



THE MD/CEO's COLUMN

03 NOVEMBER 2025

FINANCING NIGERIA'S FUTURE: HOW BOI IS POWERING INCLUSIVE GROWTH

Nigeria's path to prosperity cannot rely on extractive exports or be import dependent. Real growth lies in building the capacity to produce, innovate, and compete globally. Over the past two years, the Bank of Industry (BOI) has repositioned itself at the center of much-needed transformation – not merely as a lender, but as an architect of Nigeria's industrial future.

As an enabler, BOI acts where markets fall short – bringing concessionary financing to industries that need it the most. Between 2023 and 2025, key financial and developmental indicators expanded: loans disbursed to enterprises across 14 sectors of the economy have nearly doubled to N1.3 trillion, creating nearly a million jobs in 2024 only. Total assets rose from N3.9 trillion to about N7 trillion, supported by almost €2 billion in international funding from 42 global financial institutions, including Afreximbank, the African Finance Corporation (AFC), and the China EXIM Bank. This is the largest funding ever raised by a development finance institution in Africa.



Through this expansion, portfolio quality remained strong, with non-performing loans below two percent – evidence of disciplined risk management and effective deployment of capital that builds industries, not dependencies. BOI's development mandate, energized by President Bola Ahmed Tinubu's Renewed Hope Agenda, now sits at the intersection of economic diversification, inclusion, and sustainability, redefining what it means to deliver impact through finance.

Across Nigeria, millions earn livelihoods in the informal sector, often beyond the reach of traditional banking. BOI's inclusive growth agenda is shifting the paradigm. Through programs such as the Rural Area Program for Investment and Development (RAPID) launched in 2024, the Bank has financed more than 700 rural enterprises - 40 percent youth-led and 30 percent women-owned - creating new opportunities. Gender-focused initiatives, including the Guaranteed Loan for Women (GLOW), channeled over N62.8 billion to women-owned firms. As the executing agency for the N200 billion Federal Government grants and loans program, BOI has achieved over 95 percent disbursement, supporting 104 large manufacturers, 9,000 MSMEs, and over 950,000 nano enterprises.

These programs do more than provide credit; they formalize opportunity. By linking micro-entrepreneurs with structured finance, digital tools, and capacity-building, the Bank is helping ordinary Nigerians enter the mainstream economy and build enterprises that endure.

Internal restructuring has reinforced these efforts. Over the past two years, the Bank expanded its nationwide footprint with new state offices in Kogi, Jigawa, Akwa Ibom, Kano, and Abuja, bringing products closer to the erstwhile unserved. Collateral reform that allows the use of landed property outside capital cities is widening access to finance for entrepreneurs in 34 other major cities, including Ilesha, Zaria, Warri, and Ijebu Ode.

BOI's subsidiaries have been strengthened to enhance their impact. Following its recapitalization, LECON Financial Services has become the country's leading leasing company, with risk assets rising from N8 billion to N30 billion and earning an AA+ credit rating from Augusto & Co. In 2024, the BOI Investment and Trust Company (BOITC) regained its Trusteeship License from the Securities and Exchange Commission (SEC), strengthening its trust and investment services. Meanwhile, BOI Microfinance Bank has reached more than 4,000 last-mile borrowers - half of them women with small-scale loans totaling N18 billion and is advancing from a Unit to a State License for wider outreach and deeper inclusion.

Beyond direct lending, BOI has created an Impact Fund – to provide equity and quasi-equity funding to scalable, high-impact projects. The African Medical Centre of Excellence (AMCE) and the National Credit Guarantee Company (NCGC) – which de-risks private-sector lending and expand access to affordable credit – are beneficiaries of this new Fund. A \$50 million credit-guarantee facility from the African Guarantee Fund (AGF) offers up to 75 percent risk coverage for women- and green projects, providing alternative collateral and crowding in entrepreneurs who lack landed property. In essence, BOI is not only financing enterprises but building systems that make enterprise possible.

