



TERMS OF REFERENCE

Selection of Consulting Services for: Nigeria – Technical assistance to, Participating Financial Institutions (PFI) - Microfinance Banks, to strengthen their business process and expand their lending to target Micro, Small and Medium Enterprises (MSMEs)

Client: Development Bank of Nigeria Plc

Country: Nigeria

Project: Development Finance Project

Terms of Reference

Reference-NG-DBN-231058-CS-QCBS

I. Background

- a. The Development Bank of Nigeria (DBN) is a wholesale financial intermediary which provides funding to MSMEs through eligible Participating Financial Institutions (PFIs). The DBN aims to launch a Technical Assistance (TA) Programme to support the capacity of those PFIs which are Microfinance Banks (MFB). The programme is essentially intended to enable MFBs operating as PFIs to strengthen their existing MSME financing portfolios through more appropriate offerings and improved processes. Ultimately, this is expected to result in the expansion of their capacity to service more MSMEs and thereby support the DBN in achieving its key performance indicator – the impact of DBN financing on MSMEs.
- b. MFBs are licensed and regulated by the Central Bank of Nigeria (CBN). They are distinguished in their categorization as shown below:

	NATIONAL MFB	STATE MFB	TIER 1 UNIT MFB	TIER 2 UNIT MFB
No of MFBs as @ Oct 2020	10	137	321	448
MINIMUM CAPITAL REQUIREMENT	N5billion	N1 billion	N200m	N50m
BRANCHES	As much as required across the 36 States and Geopolitical region of Nigeria	As much as required within the particular state of operation	Maximum of 3 within the State of operation	Maximum of one office location.
GOVERNANCE				
minimum and maximum number of Directors	(7) and twelve (12)	(5) and nine (9)	five (5) and seven (7)	five (5) and seven (7)
Composition of Independent Directors	At Least 2	At Least 1 for less than 7 Directors and 2 for more than 7 Directors	At Least 1	At Least 1

- c. In 2020, the Central Bank of Nigeria (CBN) reported a total of 916 licensed Microfinance Banks, categorized as National, State and Unit Microfinance Banks with only about 130 of them constituting 80% of the total asset and Liability in the sector. DBN in its bid to increase its channels has engaged over 200 of these FIs but has only been able to partner with 25 of them (5 National, 18 State and two Unit MFB), with the aim of channeling funds through them to the MSMEs. This is largely due to their operational and regulatory deficiencies.
- d. The partnership with the Microfinance Banks has particularly yielded a significant impact on the number of MSMEs reached by DBN. It is to be noted that DBN has reached more than 100,000 MSMEs through its MFB, PFI channel. The portfolio is however highly skewed towards lending to the MSMEs operating in trade and commerce, which is part of what the TA programme seeks to address by providing MFBs with the capacity to disburse credit to other sectors, in particular sectors which highly impact on the socio-economic development of Nigeria.
- e. The outcome of annual due diligence exercises and other checks conducted on DBN's participating MFBs, has shown that despite meeting the DBN's eligibility criteria, some of the Microfinance Institutions could benefit from strengthening in various areas, ranging from Corporate Governance, Environmental and Social Risk Management, to Anti-Money Laundering (AML) & Combating the Financing of Terrorism (CFT), Business Continuity Planning, Technology and Digital tools utilization and General KYC approaches. The proposed TA plan also seeks to address these shortcomings.
- f. The DBN has selected 10 participating Microfinance banks, as being eligible and interested in the technical assistance program.

2. Objective(s) of the Assignment

- I. The DBN intends to engage a Consulting firm ("the Consultant") to support the TA program to be provided to Ten (10) Microfinance Banks. (5 National Banks, 5 State MFBs). The TA will enhance the capacity of the MFBs in the key areas identified, while helping them improve their institutional processes to align with best practices required by the Development Bank of Nigeria.

The programme will enhance the MFBs' capacities to serve MSMEs and promote the MFBs' sustainability whilst at the same deepening DBN's relationship with its MFB partners beyond regular lending activities, thereby encouraging MFBs to support DBN in achieving its mandate. The program will also create avenues for targeted capacity building partnerships with DBN and its MFB counterparts to help meet specific developmental objectives.

