WACOT Cotton Out-growers on farmer Business School (FBS) from 18th-19th August, 2015, which is near conclusion that 4,079 out of 5,000 farmers were trained from August 2014 to July 2015.
- Met with PropCom DFID/Palladium Impact Investment team from the United Kingdom on Thursday 20th August, 2015 to discuss opportunities for investment funding in agricultural mechanisation in Nigeria under the NIRSAL Mechanization Financing Framework.
- Attended rice stakeholders meetings with Umza Rice Mills in Birnin-Kebbi and Mikap Rice Millers in Benue State with Representative of Farmers Groups, ADPs and Banks to anchor borrowers relationship between producers, lenders and off-takers under CBN Governors Special Project Anchor Out-Grower Scheme.
- Partnered with International Fund for Agricultural Development (IFAD)/Rural Finance Institution Building Programme (RUFIN) and signed an MoU of \$1.5m guarantee fund to facilitate access to MSMEDF by RUFIN mentored MFI's through the use of credit Guarantee Scheme on 11th September, 2015.
- Organised a workshop in collaboration with Alliance for the Green Revolution in Africa (AGRA) on Innovation Insurance Products for insurance companies and Deposit Money Banks at Protea Hotel, Lagos from 17th – 18th September, 2015.

1.1.2 Challenges

- Non-payment of 50% by Federal Ministry of Agriculture and Rural Development under the GES input supply scheme has triggered claim settlement by Counter parties;
- Staffing-NIRSAL has only four core staff, the remaining are DFD Staff;
- Delay in the recruitment of a substantive Managing Director and other supporting staff; and
- The IT Infrastructure for the NIRSAL Office at Danube Street is yet to be provided and this is stalling the relocation of NIRSAL to its permanent office.

1.1.3 Going Forward

- Following the revision of the NIRSAL's Guideline in May 2014, Credit Guarantee (CG) will now be issued on Face Value as against First Loss.

1.2 Commercial Agriculture Credit Scheme (CACS)

The Commercial Agriculture Credit Scheme (CACS) was established in 2009 to finance large ticket projects along the agricultural value chain. It is administered at a single digit interest rate of 9 per cent to beneficiaries. State Governments, including the FCT can access a maximum of N1.0 billion each for on lending to farmers' cooperatives or other areas of their agricultural intervention. The Scheme is managed by the CBN. The exit date for the Scheme is 2025.

The Bank reviewed the interest rate of CACS and approved that the 9% interest rate should be shared between the CBN and DMBs in the ratio 2:7 percent respectively. The CACS guideline was also revised on April 29, 2015 to reflect the re-pricing. The following activities were carried out In the period under review;

1.2.1 Highlight of Activities/Achievements

- The sum of **N23.351billion** was released from CACS Repayments to **thirteen (13)** Banks in respect of **twenty-six (26)** projects between July and September, 2015.
- No funds was released from CACS Receivable Account during the same period.
- From inception in 2009 to September, 2015, the sum of **N310.845 billion** was released to the economy under the Commercial Agriculture Credit Scheme in respect of **396 projects**. This comprised the sum of **N199.831 billion** released from the CACS Receivable Account for **273 projects** and the sum of **N111.014 billion** released from Repayment Account for **154 new projects including 31 enhancements**. This also included,

thirty (30) State Governments and the FCT which altogether accessed the sum of **N51.0 billion** from CACS fund from inception to September, 2015.

- The sum of **N13.045 billion** was recorded as repayments by **sixteen (16)** banks during the quarter under review to **139** projects, bringing the total fund repaid to **N138.343 billion** in respect of **134** fully repaid projects and **153** steady repayments.
- In pursuit of the real sector development, with special focus on seven commodities (rice, wheat, sugar, fish diary, oil palm and cotton), N15.85 billion (68%) of the N23.351 billion was released within the period under review with respect to focal commodities.
- Eleven (11) participating banks paid the sum of N100,983,487.20 out of expected sum of N113,259,790.21 covering the period into the 2% Interest on CACS Facility Account, leaving an outstanding balance of N12,276,303.01.
- **The balance of CACS Receivable Account fund** as at end of September, 2015 was **N0.169 billion**
- **The balance on CACS Repayment Account** as at end September, 2015 was **N27.329 billion**.
- From inception in 2009 to September 2015, 1,131,600 jobs were created;
- No bank was sanctioned during the quarter under review. However, the balance of CACS penalty account as at September, 2015 was **N1.413billion**.

Table 1: Releases under CACS to Deposit Money Banks (DMBs) July-September, 2015

S/N	PERIOD	No of PBs	NUMBER OF PROJECTS	AMOUNT
1	July	6	9	13,370,197,932.80
2	August	5	6	5,423,344,600.00
3	September	8	11	4,557,700,000.00
			26	23,351,242,532.80

Table 2: Funds Repaid by Banks into the Repayment Account July-September, 2015

S/N	PERIOD	No of PBS	NO OF PROJECTS	AMOUNT RELEASED (N)
1	July	10	52	4,500,984,875.25
2	August	6	63	4,763,356,262.27
3	September	4	24	3,779,513,747.47
			139	13,045,854,884.99

Releases under CACS to Deposit Money Banks (DMBs)

The analysis of number of projects financed under CACS by value chain showed that out of twenty six (26) CACS private sector projects, sponsored from inception, production accounted for 88.46% while Processing recorded 11.54%. (Table 2)

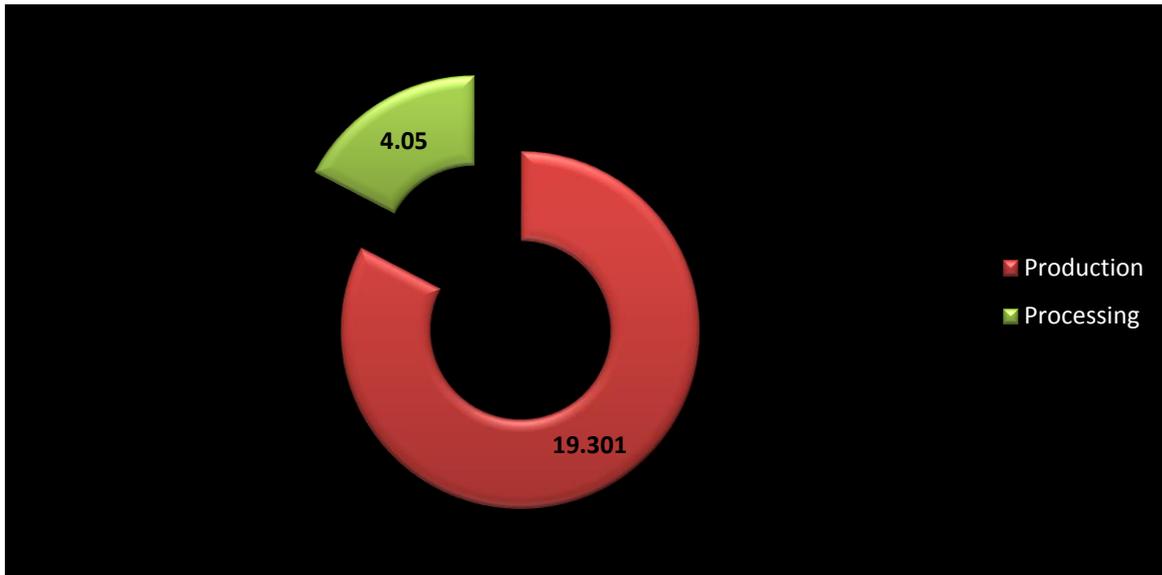
Table 3: Analysis of CACS Financed Projects by Value Chain

Category	Number (%) of Projects	Value {N 'billions and %}
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Input Supplies	0	0
Production	23(88.46%)	19.301 (82.65%)
Processing	3(11.54%)	4.050(17.34%)
Marketing	0	0
Storage	0	0
Total	26	23.351

Analysis by value of funds released showed that production accounted for 69.71% while Processing recorded 30.29%. (Table 2)

Figure 1: Analysis of CACS Financed Projects by Value Chains at 3rd Quarter, 2015



1.2.2 Challenges

- Poor monitoring of projects by some participating banks.
- Slow pace of implementation of projects by State Governments.
- Non-adherence to CACS guidelines by banks.

1.2.3 Going Forward

- Improved monitoring of CACS projects by CBN.
- Impact Assessment to ascertain the actual gains of CACS.
- Increased monitoring and sensitization of DMBs

1.3 Agricultural Credit Guarantee Scheme (ACGS)

The ACGS was established by Decree 20 of 1977 to provide 75 per cent guarantee cover in respect of loans granted to the agricultural sector by Deposit Money Banks. The Scheme pledges to pay 75 per cent of any outstanding default balance to the bank after the security pledged has been realized.

1.3.1 Loans Guaranteed

In September, 2015, a total of 5,134 loans valued N621.895 million was guaranteed in respect of four (4) DMBs and 36 Microfinance banks. Between the period July-September, 2015 a total of 18,191 loans valued N2.905

billion was guaranteed as against 17,618 loans valued N3.41 billion guaranteed in July-September, 2014. This showed an increase of 573 or 3.25 per cent in number and a decrease of N505 million or 14.81 per cent in value.

The number and value of loans guaranteed in 2015 is 46,893 valued N8.347 billion. Cumulatively from inception in 1978, the figure stood at 978,756 loans valued N92.815 billion.(Table 4).

