

LEASING FOCUS

A PUBLICATION OF THE EQUIPMENT LEASING ASSOCIATION OF NIGERIA LTD/GTE, AUGUST, 2025

SCALING UP THE CAPACITY OF THE NIGERIAN LEASING INDUSTRY





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C O N T E N T S

	From the Editor's desk	 04
	Global Leasing Industry and Transmission to Electric Vehicles	 05
	Outstanding Leases Rise By 3.67% in Q1 2025	 09
	Scaling up the Capacity of the Nigerian Leasing Industry	 13
	Leasing Titbits	 20
	Extra	 23

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From the Editor's desk

Welcome to the third edition of ***The Leasing Focus*** for the year.

The Nigerian leasing industry is at a critical turning point - brimming with potential to stimulate economic growth, support enterprise development, and improve access to productive assets across key sectors. However, realising this potential requires a concerted effort to scale up the industry's capacity through targeted policy reforms, increased capital investment, digital transformation, and human capital development.

As Nigeria continues to face infrastructure deficits, increasing demand for asset-based financing, and a rapidly evolving financial landscape, there is a growing urgency to reposition leasing as a strategic tool for national development. This edition explores that imperative under the central theme: **“Scaling Up the Capacity of the Nigerian Leasing Industry”**.

Globally, leasing is a well-established growth enabler, contributing approximately 20% of total equipment investment and around 1.5% to global GDP. It plays a vital role in providing access to equipment, fostering business growth, supporting government development programmes, creating jobs, and facilitating both the adoption of technology and international trade.

In Nigeria, modern leasing began in the 1960s and has since made a visible impact across sectors. Today, leasing is even more relevant given rising asset prices and declining purchasing power. Despite economic headwinds, the industry has maintained a positive trajectory. In 2024, outstanding leases rose to ₦5.16 trillion from ₦4.19 trillion in 2023 - a 23.2% increase - while new leases hit ₦973.3 billion. Cumulatively, the industry has contributed about ₦24.6 trillion to the Nigerian economy over the past decade.

To unlock even greater impact, the sector must scale up deliberately, by enhancing institutional frameworks, addressing persistent structural challenges, and building capacity across the board. This includes: strengthening regulatory infrastructure to encourage transparency and investor confidence; deepening professional expertise and risk management practices; improving access to long-term funding and embracing digital innovation, as well as fostering partnerships across public and private sectors and building trust in leasing as a viable financing tool.

Sustainability, in this context, must extend beyond environmental concerns. It should reflect the sector's ability to navigate economic shocks, adopt digital solutions, and serve a diverse clientele, including underserved rural and informal markets.

As Nigeria's economy evolves, so too must the institutions that support it. With the right investment in people, policy, and innovation, the leasing industry can become a powerful catalyst for inclusive, diversified, and sustainable economic growth.

In addition to our lead theme, this edition features a rich array of insightful resources and expert contributions we hope you will find engaging and rewarding.

Thank you for reading.

A handwritten signature in black ink, appearing to read 'Yemi Eniolawun', is positioned above the name.

Yemi Eniolawun

GLOBAL LEASING INDUSTRY AND TRANSMISSION TO ELECTRIC VEHICLES (EVs)

The global shift towards electric mobility is not only transforming the automotive landscape - it's redefining the future of the vehicle leasing industry. As governments, consumers, and corporations alike intensify efforts to reduce carbon emissions and embrace sustainable transport, the demand for electric vehicles (EVs) is accelerating. In response, leasing companies worldwide are adapting their models, offerings, and strategies to align with this transformation.

Key Trends Reshaping the Leasing Industry

1. Growing Demand for Used EVs

One of the most noticeable developments is the rising interest in used electric vehicles. With new EVs often carrying a premium price tag, many small businesses and individual lessees are turning to pre-leased EVs as a more affordable entry point into electric mobility. Leasing companies are capitalising on this trend, repurposing returned vehicles into secondary lease cycles. This not only addresses a wider customer base but also helps to mitigate residual value risk, a major concern in EV leasing due to rapid technological evolution and battery depreciation.

2. Electrification of Fleet Operations

Commercial fleet operators - particularly in logistics, ride-hailing, and municipal services - are accelerating their transition to EVs to meet regulatory requirements and reduce fuel and maintenance costs. Leasing has become the preferred model for this transition, offering predictable costs, regular

upgrades, and access to emerging technologies without upfront capital expenditure. Used EV leasing options are increasingly popular here too, offering up to 20% cost savings compared to new models while still contributing toward fleet decarbonisation goals.

3. Advances in EV Transmission Systems

The EV market is also being shaped by technological advancements, particularly in powertrain and transmission systems. The global EV transmission market is expected to reach \$104.3 billion by 2030, growing at a CAGR of 33.1%. These innovations are making EVs more efficient, reliable, and cost-effective - directly improving the value proposition for lessees. As performance and range improve, so does customer confidence, making leasing an even more attractive option for those hesitant about long-term EV ownership.

Strategic Benefits for Leasing Companies

As EV adoption expands, leasing firms are reaping several strategic benefits:

- **Diversified Portfolio Offerings:** Introducing used EVs into leasing portfolios opens new market segments, particularly for cost-conscious consumers and SMEs. It also extends the revenue-generating lifecycle of each asset.
- **Short-Term Flexibility:** Leasing EVs - especially used ones - offers a flexible alternative to daily rental or outright purchase, appealing to customers with short-to medium-term mobility needs.
- **Innovative Scheme Packaging:** Leasing companies are increasingly rolling out salary sacrifice schemes, where employees lease EVs through their employers in exchange for a portion of their gross salary. These packages are gaining traction in both developed and emerging markets, offering tax advantages and encouraging broader EV access.