3.Scope of Services, Tasks (Components) and Expected Deliverables

The TA programme is designed as a two-stage process. In the first stage the Consultant will identify the most acute TA needs of the MFB and prepare a TA program for how these needs can be addressed in the second stage. The scope of the TA program to be delivered will primarily focus on responsibly expanding the MFBs' capacity to lend to MSMEs, as described below:

- **Lending process**

- a. Helping MFBs to Identify and properly appraise profitable MSME businesses from cashflow lending perspective.
 - b. Generally, increase efficiency of MFBs' MSME portfolios (lowering their NPLs and raising profitability) amongst others.
- **Products and segments**
 - a. Helping MFBs to Identify and properly appraise profitable MSME businesses from cashflow lending perspective.
 - b. Increase capacity to finance other business sectors outside trade and commerce.
 - c. Helping first-time borrower's build capacity to infuse debt to their business and availing credit to them.
 - d. Supporting MFBs in availing themselves of digital finance.

In addition, the TA will focus on those MFB business practices identified as part of the initial diagnostic as being in need of strengthening, such as:

- **Risk Management Practices**
 - 1. The program will help the MFBs build and develop standard E&S Rating model as required for all DBN loan beneficiaries, PFIs and Partners.
 - 2. Build capacity in other areas of risk management useful to MFBs such as management of treasury, operational and portfolio risk.
 - 3. The program would help PFIs create a BCP policy or identify gaps in existing policies focusing on onsite and offsite business operations as is useful to the PFIs value chain like DBN and their MSME clients, especially in the event of a force majeure.
- **KYC, World Checks, Anti-Money Laundering (AML) & Combating the Financing of Terrorism (CFT)**
 - 1. Provide PFIs with templates (Standard Rule Book and Regulatory Returns Dashboard) and trainings that will enable them to comply more easily with regulatory requirements especially on AML and CFT.
 - 2. Implement processes that meet regulatory requirements and improves the quality of client data collected for impact measurement.
 - 3. Guide the PFIs on a methodology of conducting due diligence checks on their customers that will reduce chances of increasing NPLs or criminal activity financing.
- **Corporate Governance**

Capacity Building in ensuring that MFBs practice good corporate governance, and development of Corporate Governance rating model which will flow into DBN rating model.

 - a. **Monitoring & Evaluation** The program will improve the methods and tools the PFI uses for its monitoring and evaluation, consequently the improve the

quality of information collected from the PFIs and their MSME clients. Impact measurement will become seamless and beneficial to the PFI and DBN.

- **Technology and Digital Tools Utilization**

- Avail the PFIs simple tools or applications that can further optimize their business processes and improve data collection from MSMEs.
- Trainings on some sought-after digital skills including Coding, general system and database administration and cybersecurity should be cascaded within the PFIs to position them for full business automation and safely scaling up at reduced cost.
- Introduce/expand MFBs' usage of digital platforms in servicing their client base and expanding their outreach.

4.Scope of Services, Tasks (Components) and Expected Deliverables

Based on the objectives and program stages outlined, the TA assignment will be carried out by a firm (the "Consultant") with demonstrated expertise, preferably in similar emerging-market settings, in supporting financial intermediaries to optimize their business processes to expand their services to MSMEs. The consultant expert team will at the minimum include a team leader -- expected to spend substantial time on-site with the selected MFBs – and dedicated specialists covering the areas of risk management & regulatory compliance, credit administration, digital finance, information technology & business continuity planning, management information systems, product development, environmental and social risk management (ESRM).

The TA programme will entail an initial diagnostic stage defining the TA needs of the individual MFBs and laying out the TA program for each MFB communicated to the VVB team (in the form of report and presentation). This will be followed by an implementation stage during which the TA program will be delivered.

The Consultant is expected to constitute the team which should be adequately qualified to deliver the TA program. He will report to DBN's Chief Operating Officer and will work closely on an operational/daily basis with the DBN MFB TA project team. The Consultant will keep DBN management informed on work progress on an on-going basis and will discuss any challenges faced. Thus, the Consultant will keep DBN management informed of any issues that arise in delivering TA to the selected MFBs that could infringe on achieving the objectives of the TA program.

The envisaged activities in each of the planned phases is included below:

Stage I: Institutional Assessment and Formulation of TA Plan

Duration (3 weeks)

- Review of existing business processes within each MFB to determine specific strengths, weaknesses, technical shortcomings and gaps, and capacity in lending to MSMEs.

