



Welcome Address by Dr. Adesola Adeduntan, MD/CEO, First Bank of Nigeria Ltd and Subsidiaries, at the FirstBank Agric Expo, held at Eko Hotels & Suites, Victoria Island, Lagos on Tuesday, March 14, 2017

Protocol:

On behalf of the Board, Management and Staff of First Bank of Nigeria Limited, Nigeria's Most Valuable Banking Brand, I am delighted to welcome you to the FirstBank Agric Expo, an integrated forum featuring plenary sessions, masterclasses and exhibitions.

The extent of Nigeria's agricultural sector potentials for accelerating economic growth and sustainability cannot be exaggerated. As the provider of the most critical resource, food, agriculture holds sway in the mission to eradicate poverty and hunger in our generation. Indeed, the entire nation looks up to this sector, with its huge value chain, as the bastion of hope for the positive future of our economic development. There is, therefore, urgency for generating a composite agro-industrial renaissance programme as an integral part of any national sustainable development agenda.

The various factors that promote or hinder the agricultural sector from actualising its potential are constantly being discussed in various fora. However, experts agree that agricultural systems are incredibly diverse, with crops, livestock, climates, soils, tools, and technology varying from place to place and even farm to farm. One-size-fits-all solutions are unlikely to work and solutions will need to be tailored to address regional and site-specific barriers to sustainability. This process requires the engagement of diverse stakeholders and sectors. They will require validation and tailoring of concrete strategies. Early action is important; more support and better mechanisms are needed for long-term thinking and action, including strengthening public research and development (R&D), human resources development, and institutional change through meaningful engagements such as this agric expo.

This forum has been precisely themed “Reinventing Agriculture for Sustainable National Development”. The theme underscores the imperatives for generating solutions to leap frog in the quest for lasting strategic development paradigms. At FirstBank we take pride in providing the platform for this discourse.

Over 120 years ago, FirstBank commenced operations with a keen awareness of the critical relevance of the agricultural sector to the nation’s economic well-being. The Bank therefore has a rich history of commitment to the agricultural sector – from the humble beginning of simply distributing currency in support of agricultural commodity trade between West Africa and Europe, to its present status as a financial supermarket, with a full-fledged Agricultural Financing Department.

As part of our Bank’s deliberate effort in extending services to the agricultural sector and in ensuring judicious utilisation of funds, the Bank maintains a staff of professionals in various agricultural disciplines. The staff assist farmers and various agro business clients in drawing up viable agro business plans, developing acceptable financing propositions, and providing extension/advisory services for project monitoring and implementation. Our key success factors in the sector also include our unrivaled network of over 750 branches appropriately positioned for easy access to urban, sub-urban and rural projects, and an assortment of customer/industry friendly agricultural financing products.

The strength of FirstBank’s conviction and genuine corporate desire to identify with Nigeria’s vision for self-sufficiency in agricultural production and economic diversification is underscored by its enduring partnerships with the Federal and State Governments, the Central Bank of Nigeria, International Development Agencies, and agro businesses – large and small, in promoting agricultural business development. Going down memory lane, the Bank played a major part in support of commodity trade in the 1950s and 60s. In the 1980s and 90s, FirstBank added glamour to the Agricultural Credit Guarantee Scheme by introducing a customized micro-finance package styled “Community Farming Scheme”. The Bank faithfully implemented the Rural Banking Scheme by opening all the number of branches allocated to it under the scheme. It equally observed to the letter all the credit guidelines in terms of asset portfolio composition, and pricing. Even within the subsequent era of deregulation, the Bank has maintained a growing portfolio in the agricultural business sector, having launched its revamped suite of agricultural financing products at the turn of the century.

As a result of its strong commitment to the nation's real sector, FirstBank has deployed substantial volume of its portfolio in the agricultural sector. Under the Commercial Agriculture Credit Scheme (CACCS), the FGN/CBN initiative designed to provide long tenored credit facilities to commercial agricultural enterprises at single digit interest rate, FirstBank has supported 117 which is the largest number of projects sponsored by any bank under the initiative. The projects spread across input supplies, primary production, processing and marketing. Obligors include small, medium and large scale enterprises in the agricultural value chain.

FirstBank served as the secretariat of the participating banks in the Growth Enhancement Support-based seeds and fertilizer distribution scheme. The Bank also provided technical inputs in the development of cassava chip export finance, sorghum and cocoa value chain initiatives. Besides, The Bank sponsored a Cocoa Investment and Trade Conference as a contribution towards the evolution of a private sector-led Cocoa Marketing and Trade Corporation. The Bank also sponsored seeds supply projects under the scheme. In 2008 FirstBank single-handedly sponsored a two-day International Conference on Food Security organised by Nigeria Economic Summit Group (NESG) and Agro-Nigeria, to address concerns over the dwindling fortunes of agriculture and the appalling state of food security in Nigeria, the African continent and the world at large. FirstBank supported seven (7) State Governments on Agricultural Development Trust Fund Scheme, an initiative designed to provide credit facility to small scale farmers who do not have collateral.

These partnerships underscore our belief that the only way to ensure meaningful national economic development is for corporate organisations to identify with government policies and complement government efforts. In this wise, our Bank will continue to support initiatives for the diversification of the economy. We urge government, however, to encourage banks to lend more to agriculture by working on more intervention funds towards subsidising lending to the sector, sourcing for funds through development agencies for lending through the banks at minimal pricing, and empower NIRSAL (Nigeria Incentive-based Risk Sharing Scheme for Agric Lending) towards de-risking agricultural businesses .

This programme has been organised to encourage all stakeholders to participate actively in further efforts to define the course of Nigeria's agro-industrial revolution, and to take actions to advance its sustainability. We recognise the need for increased attention in such areas as: strategies for reforming agriculture and food systems, biofuels, agricultural policies and trade, food aid, land tenure, financing, farm insurance, alternative agriculture, counterfeit farm inputs, fisheries, agroforestry, environmental and health issues of agrochemicals, and ecosystem services management, to name a few. To many, entering a sustainable development path for agriculture and food seems like a daunting challenge. We believe that it is feasible. I believe that you are well able to set the course on reinventing agriculture for sustainable national development.

Your Excellencies, ladies and gentlemen, I thank you all for your passionate partnership.