

Talking points for the 22nd National Lease Conference (“NALCON”)

Theme: Leasing: The Creative Alternative Financing in Today’s Reality

Date: 14 November 2024

Acknowledgments

- I am honoured to be given the opportunity to speak at the 22nd National Lease Conference (“NALCON”) with the theme “The Creative Alternative Financing in Today’s Reality”
- Also, I like to acknowledge the distinguished members of this panel:
 - MD/CEO of Cumbrian Consult Ltd, BA, MA, ACA, FCA, HCIB Mr.Ikenna Mbagwu,
 - Chief Operating Officer (“COO”), Development Bank of Nigeria, HCIB, ACIB, FICA, MCBI, MNIM, Mr.Bonaventure Okhaimo
 - MD/CEO Fundsworth Finance Company Ltd, HND, MBA, FCIB, Mr.Femi Okusanya
 - MD/CEO C&I Leasing Plc, Mr.Ugoji Lenin Ugoji
 - Associate Director, Infrastructure and Major Projects KPMG, Mr.Olasunkanmi Odede
 - Former President, Lagos Chamber of Commerce and Industry (“LCCI”) Partner, Mrs.Toki Mabogunje

Introduction: Key leasing stats in Nigeria

- Honoured to have the opportunity to speak at the 22nd National Lease Conference under the esteemed leadership of our industry pioneers and thought leaders present here today
- Together, we recognise leasing’s critical role in driving economic growth and innovation in Nigeria, particularly in today’s challenging financial climate
- Rest assured, my team and I are committed to enabling a leasing environment that promotes accessibility, flexibility, and growth opportunities for businesses of all sizes
- Our priority is to enhance the leasing sector’s capacity to provide alternative financing solutions that support infrastructure development, business expansion, and economic resilience
- This conversation aligns with the current administration’s Renewed Hope Agenda, which champions initiatives that empower Nigerian businesses, promote sustainable economic growth, and uplift the lives of our citizens

- We will pursue a balanced approach that strengthens regulatory standards, encourages investment, and maximises leasing’s contribution to Nigeria’s economic objectives

Key areas

Encouraging the growth of Nigerian MSMEs through Leasing

- This administration is committed to enabling the growth of MSMEs, recognising their essential role in Nigeria’s economic resilience
- We will engage with both public and private stakeholders to develop impactful leasing solutions that provide MSMEs with the resources needed to succeed
- We are partnering with industry leaders to expand access to affordable leasing, ensuring that businesses can obtain necessary equipment without heavy capital outlays

Increasing funding in the leasing sector

- Implement measures to attract affordable funding, reducing high-interest constraints for leasing companies
 - Engage both local and international financial partners to create funding pools at favourable rates, enabling expanded leasing capacity and investment
 - Develop partnerships aimed at scaling leasing options for larger transactions across key industries, thus enhancing sector growth

Introducing a favourable regulatory environment

- Strengthen the regulatory framework to enhance transparency, reduce defaults, and build trust in leasing
 - Support ongoing registration and monitoring of lessors and lease agreements, promoting standards that encourage sector stability
 - Work closely with industry participants to implement regulatory enhancements that will improve compliance and stimulate investor confidence

Digitalisation of the leasing process

- ELRA is advancing digital transformation in the leasing industry, creating a seamless experience that meets the needs of all users
- With the improved electronic registration portal, we aim to promote transparency, accessibility, and market growth for Nigeria’s leasing sector

- The platform provides a streamlined approach for exploring, comparing, and managing lease options, removing traditional barriers to leasing
- Our digital initiatives reflect a commitment to modernising the industry, ensuring Nigeria's leasing market remains competitive and efficient

Opportunities within the financial leasing sector

- Our administration is committed to supporting digital innovation and prioritising leasing in high-growth, critical sectors. This approach enables faster approvals, streamlined processes, and greater accessibility for businesses across Nigeria
- The financial leasing market size is projected to exceed US\$316.7 million by 2030, from US\$209.7 in 2022
- Despite economic challenges, we see leasing as essential for asset financing. We are committed to supporting capital formation to drive sustainable business growth and advance Nigeria's long-term prosperity under the Renewed Hope agenda.

Conclusion

- Under my leadership, ELRA is committed to building a long-term framework that positions leasing as a key driver for economic growth across Nigeria
- We will work to foster a supportive regulatory environment, promote digital innovation in leasing, and secure funding partnerships that empower businesses, particularly MSMEs, to access the tools they need for sustainable expansion
- Together, we can fully harness leasing as a creative, accessible financing alternative that supports Nigeria's Renewed Hope agenda, advancing our nation's resilience and prosperity.

Thank you