- Review of MSME products and services currently being offered by each MFB, including target segments, scope of engagement, limitations of products and services offered (terms, conditions, and requirements etc.).
- Identification of areas where capacity building would be warranted including all the above listed business and other areas and development of a detailed work plan for implementation of capacity building for each MFB. Work plans will outline measurable goals and objectives to be accomplished within a defined timeframe.
- Draft Technical Cooperation Agreement to be signed between each of the microfinance banks and DBN, outlining agreed services to be provided, the microfinance banks' obligations under the technical assistance program, and envisaged reporting as regards outcomes.

Stage 2: Development of implementation plans Duration (3 weeks)

Based on the gap areas identified, and the need analysis on each nominated PFI, a detailed framework of each business area addressed by the capacity building project should be developed for implementation. This stage will focus on:

- Developing a robust framework for the Capacity Building Program that will support the PFIs in strengthening the business process areas identified.
- Showing clear implementation plans for the framework designed across each specified business area.

Stage 3: Technical Assistance: Design and Implementation Duration (5 Months)

This stage will involve the actual implementation of the TA program based on the identified needs and business gaps within the PFIs.

Stage 4: Monitoring & Evaluation of the TA programme Duration (3 weeks and ongoing afterwards)

Whilst there will be monitoring & evaluation embedded in each of the preceding stages, it is expected that post implementation, there is a process to monitor and evaluate the entire program to ascertain effectiveness of the project. Specific tasks here will include:

- Development of a test plan and test case for each business area covered by defining timelines as well as measurable qualitative and quantitative objectives of the program.
- Test the monitoring and evaluation of the MFB's extended MSME offerings, process optimization and data quality evaluating the success at intervals, whilst adjusting as required.
- Provide a periodic report as required (weekly, fortnightly, monthly) to the project team evaluating previous stages of the project implemented.
- Undertake workshop for DBN management to present the results of the pilot for each of the banks.
- Submit an assessment report summarizing achievements, lessons learned, both as regards the bank's engagement in the MSME market and as regards design of the technical assistant project across all the 4 stages. This report is to include a progress

assessment designed to provide guidance and recommendations as to whether the respective MFB would stand to benefit from further program in similar or other business areas.

- The report will also indicate if there will be a roll-over in engagement with the consultant for a second phase of TA with additional MFBs in partnership with DBN.

5 Team Composition & Qualification Requirements for the Key Experts

Minimum Criteria

- Evidence of at least 10 years of demonstrated experience with similar advisory projects related to MSME financing for Microfinance institutions.
 - Evidence of experience of optimizing the business processes of MFIs across various areas; risk management, product development, data analytics, information technology, compliance, business continuity planning, sustainability practices, corporate governance, and credit administration.
 - Evidence of demonstrated experience in setting up and training staff in MSME financing within Microfinance Institutions and of supporting banks to reach out to MSMEs across all sectors beyond their traditional client base, and utilization of digital solutions.
 - Evidence of extensive capacity building experience related to strengthening understanding and usage of appropriate (e.g. cash-flow based) lending techniques, use of digital solutions and process automation tailored to emerging market environments where MSME's financial record keeping and access to collateral is limited.
 - Demonstrated evidence of successful implementation of similar projects delivered to MFIs in emerging markets; and
 - Experience on similar projects financed by international development institutions such as the World Bank Group, European Bank for Reconstruction and Development, and/or others as relevant.
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- **Team Leader.** Bachelor's degree and at least 10 years of experience in the financial sector, with direct experience as the team leader of similar MFI strengthening programs in emerging markets.

The list below identifies the required specialist knowledge to undertake the TA assignment. It is recognized that one specialist might cover more than one area defined below:

- **Risk Management Specialist.** Bachelor's degree and at least 7 years of risk management experience in financial sector focused on MSME banking, including direct experience with risk management associated with novel MSME lending products and approaches in emerging markets (e.g. cash flow-based lending, environmental and social risk management, digital financial services) and prior experience with at least three successfully implemented programs in risk management of financial intermediaries in emerging markets, including training and capacity building.
- **Credit Operations Specialist.** Bachelor's degree and at least 5 years of credit operations in financial sector focused on MSME banking, including direct experience with credit operations associated with novel MSME lending products and approaches in emerging markets (e.g. cash flow-based lending, digital financial services and prior experience with at

least three successfully implemented TA programs in credit operations in financial intermediaries in emerging markets, including training and capacity building.