PARAMETERS	JULY-SEPTEMBER, 2015 POSITION	JULY-SEPTEMBER, 2014 POSITION
1. Guaranteed ACGS Loans	Guaranteed 5,132 loans valued N621.895 million in September, 2015 and 18,191 loans valued N2.905 billion from July–September, 2015, as against 17,618 loans valued N3.410 billion guaranteed from July to September, 2014. This showed an increase of 573 or 3.25 per cent in number and a decrease of N505 million or 14.81 per cent in value. A total of 505 loans valued N92.815 billion was guaranteed from inception in 1978 to September 2015.	Guaranteed 5,727 loans valued N1.49bn in Sept, 2014 as against 6,529 loans valued N1.49billion in September, 2013. This brings to 17,618 the number of loans valued N3.41billion guaranteed from July to September, 2014 as against 16,349 the number of loans valued N2.92bn during the same period in 2013. This showed an increase of 1,269 or 7.76% and N0.49billion or 16.7 percent in number and value respectively when compared with the activities during the same quarter in 2013. A total of 912,572 loans valued N80.81billion was guaranteed from inception in 1978 to September, 2014
2. Number of Loans Guaranteed ranked on State Basis	The breakdown of the performance of Third Quarter, 2015 is as follows: Highest: Edo State with 1,546 (8.50%) valued N193.320 million (6.65%). Second: Ondo State with 1,417 loans (7.79%) valued N111.870 million (3.85%). Third: Oyo State with 1,385 loans (7.61%) valued N116.135 million (4.0%).	The breakdown of the performance of Third Quarter, 2014 is as follows: Highest: Taraba State with 1,847 (10.48%) valued N299.67mn (8.79%). Second: Delta State with 1,686 loans (9.57%) valued N417.90 m (12.26%). Third: Edo with 1,446 loans (8.20%) valued N203.10m (5.96%).
3. Number of Loans Guaranteed by Category of Loan	The breakdown of the performance of Third Quarter, 2015 is as follows: Individuals = 17,810 loans valued N2.866bn Informal Groups = 61 loans valued N4.250m Co-operatives =317 loans valued N21.018m Companies = 3 loans valued N14.000m	The breakdown of the performance is as follows: Individuals = 16,531 loans valued N3.09bn Informal Groups = 58 loans valued N20.56m Co-operatives = 1,018 loans valued N275.22m

		Companies = 11 loans valued N26.10m
4. Loans Guaranteed by Purpose/ Type of Agricultural business	<p>The The breakdown of the performance is as follows:</p> <p>Livestock = 999 loans valued N271.021 million Fisheries = 486 loans valued N140.841m</p> <p>Mixed crops= 1,370 loans valued N217.641m</p> <p>Food Crops = 13,594 loans valued N2.086 billion</p> <p>Cash Crops = 491 loans valued N54.330m</p> <p>Others = 1,251 loans valued N135.840m</p>	<p>The The breakdown of the performance is as follows:</p> <p>Livestock = 1,566 loans valued N429.794m Fisheries = 254 loans valued N111.36m Mixed crops= 1,450 loans valued N340.55m Food Crops = 13,607 loans valued N2.37bn Cash Crops = 263 loans valued N47.44m Others = 478 loans valued N110.95m</p>
5. Number and value of Loans Repaid	<p>A total of 2,043 loans valued N340.667 million was fully repaid under the Scheme in September, 2015 and 15,255 loans valued N2.487 billion were fully repaid between July and September 2015 as against 12,519 loans valued N1.87 billion that was recovered between July and September 2014. This brings the cumulative fully repaid loans from inception to September, 2015 to 738,100 valued N63.322 billion.</p>	<p>3,668 loans valued N559.99bn was fully repaid in Sept, 2014 as against 8,248 loans valued N1.45m that was recovered in Sept., 2013.</p> <p>During the third quarter, a total of 12,519 loans valued N1.87billion was also fully repaid as against 16,496 loans valued N2.91billion recovered during the same period in 2013. This showed a decrease of 3,977 or 24.11% in number and N1.04bn or 35.74% in value when compared with the activities during the same quarter in 2013.</p> <p>Cumulatively, from inception of ACGS to September, 683,076 valued N54.36 billion have been fully repaid.</p>
6. Number of Loans Repaid ranked on State Basis	<p>The breakdown of the Third Quarter, 2015 performance is as follows:</p> <p>Highest: Edo State with 2,889 loans (18.94%) valued N209.066 million (8.41%).</p> <p>Second: Jigawa State with 2,690 loans (17.63%) valued N90.000 million (3.62%).</p> <p>Third: Kebbi State with 1,967 loans (12.89%) valued N157.650 million (6.34%).</p>	<p>The breakdown of the third quarter, 2014 performance is as follows:</p> <p>The breakdown performance is as follows: Highest: Jigawa State with 4,103 loans (24.87%) valued N253.89 million (8.72%). Second: Kano State with 2,422 loans (14.68%) valued N288.23 million (9.9%). Third: Gombe State with 1,262 loans (7.65%) valued N202.11million 6.94%</p>

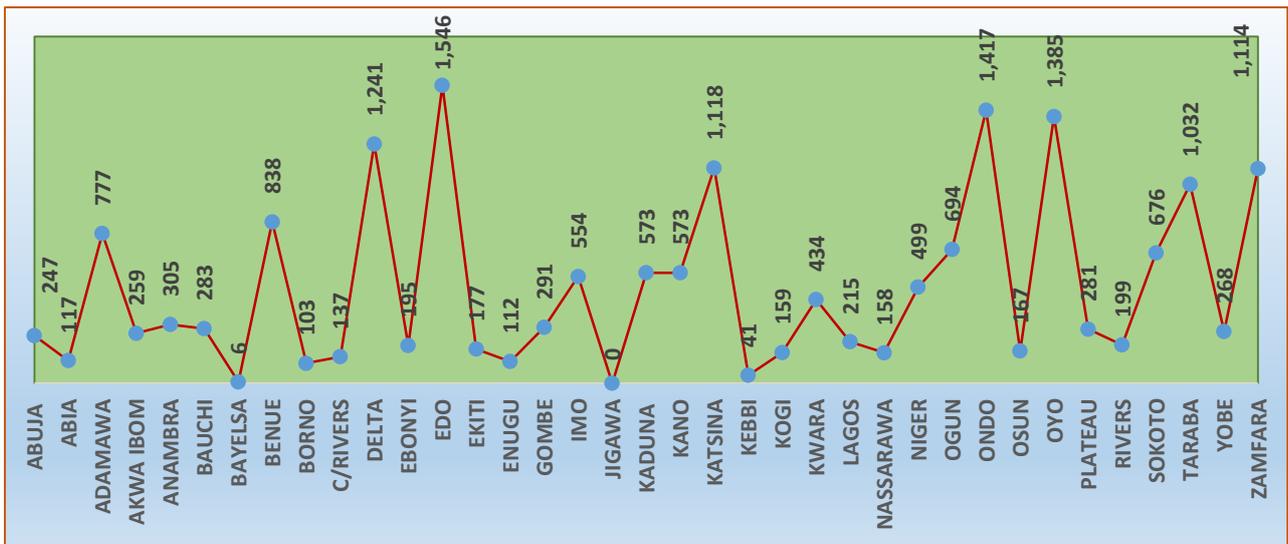
<p>7. Loans Repaid Analyzed by Size of Credit Granted</p>	<p>The breakdown of the loans repaid under the Scheme for the 3rd quarter , 2015 is as follows:</p> <p>N5,000 and below = 5 loans valued N0.025m</p> <p>N5,001 - N20,000 = 2,555 loans valued N48.617m</p> <p>N20,001 - N50,000 = 4,205 loans valued N179.666m</p> <p>N50,001-N100,000 =4,229 loans valued N354.883m</p> <p>Above N100,000 = 4,261 loans valued N1.904bn</p>	<p>The breakdown of the loans repaid under the Scheme for the 3rd quarter, 2015 is as follows:</p> <p>N5,000 & below = Nil</p> <p>N5,001- N20,000 = 2,632 loans valued N29.370m</p> <p>N20,001- N50,000 = 2,756 loans valued N129.650m</p> <p>50,001-100,000= 3,444 loans valued N308.461m</p> <p>100,001 & above = 3,687 loans valued N1.402bn</p>
<p>8. ACGSF Claims received/ Settled</p>	<p>19 ACGSF claims valued N5.334m was settled in September, 2015.</p> <p>A total of 19 ACGS claims valued N5.334mn was settled from July-September, 2015. The cumulative number of settled claims since inception is 16,780 valued N620.937mn as at the end of September, 2015.</p>	<p>483 ACGSF claims valued N37.87m was settled in September, 2014. The number of ACGSF Claims settled from July-September, 2014 is 483 Claims valued N37.87.</p> <p>This brings the cumulative number of settled Claims from inception to date to 15,174 claims valued N584.8 million.</p>
<p>9. IDP Claims received/ Settled</p>	<p>1,466 IDPs valued N13.165m was settled in Sept, 2015. This brings to 5,305 IDP claims valued N56.788mn settled in the period under review. A total number of 276,199 valued N2.510 billion has so far been settled from inception in 2004 to September, 2015.</p>	<p>No IDP was settled in September, 2014. This brings to 7,645 ACGSF claims valued N86.63million guaranteed from July to September, 2014. However, the total number of IDP claims settled from inception to date is 254,071 claims valued N2.02 billion.</p>
<p>10. Banks Participation under the ACGS [ranked by number of loans granted]</p>	<p>Below is the performance of participating banks under ACGS as at 3rd Quarter, 2015:</p> <p>(i) Deposit Money Banks (DMBs)</p> <p>4 DMBs granted a total of 2,362 loans valued N1.073 bn under the ACGS between July to September, 2015. The breakdown of the disbursements by the banks is as follows: Diamond Bank of Nigeria (DBN) Plc {1 loan valued N3,000m}, Keystone Bank {17 loans valued N2.7mn}, Union Bank of Nigeria (FBN) Plc {2,133 loans valued N1.055bn}: Unity Bank of Nigeria (UBN) Plc {211 loans</p>	<p>Below is the performance of participating banks under ACGS as at 3rd Quarter, 2014:</p> <p>(i) Deposit Money Banks (DMBs)</p> <p>5 DMBs granted a total of 5,490 loans valued N2.048bn under the ACGS at the end of 3rd Quarter, 2014. The breakdown of the disbursements by the banks is as follows: Diamond Bank Plc. {4 loans valued 12.5m}, FirstBank of Nigeria (FBN) Plc {381 loans valued N185.85m}, IBTC-Stanbic {1 loan valued N0.550m} Keystone Bank. {150 loans valued N31.50m}, Union Bank of Nigeria, Plc.</p>