Market Outlook: An Electrified Future

The outlook for the automotive leasing industry in the EV era is bright, with key projections and supportive trends:

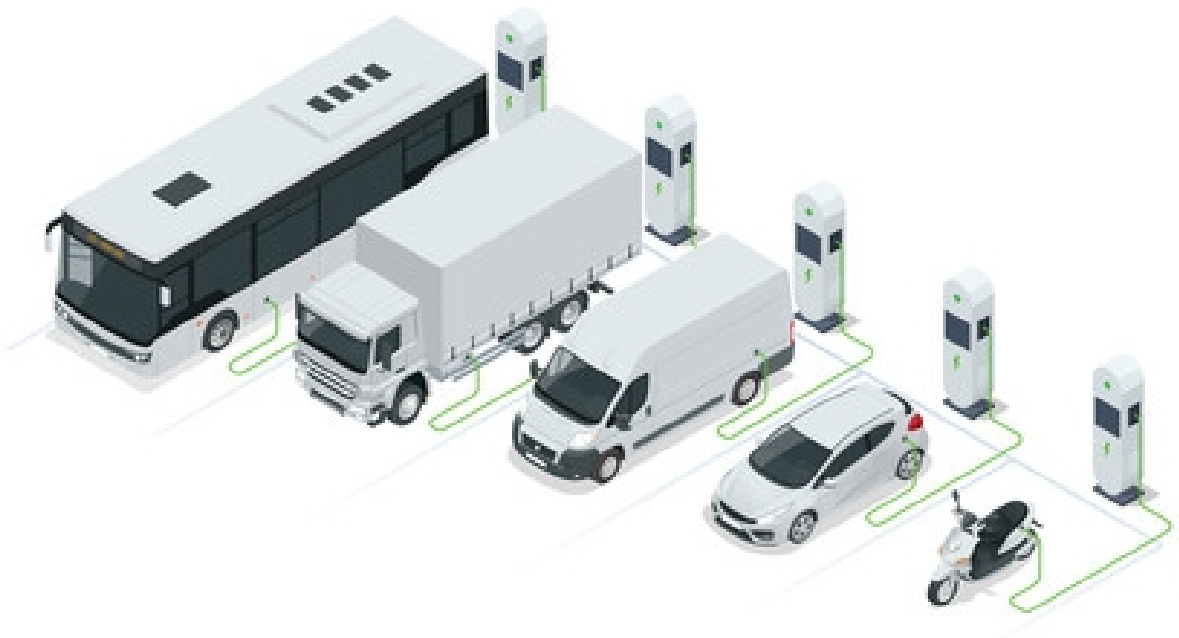
- **Rapid Market Expansion:** The global automotive equipment rental and leasing market is projected to reach \$976 billion by 2030, with a CAGR of 13.5%. This growth is driven by urbanisation, climate-conscious policies, and rising consumer demand for flexible, sustainable mobility options.
- **Policy-Driven Momentum:** Government incentives - including tax rebates, import duty exemptions, and investment in charging infrastructure - are playing a crucial role in driving EV adoption. Many countries now mandate corporate fleet electrification, indirectly boosting EV lease volumes.
- **Urban Mobility and Micro-Leasing:** In dense urban areas, where ownership is less practical, micro-leasing models - including short-term leases for e-bikes, scooters, and compact EVs - are gaining momentum, opening up new leasing frontiers.

Challenges and Considerations

While the transition presents significant opportunities, there are hurdles to navigate:

- **Uncertain Residual Values:** As battery technology evolves rapidly, accurately forecasting used EV values remains complex.
- **Infrastructure Gaps:** In some markets - particularly in emerging economies - limited charging infrastructure may constrain demand.
- **Battery Lifecycle and Maintenance:** Leased EVs require robust monitoring systems to manage battery health, lifespan, and maintenance costs effectively.

The global push toward electric mobility is an evolution. For leasing companies, this transition offers a powerful opportunity to modernise operations, future-proof portfolios, and play a central role in the shift to cleaner transport. By embracing innovation, adopting flexible models, and aligning with policy incentives, the leasing industry is well-positioned to thrive in the EV era - helping to drive both sustainable transport and long-term economic growth.



“Leasing is no longer just an access model - it’s a sustainability enabler”.

The case for Electric Vehicles (EV) in Nigeria

With rising fuel prices, the removal of petrol subsidies, and growing concerns about urban pollution, the case for cleaner transport in Nigeria is stronger than ever. Yet for most Nigerians, individuals and businesses alike, the high cost of new EVs remains a major barrier. This is where leasing comes in. By lowering the upfront cost burden and offering predictable payment structures, leasing can be the bridge to electrification in Nigeria - just as it has been in mature markets.

What global trends mean for Local Opportunity

The global leasing industry is quickly adapting to the EV boom. Key developments that hold relevance for Nigeria include:

1. Used EV Leasing is Gaining Ground

As new EV prices stay high, global lessors are introducing certified used EVs for second-cycle leases. This model appeals to budget-sensitive SMEs, logistics firms, and employees seeking low-cost electrification options. Nigerian leasing firms can replicate this model by importing used EVs, leasing them through micro-financing structures, and bundling maintenance and charging.



2. Fleet Electrification is Accelerating

Worldwide, fleet operators are transitioning to EVs to meet ESG goals and reduce fuel costs. Nigeria's logistics, ride-hailing, and delivery industries are likely early adopters. Leasing companies can serve this segment with flexible fleet lease packages, battery management, and maintenance-inclusive contracts.

3. Tech is Powering New Leasing Models

The rise of telematics, mobile payments, and usage-based leasing models enables lessors to serve informal and semi-formal transport sectors.