- **IT/MIS Specialist.** Bachelor's degree and at least 5 years of information technology and management information systems in financial sector, including systems administration, cybersecurity, data mining and analytics, process automation and digital finance solutions and prior experience with of at least three successfully implemented programs focusing on IT/MIS systems for financial intermediaries in emerging markets, including training and capacity building.
- **M&E Specialist.** Bachelor's degree and at least 3 years of proven technical ability in collecting, compiling, and analyzing financial data from financial service providers with specific focus on elements such as credit and financial analysis, risk management, and MSME lending, non-performing loan management, identification of key lending risks, as well as from MSMEs. Experience with designing and maintaining relevant databases and developing standardized analytical reports and prior experience with implementation of M&E within financial intermediaries from at least three successful completed programs in emerging markets.
- **Product Development specialist.** Bachelor's degree and at least 5 years of proven technical ability in product development, program management across varying economic sectors including green financing, non-interest products, real sector financing, impact financing, Start-up, and fist time access lending, lending across varying economic geo-zones and demography. Prior experience with at least three successful implementations of similar program in emerging markets.
- **Compliance & Policy Specialist.** Bachelor's degree and at least 5 years of proven technical ability in regulatory compliance and risk management with specific focus on elements such as Anti-Money Laundering (AML) & Combating the Financing of Terrorism (CFT), conducting effective KYC, guidance on the use of a system for loan obligors, general compliance and rendering returns to regulatory bodies, business continuity planning & implementation, and institution of good corporate governance practices. A prior experience with at least three successful implementations of similar project for an MFB or MFI in emerging markets.

The Consultant is expected to be able to conduct work on-site with the selected MFBs and will otherwise be responsible to secure all relevant facilities for project implementation (e.g. transport, accommodation, communication, etc.)

The project would require some level of travel to the MFB's locations as needed within the specified state to set up the project initiatives reaching the geographical zones where they can operate.

6 Reporting Requirements and Time Schedule for Deliverables

All deliverables will be provided to the DBN. The relevant information and reports concerning individual MFBs will be shared with those specific MFBs upon approval by DBN. The estimated duration of the assignments is 6 months for each phase.

The following are the minimum specific deliverables which will be provided by the Consultant along with a payment schedule.

Stage 1 deliverables: Duration (3 weeks)

Inception Report including the institutional assessment of each bank and formulation of time-bound technical assistance plan - **10% of the contract amount**

Stage 2 deliverables: Duration (3 weeks)

- **Report detailing implementation plans and frameworks**, including proposed products, process optimization, services, and training for each bank
- **Draft Technical Cooperation Agreements** to be signed between DBN and each client microfinance bank summarizing expectations and obligations under the project - **20% of the contract amount.**

Stage 3 deliverables: Duration (5 Months)

- **Report detailing technical assistance design and Implementation for each bank**
- **Assessment Report reporting on success of Implementation** of the TA on the respective MFBs -**20% of the contract amount.**

Stage 4 deliverables: Duration (3 weeks)

- **Assessment Report reporting on success of Implementation** of the TA on the respective MFBs in stages, advising suitability and making rapid adjustment if the TA is not achieving set objectives
- **Report on Implementation of the TA** for each bank, including specific MSME products, process optimization, service delivery, digitalization, credit administration, risk management- ERSM, sustainability; planned changes to the organizational structure; staff-training; and monitoring and evaluation processes
- **Final report assessing overall outcomes of the TA program**, including implementation of the roll-out phase for each bank, with lessons learnt and recommendations to increase efficiency and effectiveness of the TA program going forward - **50% of the Contract Amount.**

In addition to above, the consultant is required to submit:

- **Regular monthly reports throughout project implementation** identifying progress in relation to each project stage, identifying hurdles confronted and how they were addressed, including monthly reporting on the following TA assessment indicators:

INDICATORS
• Satisfactory report from the annual due diligence exercise in line with DBN's eligibility criteria

• Ease and speed in sharing data and performance analytics measured by PFI's turnaround time.
• Number of exceptions recorded during loan Monitoring & Evaluation
• Quarterly report on Governance structure
• Monthly report on growth loan portfolio
• Report on creation of a digital strategy
• Percentage of loan growth to End beneficiaries
• Percentage of PAR to identified Segments and Sectors
• Profitability of the PFI
• Percentage of MSME borrowers outside Trade & Commerce.
• Consistent reduction in Non-Performing Loan Ratio measured by a reduction in PAR for 4 quarters
• Turnaround time for MSME Loans measured by loan process report from origination to disbursement.
• Quarterly report on MSME Portfolio Sector Breakdown

