



DBN
Development
Bank of Nigeria
RC 1215724

2022 Impact REPORT



@DevBankNG

2022 Impact REPORT



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History of the Development

Development Bank of Nigeria (DBN) was set up by the Federal Government of Nigeria (FGN) in collaboration with global development partners to address the major financing challenges facing Micro, Small and Medium Scale Enterprises (MSMEs) in Nigeria. Our main objective is to alleviate financing constraints faced by MSMEs and small corporates in Nigeria. DBN does this, through the provision of financing and partial credit guarantees to eligible financial intermediaries on a market-conforming and fully financially sustainable basis.

The bank directly contributes to alleviating specific financing constraints that hamper the growth of domestic production and commerce by providing targeted wholesale funding to fill identified enterprise financing gaps in the MSME segment.

In addition, DBN plays a focal and catalytic role in providing funding and risk-sharing facilities to incentivize financial institutions. The Bank also improves the capacity of financial intermediaries by providing them with funding facilities that meet the needs of their smaller clients.

Our Partners include:



Our Value Proposition

Structure	Lending	Value - Addition	Performance
- PFIs are loan beneficiaries - includes commercial banks, DFIs, Microfinance banks - Wholesale bank model - No direct lending to MSMEs	- Longer tenor loans to support MSMEs development - Risk based pricing - Rate depends on risk of obligor	- Capacity building of both PFIs and MSMEs - DBN will help PFI modify lending behaviour	- Sustainable model - No reliance on government grants and funds. Impact measured by market share, number of MSMEs and jobs created - Governance enhanced by development partners, independent monitoring and international best practice

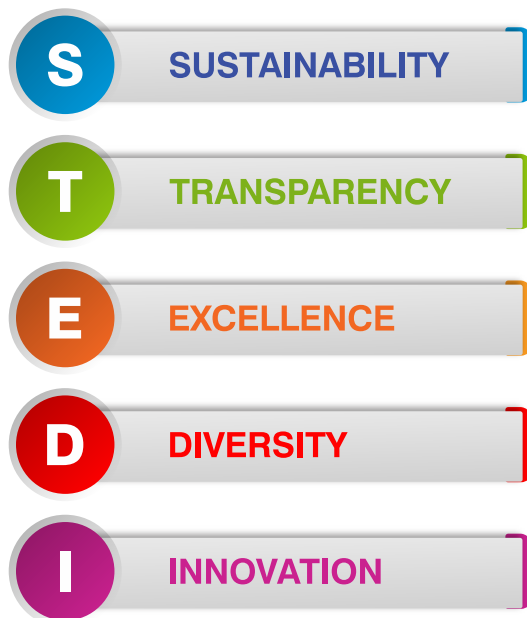
Our Vision

To be Nigeria's primary development finance institution; promoting growth and sustainability.

Our Mission

To facilitate sustainable socio-economic development through the provision of finance to Nigeria's underserved MSMEs through eligible financial intermediaries.

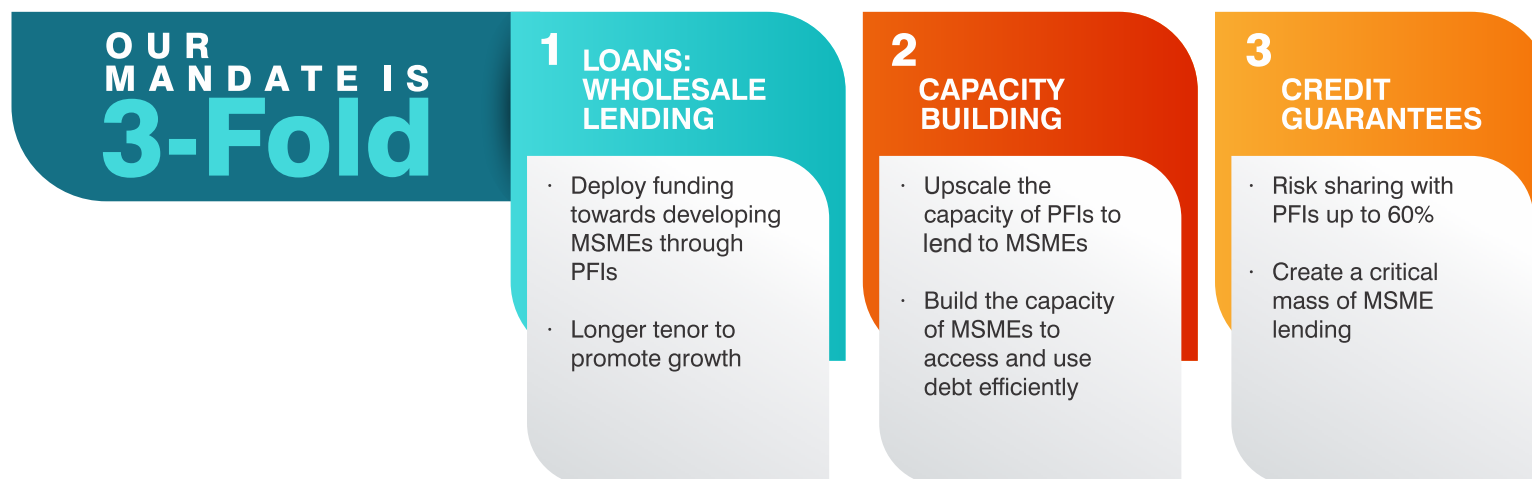
Core Values



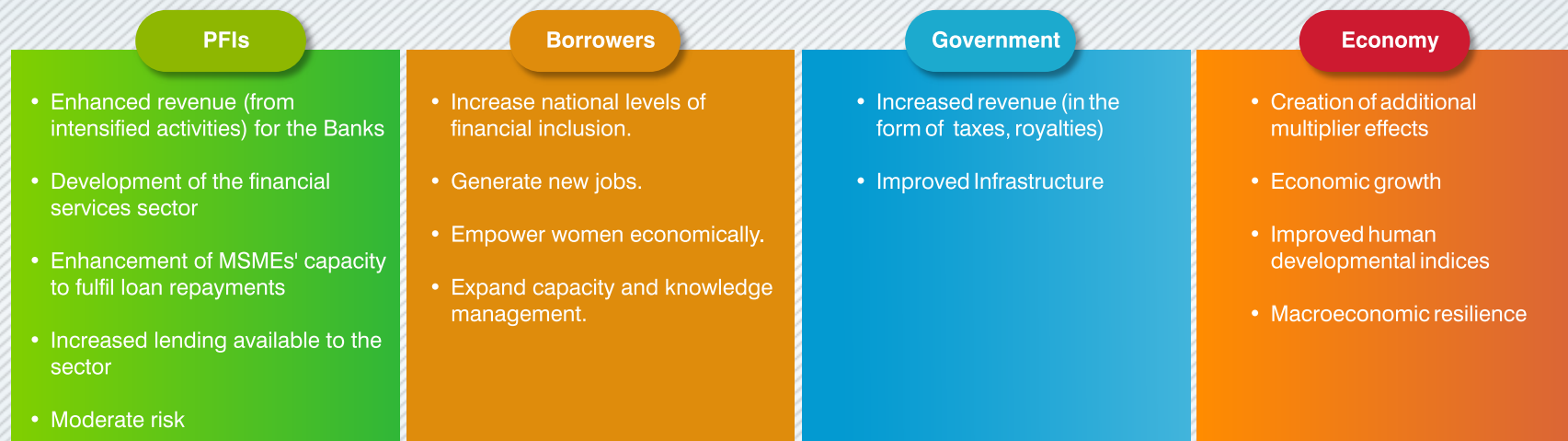
Our Five-Year Strategic Plan



DBN Mandates



In terms of impact, achievement of our set mandates would have the following direct implications for stakeholders as listed below:



Major Highlights



N631bn
loans disbursed



Over
313,058
MSMEs



69%
Women-owned
MSMEs



23%
Youth-owned
MSMEs



60
PFIs
On-boarded



41
Professional
Employees



Head Office
Abuja | Lagos



N212bn
Shareholders'
Funds

Our
Partners:



WORLD BANK GROUP



KFW

DBN Ratings



DBN Customer Satisfaction Feedback

The outcome of DBN's 2022 Customer Satisfaction Feedback and Improvement Survey is as follows:

- DBN achieved a Customer Service Rating of **90%** in the 2022 customer satisfaction survey
- Against the global average of 30 percent Net Promoter Score (NPS) in B2B markets, DBN in 2022 recorded a Net Promoter Score of **90%**. This means that **9 out of 10 DBN PFIs are happy to promote DBN** within their network.
- The Participating Financial Institutions are highly satisfied with DBN's product quality with a Net Promoter Score of **85%**.
- The PFIs are highly satisfied with DBN's range of products and services with an NPS of **70 %**. The Bank provides Technical Assistance in addition to on-lending funding and long-term funding.
- The PFIs find the following as key factors for recommending DBN to other financial institutions:



DBN's
Professionalism



DBN's
Customer Centric
Approach



Excellent Quality
of DBN's Product
and Services

2022 ISO Recertification Exercise

International Standard Organization's certification are subject to an annual surveillance audit and a recertification exercise every 3 years. DBN conducted a recertification exercise in 2022 where the Bank's processes and procedures

were rigorously audited to ensure compliance with ISO 27001, 20000 and 22301. The bank successfully passed the surveillance audit checks and confirmed that its operations are still in line with the requirements of these standards.



The Development Bank of Nigeria was ranked 1st on the prestigious 2022 Transparency and Integrity Index Rating, organised by the Center for Fiscal Transparency and Integrity Watch (CeFTIW) and supported by the MC Arthur Foundation and United Nations Office on Drugs and Crime (UNODC).

This initiative is aimed at promoting transparency, monitoring public sector expenditure and strengthening the integrity mechanisms of public institutions.

Also, DBN completed the certification of its wholly owned subsidiary, Impact Credit Guarantee Limited on these same set of standards in 2022 thereby ensuring that the Shared Services provided to the subsidiary also aligns with the requirements of these global standards.



DBN Digital Transformation

The Bank is on course to meeting the 5 target to ensure that we attain a developed on the digital maturity index.



2022 Annual Lecture Series



THEME [MSMEs: THRIVING IN THE FACE OF DOMESTIC & GLOBAL DISRUPTIONS]

The 3rd DBN Annual Lecture Series, held on Thursday, September 29, 2022, at the Congress Hall of the Transcorp Hilton, Abuja. The theme was, MSMEs: Thriving in the Face of Domestic and Global Disruptions; and it was a thought leadership platform that drove a robust exchange of ideas to address the challenges and opportunities that exist within the Micro, Small, and Medium Enterprise (MSME) segment of the Nigerian economy.

The interactive public lecture drew massive attendance from Ministries, Departments, and Agencies of government, development partners, key policymakers, regulators, members of the diplomatic community, MSMEs, Participating Financial Institutions (PFIs), the media, students, and other critical stakeholders.

The event commenced with a welcome address by the DBN, MD/CEO, Mr. Tony Okpanachi, followed by a

remark by the DBN, Chairman, Board of Directors, Dr Shehu Yahaya, and a speech by the Special Guest of Honour, the former Vice President of the Federal Republic of Nigeria, Prof. Yemi Osinbajo, represented by the former Minister of Finance, Budget and National Planning, Mrs. Zainab Shamsuna Ahmed.

Mr. Herbert Wigwe, the CEO, of Access Holdings Plc, represented by Mr. Roosevelt Ogbonna, MD/CEO of Access Bank, delivered the keynote address, followed by a robust panel session that focused on personal experiences including professional perspectives of leading economists, entrepreneurs, and business consultants in Nigeria.

Panellists shared their experiences, particularly the challenges they encountered in their businesses during the COVID-19 pandemic, and currently, the Russian-Ukraine war and the effects on their organisations.

Stakeholders across segments commended DBN for its unrelenting work in providing access to finance to MSMEs and building their capacity to excel, since commencing formal operations in 2017. They acknowledged the effect of Covid-19 on global supply chains and business continuity while commending the panellists for sharing deep insights and real-life experiences on how they survived that period.

They reiterated their commitment to continue to partner with DBN as it positions itself as a major catalyst of growth for the MSMEs. This they emphasised will enable the MSMEs, to play a big role in expanding intra-African trade, take advantage of the opportunities of the African Free Trade Agreement and contribute towards eliminating poverty through enterprise development.



DBN KANO MSME SUMMIT

As a way of deepening financial inclusion and expanding access to credit, DBN held its regional MSME Summit in Kano on June 30th, 2022, with the central objective being to broaden the knowledge base of MSMEs within the Northern region.

The summit was open to the business community in Kano, especially to entrepreneurs, business owners, deposit money banks, microfinance banks, development finance institutions, cooperatives, small corporate organisations, traders, and the general public.

Themed "The Role of Development Bank in Inclusive Financing," the summit had in attendance eminent personalities like Alhaji Tajudeen Dantata, CEO of Dantata Foods as the keynote speaker,

alongside panellists like Aisha Tofa, Founder of Startup Kano Hub; Ify Mogekwu of Ify's Kitchen; Samirah Faruk, Founder Mercy Mission Global Ltd; Olusegun Adegun, Co-Founder, Rural farmers hub and Saratu Buhari, Founder, WeKasuwa.

Participants were enlightened on how to access sustainable financing and efficiently utilise these funds to upscale their businesses. DBN further leveraged this platform to interact and better understand the challenges faced by entrepreneurs within Kano and the northern region, in order to provide effective solutions.



Entrepreneurship World Cup

The Entrepreneurship World Cup (EWC) (entrepreneurshipworldcup.com), a global programme organised by the Global Entrepreneurship Network (GEN), is one of the biggest and most diverse startup pitch competitions and support programmes of its kind, featuring more than 370,000 entrepreneurs from over 200 countries.

It combines a broad-reaching pitch competition, aimed at ventures ranging from idea stage to growth stage, with a virtual accelerator programme to help all participants launch, strengthen and scale their enterprises.