With the growing share of EVs and impact in the global market, Nigeria's vehicle leasing potential could expand threefold, driven by clean mobility incentives. While still at a formative stage, Nigeria's EV ecosystem is gaining traction alongside the CNG vehicles. The government should direct greater attention to support the sustainability of EVs through policies that will encourage the investment and utilisation of EVs in the country. This will include import duty waivers for EVs, facilitating infrastructure, and encouraging local Original Equipment Manufacturer (OEM) participation and shaping sector-specific incentives for the leasing industry to participate actively in financing EVs.

The specific opportunities for the Nigerian lessors include:

1. Diversify product lines: Used EV imports, electric motorcycles, EVs for fleets
2. Serve informal and rural markets: Micro-leasing, pay-as-you-drive models
3. Access green finance: Tap into international ESG and climate funds
4. Build local capacity: EV maintenance training and OEM partnerships.

The main challenges in the deployment and utilisation of EVs include:

1. Cost of acquisition - the cost is relatively higher than that of regular petrol vehicles, and this can be addressed by an appropriate financing mechanism through leasing.
2. Charging Infrastructure: With the epileptic power supply in the country, operating the EVs will be more challenging. This can, however, be alleviated with bundle solar/home charging and partnering with energy companies.
3. Battery Lifespan: The life span of the battery can cause disruption, and the use of telematics for monitoring and offering buyback guarantees can resolve this problem.
4. Customer Awareness: The awareness level is still low, and this can be increased through organising roadshows, demos, and influencer-led campaigns

“The future of mobility is electric and the future of access is leasing. Indeed, driving sustainable mobility can be done through leasing, and the Nigerian leasing industry can play a major role in leading the country's transition to electric mobility. By adopting global best practices, engaging with policy frameworks, and innovating leasing models to suit local realities, leasing firms can help shape the future of clean transport in Nigeria.”



OUTSTANDING LEASES RISE BY 3.67% IN Q1 2025

The Nigerian Leasing Industry sustained its growth momentum in the first quarter of 2025, recording a 3.67% increase in transaction volume. Total outstanding leases reached ₦5.358 trillion, up from ₦5.168 trillion in Q4 2024, with ₦189 billion in new transactions during the review period.

Sectoral analysis shows that the Oil and Gas sector led the growth with a 23% increase, accounting for ₦1.380 trillion of the outstanding leases. The Transportation & Logistics sector followed closely with a 20% increase, totaling ₦1.181 trillion, while the Manufacturing sector grew by 16% to ₦734 billion. The Telecommunications sector contributed 8% of the total, amounting to ₦462 billion.

Other sectors, including Healthcare and Education, jointly accounted for ₦686 billion (19%), Agriculture contributed 7% (₦378 billion), and the Government sector also recorded notable growth.

This positive performance is attributed to the relative economic stability observed in Q1 2025. However, the industry continues to face challenges from rising costs of goods and services, which exert pressure on the broader business environment.

Looking ahead, the leasing industry is expected to play an increasingly vital role in Nigeria's economic development. With a significant financing gap across various sectors and the government's continued push for economic stimulation, leasing remains a critical tool for growth and investment.

Table 1: Equipment Leasing Table by Sector (2021 – 2025 Q1) (N' 000)

	2025 Q1	2024	2023	2022	2021
Manufacturing	764,622,415.99	734,283,063.35	607,750,636.51	476,771,571.40	375,965,188
Transport/Logistics	1,219,398,618.47	1,181,474,427.67	977,075,892	761,895,999.32	614,046,637
Agriculture	391,890,107.54	378,616,640.76	300,750,531.93	216,549,704.36	176,227,151
Oil/Gas	1,424,415,250.69	1,380,802,431.27	1,127,737,577.58	893,846,389.89	739,276,602
Government	358,540,310.09	345,266,843.31	267,400,734.48	201,911,201.92	154,868,223
Telecoms	477,419,038.41	462,249,362.09	374,649,989.66	299,804,809.60	232,600,554
Others	722,033,815.94	686,005,834.68	540,006,880.63	409,027,815.52	294,780,581
Total	5,358,319,557.13	5,168,698,603.13	4,195,372,242.79	3,259,807,494.01	2,587,764,938

NB: Others include Education, Healthcare, Construction, and Consumer sectors

Table 2: Trends in Nigerian Leasing Market (2010 – 2025 Q1) (N'000)

Year	Leasing Volume ('000)	Growth (%)
2010	537,907,637.75	21
2011	622,907,637.75	16
2012	671,494,433.53	8
2013	780,661,932.99	16
2014	869,017,875.10	11
2015	1,107,041,794.67	27
2016	1,262,027,642.73	14
2017	1,445,021,651.11	14.5
2018	1,680,560,180.25	16.3
2019	1,927,712,680.21	14.5
2020	2,011,476,831.90	4.3
2021	2,587,764,938.20	28.6
2022	3,259,807,494.01	25.97
2023	4,195,372,242.79	28.7
2024	5,168,698,603.13	23.2
2025 Q1	5,358,319,557.13	3.67

