



**BANK OF INDUSTRY**

*...transforming Nigeria's industrial sector*

# Development Impact Framework

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Development Effectiveness Group

**Strategy and Research Division**

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## 1. Introduction to the Framework

This document, along with the Monitoring and Evaluation Policy as well as the tools for monitoring, measuring and reporting the development results of BOI interventions make up the Development Impact Framework for the Bank. Specifically, this document highlights how BOI would go about with the process of capturing relevant data, measuring impact of its interventions and reporting its developmental effectiveness over different time periods.

### 1.1. Objective of the Framework

This **Development Impact Framework (DIF)** is designed to create a structure to monitor, evaluate, and report the results of Bank of Industry's (BOI) financial interventions on Nigeria's development. By establishing a structured DIF, BOI will be able to assess the effectiveness of its support for industrialization, entrepreneurship, and sustainability of key sectors of the Nigerian economy. The DIF tools will be the major inputs into the development of the periodic reports and the Annual Development Effectiveness Report (ADER) for the Bank.

The reports generated from the DIF provide critical data to help BOI understand the successes and challenges of its financed projects, enabling continuous improvement and ensuring the alignment of financial activities with Nigeria's broader development goals as well as the United Nations Sustainable Development Goals (SDG). The DIF has also been developed to be consistent with other internationally relevant frameworks such as the International Development Finance Club (IDFC) Green Financing Framework, OECD-UNDP Impact Standards for Financing Sustainable Development, World Bank's Approach to DFI Performance Management and UNU-WIDER Results Measurement Systems.

### 1.2. The Framework and BOI's Mandate

The DIF is built around BOI's mandate, the strategic plan for 2025 – 2027 as well as logical framework model for implementing aspects of the Strategic Plan. BOI's

Ambition in the 2025 - 2027 Strategic Plan is to spearhead Nigeria's **sustainable & inclusive industrial development** via tailored offerings to support **underserved** and **high impact business segments**. The core indicators for measurement of BOI DE Results have been cascaded from the strategic plan along for key areas.

1. High Impact Business Segments – Economic Impact Metrics
2. Industrial Development – Industrial Impact Metrics
3. Sustainable & Inclusive – Sustainability (Climate & Environment) Metrics
4. Support for Underserved – Social Impact Metrics
5. Tailored Offerings – Internal Efficiency Metrics

There are four external and one internal indicator sectors that the DIF will track to measure our developmental effectiveness.

This DIF has also been developed to help foster a culture of results and impact across all of BOI's Groups, Divisions, Directorates and Subsidiaries. It will help bring to the fore, key issues with our financing interventions for quick management remedy and help with appropriate reporting of our developmental contributions to the country. The framework will assist management and Board members with several functions including reviewing progress of projects during implementation and at completion, analysing trends in performance and exploring relationships between our performance and internal capability.

### 1.3. BOI's Thematic Areas

BOI currently has six thematic focus areas. These thematic areas make up our mandatory indicators, as every project in the Bank is expected to comply with indices measurable along at least two of these thematic areas.

1. MSME Financing
2. Infrastructure Sector Growth
3. Gender Programming
4. Youth and Skills

5. Climate Resilience
6. Digital Transformation and Technology

The Strategic Plan for 2025 – 2027 focuses on reporting of portfolio performance along BOI's six (6) thematic areas. To ensure that our projects are also consistent with this thematic areas and reporting requirements, all projects must have a Major Index Score in at least 2 of the thematic areas and a Medium Index Score in at least 2 other thematic areas. No project should have a Minor Score in more than 2 of the 6 thematic areas. The scoring metrics for the thematic areas is included as Appendix A2 in this framework.

Defining the scoring Matrix for the Thematic Areas is given below. This scoring matrix will be automated, and by inputting the required data, the Project Officer will know if his customer has met the minimum requirements or not, before the project can proceed for MiCC or EMC. The results will accompany all credit reports going for approval to MiCC or EMC.