Financing the future also means investing in ideas. BOI is channeling resources into innovation ecosystems that connect finance to knowledge and creativity, leveraging one of Nigeria's greatest assets - its youthful population. The Investment in Digital and Creative Enterprises (iDICE) Program - a \$617 million partnership between the Federal Government of Nigeria, BOI, AfDB, AFD (the French Development Agency), and the Islamic Development Bank (IsDB) - is equipping young Nigerians to compete in the global digital economy. Under iDICE, 36 universities and 30 polytechnics are hosting Innovation Centers of Excellence, linking students to incubation spaces, mentorship, and venture funding. Since 2018, BOI has established more than 15 Tech and Innovation Hubs, supporting over 9,000 young entrepreneurs and catalyzing nearly 1,000 start-ups across fintech, Agri-tech, logistics, and media. Recognizing that innovation thrives on strong foundations, the Bank has committed up to 24 percent of its disbursements to infrastructure development by 2027.

Innovation is matched by a deep commitment to sustainability. Over the last two years, BOI launched its Development Impact Framework, managed by a dedicated Impact Group, and integrated Environmental, Social, and Governance (ESG) risk checklists into all credit appraisals through its Sustainability Department. These measures ensure every BOI-financed project aligns with Nigeria's development objectives. To strengthen workplace safety, the Bank co-created the Safety-First Initiative with the Lagos State Safety Commission, ensuring that employees within BOI-funded enterprises work in secure, safe environments.

BOI was recently designated a National Implementing Entity for the global Adaptation Fund, which supports climate-adaptation projects in developing countries. As the first bank in Nigeria to earn this accreditation, BOI has strengthened the nation's capacity to independently access and deploy international climate finance for domestic industrial resilience. Complementing this are sustainability projects such as the BOI Grows Green Initiative, which planted one thousand trees in Lagos; the Atunlo Recycling Partnership, promoting circular-economy practices; and the Solar Energy Program, expanding clean-power access in off-grid communities. Together, these efforts demonstrate the Bank's commitment to embedding ESG principles across operations and lending.

The Bank's achievements have earned both national and international recognition. In 2024, BOI was named **Africa's Most Innovative National Bank of the Year** at the African Heritage Concert & Awards in Morocco, certified a **Great Place to Work**, and awarded **Best Bank for Sustainable Finance in Nigeria** at the Global Finance Sustainable Awards in London. In 2025, BOI received the **Caring Workplaces Award** – one of five Nigerian companies to be awarded. BOI was named **SME Bank of the Year** and **Best Debt Deal of the Year** at the African Banker Awards held alongside the AfDB Annual Meetings in Abidjan. The Bank's capital-markets performance was further honored with **African Deal of the Year, Syndicated Loan Deal of the Year**, and **Transaction of the Year** from Global Banking & Markets Africa, EMEA Finance, Global Capital, and THISDAY Awards. Collectively, these honors affirm BOI's reputation for combining innovation, sustainability, and institutional excellence in advancing Nigeria's industrial transformation.

BOI's corporate-citizenship record continues to advance. Between 2023 and 2025, over 200 corporate social responsibility projects reached 80,000 people across 180 communities, upgrading classrooms, clinics, and water systems while training hundreds of youths in digital skills. Every intervention reinforces a simple truth: industrialization must be inclusive, reaching classrooms and communities as much as factory floors.

Nigeria's path to industrial transformation remains challenging. Inflationary pressures and infrastructure gaps continue to test manufacturers, while informality limits MSMEs' access to credit. These constraints underscore why institutions like BOI must persist - mobilizing patient capital, deepening financial inclusion, and building systems that link public purpose with private enterprise.

BOI's 2025–2027 Strategy is anchored on that vision: expanding finance to more than two million MSMEs, dedicating its loan book to projects aligned with six core thematic areas - MSMEs, Gender, Youth, Digital Economy, Infrastructure, and Climate Finance – and achieving full digital automation of its lending and impact-tracking systems.

The Bank's journey underscores a fundamental truth: industrialization is not just about financing factories but about building futures. Every enterprise financed, every hub launched, every job created represents an investment in people's capacity to innovate, earn, and dream. The mission is simple yet profound: to finance Nigeria's future, empower its people, and ensure that every naira invested yields measurable social and economic value. In that purpose lies the blueprint for a new kind of growth, one powered by inclusion, driven by innovation, and sustained by impact.

Dr. Olasupo Olusi
MD/CEO, Bank of Industry