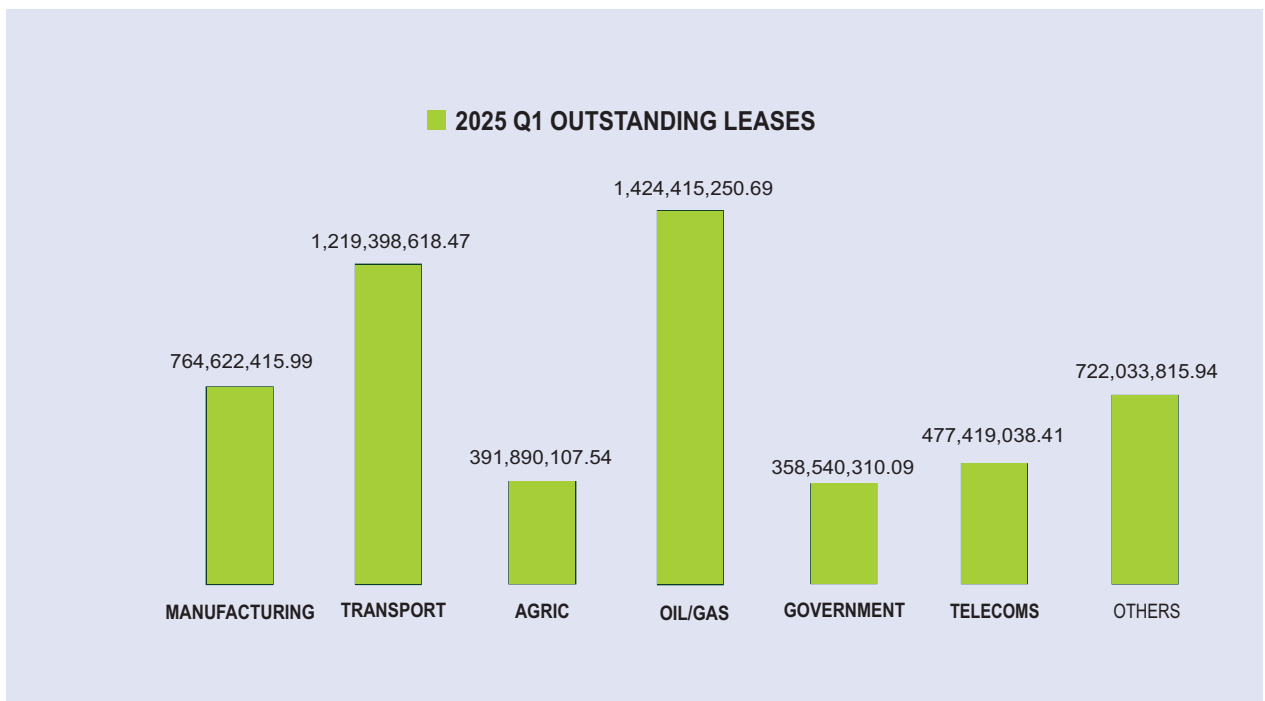
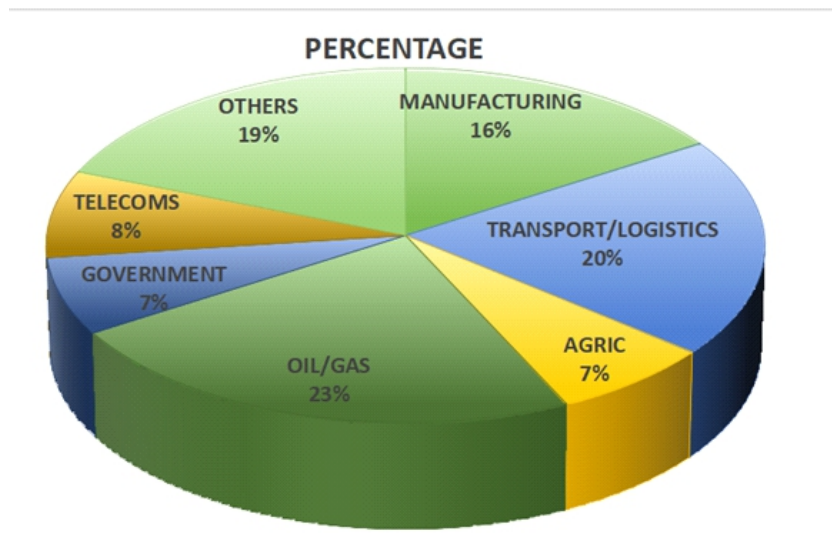


Fig. 1: Distribution of Lease Volume by Sector (2025 Q1)

Fig. 2: Distribution of Lease Volume by Sector (2025 'Q1)



Plant/Machinery Cars/Commercial vehicles Aircraft/Ship/Trawler Computers/Office Equipment Others

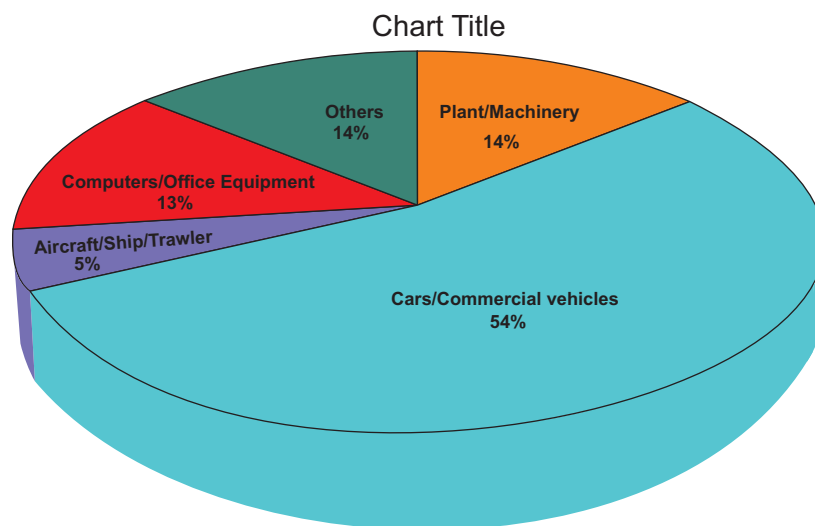


Fig. 3: Analysis by types of Asset (2025 'Q1)



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SCALING UP THE CAPACITY OF THE NIGERIAN LEASING INDUSTRY

Background

Equipment leasing has gained significant global recognition as a creative financing alternative, generating new business volume of over \$1trillion annually. The appeal of leasing lies in the fact that it delivers a multiplicity of benefits to those who choose to lease. It helps all types and sizes of businesses to conveniently acquire the much-needed equipment to conduct their business operations and make a profit. The whole essence of leasing, therefore, is to enhance the planning, improvement and development of any economy by building and supporting productive ventures.