	valued N12.878 mn}, (ii) <u>Microfinance Banks (MFBs)</u> A total of 15,829 loans valued N1.832bn was granted by 36 microfinance banks between July to September, 2015 under the ACGSF.	(4,954 loans valued N1.82bn). <u>Microfinance Banks (MFBs)</u> A total of 3,847 loans valued N540.23m was granted by thirty four (34) Microfinance Banks under the ACGS at the end of September, 2014 bringing to 12,128 loans valued N1.36bn granted by MFBs under the ACGS from July to September, 2014.
11. Number of (MOUs) signed under the Trust Fund Model (TFM)	No new Memorandum of Understanding (MOU) was signed by the Department under the TFM during the period under review; however, 56 Stakeholders made up of State Governments, Multinational Agencies, LGAs, NGOs and Individuals signed MOUs under the programme and placed/ pledged a total sum of N5, 654 billion.	No new Memorandum of Understanding (MOU) was signed in the quarter under review. However, the total pledges and or placements under the programme as at September, 2014 is 58 valued N5.654 billion.
12. Resources of ACGSF	The total resources of the ACGSF as at September of 2015 stood at N5.998billion.	The total resource of the ACGSF stood at N 6.297 billion in September, 2014.
13. Resources of the Interest Drawback Programme (IDP)	The value of the total resources of IDP at the end of September 2015 was N1.540 billion.	The total resource of the Interest Drawback Programme (IDP) in September, 2014 was N1.762 billion.
14. Expenses Recoverable Payable to the Managing Agent (CBN)	The recoverable expenses incurred by the Development Finance Offices (excluding the Head Office due to system problems) under ACGSF for the month of September, 2015 amount to N66.650 million.	The recoverable expense as at end of September, 2014 was N 44.752 million excluding 2 branches and Head Office (salaries).

1.3.3 DISTRIBUTION OF GUARANTEED LOANS:

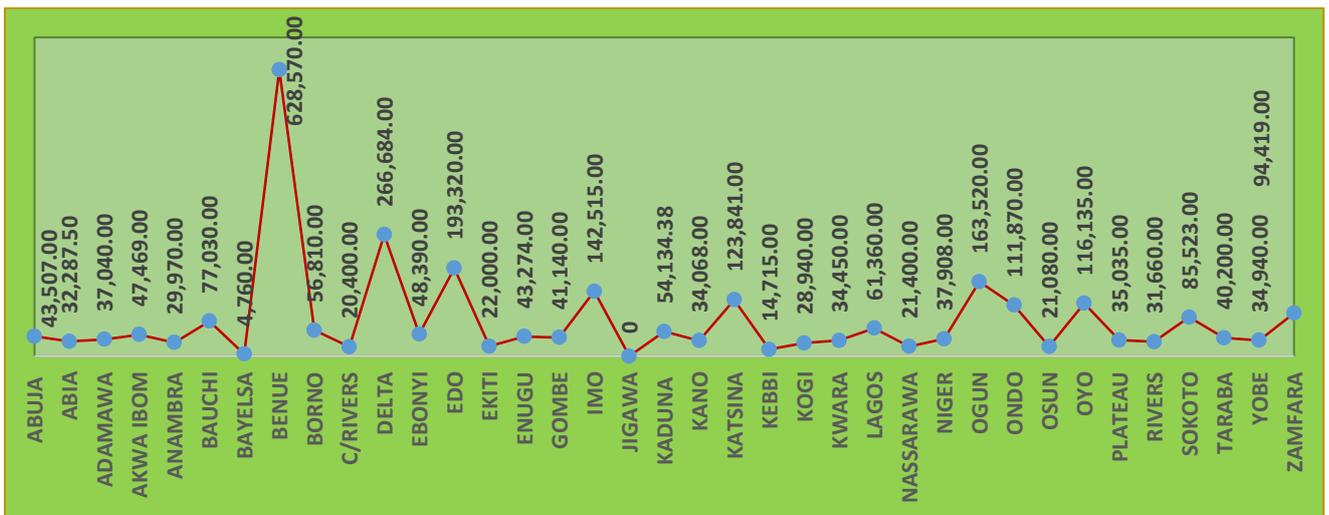
For the third quarter of the year, Edo State granted the highest number of loans with **1,546 loans (8.50 per cent)** followed by Ondo and Oyo States which granted **1,417 (7.79 per cent)** and **1,385 (7.61 per cent)** loans respectively.

Fig. 2: Distribution of Loans Guaranteed by States and Number: July-September, 2015



In the third quarter of the year, Benue State had the highest with **N628.570 million (21.64 percent)**, followed by Delta and Edo States with **N266.684 million (9.18 per cent)** and **N193.320 million (6.65 per cent)** respectively.

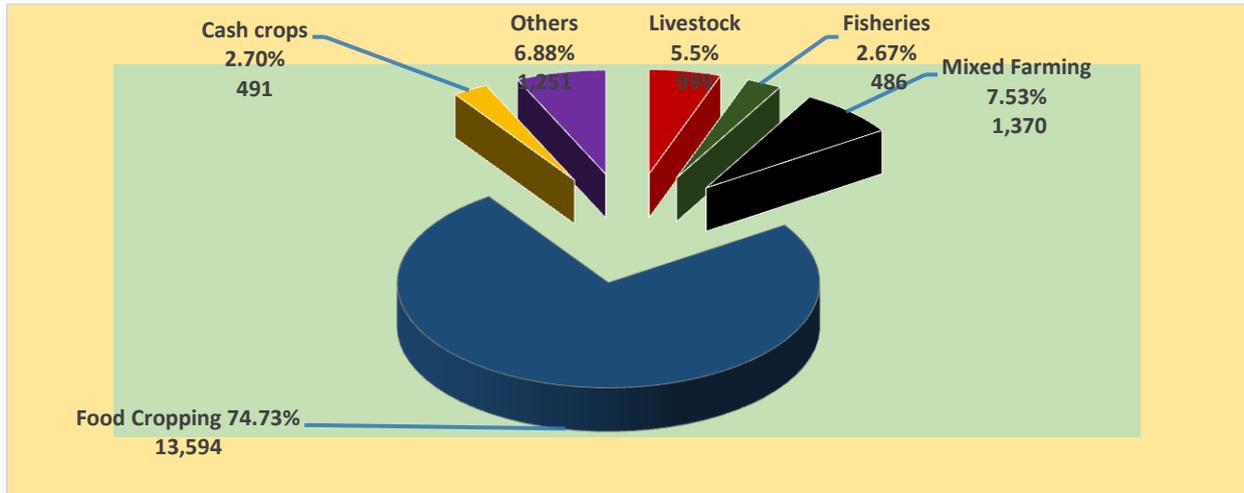
Fig.3: Distribution of Loans Guaranteed by States and Amount: July-September, 2015 (N'000)



1.3.4 DISTRIBUTION OF LOANS GUARANTEED BY PURPOSE

The analysis of the distribution of loans guaranteed by purpose in the third quarter 2015 showed food crops dominated with **13,594 loans (74.73 per cent)** valued **N2.086 billion (71.79 per cent)**, followed by Mixed Crops which recorded **1,370 loans (7.53 per cent)** valued **N217,641 million (7.49 per cent)**. Others posted **1,251 loans (6.88 per cent)** valued **N135.840 million (4.68 per cent)**. Livestock, cash crops and fisheries accounted for **999 loans**, **491 loans** and **486 loans** valued **N271.021m**, **N54.330m** and **N140.841m** respectively, as shown below