DBN's support for the Entrepreneurship World Cup gives further expression to its 5-year strategic plan of expanding its reach, exploring new channels, advocating MSMEs, developing internal capacity, and increasing its developmental impact.





DBN Innovation Agenda

The Development Bank of Nigeria, is passionate about sustainability and aspires to become the foremost promoter of green initiative within the Nigerian development finance ecosystem. The bank is leaving nothing to chance in promoting a compelling culture where growth-thinking and innovation thrives.

In 2022, the Bank embarked on yet another exciting three months journey of its annual Innovation Challenge, providing another open platform for its employees to ideate and co-create solutions to key challenges within the Bank's businesses. The defined challenges included:

1. *Developing proposition(s) to drive more lending to Focus States by at least 200% and*
2. *Developing proposition(s) to drive more lending to start-ups by at least 200%*

The 2022 Innovation Challenge which was the second-year run of the Challenge led the way into the DBN Innovation Week 2.0, themed "Age of New Ideas". The week featured pitch sessions from the four finalists of the Innovation Challenge during which they presented their solutions to the defined challenges and intensely contested for the ultimate prize of the 2022 DBN Innovation Champion. Also programmed within the week were immersion sessions which afforded the Bank various opportunities to glean insights from Innovation thought leaders, Games, Voting, Awards and Recognitions, amongst other activities.

Overall, it was such an exciting moment of learning and bonding for the team, of which the experience garnered will enable the Bank to elevate its game with respect to promoting an innovation culture within the Bank in subsequent years.





DBN drives its Green Agenda mainly through two lenses – Internal and External

Internal

In 2022, DBN strengthened its in-house cross-functional Green team and rolled out monthly E&S Championship assessments among employees to assess their understanding of Green and their knowledge of the Bank's efforts around Green Finance.

A general Sustainability and Green training was conducted for all staff by the Green Team in May 2022. Six members of staff also participated in the training on Sustainable Finance by the Public and Third Sector Academy for Sustainable Finance at the University of Oxford, and a 3-day customised training was also provided for the DBN Green Team in October 2022.

External

Green Funding

DBN in 2022 embarked on its first international roadshows to crowd-in social impact funds / green finance from international development partners to enable Nigerian MSMEs or Green project developers have access to green funding.

Risk Management

DBN Green Finance framework reduces vulnerability to risks arising from green, finance activities and the environment. This framework assists the Bank to fulfil its responsibilities for protecting the environment and providing finance to transform the economy into a resource efficient and climate resilient one.

Affiliations & Accreditations

DBN continued to pursue the Direct Access Entity (DAE) accreditation by the Green Climate Fund (GCF) to help actualise the Bank's Green aspirations in positioning the Bank as the Green DFI of Nigeria.

Partnerships

In the past year, DBN built new partnerships to ensure a continuous pipeline of green fundable projects available. An MOU was signed with the Rural Electrification Agency to provide DBN with fundable pipeline deals, and engagements were held with other international partners such as GIZ and the UNDP Financial Centres for Sustainability (FC4S).

Products & Programmes

DBN continued its drive around products and programmes targeted at improving support for MSMEs within the green ecosystem. The existing incentive, the Interest Drawback (IDB) program continued to be implemented as a support mechanism for PFI's that finance green businesses to enable them to do more in financing green development in Nigeria.

Learning & Capacity Building

Capacity building sessions on Green and Sustainability were delivered to MSMEs through the annual DBN Entrepreneurship Training Programme. The past year also featured the completion of the DBN Learning Management System for MSMEs which has within it, modules on Green and Sustainability.

External Engagement & Awareness

DBN participated in the global conversations around green at COP27 in Egypt. The Bank also commemorated the World Environment Day of 2022 by introducing National Essay Competitions to selected public secondary schools across Nigeria and set-up of Green Clubs.

Sustainability Strategy

Integrating Sustainability into the DNA of our Corporate Strategy

DBN was awarded the SSCI Certification at the highest level (Level 5) in 2020 and since then we have taken steps to ensure a holistic alignment with our existing corporate strategy to ensure that we are reflective of being a more sustainability aligned organisation.



VISION



To be Nigeria's primary development finance institution; promoting growth and sustainability.

"To facilitate a green, inclusive and prosperous Nigerian economy."

MISSION



To be Nigeria's primary development finance institution; promoting growth and sustainability.

Goal 1: Mobilise financing for Nigeria's economic diversification.

Goal 2: Serve unserved and underserved market segments.

Goal 3: Facilitate innovative and eco-friendly solutions for the marketplace.

5-YEAR STRATEGIC PLAN



To be Nigeria's primary development finance institution; promoting growth and sustainability.

1. Governance
2. Management
3. Technology
4. Business Models
5. Operations
6. Products
7. Stakeholder Relations
8. Human Capital

Specifically, we made progress in the following Sustainable Development Goal Areas:

SDG Area	Description	2022 Activities
	No Poverty	• N149.6bn loans disbursed in 2022 • Increased staff strength and average staff salary by MSMEs following loan collection (see the section on M&E exercise)
	Gender Equality	• The International Women's Day (IWD) celebration held on March 9th • 163,327 Jobs Created by women owned end-borrowers in 2022 • Percentage of female staff – 41.30%
	Decent Work & Economic Growth	• An estimate of 235,148 jobs created by loan beneficiaries as captured in the 2022 M&E Report
	Reduced Inequalities	• No gender pay gap • Equal learning opportunities for all • Inclusive workplace culture • Antidiscrimination/harassment policies
	Climate Action	• A total of 822kg recycled based on recycling activities at Lagos and Abuja offices • 7.12 MT of CO2 Emission saved • 3 children sponsored through DBN recycled waste program
	Partnerships for the Goals	• Continuation of Sustainability Community of Practice for Micro-finance Banks • Attendance of COP27 conference in Sharm El-Sheikh Egypt • Continued activities within The Montreal Group • Board and Sustainability and Strategy Sub-Committees

We have also achieved good mileage across the Nigerian Sustainable Banking Principles:

SN	NSBP Area	Achievements in 2022
1	Business Activities	100% loans screened for E&S - Robust E&S processes - Comprehensive risk management processes and oversight
2	Business Operations	- Continuous progress on recycling Initiatives in Lagos and Abuja - Implementation of Procurement Sustainability policies - Developed enterprise-wide Digital Strategy - Upgrade to MSME Learning Management System
3	Human Rights	Adherence to local and international human rights regulation and internal business practices
4	Women's Economic Empowerment	- IWD 2022 Celebration - Launch of DBN-GAIN Capacity Building Program for Female Entrepreneurs (Pan-Nigeria)
5	Financial Inclusion	- Membership of industry committees focused on Financial Inclusion: - Technical Committee on Financial Inclusion
6	Environmental and Social Governance	- Board level oversight of sustainability initiatives through Board Ethics Committee - Creation of internal sustainability working committee
6	Capacity Building	In 2022 we held the following trainings: - PFI training- Virtual capacity building for all DBN & ICGL employees on Green Finance and Sustainability Strategy - E&S Training for DBN PFIs - Held annual DBN Entrepreneurship programme - Delivered a total of 5305 employee learning hours across various focus areas - Training held for Sustainability Community of Practice forum for MFBs
7	Collaborative Partnerships	We continue to partner with industry stakeholders (including but not limited to): - Small and Medium Enterprises Development Agency of Nigeria (SMEDAN) - SME Finance Forum - Nigerian Association of Small and Medium Enterprises (NASME) - Nile University
6	Reporting	2022 Integrated Report - Quarterly report sent to DBN Development Partners - Publication of Quarterly working paper series - Quarterly publications in Journal of Economics & Sustainable Growth