APPENDIX A

PROFILE OF MFBS

(Figures are estimates as at FYE 2020)

National Microfinance Bank (PFI) Profiles

These Banks are licensed and regulated by the CBN. They are expected to have a share capital of N5bn by 2022 financial year end. They share the following characteristics:

NATIONAL MFB A

- Presence in about 30 states within the country.
- Headquartered in Lagos and a huge annex and presence in Benin City, Nigeria.
- The industry leader disburses over N150bn to over 200,000 MSMEs annually.
- Declares over N4bn in annual profit after tax.
- Operates with a good level of IT infrastructure.
- Actively MSME focused and has operationalized a group lending model and have up to 95% of their entire loan portfolio on MSMEs with over 80% focused on micro loans.

- Operates an array of MSME products, a non-existent non-interest banking portfolio but a green finance and real sector portfolio, operated within a very minimal capacity.
- The Bank has previously received funding from several multilateral DFIs and impact investors.
- They have approved ERSM policies and frameworks which may not be fully operationalized.
- Operates a decent level of Business Continuity Planning
- Maintain a huge number of field staff and officers utilizing digital tools for customer engagement and loan monitoring.
- Have a fair quality of asset with NPL/PAR not exceeding 12%

NATIONAL MFB B

- Presence in more than 7 states within the country.
- The Bank has its headquarters in Kaduna Nigeria.
- Disburses over N20bn in total loans annually and has a customer base of over 130,000 MSMEs but a borrowing portfolio of up to 40,000 MSMEs.
- Declares over N1bn in annual profit.
- Operates with a good level of IT infrastructure.
- The Bank has previously received funding from several multilateral DFIs and impact investors.
- Actively MSME focused and has operationalized a group lending model and have 100% of their entire loan portfolio on MSMEs.
- Operate an array of MSME products, a non-existent non-interest banking portfolio but a green finance and real sector portfolio, operated within a very minimal capacity.
- They have approved ERSM policies and frameworks which may not be fully operationalized.
- Operates a decent level of Business Continuity Planning
- Maintain a huge number of field staff and officers utilizing digital tools for customer engagement and loan monitoring.
- Have a good quality of asset with NPL/PAR not exceeding 5%

NATIONAL MFB C

- Presence in more than 25 states within the country.
- The Bank has its headquarters in Lagos Nigeria.
- Disburses over N10bn annually in total loans and has a portfolio of over 20,000 MSMEs.
- Declares over N800m in annual profit.
- Operates with a good level of IT infrastructure.
- The Bank has previously received funding from several multilateral DFIs and impact investors.
- Actively MSME focused and has up to 30% of their entire loan portfolio on MSMEs.
- Operate an array of MSME products, a non-existent non-interest banking portfolio but a green finance and real sector portfolio, operated within a very minimal capacity.
- They have approved ERSM policies and frameworks which may not be fully operationalized.
- Operates a decent level of Business Continuity Planning

- Maintain a huge number of field staff and officers utilizing digital tools for customer engagement and loan monitoring.
- Have a good quality of asset with NPL/PAR not exceeding 5%

NATIONAL MFB D

- Presence in about 12 states within the country.
- Headquartered in Lagos Nigeria.
- Disburses over N25bn to over 50,000 MSMEs annually.
- Declares over N1.5bn in annual profit.
- Operates with a good level of IT infrastructure and is leveraging a digital strategy over traditional brick & mortar branches to increase reach.
- The Bank has previously received funding from several multilateral DFIs and impact investors.
- Actively MSME focused and has operationalized a group lending model with 100% of their entire loan portfolio on MSMEs and 85% focused on micro loans.
- Operate an array of MSME products, a non-existent non-interest banking portfolio but a green finance and real sector portfolio, operated within a very minimal capacity.
- They have approved ERSM policies and frameworks which may not be fully operationalized.
- Operates a decent level of Business Continuity Planning
- Maintain a huge number of field staff and officers utilizing digital tools for customer engagement and loan monitoring.
- Have a fair quality of asset with NPL/PAR not exceeding 12%