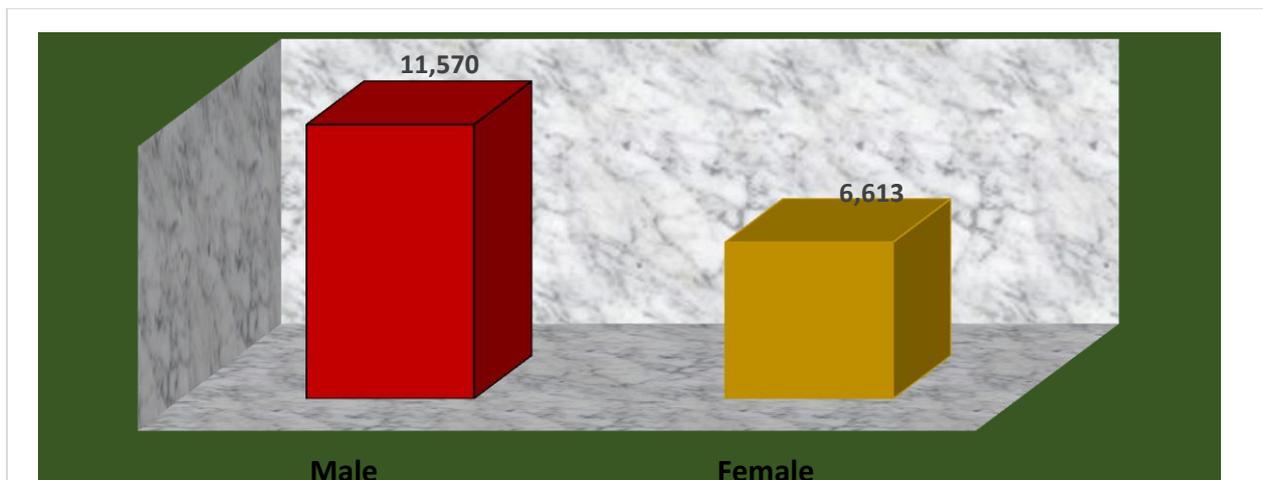
Fig. 4: Distribution of Loans Guaranteed by Purpose: July-September, 2015.



1.3.5 Loans Analysis by Gender

During the period under review, **11,570** male beneficiaries obtained loans valued **N1.84 billion** while **6,613** loans valued **N1.05 billion** were borrowed by female borrowers, and **8** loans amounting to **N16.06m** were recorded as guaranteed loans by some unspecified borrowers. (fig5)

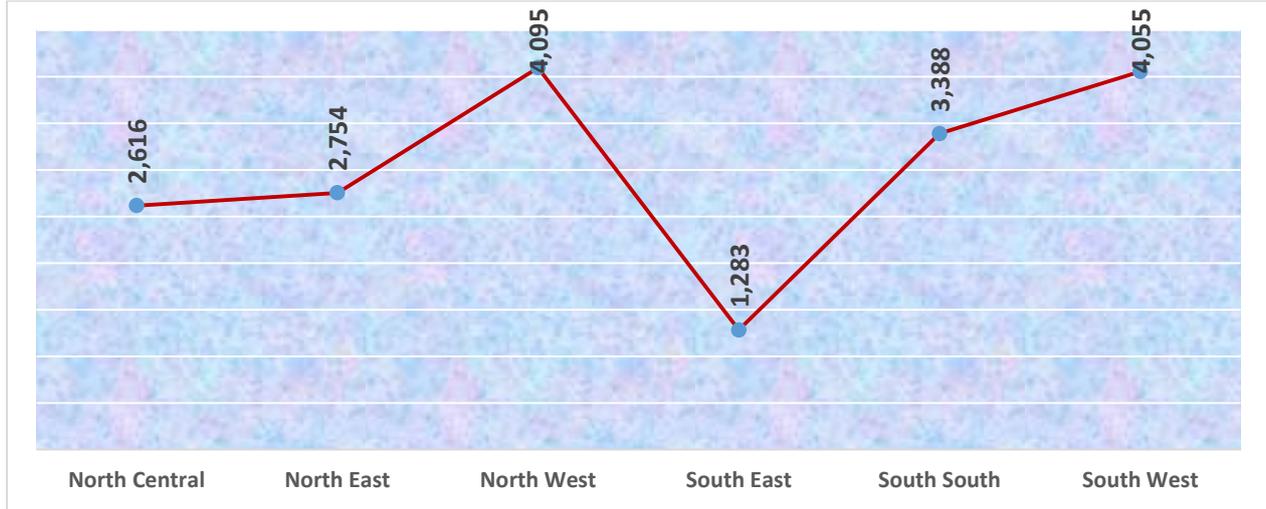
Fig. 5: Distribution of Loans by Gender as at July-September, 2015



1.3.6 Loans Analysis By Geo-Political Zones In The Quarter

Analysis of number of loans guaranteed by States in the geo-political zones in the 3rd quarter of 2015, showed that the **North West zone** (Kaduna, Kano, Kastina, Kebbi, Jigawa, Sokoto, Zamfara States) recorded the highest with **4,095 loans** amounting to **N406.700 million**. Followed by **South West zone** (Ekiti, Lagos, Ogun, Ondo, Osun and Oyo with **4,055 loans** valued **N520.900 million**, while **South-South zone**, (made up of Akwa Ibom, Bayelsa, Cross Rivers, Delta, Edo and Rivers States) came third with **3,388 loans** valued **N564.293 million**. (Fig.6).

Fig 6: Distribution of Loans Guaranteed by Number and Geo-Political Zones July-September, 2015



1.3.7 Loans Repayment

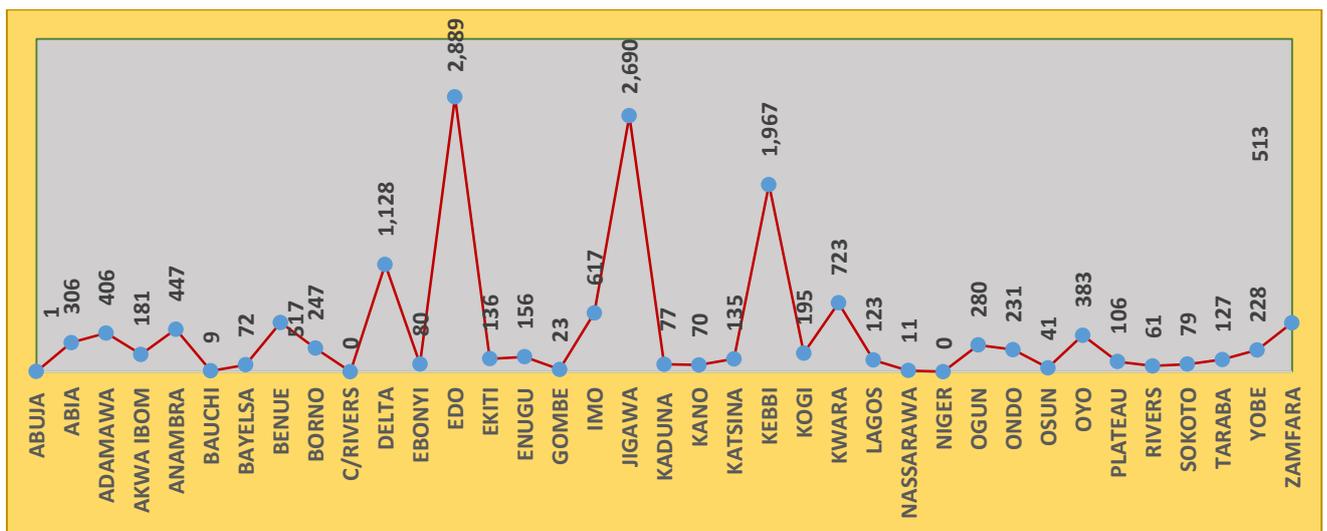
The value and volume of loans recovered in September, 2015 decreased by 71.27 and 72.50 per cent to 2,043 loans valued at **N340.667m** respectively, below the levels in the corresponding period in 2014. During the 3rd quarter of 2015, a total of **15,255 loans** valued **N2.487 billion** was fully repaid as against **12,519** valued **N1.87 billion** recovered during the same period in 2014.

Cumulatively, **738,100 loans** valued **N63.322 billion** had been fully repaid from inception of ACGS to September 2015.

1.3.7.1 Distribution of Loans Repaid by States and Number, July-September, 2015

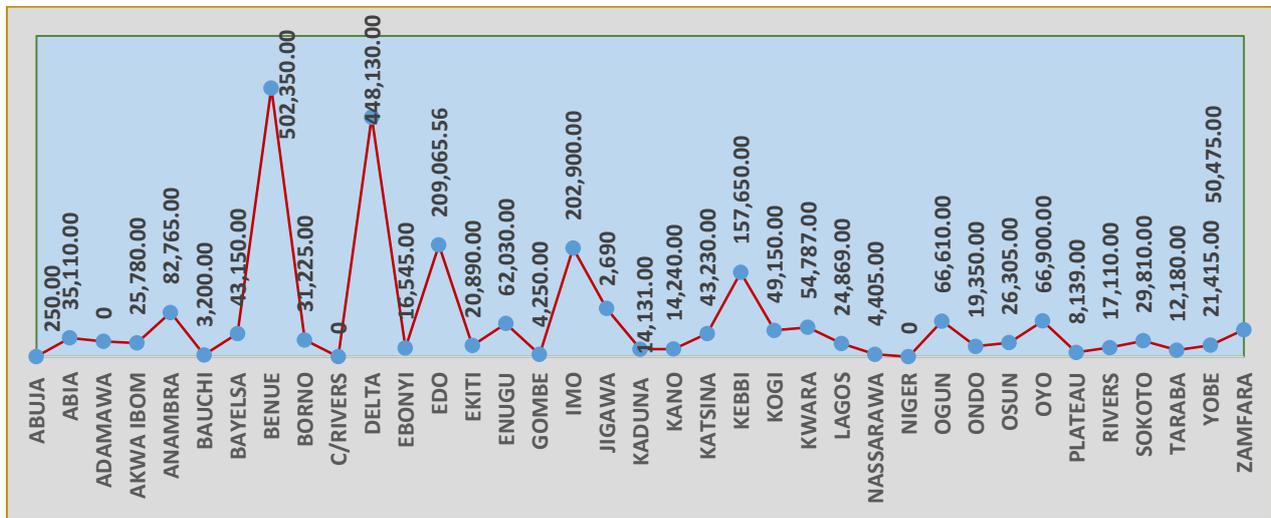
An analysis of loan repayment by States during the third quarter, 2015 revealed that Edo State had the highest with loan repayment of **2,889 loans (18.94 per cent)** valued **N209.066 million (8.41 per cent)**, followed by Jigawa and Kebbi States which recorded **2,690 (17.63 per cent)** and **1,967 loans (12.89 per cent)** respectively.

