

Meeting Date: August 3rd, 2022

Time: 10:20 am

Venue: Risk Management Conference Room Bank of Industry (BOI).

PRESENT:

1. Dr. Segun Ajayi-Kadir (DG, MAN) - Chairman
2. Dr. Ezekiel Oseni (Chief Risk Officer, BOI)
3. Dr. Reuben Bamidele (UNIDO)
4. Engr. Uche Kene-Okoye (FMITI)
5. Mr. Temitayo Osundosome (CIBN)
6. Mrs. Ogbonnaya Mabel (NIP)

In Attendance:

1. Mr. Olufemi Ilesanmi (BOI) - Secretary
2. Mrs. Ebun Odukoya (BOI)
3. Dr. J.O. Oladipo (MAN)
4. Dr. Oluwasegun Osidipe (MAN)
5. Mr. Akinbobola Olabisi (MAN)
6. Miss. Clara C. Nwamaraihe (MAN)

1. Opening Prayers

The Opening prayer was led by Mr. Olufemi Ilesanmi.

2. Opening Remarks:

Dr. Oladipo Olajide in his opening remarks welcomed everyone to the meeting and read out the meeting agenda for any addition and/or amendment. He also stated the need to appoint a chairman for the committee.

3. Appointment of the Chairman:

- There were deliberations on the appointment of a chairman, and discussions were in favour of appointing someone from the private sector to chair the committee considering that the project in question is private sector driven.

The committee therefore reached a decision to appoint the Manufacturers Association of Nigeria (MAN) as the Chairman of the Committee. Hence, Dr Segun Ajayi-Kadir DG (MAN) was appointed.

The Chairman gave an acceptance speech. He however acknowledged the need for more clarity as regards criteria for the allocation of funds. He also suggested a technical committee should be set up for this purpose.

- **Welcome Address:**

The welcome Address was delivered by Dr. Reuben Bamidele (representative of UNIDO), who stated that the focus of the project is to promote efficiency especially in the areas of clean technology solution and adaptation.

4. Briefing and Discussions on the paper presented on: Improving Nigeria's Industrial Energy Performance & Resource Efficient Cleaner Production through Programmatic Approaches & the Promotion of Innovation in Clean Technology Solutions (IEE & RECP Project)

- The Project Background reflected in the paper is clear. The focus on the background should be looked at in terms of the five sectors and the Industrial zones that have been identified.
- While discussing the Project Investment Committee, the need to include a new member to represent entrepreneurs was debated

Dr. Ezekiel Oseni suggested that someone from the academia should be involved also, however this was inconclusive as the meeting was unable to determine if such individual would be interested in participating on a pro-bono basis.

- **Review and adoption of the Term of Reference (TOR) of the Project Investment Committee (PIC)**

The following were the key highlights of the TOR review:

- There were suggestions to increase the membership to a minimum of six, however Dr. Ezekiel Oseni stated that this is mainly for voting purposes. He further stated that in such circumstance where attendees of the meeting are in maximum of the expected members, the attendance should be split to clearly capture the excess numbers under "in attendance", so that not everyone will be expected to vote.
- There should be quarterly progress reports on the disbursements added to the terms of reference.
- A WhatsApp group should be created for information/ feedback purposes. Furthermore, it will complement the general email notifications. Postings or information shared on the group should strictly be UNIDO related.
- In Paragraph 10, it was discussed that an emergency meeting (which is outside the four meetings) should be initiated by the Chairman of the Committee as it should be his discretion to decide whether a meeting is necessary. However, if any member sees the need for an emergency meeting, this should be discussed with the Chairman. The Chairman further recommended the option of hybrid meetings. This was accepted but the

four meetings in the year should be physical, including the emergency meetings.

- In Paragraph 16, the phrase “on a regular basis” should be on an annual basis.

5. Presentation by Dr. Ezekiel Oseni, the Chief Risk Officer BOI on: The Framework for Managing the \$600,000.00 UNIDO/ GEF Resource Efficiency and Cleaner Production (RECP) and Industrial Energy Efficiency (IEE) Fund

- Dr. Ezekiel Oseni gave a brief presentation about the framework/ background, security arrangement, pricing, tenor etc.
- He stated that the objective of the project is to improve RECP & IEE
- He also asked about the possibility of Personal Guarantees from UNIDO in the instance the customer does not have a Legal Mortgage or Bank Guarantee.
- There were deliberations on fund utilisation. It was stated that BOI will stick to the balance of \$550,000.00, however, where there is a need to go beyond this, BOI will deal with the customers 100% and the Risk Acceptance Criteria will solely be based on BOI's minimum acceptable RAC. The balance of \$50,000.00 is the technical assistance fee.
- Mr. Temidayo suggested that letters be obtained from MAN on the credibility of any proposed customer.
- It was stated that the Chairman cannot guarantee any member, however he can provide information on the credibility of such individuals. An internal body will therefore be set up, alongside using an approved checklist to specifically monitor the approved projects.
Mr. Temidayo proposed that the customer gets a letter of recommendation from MAN and this should be a condition precedent to disbursement. However, Dr. Ezekiel Oseni stated that it may be difficult to deny applicant's loans on the basis of MAN membership.
- The creation of a Sub-Committee was proposed to look at the framework, identify and create an eligibility checklist, which should specify the type of equipment that will be financed.

Three members were Chosen to be part of the sub-committee:

- Bank of Industry
 - Engr Uche Kene – Okoye (FMITI)
 - Mr. Temidayo Osundosumu (CBN)
- Dr. Ezekiel Oseni proposed more frequent meetings before the end of the year so as to achieve the disbursement commencement target.
- The next physical meeting will be after the product paper has been approved by BOI's Management.

6. BOI'S TASK:

The following tasks were assigned to BOI by the Committee:

- A product paper on IEE & RECP will be developed. The product paper will reflect the kind of equipment BOI will support. The product paper will be prepared and circulated in two weeks from the date of the meeting for review. However, the product paper will have to be approved by BOI's Management which will take a minimum of one to two months.
- BOI will prepare a process flow and checklist for processing the loan.
- A presentation/ scenario analysis on the usage of funds and the possible recovery process based on the Banks default ratio, this will be required after disbursement has commenced.

7. CLOSING REMARKS:

- On the issue of availability and disbursement of funds, it was discussed that the funds will be disbursed in tranches to BOI, however Dr. Ezekiel Oseni stated that bulk payment may be preferred.
- The closing remark was given by the Chairman, who thanked everyone for attending and wished them a safe journey back.
- Dr. Ezekiel Oseni gave the vote of thanks and the meeting was adjourned.

Thank you.

**Bank of Industry
Secretariat**