The acceptability of leasing as a suitable and creative financing source for the acquisition of capital equipment lies in its essential feature of providing flexible access to productive assets, especially to those that do not have a significant asset base. Thus, a company can conserve its funds for other productive purposes rather than spending heavily on the purchase of assets. The fact that leasing facilitates long and convenient access to capital equipment goes to show the unique role of leasing in building and supporting productive ventures. Indeed, leasing has

become the single most important source of external finance for micro, small and medium enterprises and has been regarded in most quarters as the last resort for Micro, Small and Medium Enterprises.

In Nigeria, since its inception, leasing has been supporting economic development. Today, the impact of leasing is pronounced in all sectors of the economy, enhancing capital formation, generating employment, and creating wealth. Outstanding leases in Nigeria in 2024 amounted to N5.16trn as against N4.19trn in 2023, representing 23.2% growth. Leasing volume contribution to the Nigerian economy over the last decade is estimated at N24.6 trillion. Today, the impact of leasing is felt in various sectors of the economy and exhibits a brighter future given its developmental attributes.

Essentially, leasing provides several significant contributions to a country's economic development. Leasing contribution takes place through:

Access to Financing

Lessors take greater risks by engaging in lease transactions with businesses, especially those that may not be qualified for traditional bank loans. This translates to more businesses, increased employment, more tax revenue, and enhanced overall economic growth.

Increase in Domestic Capital Base

"Money is the raw material "for leasing and is sourced mainly from the banks, and this invariably stimulates banks' borrowings, with a consequential increase in the domestic capital base.

Competition to Traditional Banks

Leasing provides an additional source of financing in the marketplace, thereby providing



an alternative, broadening product offerings, and increasing competition and efficiency in the financial space.

Development of the Secondary market

Leasing generates a steady supply of used equipment, and this can facilitate the development of a secondary market for a variety of assets such as vehicles and other transportation equipment.

THE NEED FOR SCALING THE CAPACITY OF THE NIGERIAN LEASING INDUSTRY

Scaling up the capacity of the Nigerian leasing industry is crucial for several reasons, primarily to facilitate greater access to capital equipment, stimulate economic growth, and promote diversification. The industry's current capacity is limited, hindering its potential to perform its developmental role effectively.

Current State of the Nigerian Leasing Industry - Challenges

Notwithstanding the positive contribution of leasing to national economic development, the industry still needs to be on a strong pedestal to fully realise its potential, given the immense opportunities in the economy for leasing. Aside from the prevailing challenges of the

macroeconomic environment, there are specific hiccups that continue to hinder the faster development and growth of the leasing industry. These include:

The absence of an appropriate funding mechanism which continues to constrain the depth of leasing in the marketplace. The limited sources and high cost of funds have constrained the capacity of most lessors to expand their product offering and even venture into more specialised and capital-intensive sectors like health care, mining and infrastructure. For instance, the CBN's continued increase in the Monetary Policy Rate (MPR), aimed to curb inflation (which stands at 27.5% presently), puts pressure on the cost of borrowing and consequently lease rate, which further constrain leasing businesses. The issue is exacerbated by the depreciation of the Naira and consequential increase in cost of assets. Obviously, broad and deeper funding structure is essential to strengthening the capacity of lessors to expand their leasing activities and take advantage of emerging opportunities. "Money is the raw material for leasing" and the ability to attract adequate and cheaper funds will determine the extent of participation in the leasing industry.

ELAN, has been advocating for lessors to gain access to various intervention funds and establishment of a National Leasing Fund, in addition to engaging private financiers (local and international), to support the industry. While this is being done, non-bank lessors should adopt a proactive approach in addressing the funding challenges, which include trade finance from their vendors and funding from their insurers. Also, lessors can enter into syndicated leasing for large projects, which also has the effect of mitigating risks.

Increasing default rate arising from the combination of intervening events such as higher rentals necessitated by rising costs of borrowing, assets and provision of services as well as the general adverse effect of the economy on businesses.



Regulatory issues -The inauguration of the Equipment Leasing Registration Authority (ELRA) was a step forward, but its full impact is yet to be felt in the industry.

Low level of lease awareness among the investing public, especially MSMEs, are unaware of the benefits of equipment leasing, thereby limiting its adoption.

Inadequate Skills: This highlights the issue of insufficient training, resources, or expertise within leasing companies, which can limit its ability to venture into specialised markets, hence hinders ability to scale up effectively.

Poor Risk Management: Effective risk management is crucial for the growth and stability of the leasing industry, manifesting in inefficient processes and inadequate internal controls which can lead to errors, fraud, or losses, limited understanding of market trends can lead to poor decision-making.