Fig. 7: Distribution of Loans Repaid by States and Number, July-September, 2015



An analysis of loan repayment by States during the third quarter, 2015 revealed that Benue state had the highest with loans repayment valued at **N502.350 million (20.20 per cent)** followed by Delta and Edo with **N448.130 million (18.02 per cent)** and **N209.065 million (8.41 per cent)** respectively.

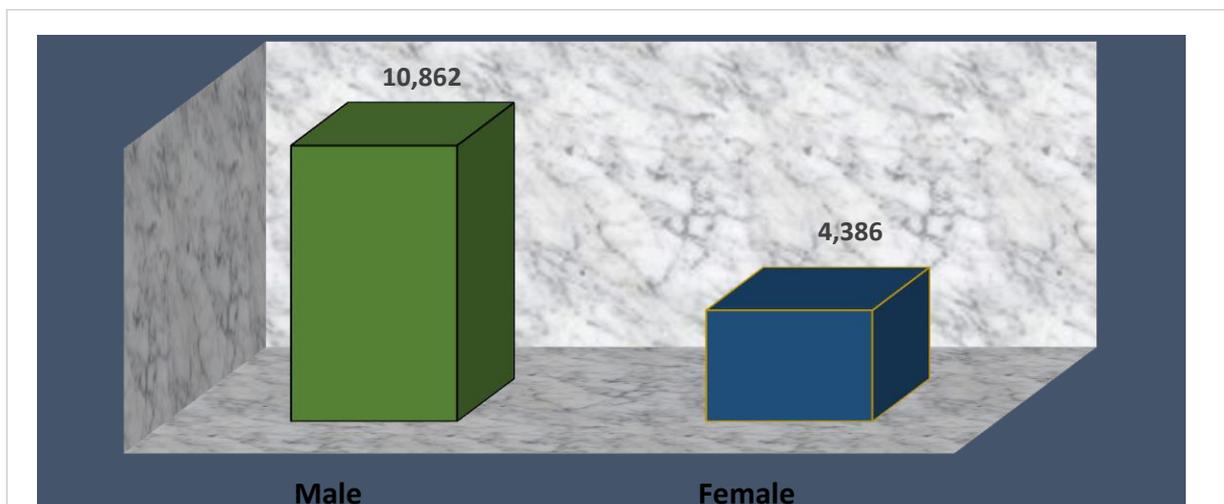
Fig. 8: Distribution of Loans Repaid by States and Value: July-September, 2015 (N ‘1000)



1.3.7.1 Loans Repayment by Gender of Borrowers

The analysis of repayment by gender of borrowers in the third quarter of 2015, showed that **10,862** (71.20 per cent) which represented male beneficiaries repaid **N1.558 billion** (62.64 per cent) while, **4,386** loans (28.75 per cent) valued **N900.59 million** (36.21 per cent) were repaid by female borrowers. (Fig.9)

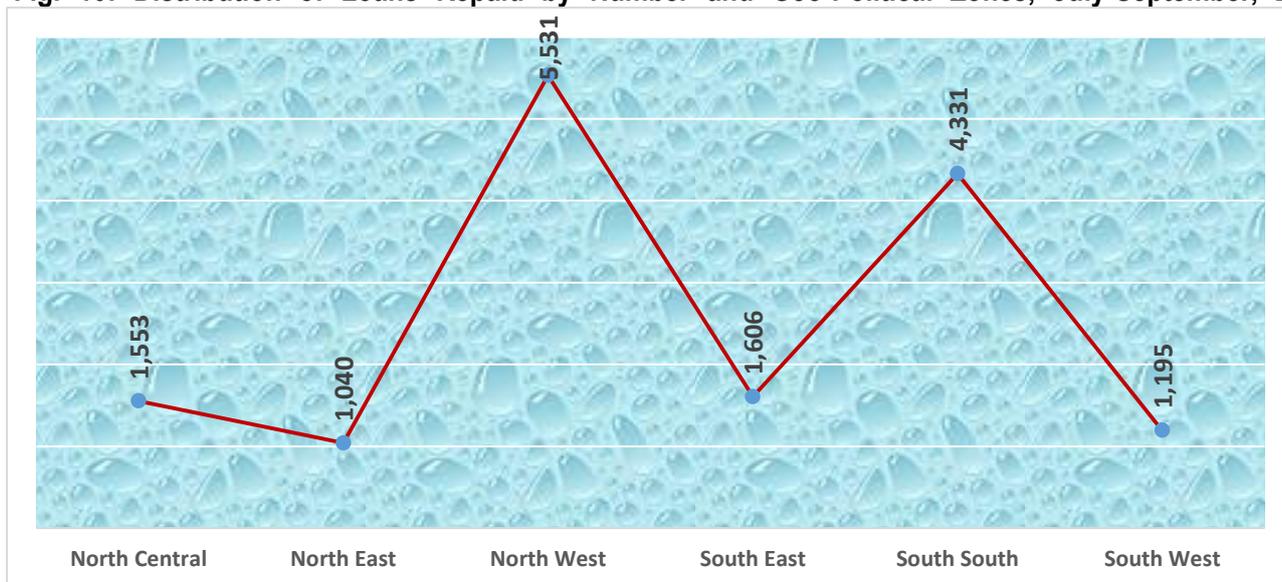
Fig. 9: Distribution of Loans Repayment by Gender, July – September, 2015.



1.3.7.2 Loans Repayment by States/Geo-Political Zones

During the quarter under review, the analysis of repayment on geo-political zone basis revealed that the **North West zone** (Kaduna, Katsina, Kano, Kebbi, Sokoto, Jigawa and Zamfara States) repaid the highest number of loans totaling **5,531 loans** valued **N399.536m**. This was followed by the South- South zone, made up of (Akwa Ibom, Bayelsa, Cross Rivers, Delta, Edo and Rivers) which repaid **4,331 loans** valued **N743.236** million while the **South East zone** comprising Abia, Anambra, Ebonyi, Enugu and Imo came third with **1,606** loans valued **N399.350 million**, (Fig: 10).

Fig. 10: Distribution of Loans Repaid by Number and Geo-Political Zones, July-September, 2015



1.3.9 ACGS Claims Settlement

19 ACGSF claims valued **N5.334m** was settled in Sept, 2015. The number of ACGSF Claims settled from July-September, 2015 was **19** Claims valued **N5.334m**.

This brings the cumulative number of settled Claims from inception to date to 16,780 claims valued N620.937 million.

1.3.9.1 Interest Draw-Back Programme (IDP) Claims Settlement

1,466 IDPs valued **N13.165m** was settled in Sept, 2015. This brings to **5,305** ACGSF claims valued **56.788**million guaranteed from July to September, 2015.

The total number of IDP claims settled from inception to date is 276,199 claims valued N2.510 billion.

1.3.9.2 Agricultural Credit Support Scheme (ACSS)

The Agricultural Credit Support Scheme was established to finance large ticket agricultural projects with an interest rebate of 6 per cent upon timely repayment of the facility. As at end September 2015, no rebate was paid, however the total rebate paid from inception stood at 40(after reconciliation) projects valued N910.020 million.

1.3.9 Agricultural Credit Support Scheme (ACSS)

The Agricultural Credit Support Scheme was established to finance large ticket agricultural projects with an interest rebate of 6 per cent upon timely repayment of the facility. No rebate was paid as at September 2015, however, after reconciliation within the period, the total rebate paid from inception stood at 40 projects valued N910.020 million.

1.4 N235 Billion SME Credit Guarantee Scheme (SMECGS)

The N235 Billion Small and Medium Enterprises Credit Guarantee Scheme (SMECGS) was established in April 2010 to fast-track the development of the manufacturing and SME sub-sector by providing guarantee for banks' credit. The activities covered under the Scheme include Manufacturing, Agricultural Value Chain and Educational Institutions.

1.4.1 Achievements/Activities:

- 6 (Six) projects valued **N432.00 million** were guaranteed under the Scheme from July to September, 2015. The total number of projects guaranteed since inception to date were **87 (Eighty Seven)**, valued **N4.219 billion**.
- Four (4) projects were fully repaid from July to September, 2015. Cumulatively, the total number of fully repaid loans stood at **40** valued **N2.439 billion** since inception to date.

1.4.2 Challenges:

- Low Stakeholder Buy-in for SMECGS.

1.4.3 Way Forward:

- Introduce Interest Draw-back Programme (IDP).

1.5 N200 Billion SME Restructuring/Refinancing Fund (RRF)

The N200 Billion SME Restructuring /Refinancing Fund (RRF) has been discontinued by the Management of the bank. However, the repayment from RRF will be utilised in the new Scheme (RSSF).