Key Sustainability Projects 2022

International Women's Day Celebration 2022 (IWD)

2022 was the year of #BreaktheBias and we were back to an in-person celebration of International Women's Day. Still in recovery mode from the Covid-19 pandemic period, we felt a strong need to bring our communities back together to celebrate our resilience, partnerships and strength in communities and also create an atmosphere to birth hope for the future. The global theme #Breakthebias enabled us to re-assess current structures and have honest and in-depth conversations about our paths for the future.

The Bank held an in-person event with key stakeholders invited to attend a panel session made up of a mix of entrepreneurs and career-focused women and men.

The panel topic – “Who made these rules anyway? Challenging Existing Stereotypes and Moving Forward Constructively,” examined what the true cost of excluding women to the society and a nation in general. It also took a cursory glance at situations where women and men have chosen to

go against the cultural and societal norms to promote women's rights/empowerment and the gains that have been experienced from such actions.

At the event, we invited our stakeholders inclusive of Participating Financial Institutions (Banks) and MSMEs to occupy stalls in a bid to foster and build relationships and a better understanding of DBN's aims when it comes to supporting its stakeholders in accordance with the Bank's mandates.





Panellists Included:

Thelma Ekiyor

Founder, SME.NG

Bonaventure Okhaimo

COO DBN

Mrs. Bukola Smith

MD/CEO FSDH Bank

Sandra Aguebor

Founder, The Lady

Mechanic Initiative

Samirah Farouk

Founder, CEO, Serendipity

Healthcare Foundation

Lolade Awogbade

Moderator

Good will Message

Ibukun Awosika

Vote to Thanks

Clare Omatseye

DBN Board of Director



Key Sustainability projects in 2022

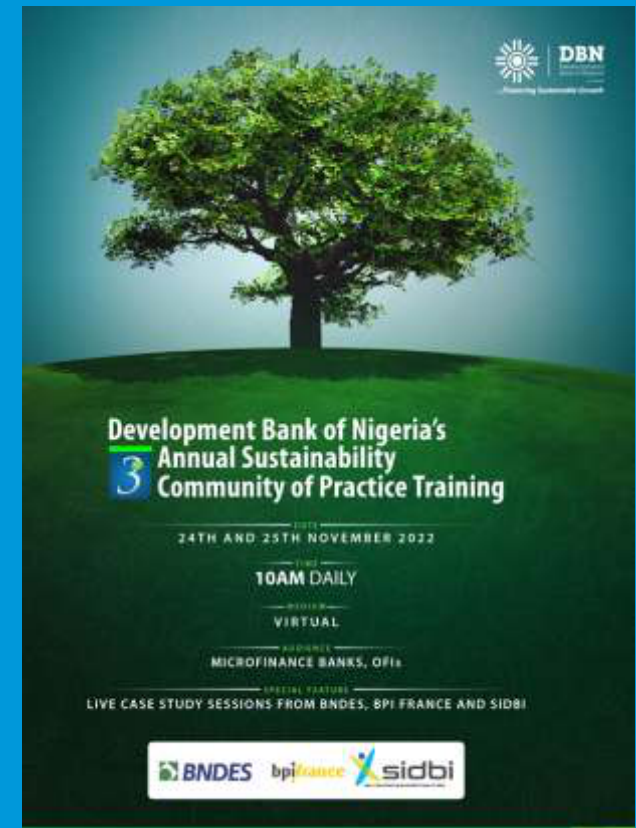
DBN's Community of Practice for Micro-Finance Banks

As an organisation, we are continuously focused on creating communities that espouse sustainability principles and as such, came up with an initiative to raise general awareness on sustainability amongst Microfinance Banks, Mortgage Banks and Other Financial Institutions (OFIs).

DBN took the initiative to act as a catalyst in helping to raise awareness around sustainability issues as well as provide technical assistance and enable the establishment of “Communities of Practice” for its Partner Microfinance Banks. We are convinced this will enable the MFBs to have more robust propositions and open them up to a myriad of advantages including external funding, generation of deeper trust with stakeholders, legitimisation of operations etc.

Moving forward, our aim is to deepen and expand learning using virtual training modules as a level for capacity building and knowledge management. In terms of furthering the edicts of SDG 17, we will also use our unique positioning to encourage other and local and international partners to become as capacity enablers and join us in shaping the narrative on sustainability in Nigeria.

This year, we provided the training with local and international partners including Enterprise Development Center (EDC), BPI France, Development Bank of Brazil (BNDES) and Small Industries Development Bank of India (SIDBI).



DBN took the initiative to act as a catalyst in helping to raise awareness around sustainability issues as well as provide technical assistance and enable the establishment of Microfinance Banks.



COP27 stands for the 27th Conference of the Parties to the United Nations Framework Convention on Climate Change (UNFCCC), first launched in 1994 and made up of the nations who signed up to the Paris Agreement. The climate COP is an annual meeting of delegates from over 200 countries to negotiate global goals for tackling climate change, present their individual countries' plans for contributing to those goals, and report on their progress.

COP27 took place in Sharm El-Sheikh, Egypt and marked 30 years since the United Nations Framework Convention on Climate Change (UNFCCC) was adopted and seven years since the Paris Agreement was agreed at COP21.

World leaders, ministers, and negotiators came together to agree how to jointly address climate change and its impacts. Civil societies, businesses, international organisations, and the media observed proceedings to bring transparency, as well as broader perspectives, to the process.

With the strapline, 'Together for implementation, 'COP27 is an African COP, and the first of two COPS in the Middle East and North Africa (MENA) region.



“
**World leaders,
ministers, and
negotiators came
together to agree
how to jointly
address
climate change
and its impacts.**



COP27
SHARM EL-SHEIKH
EGYPT 2022

World Environment Day 2022

This year, we launched the inaugural nation-wide DBN essay competition which focused on inviting junior and secondary school students from across the 6 geo-political zones to submit essays on this year's global theme - Only One Earth.