KEY ENABLERS FOR SCALING THE CAPACITY OF NIGERIAN LEASING INDUSTRY

In order for the Nigerian leasing industry to scale up and perform its catalytic role more effectively, it is imperative to continually realign strategies



and adopt innovative approach. Specifically, this will involve:

Broad and deeper funding structure that would strengthen the capacity of lessors to expand their leasing activities and take advantage of emerging opportunities. “Money is the raw material for leasing” and the ability to attract adequate and cheaper funds will determine the extent of participation in the leasing industry. ELAN, has been advocating for lessors to gain access to potentially idle funds such as the National Pension Fund (NPF) and establishment of National Leasing Fund, in addition to engaging private financiers (local and international), to support the industry with necessary funds. While this is being done, non-bank/financial institution lessors especially, should adopt proactive approach in addressing the funding challenges, which include trade finance from their vendors and funding from their insurers. Also, lessors can collaborate for syndicate funding of lease equipment for large projects, such as the provision of transportation and logistics for the Oil and Gas sector, Mining etc. Collaboration also has the effect of mitigating risks.

Prioritising risk management and processes. This involves monitoring in-house vulnerabilities - assessing financial, operational risk and transaction risks. Lessors for instance by

bringing risk management to fore as part of the strategic planning process, they can routinely simulate how interrupting events as well as other variables could disrupt their businesses and use those insights to design their operations and resource distribution.

Enhancing internal capacity to improve processes and performance through constant staff development, participating in capacity building programmes and ensuring adequate working infrastructure including right technology. Leveraging for instance on technology, can greatly improve processes in various areas of operation, including customers onboarding, risk assessment and lease structuring as well as asset management functions and financials. Essentially, to reinvent processes, technology must be seen as a core factor in the business model.

Sound Corporate Governance, has always been a major hall mark of any organisation that desires success. Embracing sound corporate governance, will enhance the profile, visibility and patronage of the organisation and endear it to potential investors.

Improved leasing infrastructure. A favourable regulatory environment will create more visibility for the industry, support the promotion of the ideals of leasing, and more effective participation and contribution of the leasing industry. The Equipment Leasing Registration Authority (ELRA), will be a major booster to leasing activities, when it comes into operation. ELAN, has been strengthening its advocacy - engaging with Government and other relevant stakeholders to achieve a healthier leasing environment.

Maintaining and improving portfolio quality while keeping the balance. This requires understanding of the market dynamics, market intelligence, development of product and niche market, competitive pricing and adapting to

market shifts, to grow portfolio within acceptable risk appetite.

Constructive engagement with market and relevant stakeholders is necessary to secure support from customers, employees, suppliers, creditors, investors and regulatory authorities. It is particularly imperative, that lessors constantly engage with their customers, understand their challenges and reassuring them of having them in mind during whatever times. This will endear the customers to them and sustain the business relationship.

Controlled back-office costs. Financial discipline and adopting cost saving mechanism to achieve a low back-office cost, will enhance profitability. This has been the main strategy in the industry over the past two years, cutting down on discretionary costs.



Summary of Strategies for Scaling Up Capacity of the Nigerian Leasing Industry

Expanding into New Sectors:	<p>Targeting MSMEs: Leasing can play a vital role in supporting MSMEs, which are crucial for economic growth and job creation.</p> <p>Focusing on Emerging Sectors - Exploring opportunities in sectors like Information and Communication Technology (ICT), agriculture, and real estate, which are experiencing rapid growth, can drive further expansion</p>
Enhancing Regulatory Frameworks	<p>Streamlining Processes - Simplifying registration and regulatory procedures can reduce barriers to entry and encourage participation in the leasing industry. Given the relevance of leasing to economic development, it is imperative for the Government to focus on the leasing industry by taking targeted measures that would stimulate more contribution</p>
Strengthening Stakeholder Engagement	<p>Building Strong Customer Relationships: Lessors should actively engage with customers to understand their needs and challenges, fostering long-term relationships.</p> <p>Collaboration and Partnerships: Encouraging collaboration among lessors, financial institutions, and other stakeholders can facilitate knowledge sharing and resource mobilisation</p>
Adopting Technology	<p>Digitalisation of Processes: Utilising technology to streamline operations, enhance efficiency, and reduce back-office costs can improve profitability and competitiveness.</p> <p>Developing Online Platforms: Creating online platforms for lease applications, management, and transactions can improve accessibility and convenience for lessees.</p>
Addressing Funding Gaps	<p>The Nigerian leasing industry faces challenges with access to adequate and affordable long-term funding. Scaling up capacity requires addressing these funding gaps.</p>
Promoting a Favorable Operating Environment	<p>Government support through policies, regulations, and funding mechanisms is crucial to encourage growth and development in the leasing industry.</p>
Building Industry Capacity	<p>Strengthening the capacity of leasing companies through training, capacity building initiatives, and access to technology is essential.</p>

The leasing industry in Nigeria will continue to make key impacts on the economy, especially given the wide financing gaps in the economy makes a compelling case for leasing to stimulate growth during this critical period in the Nigerian economy. Scaling up the Nigerian leasing industry is therefore crucial to facilitating

increased access to capital equipment, promoting diversification and driving economic growth. This can only be achieved through an endearing environment that will propel the leasing industry to greater heights and this requires the collective goodwill and commitment from all stakeholders.

2025

TRAINING CALENDAR



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EQUIPMENT LEASING ASSOCIATION OF NIGERIA LTD/GTE
Creating Wealth & Growth Opportunities

23RD NATIONAL LEASE CONFERENCE

Theme:

Enhancing Growth and
Sustainability in the Nigerian
Equipment Leasing Industry



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HOW IS LEASING DIFFERENT FROM OTHER RELATED FORMS OF EQUIPMENT FINANCING

It is always important to emphasise the distinction between a lease and other forms of equipment financing such as hire purchase and conditional sale both of which, in spite of their striking similarities to equipment leasing, possess certain significant jurisprudential differences from equipment leasing.