1.5.1 UPDATE ON SME/RRF

- Although the RRF was discontinued in December, 2015, there were approved projects prior to its discontinuation which has to be disbursed through the BOI. From the RRF repayment account now under RSSF, the sum of **N7.8b** was disbursed to Tempo paper and pulp for the period under review. Bringing the total amount released to BOI so far at **N368.525 billion (N235 billion from the main Account and N133.525 billion from the repayment account)** to **603** projects from inception to date.
- The total loan Repayments by the DMBs to BOI as at September, 2015 under SME-RRF stood at N122.724bn out of which N120.811bn was disbursed bringing the balance in the repayment account to N1.913bn.

1.6 Establishment of a Real Sector Support Facility (RSSF)

The COG at its 375th Meeting of the 26th November, 2014 approved the establishment of a N300 billion Real Sector Support Facility (RSSF) to address the funding needs of large ticket SMEs in Nigeria. It is aimed towards closing the short-term and high- interest financing gap for SME/Manufacturing and start-ups as well as create jobs through the Real Sector of the Nigerian economy.

1.6.1 Disbursements

- No project was approved in the period under review. However, the sum of N3.5b was disbursed to one (1) project from inception to date.

1.7 National Collateral Registry (NCR)

Collateral Registry is a central database that records registration charges and collateral(s) created by borrowers on both movable and immovable properties to secure credit facilities provided by lenders. It is a public database

of ownership of assets, allowing borrowers to prove their creditworthiness and potential lenders to assess their ranking priority in potential claims against particular collateral.

1.7.1 Project Unique Identifier

The Management at its meeting considered and approved the use of BVN as the single identifier number for the operations of the NCR which should dovetail into National Identification Project of the NIMC.

1.7.2 NCR Operations Account/Development of Payment System

In the period under review, management approved the opening of a National Collateral Registry Operations Account for the collection of NCR proceeds from Financial Institutions. The account has been opened and details have been forwarded to both Interswitch Limited and the software developers for integration on the NCR payment portal.

In the course of pre-payment portal development, the Department in collaboration with BPSD considered Interswitch Limited the most appropriate to provide the NCR the required payment services. Accordingly, Interswitch Limited forwarded to the Department the Project Initiation Document (PID) and Implementation Requirement Document (IRD) for consideration. Both documents were reviewed by the Legal Services Department and adjudged fit for sign off.

1.7.3 Awareness and Enlightenment Program

The Department attended a meeting in Lagos which recommended the composition of a Technical Working Group to be chaired by SMEDAN, in line with the existing structure approved by the plenary on the launch of the NCR. The core group is also to have a co-chair from the private sector in Credit Bureau Association of Nigeria (CBAN). Other members of the Core Technical group include: CBN (comprising NCR, Credit Bureau, Consumer Protection Department and Corporate Communications Department); IFC (two representatives); Bankers' Committee (One Rep); NACCIMA (One Rep) and National Association of Microfinance Banks (NAMFB) with one representative.

Similarly, tripartite meeting of DFD, Gems3 and IFC was held on the 4th August 2015 to strategize on the manner and ways of undertaking a successful public awareness and sensitization campaign.

1.7.4 Financial Infrastructure Week 2015

As part of the Capacity building, the IFC / World Bank sponsored some staff of DFD (NCR Office) to participate in the Financial Infrastructure Week 2015, held in Istanbul 1 – 4 September, 2015. The workshop focused mainly on three aspects of the financial infrastructure mainly:

- Payment Systems
- Credit Reporting
- Secured Transactions and Collateral Registries.

1.7.5 Appointment of Media Consultant for Sensitization /Capacity Building.

Through a World Bank bidding process, C&F Porter Novelli was selected as Consultant to provide strategy for the awareness and sensitization of stakeholders for the Credit Reporting and NCR. C&F would develop the campaign framework while the NCR would implement.

1.7.6 Challenges

- Need for legislation on the NCR
- Securing the buy-in of the various stakeholder
- Fast-track the Infrastructure installation

1.7.7 Way Forward

- Initiate efforts to ensure that the secured transactions in moveable Assets Bill is passed by the National Assembly.

1.8 Power and Airline Intervention Fund (PAIF)

The sum of N500 billion was approved by the Monetary Policy Committee in 2010 for investments in debentures issued by the Bank of Industry (BOI) out of which the sum of N300 billion would finance power and airline projects and N200 billion for RRF. PAIF was designed as part of the quantitative easing measure to address the paucity of long-term credit and acute power shortage in the country.

1.8.1 Disbursements

- No disbursement was made during the period under review. Cumulatively, the total sum of **N249.614 billion** had been released to BOI from inception to date and disbursed through banks to **55 projects (39 power projects received N128.852 billion while 16 airline projects had N120.762 billion.**

Table 5: Disbursement as at 3rd Quarter, 2015

Activity Report for the Month of:	July - September 2015
PAIF FACILITY	300 Billion (N)
Amount released to BOI (July- September,2015)	NIL
Net Amount Released to BOI as @ September, 2015	249.614billion
Amount Disbursed by BOI as @ September, 2015	249.614billion
Amount released to BOI but not yet disbursed to PBs as @ September, 2015	NIL

1.8.2 PAIF LOAN REPAYMENT

The sum of **N5.538 billion** was remitted by the BOI to CBN under the PAIF during the period under review. Bringing the total repayments to **N58.639billion** by **fifty one (51)** projects in the following order;

Table 6: PAIF Loan Repayments Received By CBN

Type	Airline	Power	Total
No of projects	15	36	
Amount received by CBN as PAIF repayment in 3 rd quarter, 2015	2,520,624,384.10	3,017,831,953.36	5,538,456,337.46
Grand total as @ 3rd quarter, 2015	31,841,704,657.91	26,797,976,315.87	58,639,680,973.78

1.8.3 Challenges

- To ensure timely remittance of loan repayment to CBN by BOI;

1.8.4 Way Forward

- Regular meetings with the Managing Agent (BOI) and Technical Adviser (AFC);

1.9 Nigeria Electricity Market Stabilisation Facility (NEMSF)

The Bank has established the Nigerian Electricity Market Stabilization Facility (NEMSF) in accordance with Section 31 of the CBN Act, the Bank invested N213billion in a Refinancer – **NESI Stabilization Strategy Ltd** to provide refinance for the **NEMSF**. The facility is aimed at putting the Nigerian Electricity Supply Industry (NESI) on a route to economic viability and sustainability by facilitating the settlement of Legacy Gas Debts and payment of outstanding obligations due to Market Participants, Service Providers and gas suppliers that accrued during the Interim Rules Period (**IRP Debts**). NERC has also released a MYTO 2.1.

1.9.1 Disbursements

- No fund was disbursed under Nigeria Electricity Market Stabilization Facility (NEMSF) in the period under review. However, cumulatively, the total sum of **N64.755billion** has been disbursed to **eighteen (18)** participants since inception.

1.9.2 Challenges

- Suit against the establishment of NEMSF by a legal firm Baribefi Tebira
- Downward review of electricity tariff by Nigeria Electricity Regulatory Commission (NERC)

1.9.3 Way Forward

- Discussions are on-going by NERC to review of the Electricity tariff

PART TWO. FINANCIAL INCLUSION ACTIVITIES

Financial Inclusion is the delivery of financial services at affordable prices and terms to the generality of the populace especially the disadvantaged and low income segment of the society. The primary objective is to connect the unbanked population with the mainstream financial services. Pursuant to the implementation of the strategy, the following activities were executed:

2.1 ACTIVITIES

2.1.1 Participation at the African Microfinance Conference On Accelerating Innovative Rural Finance in Africa, Senegal: June 29th – July 3rd 2015

The Department participated in the African Microfinance Conference on Accelerating Innovative Rural Finance in Africa held in Senegal from June 29th to July 3rd 2015.

Key learning points from the conference includes;

- The role of public and private sectors partnership in providing finance to the rural zones.
- Engaging susu collectors, traditional informal financial service providers, as agents to offer savings will boost inclusion.
- Crowd funding methods to be used in bringing working capital to dairy and grain farmers via “invoice discounting.
- Need to improve Rural Enterprise through Micro Insurance, Technology, and Market Research.

2.1.2 Financial Inclusion Capacity Building Workshop

The Department in collaboration with EFinA organised a 4 (four) day capacity building workshop for stakeholders from July 13th-16th 2015.

The workshop was modelled to provide deeper insight on the following key areas;

- Financial Inclusion intervention processes and how they are interrelated.
- Global perspectives, contextual application and benefits of financial inclusion to Nigeria.
- Products and services that encompass digital financial services and the role of technology and policy.
- Business cases for financial services drawing experiences from relevant jurisdictions.
- The role of the customer and other issues that commonly impact their behavior towards financial services.

2.1.3 Financial Inclusion Sensitization in Imo and Ebonyi States

Participated in the bank wide sensitization harmonized campaign in Owerri and Abakaliki from 13th July to 15th July 2015.

The deliberations at the meeting focused on

- sensitization, drivers and benefits of financial inclusion;
- enlighten and redress mechanisms for banks wrong doing; and
- Credit enhancement Schemes of the Banks.

2.1.4 Financial Inclusion Secretariat's Presentation at the CDD meeting

The Financial Inclusion Secretariat presented the National Financial Inclusion Strategy Implementation updates at the Committee of Departmental Directors (CDD) to get the Directors well informed of activities of the Secretariat in pursuit of implementing the National Financial inclusion Strategy.