Technical Assistance and Capacity Building at DBN

Technical Assistance and Capacity Building (PIU)



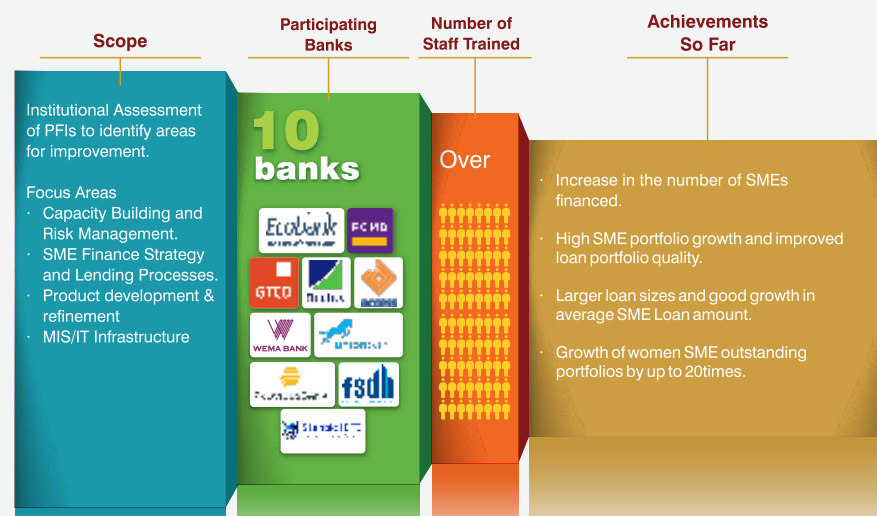
The Technical Assistance and Capacity Building component of the Development Finance Project is managed by the Project Implementation Unit (PIU) which provides broad based Project Management support, critical to achieving the objectives of the Bank.

Focus

- Providing tailored Technical Assistance to eligible Participating Financial Institutions (PFIs) to improve their MSME lending operations.
- Providing expert Consultancy Services to support DBN's Institutional development.

CAPACITY BUILDING ACTIVITIES:

i) Provision of Downscaling Technical Assistance to Deposit Money Banks (DMBs), to expand their lending to MSMEs on sustainable and commercially viable terms.



Staff of FSDH Merchant Bank during a Capacity Building session.



Staff of Providus Bank during a Capacity Building session.



Staff of Fidelity Bank during a Capacity Building session.



Technical Assistance and Capacity Building at DBN



Cross section of Participants (Staff of PFIs, DBN & Natural Eco Capital) at the two-day E&S Risk Management Capacity Building Session held at the Lagos Chamber of Commerce & Industry Complex.

Class sessions during the training.



Feedback

FROM SOME PARTICIPATING BANKS



"Fantastic, Interactive and worth it."



"The session was well structured and provided further insight to E&S procedures and processes".



"Phenomenal experience, providing a different perspective on the improvement of Grievance Redress Mechanisms"



"The training has revealed the importance of E&S Risk Management, knowledge gained will be used in ensuring due diligence in E&S risk assessment going forward."



"Very impactful and insightful learnings on recent trends and international best practices, which can be leveraged on to create a better society"



"We have been taught about looking into several perspectives of E&S risk management and how it relates to our personal and social lives, corporate organisations and the economy as a whole"



"The Grievance mechanism sessions were well delivered and insightful"



"The training was impactful and gave insight to the importance of E&S practices in every organisation"



STUDY TOURS & TRAININGS

PFI Study tour to Frankfurt School of Finance & Management, Germany (June 2022)

As part of the Technical Assistance to DMBs' programme, a study tour to the Frankfurt School of Finance and Management, Germany, was organised for staff of Five PFIs, to promote international exposure to development finance topics.

Participants included 13 staff of PFIs including Wema Bank, Union Bank, Ecobank, Guaranty Trust Bank, Access Bank.



Staff of PFIs during the visit to Frankfurt School of Finance & Management, Germany



Training Sessions



Training Sessions



E&S Commitment to our PFIs

The following were some actions taken by DBN in 2022, which reflect the Bank's commitment to the Environmental and Social sustainability of its Business, as well as those of its Participating Financial Institutions:

A 2-day E&S Capacity Building programme was held for PFIs in Lagos. A total of 45 participants from 17 PFIs [3 Mortgage Banks, 2 Merchant Banks, and 12 Microfinance Banks] participated in the training. The training covered the following areas among others:

- **Grievance Redress Mechanisms**
- **Environmental & Social Risk Reporting**
- **Operationalisation of an Environmental & Social Management System**
- **Fundamentals of ESG Ratings and Certifications**
- **Nigerian Sustainable Banking Principles**
- **IFC Performance Standards**



Technical Assistance to Participating Financial Institutions (PFIs) – Microfinance Banks to strengthen their business processes and expand their lending to target Micro, Small, and Medium Enterprises (MSMEs)

The Development Bank of Nigeria (DBN) launched a Technical Assistance (TA) Programme to support the capacity of Ten (10) selected participating Microfinance Banks (MFBs)

The programme will strengthen their existing MSME financing portfolios in areas such as technology integration, product development, improvements in the lending process, risk management practices. Know-Your-Customer (KYC), Anti-Money Laundering (AML) & Combating The Financing Of Terrorism (CFT), and corporate governance.

In this context, DBN has engaged A2F Consulting to deliver technical assistance to the 10 selected MFBs.



2022 DBN Entrepreneurship Programme

OVER 2000 MSMEs Trained by DBN capacity-building initiatives, facilitated through partnerships.



Emerging Entrepreneurs trained approximately **290 Small Businesses**



In mushroom production and packing, shear butter products processing, entrepreneurship fundamentals, and financial literacy



Google Nigeria trained over **600 MSMEs** on Digital Marketing.

GAIN WOMEN ENTREPRENEURSHIP 4 NIGERIA PROGRAMME trained

200 Women Entrepreneurs



Provided **SMALL BUSINESSES** access to post-training advisory and mentoring session



A total of **N10m GRANT** was given to the **Best 18 Businesses** after pitching their ideas.

Over **1146 MSMEs** Digitally trained by DBN in house learning management system.



TOP 200 BUSINESSES selected for **FACE2FACE** training in Lagos and Abuja, facilitated through partnership with Enterprise Development Centre and Wider Perspectives.

Courses taught were needs based and captured below:

For Small-businesses:

- Operations Management
- Green Financing
- Investment Readiness
- Legal & Tax aspect of Entrepreneurship
- Strategic Planning

For Micro-Businesses:

- Improving Your Market & Sales
- Financial Management
- Sustainability & Digital Marketing
- Caring for the Customer
- Developing a Bankable Business plan
- Becoming a More Effective Owner Manager
- Presentation Skills/Business Pitching
- Financing for Growing Businesses



Job Creation

The evaluation of the programme showed that in addition to sustainable growth in revenue, and other areas of impacts, trainees reported significant increase in employment generation. Within the reporting period, 48% of the small and medium enterprises were able to increase their employees. For the micro businesses, about 163 employments were generated after the entrepreneurship training programme.

This is about 27% increase from the baseline.



Access to Finance

The DBN Entrepreneurship Training programme was designed to enable the participants to access funds. From the assessment, 25% of the sampled MSMEs reported that they received funds after the programme. The funding sources included family and friends, commercial banks, and microfinance institutions.