Table 1: Mandatory Indicators

S/N	Thematic Area	Major Attribute	Medium Attribute	Minor Attribute
1	<b>MSME Financing Focus</b>	<ul style="list-style-type: none"> <li>Substantial financing for MSMEs, with specific programs targeting underserved regions or sectors.</li> </ul>	<ul style="list-style-type: none"> <li>Moderate financing for MSMEs, supporting growth and capacity building in key industries.</li> </ul>	<ul style="list-style-type: none"> <li>Minimal focus on MSMEs, indirect impact on MSME growth.</li> </ul>
2	<b>Infrastructure Financing Growth</b>	<ul style="list-style-type: none"> <li>Large-scale infrastructure projects that have nationwide impact or unlock significant economic opportunities.</li> </ul>	<ul style="list-style-type: none"> <li>Moderate infrastructure development impacting regional markets or smaller economic hubs.</li> </ul>	<ul style="list-style-type: none"> <li>Small-scale infrastructure projects with limited regional or sectoral impact.</li> </ul>
3	<b>Gender Programming</b>	<ul style="list-style-type: none"> <li>Directly targets gender disparities with specific programs benefiting women, such as women-led enterprises.</li> </ul>	<ul style="list-style-type: none"> <li>Incorporates gender inclusivity principles without a direct focus on women-specific programs.</li> </ul>	<ul style="list-style-type: none"> <li>Gender programming as a minor aspect or inclusion as a general diversity goal.</li> </ul>
4	<b>Youth &amp; Skills</b>	<ul style="list-style-type: none"> <li>Programs that focus on large-scale youth</li> </ul>	<ul style="list-style-type: none"> <li>Youth empowerment projects that focus on</li> </ul>	<ul style="list-style-type: none"> <li>Limited focus on youth or skills development, with</li> </ul>

S/N	Thematic Area	Major Attribute	Medium Attribute	Minor Attribute
		empowerment and employability skills training, with extensive outreach.	skill development but with limited outreach or impact.	indirect benefits to youth population.
5	<b>Climate Mitigation &amp; Adaptation</b>	– Substantial investments in renewable energy, carbon footprint reduction, or adaptation initiatives.	– Moderate focus on climate adaptation or carbon reduction but without extensive reach or significant investments.	– Small-scale climate mitigation efforts or basic environmental considerations.
6	<b>Digital &amp; Technology</b>	– Significant investment in digital transformation or technological advancement across sectors.	– Projects that incorporate digital tools or technology upgrades in certain areas but lack sector-wide transformation.	– Minimal focus on digital or technological innovations, with limited digital strategy.

## 2. Developing the Framework - Theory of Change (ToC)

The Theory of Change for BOI outlines the process through which BOI's financing leads to the desired long-term development outcomes. It includes the following elements:

- **Inputs:**

Resources provided by BOI towards specific targeted priority sectors, including:

- Capital (loans, equity investments, and grants)
- Technical expertise (business advisory services)
- Strategic partnerships (collaborations with development finance institutions, government agencies, public and private sector stakeholders)

- **Outputs:**

Direct and tangible results of BOI's interventions evident in the priority sectors including:

- Number of loans disbursed to MSMEs and Large enterprises
- Number of new businesses created
- Direct & Indirect Jobs generated across various sectors
- Infrastructure projects financed and completed
- Equipment financed and procured
- Raw materials purchased for production using Working capital financed

- **Intermediate Outcomes:**

Medium-term effects resulting from BOI's financing directly attributable to BOI's interventions

- **Increased Access to Finance:** MSMEs and large enterprises, especially in underserved sectors (e.g., agriculture, creative industries), gain better access to financial products.

- **Capacity Building:** Beneficiaries receive technical and operational support that enhances productivity and business sustainability.
  - **Productivity Improvement:** Companies and sectors experience improved productivity due to enhanced access to finance, technology adoption, and skills development.
  - **Increased Capacity:** Companies add extra capacity to their current production levels
  - **Ease of Transportation/Storage, etc:** Locals have increased and easier access to infrastructure
- **Final Outcomes/Impacts:**  
 Long-term outcomes of BOI's interventions such as poverty reduction, import substitution, export promotion, higher contributions to GDP, etc will lead to high level impacts as below:
    - **Economic Growth:** contribute to overall GDP growth. Increased employment and business opportunities contribute to reducing poverty in targeted regions.
    - **Industrialization:** Import Substitution, export promotion. Higher levels of industrial output and improved productivity across sectors
    - **Social Impact:** Improved access to essential services (e.g., healthcare and education) due to the growth of industrial sectors such as pharmaceuticals and agro-processing.
    - **Environmental Sustainability:** Alignment with global sustainability goals by supporting green projects, reducing carbon footprints, and promoting the circular economy.

These final outcomes match directly with our indicator metrics that were derived from the BOI's Ambition Statement in the Strategic Plan for 2025 – 2027.