Highlights of the update on the Implementation Strategy included a brief on the activities of:

- The National Financial Inclusion Governing Committees, which comprises of the Steering Committee (FISC) and the Technical Committee (FITC) which was set up to lead the Strategy implementation process;
- The Financial Inclusion Working Groups which was constituted to support efficient and innovative stakeholder actions in the performance of their roles and responsibilities, and facilitate accelerated achievement of the targets of the Strategy;
- The conclusion of the second round of the data collection in the Geospatial Mapping of financial access points in the country; and,
- The Digital Financial Services Project which was designed through the collaborative effort of the CBN, Federal Ministry of Finance (FMOF) and the Bill and Melinda Gates Foundation (BMGF) to achieve an end-to-end digital financial services infrastructure towards the goal of 70 per cent electronic payments by adult Nigerians, and overall 80 per cent financial inclusion by 2020.

2.1.5 Meeting with the Project Delivery Team on NIPOST Financial Inclusion Project

The Secretariat attended a meeting of the Project Delivery Team (PDT) on the NIPOST Financial Inclusion Project. Deliberations were on the progress of the NIPOST Financial Inclusion Project (PPP) to enable the NIPOST provide Banking Services to the un-reached population. Two variants of role of NIPOST were proposed. They are the Carrier of Banking Services (Carrier model) and the Provider of Banking Services (Provider model). The Secretariat pledged to give necessary support to the PDT on capacity building for its members.

2.1.6 Follow-up visit to Rivers State to monitor implementation of action plans

The Secretariat undertook a follow-up visit to Port Harcourt, River State to monitor activities of stakeholders to advance financial inclusion in the State. The visit highlighted the importance of devolving the responsibility for monitoring compliance with decisions to the Branch Office of the Central Bank of Nigeria and reporting progress to the Financial Inclusion Secretariat regularly. To support this arrangement, it was resolved that the Secretariat should provide a template to stakeholders to complete their actions plans for the period 2016 to 2018. Emphasis focused on activities that would create a platform to assist excluded groups to be included in the financial system.

2.1.7 Global Policy Forum of the Alliance for Financial Inclusion.

The Department attended 7th Annual AFI Global Policy Forum with the theme “Inspiring Innovation to Advance Inclusion”, held in Maputo, Mozambique from 1st to 4th September, 2015.

The Forum provide the following recommendation:

- That a committee comprising Development Finance Department, Financial Inclusion Secretariat, Small and Medium Enterprises Development Agency of Nigeria (SMEDAN) be set up to deliberate on the SME finance target to be incorporated into the National Financial Inclusion strategy in line with the Maputo Accord.
- That a committee comprising the Development Finance Department, Financial Inclusion Secretariat, Banking Supervision, Other Financial Institutions Supervision’s, the Bankers’ Committee and Apex Microfinance Associations should be constituted to examine the modalities and incentives for increased rural outreach in Nigeria.
- Financial Inclusion Secretariat should work on a proposal for the Bank to benefit from the new AFI grants program for developing and implementing gender-focused policies for financial inclusion.

2.1.8 Financial Inclusion Secretariat’s Data Management Activity

The Secretariat received feedback on request for half year data made to all regulators and relevant Departments in CBN. The returned templates containing the industry data were analyzed and the results would be used to compute key indicators of the status of the Financial Inclusion in the country.

2.1.9 Bank-wide sensitization campaign

The Secretariat participated in the bank wide sensitisation campaign from 7th to 11th in Katsina and Kaduna September 2015. The team visited two markets namely; Batagarawa market and Mani Market in Katsina State, while in Kaduna, Mahmud Gumi International Market and Tirkaniya Market were visited. Approximately 2,500 attendees were sensitized on the benefits and drivers of financial inclusion. They were also enlightened on redress mechanisms for banks wrong doing and credit enhancement schemes of the Bank.

2.2.0 Financial Inclusion Working Group meetings

The Secretariat attended in the Financial Inclusion Working Group meeting in September 17, 2015. Status of implementation of the work-plans was reviewed to ascertain the progress made, challenges and chart ways forward. The outcome of the meetings showed that substantial progress has been made by the responsible agencies, but further high level engagement with management of stakeholder agencies was highly desirable to increase tempo of implementation.

2.2.1 Challenges

- Lack of appropriate visibility amongst certain stakeholders on the targets of the National Financial Inclusion Strategy
- Low adoption of Agent Banking and inadequate dispersion of agents particularly in rural areas.
- Delayed meeting of the Steering Committee hinders getting approval for critical elements of the work plan. Hopefully, the Steering committee meeting will hold as soon as the incoming Ministers assume office.

2.2.2 Going Forward

- Concerted efforts to implement stakeholder engagement meetings planned for 2015.
- Implementation of the Work Plans for the four Financial Inclusion Working Groups.
- Engagement on planned research studies on critical financial inclusion initiatives to support NFIS implementation.
- Leverage harmonized sensitization campaign to reach out to State governments across the nation of including financial inclusion to their policy directions.

PART THREE: ENTREPRENEURSHIP DEVELOPMENT INITIATIVES

3.1 Entrepreneurship Development Centres (EDCs)

The Entrepreneurship Development Centres were initiated by the Bank to unleash the entrepreneurial spirit of youths to own/set up their own businesses, create employment and reduce poverty. During the period under review, a number of activities were carried out;

3.1.1 Activities

3.1.1 Monitoring of EDC and Visit to Projects of EDC Graduates.

During the period under review, a routine monitoring of CBN-EDC South-South located in Calabar and six (6) projects of EDC graduates was carried out. It was gathered that the training of 3rd quarter participants was on going, while some trainees were undergoing internship.

3.1.2 Meeting of the Governing Council of CBN-EDC.

The 23rd meeting of the CBN-EDC Governing Council was held on August 27, 2015. The following issues were discussed at the meeting:

- An Update on BOI's Microcredit Product for the EDC Graduates
 - The status of the South-East EDC
 - The number of EDC participants that have benefitted from the CBN Micro, Small and Medium Enterprises Development Fund
- c). In the quarter under review, 1,796 participants were trained and 491 jobs were created in the existing EDCs located in North-East (Maiduguri), North-Central (Makurdi) and South-South (Calabar).
- 513 participants (291 male and 222 female) trained in North-East
 - 514 participants (394 male and 120 female) trained in North-Central
 - 769 participants (402 male and 367) female trained in the South-South

Cumulatively from inception, 19,625 participants were trained out of the total target 15,000, 13,549 jobs were created while 6,596 accessed a total of N918.464mn funds as loan to start their businesses.

The 2 new EDC's (located in North-West (Kano) and South-West (Ibadan)); and one outreach Center located in the North-Central (Minna) had trained 1,312 participants and 645 jobs were created.

- 550 participants (462 male, 88 female) were trained in North-West
- 412 participants (270 male, 142 female) trained in South-West
- 350 participants (212 male, 138 female) trained in the North-Central outreach centre.

Cumulatively from inception in January, 2015, **3,610** participants were trained under the EDCs while **1,611** jobs were created.

3.1.3 Challenges

- Keeping to the timeline and securing stakeholders buy-in.
- Keeping to timeline in selecting consultants to operate the centres.
- Identifying the financing products for the EDC Graduates to key-in.

3.1.4 Going Forward

- Engaging the would-be host State governments to operate under the Tripartite Agreement.
- Continue to sensitize the National, State and community on effective advocacy and prudent use of the funds.
- The Bank and the Implementing Agencies (IAs) to continually explore areas of financial linkage for the EDC graduates.

3.2. MSME DEVELOPMENT FUND (MSMEDF)

3.2.1 Activities

- a). The sum of **N3.226 billion** was approved and disbursed to **fifty-one (51)** PFI/States within the 3rd quarter 2015, bringing the wholesale amount disbursed to **N51.834 billion** under the MSMEDF Commercial Component since inception. (Table 7)

Table 7 – MSMEDF Commercial Component Activity Summary: 3RD Quarter, 2015

Wholesale Fund	Wholesale Amount	198 Billion
	Wholesale Amount Disbursed in September, 2015	1,173.98 billion
	Wholesale Amount Disbursed in 3rd quarter, 2015	3,226.77 billion
	Cumulative Wholesale Amount Disbursed from inception to date	51,834.89 billion
	Wholesale Balance as at end of September, 2015	146,165.11

b). Meetings and Stakeholders engagements

Several meetings on stakeholders' engagement were held during the period which includes;

- Meeting with Ondo State Microcredit Agency (OSMA) on 11 August, 2015 to discuss the nomination of 4 PFIs by OSMA (Ekimogun and Oredgebe MFBs, Basiru and COWAN Cooperatives) to disburse funds to beneficiaries. The following resolutions were reached;

- That OSMA was advised to drop Cooperatives and use only licensed PFIs such as DMBs and MFBs to disburse funds to beneficiaries;
 - That OSMA signs an MoU with the nominated PFIs; and,
 - That the request of N664million should be re-worked and accommodated under the MFB's and re-submitted.
- The Second and third runs of the Bankers' Committee/CBN organized SME Finance workshops for DMBs were held from September 1 - 2 in Abuja and September 9 in Owerri. A total of 145 participants from 16 DMBs were in attendance in Abuja while 138 participants attended the Workshop held in Owerri.