Revenue Generation

In terms of revenue generation, most (62%) of the small and medium enterprises reported having increased revenue. For the micro businesses, the total turnover for the assessment period increased by 27% from the baseline of N89,380,082.

Results from the interviews corroborated the responses from the survey, indicating an increase in revenue for the participants. Although increase in revenue cannot be wholly attributed to the outcome of the DBN Entrepreneurship Training programme, the skills and knowledge received during the programme could contribute to the increase in revenue of the enterprises.



Impact on Business Operations

Evidence shows that the participants made significant improvements in their ability to manage business operations. The participants reported that they could effectively manage their business operations. 98% of micro businesses assessed have developed and are implementing their business plan with support from the team. This constitutes a 5% increase from the baseline of 93%. 98% of micro businesses assessed have now registered their business with the Corporate Affairs Commission. This constitutes a 7% increase from the baseline of 91%.

2022

DBN-GAIN Capacity Building Programme for Women

In 2022, DBN in partnership with Grand Africa Initiative held a training programme specifically focused on women entrepreneurs in Nigeria. This partnership contributed to DBN's strategic objective of creating a robust gender proposition with a keen focus on women's empowerment and the provision of capacity building as well as loan disbursement as key goals. The programme was designed to include the key objectives of both the African Union Agenda 2063 and relevant Sustainable Development Goals 1, 2, 3, 5, 8, 9, 10, 16 and 17.

The programme focused on building the capacity of women entrepreneurs, predominantly young women who operate in the education, health, renewable energy, creative arts, etc. and was held over a period of six weeks. Modules taught include:

- **Business Idea and Pitching**
- **Topic 2: Business Model**
- **Topic 3: Communication Strategy for Your Business- The Fundamentals Inclusive of Practical Session**
- **Topic 4: Legal Aspects of Business and Intellectual Property for Business**
- **Topic 5: Business Finance, Accounting and Taxation**
- **Topic 6: Building Confidence and Personal Branding**
- **Topic 7: Business Plan**
- **Topic 8: Leadership Capital for Sustainable Enterprise**
- **Topic 9: Business Processes, Systems, Tools and Automation**

The six week programme was delivered by both local and international faculty.



IN
COLLABORATION
WITH



DBN
Development
Bank of Nigeria
...Financing Sustainable Growth

Presents

GAIN ENTREPRENEURSHIP MASTERCLASS FOR WOMEN IN NIGERIA

MEET OUR FACILITATORS



ZEV SIEGL
Co-founder,
Starbucks Coffee




CHINWE OKOLI
Executive Director,
GAIN




**PROF. TAYO
OTUBANJO**
Lagos Business
School




STEVE DIAMANT
Communications
Consultant




JOYCEE AWOSIKA
Founder, ORIKI Group,
Process and Structure
Expert




**CHIOMA LINDA
EKENE-OKWUNMA**
Lawyer, Leadership/
Management Expert




MARGARET OMANIBE
Chartered Accountant
FCCA, FCA




OBINNAYA URUAKPA
Chief Executive Officer
Grand Renaissance
International Ltd


Proudly sponsored by **DEVELOPMENT BANK OF NIGERIA PLC (DBN)**

Strategic Partnerships

GIZ

In July 2022, DBN executed an MOU with GIZ to define a framework for cooperation and partnership between both parties in the areas of mutual mandates and to expand its scope in the following key areas amongst others:

- Expand strategic partnership, networking activities and fora for other innovative financing solutions including green and sustainable finance to unlock sources of capital for MSMEs in Nigeria.
- Capacity development for MSMEs to increase their bankability and enhance their capacities to access finance.
- Partnerships on Public-Private Dialogue to provide solutions to address the supply and demand side bottlenecks for MSMEs' in Nigeria.

FINANCE IN COMMON

In alignment with DBN's mandate, and its global commitments to promote gender equality and women empowerment, the Development Bank of Nigeria joined the coalition of development finance Institutions around the world on the 10th of March 2022 and signed on to the Financing statement on Gender Equality and Women's Empowerment an Initiative of the Finance In Commons.

Leveraging on its purpose to Improve advocacy, dialogue and collaboration, DBN seeks to promote gender equality to expand its gender finance activities and enhance its gender frameworks, policies and strategies both in its internal activities, and its external engagements.

NATIONAL MSME CLINIC AWARDS

DBN has been in partnership with the National MSME Clinic Secretariat since the year 2017. The National MSME Clinic Secretariat is the organising body responsible for the monthly National MSME Clinics being held across various states in Nigeria. It is an initiative of the Office of the Vice President under the supervision of the Special Assistant to the Vice President on Small and Medium Scale Enterprises (SMEs).

DBN, being a major stakeholder in the MSME space has provided support to the MSME Clinic Secretariat and has been an active participant in the activities and programs of the National MSME Clinic since its inception. There have been clinics held across 29 states of the country and the FCT, 5 National MSME Award ceremonies, which were targeted at rewarding outstanding small businesses across the country and hosted by the former Vice President, Prof. Yemi Osinbajo.

Additionally, the Bank has supported the publication of a compendium of the activities of the National MSME Secretariat over the last six years. This was launched in November 2022 by the former Vice President, Prof Yemi Osinbajo

DBN has developed strategic partnerships with other institutions that are key stakeholders in the MSME ecosystem and has continued to leverage on such partnerships to expand its reach and increase impact of its activities.



Nigerian Association of Small and Medium Enterprises

NASME

DBN has been in partnership with the Nigerian Association of Small and Medium Enterprises (NASME) the APEX Business Membership Organisation (BMO) in Nigeria to expand its reach and increase advocacy amongst MSMEs in Nigeria.

DBN actively partnered with NASME to organise seminars, MSME capacity building sessions, trade events and engagement sessions.

In 2022, DBN provided support to NASME to organise its Women's Day on March 15 and Youth Empowerment Conference which held on the July 21, during which grants were provided to women and youth MSMEs to support their business. DBN also organised engagement sessions with its PFIs to provide a platform for NASME to increase opportunities and access to funding for its members who meet the qualifying criteria of the respective PFIs, to support their business growth.

This partnership has provided a platform for DBN to achieve the following:

- To catalyse the MSME segment by empowering the MSMEs particularly in specific sectors, segments and focus states that align with DBN's impact objectives.
- To stimulate synergies for supporting the growth of MSMEs in Nigeria towards overall growth of the economy.



In recognition of its contributions and impact of its activities in the MSME Ecosystem in Nigeria, the Development Bank of Nigeria was recognised by NASME as the "Development Finance Institution with the most impact on MSMEs in Nigeria". The Bank received this award at NASME's 25th year anniversary awards ceremony which held on November 12, 2022 in Uyo, (Akwa Ibom State) Nigeria



Figure 1: Dimensions of impact and DBN activities to realise impact



The Theory of Change comprises five logically linked components and articulates how the individual DBN activities lead to outcomes and how these combined outcomes, in turn, deliver the organisation's target impact.