Hire Purchase

A hire purchase is a contract by which goods are delivered to a person, who agrees to make periodical payments by way of hire, with an option of buying the goods after the stated hire instalments have been paid. The goods may be returned to the owner at any time before the option is exercised on payment of the sum stated in the contract. Until the option is exercised, there is no agreement to buy or sell the goods.

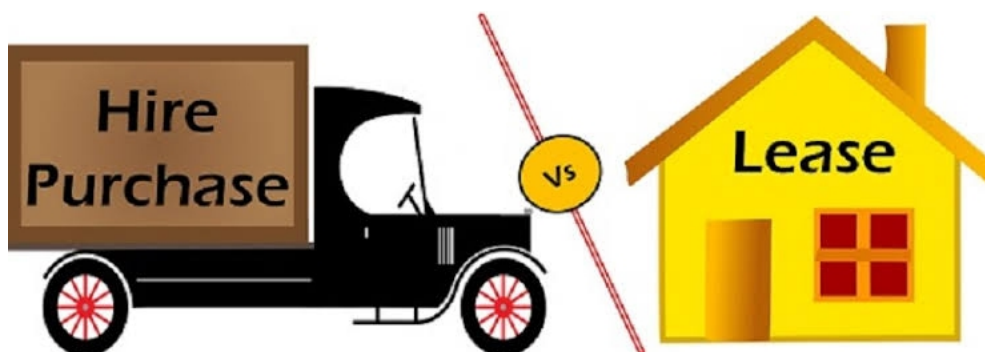
Section 20 of the Hire Purchase Act Cap 169, defines Hire Purchase as “the bailment of goods in pursuance of an agreement under which the bailee may buy the goods or under which the property in the goods will or may pass to the bailee”. In the case of “Samuel Aro V Allen & Co. Ltd (1979) 2 FNR 295, the court remarked that

hire purchase could be termed as bailment of goods coupled with option to purchase.

As available in an equipment lease agreement, the owner of hired goods has two important rights viz:

(a) A right to repossess the goods if a term of the hire purchase is breached by the hirer, and

(b) Right to receive his rentals for the period for which the goods are used by the hirer. However, that ends the similarities between these two forms of bailment. Whereas, the lessee under an equipment lease transaction does not usually possess the right or option to purchase the leased goods, it is *sine qua non* that a hirer must be vested with the right of electing to become the owner of the hired goods. This is the purport of the definition in S.20 of the Hire Purchase Act. Thus, while all equipment leases may properly be described as contracts for hire, it is not the case that all contracts for hire may properly be regarded as leases.



This appears to be the position of Nigerian courts in the interpretation of the law as to whether a transaction is a lease or hire purchase (see *Raimi vs Akintoye* (1986) 3 NWLR part 26, *G. B Olivant vs. Akinsanya* (10 NLR), *Jay Kay Foods Ltd vs. C & I Leasing Plc* (unreported Suit No. 1/964099)).

Also, the Equipment Leasing Act 2015 tends to re-echoed this position. Section, 4(1)(f) of the Act makes it obligatory on the lessee to return the asset at the end of the lease unless the lease is renewed or the lessor decides to sell the asset to the lessee. By implication, the lessee is not given the option to purchase as in hire purchase rather, the disposal of the asset is at discretion of the lessor as the owner of the asset.

Conditional Sale

This is a transaction under which the Purchaser agrees to buy and take possession of the goods, but is not to become owner of them until all the instalments have been paid. A conditional Sale Agreement differs from Hire Purchase Agreement in that the party taking the goods has not merely an option to purchase but binding obligation to do so. However, the buyer's proprietary interest is subject to the fulfillment of all the conditions for the transfer.



(i) Here the property in the goods passes at once but with a personal obligation to pay instalment and by this reason there is an absolute contract of sale and the buyer can pass a good title to a third party – Section 25 of the Sale of Goods Act.

(ii) The buyer is under obligation to buy.

These distinctions between leasing and conditional sale, could be inferred from the decision of the English case of *Helby vs. Matthews* (1883) 2Q. B. 318, where a hirer of a piano gave it to a third party as security for a loan.



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Are you a leader, or a follower? A question for all...

Leadership is a highly sought quality in the employment market. Most young people cannot think creatively anymore. Relying on others to think for them and to provide an instant answer to each and every question, they have a tendency to bring the same attitude to the workplace, always waiting for someone else to tell them what to do, not taking any initiative, unable to decide on their own.

And what about you? Are you a leader, or do you prefer to follow the crowds, not really thinking about the consequences of your actions, not really questioning the directions they are giving to you?

Companies want to hire leaders because only leaders can move the team, department, or even the entire company forward, taking them to the next level. Leadership is the art of persuasion, the act of motivating people to do more than they ever thought possible in pursuit of a greater good. It has nothing to do with your title. It has nothing to do with authority or seniority. You are not a leader just because you do not have people reporting to you and you do not suddenly become a leader once you reach a certain pay grade. A true leader influences others to be their best. Leadership is about social influence, not positional power.

“If your actions inspire others to dream more, learn more, do more and become more, you are a leader. - John Quincy Adams”

You do not even need to have people reporting to you to be a leader. A janitor can influence people and lead just as a CEO can. Likewise, anyone can become a follower, even while holding a leadership position.



If you are a slave to the status quo, lack vision, or waiting for others to tell you what to do at any particular given time or do not motivate everyone around you to be their absolute best, then you are a follower. Even if you happen to have a leadership title, people will not follow you when they see those behaviours present.

A senior executive who creates unnecessary bureaucracy, locks himself in his office, and fails to interact with others, fails to bring ideas in any meaningful way is no more a leader than an antisocial software engineer who refuses to do anything but write code.