All projects at BOI are to be reviewed and scored against these four indicator areas. The framework assigns scores as either Minor, Medium or Major on each of the indicator areas, providing a clear, multi-dimensional assessment. All projects to proceed for EMC or MiCC must score a Major in one of the four output/outcome indicator areas and at least a medium in at least one other area (Economic Growth, Industrialisation, Social Impact, Climate/Environmental Sustainability).

This information is then seamlessly integrated into the credit committee's (MiCC or EMC) decision-making process, ensuring that development impact is a core consideration alongside financial risks and returns.

### 3. Levels of the Results Measurement in the DIF Framework

The results measurement for BOI has been designed to capture the outputs, outcomes and impacts of BOI financing interventions as well as measure our own internal capacity to deliver on our mandate. For this reason, there are three levels to the framework.

*Figure 1: Indicator Levels*



- 1) **Level 1 (Macro)** would measure the development progress for BOI based on Final Outcomes/ Impact of our financing activities at the National Level
- 2) **Level 2 (Micro)** will measure the direct outputs from our financing activities as well as the intermediate outcomes that can be directly attributed to the financing activities of BOI
- 3) **Level 3 (Internal)** will measure internal capacity for BOI to deliver on our developmental mandate which includes our portfolio management, our operations as well as how efficiently we manage ourselves.

#### 3.1. Level 1 Indicators

The indicators reported for Level 1 are National Level Indicators that BOI would make contributions to and not necessarily directly attributed to us. Data on the level 1 indicators will be provided by the Strategy Division of the Bank having engaged and leveraged inputs from key agencies especially the Nigerian Bureau of Statistics (NBS). Country and economy wide statistics can also be collected periodically from internal evaluations or external surveys commissioned.

The key indicators to be captured and reported along our four indicator areas are highlighted below:

*Table 2: Level 1 (Macro) Indicators*

S/N	Indicator Area	Indicator	Unit	Baseline*	Year
1	Economic Growth (E1)	E1.1 Contribution to GDP	Value/ %	NA	NA
		E1.2 Import Substitution	Value/ %	NA	NA
		E1.3 Export Promotion	Value/ %	NA	NA
2	Industrialization (I1)	I1.1 Increase in Productivity	Value/ %	NA	NA
		I1.2. Improvements in Service Delivery	Industry specific. HDIs	NA	NA
3	Social Impact (S1)	S1.1 Reduction in Regional Inequalities	Income Inequality (GINI) Index (%)	NA	NA
		S1.2. Poverty Reduction	GDP/Capita % below poverty line	NA	NA
4		C1.1 Climate Mitigation	Amount Committed	NA	NA

S/N	Indicator Area	Indicator	Unit	Baseline*	Year
	<b>Climate &amp; Environmental Sustainability (C1)</b>	C1.2 Climate Adaptation	Amount committed	NA	NA

*\*Our first year for data collection and reporting will serve as baselines to these indicators as we have not been collecting or measuring data along these lines till now.*

### 3.2. Level 2 Indicators

Level 2 indicators capture direct outputs from BOI’s interventions and how this determines outcomes that can be directly linked to the said outputs. BOI will assess its contributions to the country by aggregating key outputs as well as intermediate outcomes delivered through its financed projects, CSR as well as other supported projects like regional and federal matching and managed funds.

Level 2 indicators include core sector indicators (CSI) for all of the Bank’s areas of intervention as well as indicators for all the key sectors that BOI currently plays at which includes; Food & Beverages, Agro Processing, Metals & Minerals, Oil & Gas, Infrastructure, Creative Industries, Hospitality, Manufacturing (Engineering), Climate and Chemical Industry.

Most of the Core Sector Indicators have also been designed to track gender and youth disaggregated data. This gender/youth tracking will be maintained not just during the design or appraisal process for projects, but also during implementation and post implementation evaluation. This focus will help correct one of the major gender programming issues whereby gender balance is only indicated while appraising projects, but not followed through during implementation. This gender disaggregation will enable the Bank report on its contribution to women empowerment by sector, by region and at the country level.

The CSIs for level 2 are standardized indicators from logical frameworks drawn from the outcomes/impacts expected from Level 1 indicators. We understand that having over 10 key focus industries, the Bank may find it cumbersome reporting at the micro level for all of its core industry sector areas, so the CSI's aggregate this information in a standard format that has been presented in level 2. These CSIs will require regular monitoring as part of the quarterly project supervision for the Project Officers of the bank.

