



## Development Finance Project (P146319)

AFRICA | Nigeria | Finance, Competitiveness and Innovation Global Practice |  
IBRD/IDA | Investment Project Financing | FY 2015 | Seq No: 9 | ARCHIVED on 10-Dec-2018 | ISR34233 |

Implementing Agencies: Federal Republic of Nigeria, FEDERAL MINISTRY OF FINANCE, Development Bank of Nigeria

### Key Dates

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Bank Approval Date: 25-Sep-2014

Effectiveness Date: 08-May-2015

Planned Mid Term Review Date: 14-Jun-2019

Actual Mid-Term Review Date: --

Original Closing Date: 31-Dec-2021

Revised Closing Date: 31-Dec-2021

### Project Development Objectives

Project Development Objective (from Project Appraisal Document)

The project development objective is to increase the availability and access to finance for micro, small, and medium enterprises through eligible financial intermediaries with the support of a new wholesale development finance institution.

Has the Project Development Objective been changed since Board Approval of the Project Objective?

No

### Components

Name

Component 1: Technical Assistance and Capacity Building:(Cost \$12.00 M)

Component 2: Line of Credit Facility:(Cost \$445.00 M)

Component 3: Credit Guarantee Facility:(Cost \$35.00 M)

Component 4: Project Management:(Cost \$6.75 M)

### Overall Ratings

Name	Previous Rating	Current Rating
Progress towards achievement of PDO	● Moderately Satisfactory	● Moderately Satisfactory
Overall Implementation Progress (IP)	● Moderately Satisfactory	● Moderately Satisfactory
Overall Risk Rating	● High	● High

### Implementation Status and Key Decisions

Substantial progress was recorded over the last six months with the strengthening of the Development Bank of Nigeria, with most notable achievements as follows:

i) The DBN has continued to record steady implementation progress, including the expansion of lending operations to 10 microfinance banks and 4 commercial banks, with a volume of NGN11.8 billion on-lent to eligible micro, small and medium enterprises, all of which has been on-lent to nearly 35 thousand borrowers, 73 percent of which were women.

ii) DBN has made progress with the establishment of the Credit Guarantee Facility (CGF) with the support of a technical consultant hired by the World Bank with a goal of operationalizing the facility by the end of third quarter of 2019.



iii) The project has been successfully restructured to assign the DBN with fiduciary responsibility to manage US\$12mn of technical assistance funds. The DBN has already been appraised by the FM and Procurement Team which concluded that DBN was fit to play this role. The key next steps include operationalization of these arrangements.



## Risks

### Systematic Operations Risk-rating Tool

Risk Category	Rating at Approval	Previous Rating	Current Rating
Political and Governance	--	● High	● High
Macroeconomic	--	● Substantial	● Substantial
Sector Strategies and Policies	--	● Substantial	● Substantial
Technical Design of Project or Program	--	● Moderate	● Moderate
Institutional Capacity for Implementation and Sustainability	--	● High	● High
Fiduciary	--	● Substantial	● Substantial
Environment and Social	--	● Moderate	● Moderate
Stakeholders	--	● High	● High
Other	--	--	--
Overall	--	● High	● High

## Results

### PDO Indicators by Objectives / Outcomes

Increase in access and availability of finance to eligible enterprises/MSMEs				
▶PFIs' Eligible Sub-loan Portfolio Quality (Non-Performing Loans) (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	5.00
Date	25-Sep-2014	15-Jun-2018	31-Oct-2018	30-Sep-2020
Comments:	This indicator measures portfolio quality of the PFIs' sub-loans funded by the Line of Credit Facility and CGF.			
▶Volume of PFIs' Eligible Sub-Loans facilitated by CGF (Amount(USD), Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	651,000,000.00
Date	25-Sep-2014	15-Jun-2018	03-Dec-2018	31-Dec-2021
Comments:	This indicator measures total amount of loans extended by eligible PFIs to eligible sub-projects, generated as a result of the guarantees issues by the CGF.			
▶Volume of PFIs' Eligible Sub-Loans facilitated by Line of Credit Facility (Amount(USD), Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	2,198,000.00	38,688,525.00	445,000,000.00
Date	25-Sep-2014	15-Jun-2018	31-Oct-2018	31-Dec-2021

Comments: This indicator measures total amount of loans extended by eligible PFIs to eligible sub-projects, generated as a result of the support from DFI's Line of Credit Facility.