Of course, the real question is - are you a leader or a follower? To find out, you need to ask yourself some very important questions. Think carefully as you respond to each one, and you will soon know for certain.

Do you go above and beyond? Followers do their jobs, and that is it. No matter how good they may be at those jobs, it rarely occurs to them to go beyond their basic functions. Leaders, on the other hand, see their job descriptions as the bare minimum - the foundation upon which they build greatness. Leaders see their real role as adding value, and they add it whenever and wherever they see an opportunity.

Are you confident? Followers see the talents and accomplishments of other people as a threat. Leaders see those same talents and accomplishments as an asset. Leaders want to make things better, and they will take help anywhere they can find it. Leaders are true team players. They are not afraid to admit that they need other people to be strong where they are weak.

Are you optimistic? Followers see the limitations inherent in any given situation; leaders see the possibilities. When things go wrong, leaders do not dwell on how bad things

are. They are too busy trying to make things better.

Are you open to change? Followers are content to stick with the safety of the status quo. They see change as frightening and troublesome. That is why they do not move forward in developing themselves. Leaders are maximizers who see opportunity in change. Because leaders want constant improvement, they are never afraid to ask, "What is next?"

Are you decisive? Followers often hesitate to act, out of fear that they will do the wrong thing. Leaders are not afraid to act, even when they are not sure if it is the right action. They would rather make a decision and be wrong than suffer from the paralysis of indecision.

Are you accountable? When mistakes are made, followers are quick to blame circumstances and other people, they also quick to give excuses. Leaders, on the other hand, are quick to accept accountability for their actions. They do not worry that admitting fault might make them look bad, because they know that shifting the blame would just make them look worse.

Are you unflappable? Followers often let obstacles and mishaps throw them off course. When something goes wrong, they assume the whole project is doomed. Leaders expect obstacles and love being challenged. They know that even the best-laid plans can run into unexpected problems, so they take problems in stride and stay the course.



Are you humble? Followers are always chasing glory. Leaders are humble. They do not allow any authority they may have to make them feel that they are better than anyone else. As such, they do not hesitate to jump in and do the dirty work when needed, and they would not ask anyone to do anything they would not be willing to do themselves.

Are you passionate? Followers are trapped in the daily grind. They go to work and complete their tasks so that they can go home at the end of the day and resume their real lives. Leaders love what they do and see their work as an important part of them, not a weak substitute. Their job is

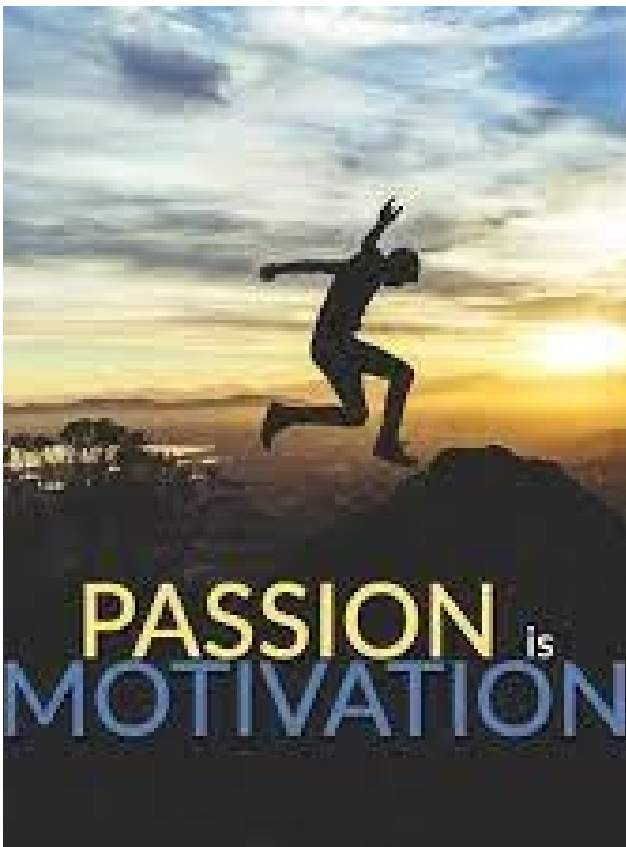
not just what they do; it is an important part of who they are.

Are you motivated from within? Followers are only motivated by external factors: the next title, the next raise, the next gain in status. Leaders are internally motivated. They do not work for status or possessions. They are motivated to excel because it is who they are. True leaders keep pushing forward even when there is no carrot dangling in front of them.

Do you focus on titles? Followers care a lot about titles, both their own and those of the people they work with. They are very conscious of who outranks whom, because they lack the skill and motivation to create leadership from within. Leaders, on the other hand, focus on what each individual brings to the table, regardless of what is printed on a business card.

Are you focused on people? Followers focus on what they can achieve individually. Leaders are team players because they know that greatness is a collective feat. A leader is only as good as what he or she can achieve through other people.

Are you willing to learn? Leaders, while confident, know that they are neither superhuman nor infallible. They are not afraid to admit when they do not know something, and they are willing to learn from anyone who can teach them, whether that person is a





subordinate, a peer, or a superior. Followers are too busy trying to prove they are competent to learn anything or from anyone or that they know something, whereas they know nothing.

Bringing It All Together

Take another quick look at the questions above. There is no a single one about title, position, or place on the organisational chart. That is because you can have the title and position without being a leader.

Leadership and followership are mindsets. They are completely different ways of looking at the world. One is reactive, and the other is proactive. One is pessimistic; the other is optimistic. Where one sees a to-do list, the other sees possibilities.

So do not wait for the title. Leadership is not something that anyone can give you, you have to earn it and claim it for yourself, be focused and eager to change for the better. Then your goal of becoming a leader can be achieved.



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