MISSION

To facilitate sustainable socio-economic development through the provision of finance to Nigeria's underserved MSME sector through eligible financial intermediaries

IMPACT

Supporting Nigeria's economic transformation and sustainable socio-economic growth through financial and non-financial support mechanisms to enable a vibrant, diverse, and growing MSME sector

OUTCOMES	ECOSYSTEM	Improved investor confidence to support MSMEs, leading to new investors and sources of capital available in the ecosystem, alongside a variety of fit-for-purpose funding models for PFs and supportive regulations and policies	
	MSME	A diverse set of MSMEs receive greater access to affordable and supportive financing, which they put towards productive business uses, and have an improved financial understanding	The MSME sector experiences economic growth as a result of financing, supporting the holistic socio-economic development of Nigeria through the creation of secure jobs and growing businesses
	PFI	PFI have improved access to funding through a variety of funding constructs (eg, guarantees or longer tenure loans) leading to an increased volume and diversity of PFI lenders and consequently a higher volume and diverse set of loans disbursed to MSMEs	PFI are equipped with increased understanding of the MSME sector and therefore become better positioned to provide appropriate products and services to the MSME sector

FUNDING AND RISK-SHARING
TECHNICAL ASSISTANCE
POLICY & ADVOCACY
OUTPUTS

Wholesale funding provided to PFIs and other intermediaries for onward lending to a diverse set of MSMEs to support socio-economic development

Credit guarantees provided to PF High-quality (Le low PARSO) portfolio established by PFIS using DEN financing

Rating from leading agency received by DBN and periodically reviewed

PFI capacity building in sustainable growth practices and MSME product/service offerings

MSME capacity building to increase business resiliency, improve operations and increase bankability

Support mechanisms provided to entrepreneurs

Bilateral relationships established with development banks and other organisations to identify opportunity areas in Nigeria's MSME lending environment

Industry relationships developed across the financial ecosystem and recommendations for policy/regulation reforms developed

KEY ACTIVITIES

Raise funds from a range of private and public sources Provide credit guarantees to PFIs to expand risk appetite Extend financing opportunities to a broad and diverse set

Key of MSMEs with a focus on underserved sectors activities. Obtain and maintain a high investment-grade credit rating from a leading ratings agency

Provide a diverse range of capacity building support to PFs/other intermediaries and MSMEs

Foster the development and formalization of new MSMEs through support mechanisms for current and potential entrepreneurs

Build relations with other development banks, agencies and FDI organisations in Africa to understand areas of opportunity in Nigeria's MSME lending environment

Develop partnerships with industry and government to share learnings and influence the MSME lending environment through recommendations for policy and regulatory reforms

Monitoring & Evaluation for Impact



Jobs Creation

An estimated
235,148
new jobs were created

A sample size of 20,000 MSMEs were randomly selected from the population of 73,513 end-borrowers.

1051 valid responses were gotten from the MSMEs.

20 survey responses were received from the PFIS and 16 interview respondents. All data was collected between June and September 2022.

Increase in Revenue



77.1%
of the respondents reported growth in revenue

WHILE
75.5%
reported growth in staff.



Improved Access to Financial Products and Services

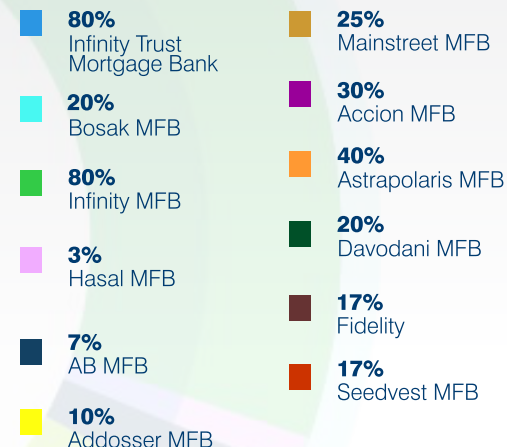
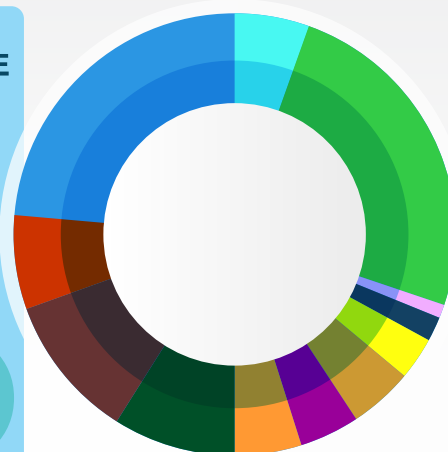
Beneficiaries reported that their organisations had access to appropriate financial products and services.

Participating Financial Institution Performance



85%
reported improved lending offerings to the MSMEs. 95% of all surveyed PFIs reported increased willingness to lend to the MSMEs and that the quality of products and services offered to MSMEs have significantly improved.

DBN's PERCENTAGE CONTRIBUTION TO MSME LENDING PORTFOLIO







MSME Impact STORIES



Background

Longa-Ewa Lakes Limited is a Nigerian-owned international agriculture-based company. The company was incorporated in 2016 and started operations immediately. The major objective of the company is to carry on the business of agricultural production and sales. It initially commenced business with fish production, and later diversified into crop, poultry and livestock farming. The company is well equipped with suitable machinery for the growth of the crops and efficient processing of fruits to juice, and the production of yoghurt. The company's products brand name is Farm Feast, and its finished products are fresh (dehydrated) fruit snacks, and natural juice with flavours such as mango, pineapple, orange, guava and mixed fruits. The firm also produces sweetened and unsweetened yoghurt.

Journey So Far

In the year 2016, the company received a fruit dryer machine from the World Bank which was used to dry fruits at a low temperature and then packaged and sold as chips. Along the line the CEO, Njidda Ahmed realised that the profit margin on dried fruit snacks was not commensurate with the cost of resources. It required about 3000 watts to power a dryer and the company had about 24 elements, the returns were not encouraging, so Mr. Ahmed decided to focus on natural juice and yoghurts. The company has a depot in Abuja, Kano, Lagos and Port Harcourt, and also supplies their products through distributors in Kaduna, Lokoja and Maiduguri.

The first DBN loan received was used to produce bottle caps for packaging the fruit juice and yoghurt. Gradually the company has been able to localise the production of her raw materials to reduce the reliance on suppliers. Last year the CEO accessed more funds to acquire a new equipment



to intensify production, transition to a more digitised process and address some challenges affecting their productivity. A few challenges that were faced were the increasing cost of raw materials and diesel. The loan received also enabled the diversification into poultry and livestock farming, alongside the fish farming the company started with initially.

Mr. Ahmed purchased a foreign bull because they produce a richer taste of milk. The foreign bull will crossbreed with the local cows to reproduce mixed-breed cows for milking purposes.

Within one year the company has employed 7 permanent workers in the production section and other farm workers. Longa-Ewa Lakes has been able to increase production at a faster pace with the purchase of this new equipment. Due to the growing demand of their natural fruit juice, the machine has helped to speed up production and ensures they can meet up with orders. Presently, the new machine can produce about 4,000 litres of fresh juice within few minutes. It has also helped to reduce human contact with the fruits and making the juice and yoghurts free from contamination.

