

**SPEECH PRESENTED BY MR. TONY OKPANACHI, MANAGING
DIRECTOR/CEO, DEVELOPMENT BANK OF NIGERIA, AT THE FORMAL
COMMENCEMENT OF LENDING ACTIVITIES**

**THE CLAN PLACE, GROUND FLOOR, PLOT 1386A, TIGRIS CRESCENT,
MAITAMA - ABUJA, ON MONDAY, 30TH OCTOBER, 2017**

Dear Ladies & Gentlemen of the press, it gives me great pleasure to welcome you all to this landmark event, commencing Development Bank of Nigeria's lending activities valued at over N5 Billion Naira, which will be available to over 20,000 Micro, Small and Medium Scale Enterprises (MSMEs).

The Development Bank of Nigeria (DBN) was set up as a wholesale development finance institution (DFI) to provide sustainable financing through eligible Participating Financial Institutions (PFIs), who would in turn, lend to end-borrowers - Micro, Small and Medium Enterprises (MSMEs) for the development of that segment.

With a vision to be Nigeria's primary development finance institution; promoting growth and sustainability, DBN seeks to fulfill three key mandates:

- Lending activities to MSMEs
- Partial Credit Guarantees
- Capacity Building

Today, DBN is proud to commence with the first of its mandates.

The Nigerian economy is powered by the MSMEs, however unstructured. The activities within this segment account for over 50% of Nigeria's GDP. However, less than 5% of these businesses have access to credit in the financial system.

Statistics show that there are over 37 million MSMEs in Nigeria. However, regardless of the number, many of these businesses still struggle with access to adequate financing.

With an increasing educated demography graduating from tertiary educational institutions, coming home to meet limited vacancies in the job market, and a corresponding number in the diaspora returning to Nigeria to create value, solve problems and start businesses, the time for DBN is now. Existing financing options are inadequate to address the demands of the segment.

It is against this context that the DBN loan will provide sustainable financing to Nigeria's burgeoning MSME segment.

Unlike other Development Finance Institutions that are sector specific, DBN loan cuts across all sectors. It seeks to achieve the Nigerian Sustainable Banking Principles (NSBP) of the Central Bank of Nigeria (CBN), where financial inclusion ranks high, as well as the United Nations Sustainable Development Goals and it's in line with the Economic Recovery and Growth Plan of the Federal Government of Nigeria.

The DBN loan repayment tenure is flexible (up to 10 years with a moratorium period of up to 18 months) and the pricing is pragmatic and referenced to market rates.

Today, we are proud to announce our first three Participating Financial Institutions, all of who are National Micro Finance Institutions with coverage all over the nation:

- Fortis Microfinance Bank Plc.
- LAPO Microfinance Bank Ltd.
- NPF Microfinance Bank Plc.

Going forward, more Participating Financial Institutions including Commercial Banks, other DFIs, etc. would be signed on to access DBN loans which will be available to MSMEs who are already their customers across the nation.

In conclusion, this event marks the commencement of a new dawn for MSMEs, diversification of the economy and sustainable growth in Nigeria.

Join us as goodwill ambassadors in spreading this good news.

Ladies and Gentlemen, I thank you for listening.