### Intermediate Results Indicators by Components

Component 2: Line of Credit Facility				
▶DFI Wholesale Portfolio Quality (Non-Performing Loans) (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	0.00
Date	25-Sep-2014	15-Jun-2018	31-Oct-2018	31-Dec-2021
Comments:	This indicator will measure portfolio at risk at 30 days			
▶DFI ROA (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	7.80	8.02	5.00
Date	25-Sep-2014	15-Jun-2018	31-Oct-2018	31-Dec-2021
Comments:	DFI return on assets			
▶Volume of DFI's Wholesale Loans (Amount(USD), Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	2,198,000.00	38,688,525.00	445,000,000.00
Date	25-Sep-2014	15-Jun-2018	31-Oct-2018	31-Dec-2021
Comments:	This indicator measures the total amount of loans extended to PFIs			

Component 3: Credit Guarantee Facility				
▶Number of PFIs reporting on lending to women sub-borrowers (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	4.00	13.00	6.00
Date	25-Sep-2014	15-Jun-2018	31-Oct-2018	31-Dec-2021
Comments:	This indicator measures the number of PFIs that monitor and report on lending to women sub-borrowers			
▶Volume of Guarantees Issued (Amount(USD), Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target



Value	0.00	0.00	0.00	325,000,000.00
Date	25-Sep-2014	15-Jun-2018	03-Dec-2018	31-Dec-2021
Comments:	This indicator measures the total amount of guarantees issued from DFI to PFIs			

## Data on Financial Performance

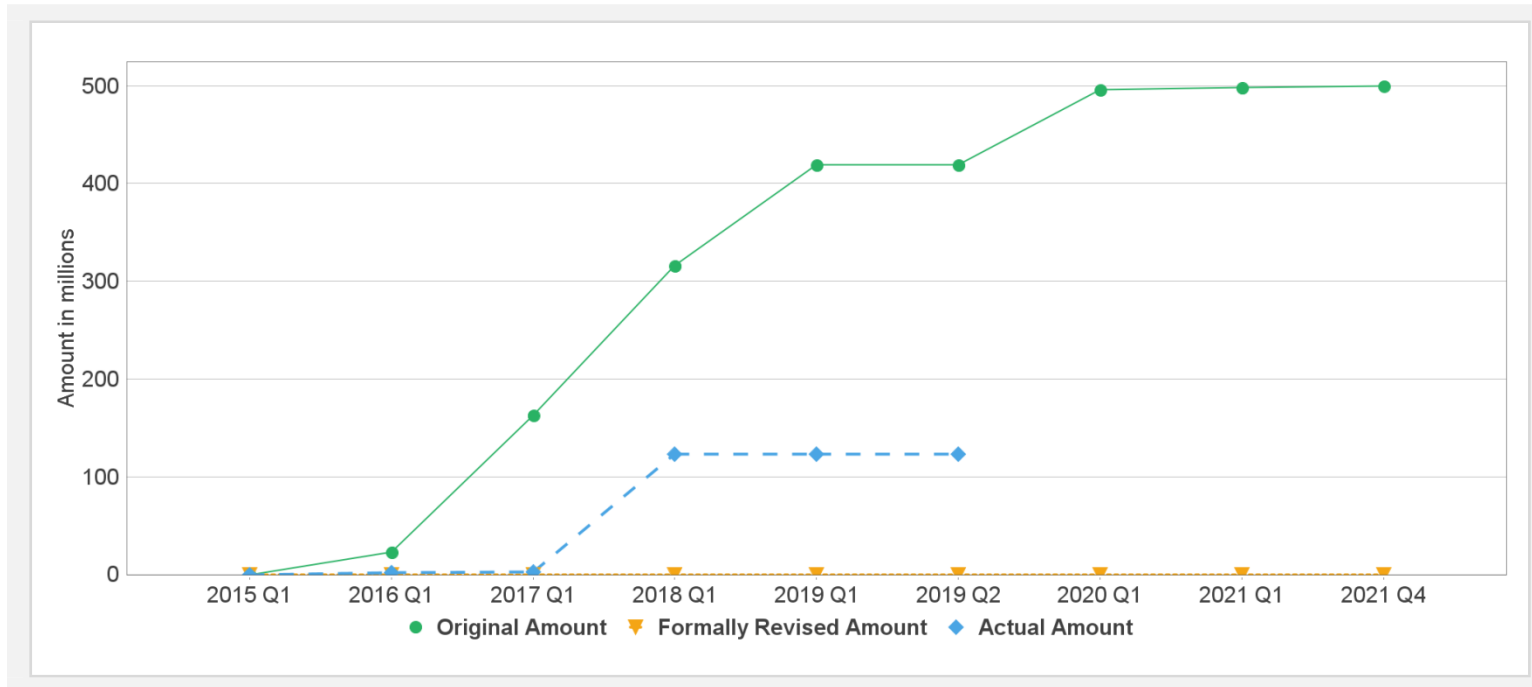
### Disbursements (by loan)

Project	Loan/Credit/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	% Disbursed
P146319	IBRD-84410	Effective	USD	500.00	500.00	0.00	124.18	375.82	25%

### Key Dates (by loan)

Project	Loan/Credit/TF	Status	Approval Date	Signing Date	Effectiveness Date	Orig. Closing Date	Rev. Closing Date
P146319	IBRD-84410	Effective	25-Sep-2014	25-Feb-2015	08-May-2015	31-Dec-2021	31-Dec-2021

### Cumulative Disbursements





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## Restructuring History

Level 2 Approved on 21-Aug-2018

## Related Project(s)

There are no related projects.

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