C) Post Verification Exercises

In the period under review, Post disbursement verification exercises were conducted in Three States during the reporting period. This includes;

- ✓ Kogi State Government
- ✓ Enugu State Government
- ✓ Lagos State
 - Zenith Bank SMEs
 - NPF MFB
 - Accion MFB
 - Stateside MFB

The MSMEDF conducted post-disbursement verification in collaboration with DFOs and SPVs of the States. The exercise included verification to adherence to the terms & conditions and a cross section of beneficiaries were also visited to confirm proper utilization of the fund disbursed. The following observations were made during the exercise:

- Repayment schedule not properly communicated to beneficiaries
 - Interest charged upfront
 - Multiple borrowing was discovered
 - Some PFIs in the State charged excess COT on clients
- Similarly, the Management conducted a verification exercise on FCMB Plc within the period. It was observed that the bank has a well laid down framework for identifying good SME clients, verifying their proposals, assessing the credit needs/approving MSMEDF loans as well as monitoring the loans to avoid default. The team recommended the following:
- That CBN should consider the inclusion of an "Award for the Best Performing DMB" under the MSMEDF Annual Microfinance Conference and Awards.
 - Going forward, all DFOs in the Department must be informed on real time basis of all MSMEDF approved projects within their locations for them to document live projects, secure the needed financial budgets and jointly monitor repayments at the various locations with officials of the DMBs.

3.2.2 Challenges

- Deployment of MSMEDF IT solution
- Inadequate staff complement to process applications
- Capacity building for Staff
- Awareness creation for stakeholders

3.2.3 Going Forward

- Approval obtained from management for contracting the job
- Deployment of additional staff to the office
- Need to build capacity for Staff
- Arrange workshops in all geopolitical zones

3.3 Microfinance Management

3.3.1 ACTIVITIES

3.3.2 Rural Finance Outreach Coordination Committee (ROCC)

The name of the RUFIN Strategic Implementation Committee (SIC) has been changed to Rural Finance Outreach Coordination Committee (ROCC). The change in name was necessitated because of the need to be aligned with the objective of enhancing access to rural financial services and increasing outreach in the rural areas. The Terms of Reference of the Committee was also streamlined to reflect the objective of the Committee.

3.3.3 Training on Rural Business Plan (RBP)

The training on Rural Business Plan was held in Owerri, Imo State from 13th -17th July, 2015. The objective of the workshop was to train the participants on how to develop and implement the rural business plan to enhance access to finance by the rural populace. Participants were drawn from RUFIN A total of 60 participants attended the workshop.

3.3.4 Meeting With IFAD Independent Evaluation Office

The three (3) RUFIN Implementing Departments (OFISD, RD and DFD) met with a team from IFAD Independent Evaluation Office on the 22nd of July, 2015. The meeting was aimed at an independent evaluation of the RUFIN Project. Questionnaire on evaluation of the RUFIN Project would be forwarded by the Team to the Implementing Departments.

Training on Rural Business Plan was also held in Bauchi and Oyo States from 3rd -7th and 17th-21st of August, 2015. The objective of the workshop is to train the participants on how to develop and implement the rural business plan to enhance access to finance by the rural populace. Participants were drawn from RUFIN mentored Microfinance Banks, Non-Bank Microfinance Institutions, Financial Cooperatives, Association of Non-bank Microfinance Institutions (ANMFIN), National Association of Microfinance Banks (NAMB), RUFIN and CBN. A total of 60 participants attended the workshop.

3.3.5 Non-Bank MFI Database

The DFOs have commenced usage of the application for Non-Bank MFI Database. Various challenges were faced with the usage of the application which has been taken up with the Information Technology Department.

An amended copy of the questionnaire for data collection has also been forwarded to the DFOs

3.3.6 Meeting of the Microfinance Advisory Board (MAB)

The 22nd Meeting of Microfinance Advisory Board was held on 13th August, 2015. Stakeholders including representatives of Ministry of Agriculture and Rural Development, National Planning Commission, RUFIN,

Deposit Money Banks, Development Finance Institutions, Development Partners, Organised Private Sector and CBN were in attendance and deliberated on the activities of each of the Stakeholders' Organization with respect to microfinance sub-sector and the efforts made towards achieving economic growth.

3.3.8 RUFIN Task Force Meeting

Held its first meeting on September 23, 2015 at the RUFIN Conference room in Abuja. The Committee comprised RUFIN stakeholders namely: IFAD, ANMFIN, NAMB, BOA, CBN and Federal Department of Co-operatives. The following were agreed at the meeting:

- CBN should write to State Governments in the 12 RUFIN states to officially inform them of the existence of ROCC in their states.
- CBN should distil the information in the minutes according to standardized templates for follow-up and consolidation of reports for the State Rural Finance Outreach Coordinating Committees (ROCCs),
- CBN should develop indicators of financial rural outreach, and
- Report on progress from ROCC members (BoA, NAMB, ANMFIN and FDC).

3.3.9. Challenges

- Implementation of recommendations of the RUFIN Mission Team and outstanding activities for the year.
- Update and validation of information on the MFI Database by DFOs.

3.4.0 Going Forward

- Commence implementation of recommendations by the various implementing Departments. Implementation of outstanding activities on the 2015 Annual Work Plan and Budget.
- Consistent update of information by the DFOs.

4.1 Commodity Promotion Activities

4.1.1 Achievements

4.1.2 Annual National Wheat Stakeholders Meeting

The Department, at the invitation of Lake Chad Research Institute under the Ministry of Agriculture and Rural Development participated at the Annual National Wheat Stakeholders Forum which held between 21– 24 July 2015 at the Institution of Agricultural Resources, ABU, Zaria.

The forum discussed the achievements, challenges and way forward for enhanced wheat production in Nigeria by wheat value chain stakeholders.

4.1.3 Training for the Members of the Consultative Committee on Agricultural Exportable Commodity Statistics (CCAECs) in Nigeria

A training for the members of the CCAECs which comprises of the National Bureau of Statistics (NBS), the Federal Ministry of Agriculture and Rural Development (FMA&RD and the Federal Ministry of Industry, Trade and Investment took place in Lafia, Nassarawa State, Zonal and State Offices of the National Bureau of Statistics. The objective of the training was to train the officers for the field work on the Statistics survey activities of the Agricultural Exportable Commodity Committee. The training which was carried out in stages included;

- 1st level training for the collaborating agencies;
- 2nd level training of the State Officers as well as the Supervisors of NBS in the six geopolitical zones of the National Bureau of Statistics; and,
- the 3rd level training being the training of the Enumerators took place in the 36 states of the Federation

4.1.4 Meeting with All Farmers Association of Nigeria (AFAN)

A meeting with the All Farmers Association of Nigeria (AFAN) was held in Abeokuta, Ogun State on August 7, 2015. In attendance were the President of the Association, the leader of the women in agricultural group, representatives of various commodities and livestock association, Stanbic IBTC bank and CBN.

The President, AFAN briefed the meeting on the activities of the farmers which included major crops produced in Ogun state as cocoa, cassava, rubber, ofada rice, kolanut, cotton coupled with fisheries and poultry businesses and cattle rearing which was fast gaining prominence in the state. Discussions also centered on the vital roles played by women in agriculture in the State especially in the areas of processing and marketing. It was stated that these activities provided them with additional income earning opportunity and enhances their ability to contribute to household food security.

It was gathered that the major challenges faced by farmers in the state were:

- Inability to expand their production due to unfavorable land laws, cost and difficulties encountered in acquiring a parcel of land;
- The high cost of purchasing or hiring farm implements and equipment;
- Lacks of access to finance as the banks' requirement for loans are too stringent;
- Challenges with marketing of their products and inadequate access to markets and channels of disposing their goods;
- Low yield of perennial crops like old cocoa trees; and
- Insurance Companies' refusal to pay claims to farmers for business losses or damages.

The Department briefed the Association on some of the Bank's Schemes and Interventions and reiterated its commitment to collaborate with the Association in areas that would help reduce the difficulties they faced.

4.1.5 2nd International Symposium on Mycotoxins in Nuts ,Dried fruits and Cereals

The Department attended a Symposium with the theme "Minimizing Mycotoxin Contamination in Foods and Feeds from 9th – 12th September, 2015 at the Raw Materials Research and Development Council (RMRDC). The Conference brought together over 140 National and International participants. Papers presented covered extensive areas such as pre and post harvest mycotoxin control, molecular pathways in mycotoxins production and others. The Symposium was not only timely at a time when Nigerian export produce were facing some rejection but also a welcome development in sensitizing stakeholders from developing countries who are the most exposed to the contaminating effect of mycotoxins.

The Symposium's recommendations include:

- Research should be strengthen towards the development and use of resistant crop varieties against mycotoxigenic fungi;
- Government should be encouraged to have national research focus on mycotoxin with more emphasis on human exposure assessment , standardization of detection method ,creation of relevant research

industry linkages and the establishment of reference laboratories for certification of imported and exported products;

- There is a need for the establishment of modern facilities and upgrade of existing laboratories for mycotoxins analysis, management and control for national and regional uses;
- There is need for adequate compartmentalization of agricultural produce for ease of traceability and safety;
- Development partners ,other initiatives and national Government should be encouraged to emphasize capacity building, awareness creation, advocacy and strategic communication in their countries; and
- Stakeholders should be enlighten on Good Agricultural Practices (GAP), Good Monitoring Practice (GMP) and other best practices on continuous and sustainable basis in the entire value chain actors of food, feeds and herbal drugs.

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