NATIONAL MFB E

- Presence in more than 5 states within the country.
- The Bank has its headquarters in Lagos Nigeria.
- Disburses over N25bn annually in loans and has a customer base of over 300,000 but an active borrowing portfolio of over 50,000 MSMEs.
- Declares over N600m in annual profit.
- Operates with a good level of IT infrastructure.
- The Bank has previously received funding from several multilateral DFIs and impact investors.
- MSME focused with a 100% of their loan portfolio, 65% of these as micro loans.
- Operate an array of MSME products, a non-existent non-interest banking portfolio and a green finance whilst real sector portfolio is operated within a very minimal capacity.
- They have approved ERSM policies and frameworks which may not be fully operationalized.
- Operates a decent level of Business Continuity Planning
- Maintain a huge number of field staff and officers utilizing digital tools for customer engagement and loan monitoring.
- Have a good quality of asset with NPL/PAR not exceeding 5%

State Microfinance Bank (PFI) Profiles

These Banks are licensed and regulated by the CBN to be operative in only one designated state. They are expected to have a share capital of N1bn by 2022 financial year end. They share the following characteristics:

State MFB 1

- Situated in Lagos Nigeria with 17 branches within the state.
- Disburses over N8bn annually to over 20,000 MSMEs annually.
- Operates with a good level of IT infrastructure.
- Actively MSME focused, has a total customer base of about 89,000 with 86% as MSMEs.
- The Bank has previously received funding from local DFIs and foreign based impact investors.
- Operate an array of MSME product however, green finance is being explored whilst non-interest lending is non-existent.
- Have approved ERSM policies which may not be fully operationalized.
- Operates a fair level of Business Continuity Planning
- Maintain a huge number of field staff and officers utilizing digital tools for customer engagement and loan monitoring.
- Have a very good quality of asset with NPL/PAR not exceeding 3%

State MFB 2

- Situated in Lagos State Nigeria with 20 branches within the state.
- Disbursed over N2bn to over 9,000 MSMEs in 2020.
- Operates with a fair level of IT infrastructure.
- Actively MSME focused with a customer base of about 146,000 and 90% MSMEs – 50% of which is micro.
- The Bank has previously received funding from local DFIs and foreign based impact investors.
- The Bank has an array of MSME product; however, the green financing product and non-interest lending is non-existent.
- Have approved ERSM policies which may not be fully operationalized.
- Operates a fair level of Business Continuity Planning
- Maintain a significant number of field staff and officers utilizing digital tools for customer engagement and loan monitoring.
- Have a fair quality of asset with NPL/PAR not exceeding 10%

State MFB 3

- Situated in Abuja, Nigeria with 17 branches within the state.
- Disbursed over N2bn to over 10,000 MSMEs in 2020.
- Operates with a fair level of IT infrastructure.
- MSME focused with a customer base of over 80,000 MSMEs.
- The Bank has previously received funding from local DFIs and foreign based impact investors.
- The Bank has an array of MSME products; however, the green financing product and non-interest lending is non-existent.
- Have approved ERSM policies which may not be fully operationalized.
- Operates a fair level of Business Continuity Planning

- Maintain a significant number of field staff and officers utilizing digital tools for customer engagement and loan monitoring.
- Have PAR/NPL exceeding 20%

State MFB 4

- Situated in Lagos State Nigeria with 11 branches within the state.
- Disburses over N1.5bn annually to over 10,000 MSMEs annually.
- Operates with a fair level of IT infrastructure.
- Actively MSME focused with a customer base of over 80,000 with 90% as MSMEs.
- The Bank has previously received funding from local DFIs and foreign based impact investors.
- The Bank has an array of MSME product; however, the green financing product and non-interest lending is non-existent.
- Have approved ERSM policies which may not be fully operationalized.
- Operates a fair level of Business Continuity Planning
- Maintain a significant number of field staff and officers utilizing digital tools for customer engagement and loan monitoring.
- Have a fair quality of asset with NPL/PAR not exceeding 7%

State MFB 5

- Situated in Lagos State Nigeria with 10 branches within the state.
- Disburses over N3.5bn annually to over 34,000 MSMEs annually.
- Operates with a fair level of IT infrastructure.
- Actively MSME focused with a customer base of about 170,000 and 100% MSMEs.
- The Bank has an array of MSME product including a green financing product however, non-interest lending is non-existent.
- The Bank has previously received funding from local DFIs and foreign based impact investors.
- The bank uses a group lending strategy.
- Have approved ERSM policies which may not be fully operationalized.
- Operates a fair level of Business Continuity Planning
- Maintain a huge number of field staff and officers utilizing digital tools for customer engagement and loan monitoring.
- Have a fair quality of asset with NPL/PAR not exceeding 9%