Next Steps

With the purchase of foreign bulls, the long-term plan of the company is that 50% of the milk used for the sweetened and unsweetened yoghurt to be produced by local cows while 50% will be produced from the foreign breed. These cows are reared on the company's farm and will be milked with the milking machine and blended with the yoghurt. For the fish farming, the company plans to establish a drying and packaging process for their fishes which will be well branded with the company's name and logo.



New RIVOC Limited



Background

New RIVOC Limited previously known as Rivers Vegetable Oil Company Limited (RIVOC) was established in 1973 and officially commissioned in 1978 by the River State Government. In 2012, RIVOC operated seven active major process plants (solvent extraction plant, vegetable oil refinery, fractionation plant, baker's fat & margarine plant, toilet soap plant, detergent washing powder plant, and washing soap plant) and was the third largest fast-moving consumer goods manufacturing company in Nigeria. It was also the single largest producer of crude palm kernel oil and palm kernel extractions in the Country, unfortunately, RIVOC stopped operations in 2013 because of divestment. By 2018, it was acquired by Strides Energy Group and renamed New RIVOC Limited.

Since its reopening, New RIVOC has been working towards refurbishing and manufacturing products in their plants. After the new acquisition, the company commenced operations in three major plants: the oil-producing plant, the detergent plant and the baker's fat plant.

Journey So Far

New RIVOC re-emerged with a vision to manufacture products which will be the preferred choice of consumers in every household in Africa. Currently, the detergent washing powder plant is the only plant functioning due to the cost of production and limited resources available to run the other plants.

The DBN loan has enabled New RIVOC to acquire raw materials to produce detergents. The company has made sustainable investments and acquired about 45 new permanent staff and 300 casual workers in the detergent washing powder plant. The company has a market chain and wholesalers across states like Lagos, Kano, and Ogun, also wholesalers near the border area often come in to purchase their products and sell at retail prices to people in Cameroun and other areas. New RIVOC gives back to the community by offering internships to undergraduates and providing access to healthcare for the underserved in the community.

Next Steps

New RIVOC Limited aims to improve customer gratification by delivering healthy products only. The company already possesses equipment for production in all seven plants but requires more financing to invest in raw materials. The solvent extraction plant, for instance, is capable of processing any oil-bearing seed of up to 150MT per day and the vegetable oil refinery plant has the capacity of processing 150MT of vegetable oil daily. The toilet soap plant is equipped to produce about 18,000MT/per annum of toilet soap provided other resources are available. The company also looks forward to increasing its brand awareness, by being among the top three highest demands in Nigeria through unerring market penetration activities, fast access to market activities, and instrumental decisions. Since the company is interested in reaching out its services across the borders of Nigeria, there is a commitment to work with people of diverse cultures and nationalities.

Adorable International School

Background

Adorable International School is a leading international school at New Bodija, Ibadan, Oyo state committed to modelling excellence and Godliness. The school was established to provide quality education to children and also allow children to discover and develop their unique talents within a disciplined and caring school environment.

The journey so far

Prior to accessing the DBN facility, the school operated a crèche, nursery, and primary educational services. The first DBN loan received by Adorable International School was used to renovate the school at the end of the session. By the new session, the school attracted the attention of parents and guardians within New Bodija and its environs.

Last year, the proprietress applied for another DBN loan. This facility was utilised to start a secondary school section in September 2021. In this new establishment, the school has engaged a total of 13 staff: 6 regular teachers, 3 subject teachers, and 4 auxiliary staff. The new school plans to open its gates to students by the New Year.

Next steps

As the proprietress prepares for a new session, she plans to work on renovating the old building, revamping the playground, and making the school more attractive in order to boost enrolment. She also expects to acquire new students to the secondary school with the investments already made.

Adorable Int. School hopes to acquire a permanent site within the high-brow area; the idea is to be located in an environment that will ensure continuous patronage and wider coverage for the school. The school proprietress looks forward to obtaining a mortgage with a long tenor which will help the school thrive.



Mighty Miracle School



Background

Mighty Miracle International School is a citadel of learning that grooms and prepares sound intellectuals for a life in and out of school. This is an international-standard institution open to collaboration with international educational bodies. This educational fort with about fifteen branches is located in Ibadan the southwestern region of Nigeria.

The Journey so far

Miracle International School comprises several educational institutions, including Miracle Foundation International School for nursery students, Mighty Miracle College and Living Miracle College for secondary education. In addition to these, there are other schools like Dynamic Miracle, Living Miracle, Excellent Miracle, and more. Over the past year, there has been an engagement of fifteen teachers and workers to aid the school process.

The DBN loan was accessed last year to start the construction of a new site, the new school is being constructed in a new location, where there are few educational facilities offering top-notch quality educational services.

Next Steps

There is an ongoing expansion of the Mighty Miracle International School, the proprietor is currently constructing another facility, and this process has been facilitated by the DBN. The plan is to set up a new branch and acquire new students in the school.



Background

The Gbekemo foods brand is the leading brand in the FCT for Chicken, eggs and meat. The farm breeds both layers and broiler birds, with the layer farm having about 90,000 birds' capacity and producing about 2000 crates of eggs daily. The farm is one of the biggest egg distributors in Abuja and has a distribution centre in the heart of Abuja. Gbekemo Foods supply the leading stores in the FCT, which would pay for products supplied after 30 days.

Journey So far

The company has a staff capacity of forty individuals, consisting of thirty staff, who had been employed previously, and ten who were employed in the last year.

Due to global hyperinflation, the cost of doing business went up. Therefore, there was an injection of funds into the business to mitigate the effect on the working capital. However, this didn't happen, hence the need to downsize, by way of reducing stock size. Downsizing for Gbekemo meant that there was a reduction in the flock size of the layer birds, from 120,000 to 90,000. It is pertinent to note that the farm capacity for the layer birds is 140,000.

Next Steps

With the broilers being sold completely, Gbekemo plans on getting about 20,000-day-old broilers to meet the very high demand. The CEO also plans to expand marketing and attract new customers



DBN and the Community

2022 CSR Activities

On October 31, 2022, DBN hosted an educational workshop at Durumi Junior Secondary School in Abuja, to educate the students on the importance, benefits, and culture of financial intelligence and savings culture.

The workshop, which was a CSR initiative of the Bank, coincided with the celebration of World Savings Day (WSD), an event occasionally designed to increase public awareness on the importance of saving both for individuals and corporations.

The central objectives were to enlighten participants about the significance of WSD, to inform, educate, and strengthen their capacity on how to develop a savings culture and drive participation in giving back to society.

Students, specifically in the JSS 3 class, were introduced to digital literacy, financial literacy, and sustainability/SDGs, and then tutored on the importance of savings in the global economy and how every depositor contributes to its development.

The commemoration of World Savings Day aligns with DBN's mandate of building capacity, most significantly, helping to build the strategic CSR pillar on poverty reduction which seeks to empower members of the society by increasing their awareness of financial literacy.







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