

REPORT ON THE 2ND AWARENESS SESSION AND ASSISTANCE ON ACCESS TO CREDIT FOR INVESTORS AND ENTREPRENEURS

ORGANIZED BY KATSINA INVESTMENT PROMOTION AGENCY
HELD AT HB EVENT CENTRE, FUNTUA
31ST OCTOBER, 2024

Introduction

This report summarizes the proceedings of the 2nd awareness session on access to credit for investors and entrepreneurs, organized by the Katsina Investment Promotion Agency (KIPA). The session, held on October 31, 2024, at the HB Event Centre, Funtua, aimed to promote awareness of credit options, financial management, and regulatory requirements. It also focused on creating awareness about the activities of five Business Enabling Environment (BEE) Ministries, Departments, and Agencies (MDAs), highlighting their Service Level Agreements (SLAs) and Grievance Redress Mechanism (GRM).

The event was designed to address challenges businesses face in accessing credit, foster knowledge-sharing, and encourage partnerships. The session is part of the broader efforts under the State Action on Business Environment Reform (SABER) program. It brought together 150 participants, including investors, entrepreneurs, farmers' associations, business leaders, financial experts, and regulatory officials.

Objectives

The session aimed to:

1. Fulfill one of the DLI 4 eligibility criteria for the SABER program.
2. Create awareness of reforms initiated under the SABER program in Katsina State.

3. Educate 150+ entrepreneurs on accessing credit.
 4. Facilitate partnerships between financial institutions and businesses.
 5. Provide matchmaking opportunities between investors, entrepreneurs, and credit institutions.
 6. Develop a follow-up mechanism to monitor progress.
-

Program Highlights

Opening Prayer & National Anthem

The session commenced at 10:35 AM with an opening prayer, followed by the national anthem.

Keynote Address

Alhaji Ibrahim Tukur Jikamshi, Director General of KIPA, welcomed participants and emphasized the significance of access to credit in business development. He highlighted Funtua's strategic role as a commercial hub in Katsina State and encouraged active participation.

The Deputy Governor of Katsina State, Alhaji Lawal Jobe, represented by the Permanent Secretary of the Deputy Governor's Office, commended KIPA's efforts. He underscored the government's commitment to supporting SMEs and enhancing access to credit through state-owned institutions like Amana Microfinance Bank.

Paper Presentations

1. **Agricultural and Non-Agricultural Financing by the Bank of Agriculture**

Presenter: Shehu Juli, Manager, Bank of Agriculture

- Discussed various financing options for agricultural and non-agricultural sectors.
- Highlighted loan types: Micro Loans, Special Projects, Produce Marketing, and Operational Finance.
- Emphasized eligibility criteria for accessing credit, including the need for business registration and engagement in agricultural value chains.

2. Accessing KASEDA Facilities

Presenter: Dr. Ibrahim Ghani

- Introduced Katsina State Enterprise Development Agency (KASEDA), created to foster entrepreneurship with a ₦3 billion capital base.
- Detailed support services: grants, loans, and training for SMEs, startups, and youth-led businesses.
- Outlined application requirements: valid business registration, a clear business plan, proof of residency, and mandatory training.

3. NIRSAL Microfinance Bank Financial Windows

Presenter: Hajiya Saadatu Jawad Yusuf

- Provided an overview of NIRSAL's services, including credit access for SMEs and farmers.
 - Shared success stories of intervention funds disbursed to over one million Nigerians.
 - Highlighted the importance of collateral and financial capacity in loan approval.
-

Service Level Agreements (SLAs) and Grievance Redress Mechanisms (GRMs)

Representatives from five MDAs discussed SLAs and GRMs:

- **Ministry of Commerce, Industry, and Tourism**
- **State Internal Revenue Service**
- **Urban Planning Development Board**
- **State Water Board**
- **Bureau for Public Procurement**

They explained service standards, responsibilities, and procedures for resolving complaints, emphasizing timely and effective solutions.

Interactive Session

Key points from the discussions:

- **Risk Management:** Participants expressed concerns about risk in businesses like poultry farming. Solutions, including insurance coverage, were suggested.
- **Awareness Gaps:** Participants called for increased publicity and awareness of SLAs.
- **Fraud Prevention:** Warnings were issued about fraudulent loan schemes on social media.
- **Collaboration:** Financial institutions were urged to provide soft loans to business groups like the Nigerian Union of Road Transport Workers (NURTW).

Conclusions and Recommendations

The session successfully met its objectives, highlighting key challenges and solutions:

1. **Access to Credit:** Remains a significant barrier for businesses in Katsina.
2. **Collateral Requirements:** Need to be revised to accommodate more entrepreneurs.
3. **Financial Literacy:** Capacity building is essential for entrepreneurs.
4. **Public Awareness:** Increased publicity on credit facilities and SLAs is necessary.
5. **Business Planning:** Entrepreneurs should develop robust business plans and explore alternative financing models.
6. **Follow-Up Mechanism:** Establishing monitoring systems is recommended for ongoing support and addressing challenges.
7. **Future Sessions:** More awareness programs should be organized to reach a broader audience.

Compiled by:

Umar Muhammad

Director, Corporate Communication & Strategy

Katsina Investment Promotion Agency