Table 3: Level 2 Indicators (indicates disaggregation)

Impact Category	Indicator	Units of Measurement	Baseline*	Data Sources & Methods	Responsible Group
<b>Economic Growth (E2)</b>	E2.1 Jobs Created	Number of jobs (Direct & Indirect) (Gender & Youth)	NA	Project Appraisal Reports, Monitoring Reports, Evaluation Reports	MSMEs, LE, Project Managers, Project Officers for Special Programmes
	E2.2 New MSMEs Created	Number of MSMEs (Gender, Youth)	NA	Project Appraisal Reports, Monitoring Reports, Evaluation Reports	MSMEs, Project Managers, Project Officers for Special Programmes
	E2.3 Businesses Supported	Number of businesses - Funded/Trained/CSR (Gender & Youth)	NA	Fund disbursement records, beneficiary reports	MSMEs, Project Managers, Project Officers for Special Programmes
	E2.4 Revenue Growth in Supported Businesses	Number/ % (Gender)	NA	Financial statements, business reports	MSME, LE
	E2.5 Innovation Driven Entrepreneurships (Unicorns Supported from early stage to Growth)	Number of IDEs	NA	Project reports, field surveys	LE, Corporate Finance
<b>Industrial (I2)</b>	I2.1 Infrastructure Uptake	Value/ Percentage (%) (Gender)	NA	Infrastructure development reports, field evaluations	LE (Infrastructure Finance, Manufacturing)
	I2.2 Installed Capacity Increase	Value/ Percentage (%)	NA	Project reports, industrial performance data	MSMEs, LE (Manufacturing, Extractive Industries)

Impact Category	Indicator	Units of Measurement	Baseline*	Data Sources & Methods	Responsible Group
	I2.3 Patent Registrations Supported	Number of patents (Gender, Youth)	NA	Patent registration data, innovation project reports, M & E Reports	MSMEs, LE
	I2.4 Uptake of Technology in Funded Projects	Value/ Percentage (%)	NA	Technology adoption reports, project data	MSMEs, LE
	I2.5 Backward & Forward Linkages Enabled	Number of linkages	NA	Supply chain analysis, project reports	MSMEs, LE
<b>Social Impact (S2)</b>	S2.1 Financial Inclusion of Vulnerable Customers	Number of individuals (Gender)	NA	Financial inclusion reports, community surveys	MSMEs, Project Managers of Special Programmes
	S2.2 Unserved and Underserved Accessing Finance	Number of individuals/businesses/ Communities (Gender)	NA	Financial service data, program reports	MSMEs, Project Managers of Special Programmes
	S2.3 Geographic Distribution of Financing	Value/ Percentage (%) of total funds	NA	Program geographic reports, beneficiary data	IT, Performance Management, MSMEs, LE (All Divisions)
	S2.4 Households & Communities Supported	Number of households/ communities	NA	Community impact assessments, field surveys	MSMEs, LE (All Divisions)
	S2.5 Income Increase in Communities with Financed Projects	Percentage (%)	NA	Household income surveys, community evaluations	MSMEs, LE (All Divisions). Project Managers of Special Projects

Impact Category	Indicator	Units of Measurement	Baseline*	Data Sources & Methods	Responsible Group
<b>Climate &amp; Environment Sustainability (C2)</b>	C2.1 Financed businesses Adopting Sustainability Practices	Number of businesses	NA	Sustainability reports, business performance data	MSMEs, LE (All Divisions)
	C2.2 New Climate-Focused Businesses Supported	Number of businesses	NA	Project reports, climate enterprise performance data	MSMEs, LE (Manufacturing, Extractive Industries)
	C2.3 Renewable Energy Capacity Installed by Funded Projects	Value	NA	Renewable energy project data, field evaluations	MSMEs, LE (Extractive Industries, Manufacturing)
	C2.4 Internal/ External Carbon Footprint Reduction	Value/ Percentage %	NA	Sustainability reports, business performance data	Admin, MSMEs, LE
	C2.5 Number of people benefitting from climate projects funded	Value	NA	Sustainability reports, business performance data	MSMEs, LE (All Divisions)

*\*First year of data collection and reporting will form our baseline*

Beyond the level 2 indicators above, the Monitoring and Evaluation Tools will contain industry specific indicators which will feed into the overall indicators above. These indicators by industry are given below

1. Pharmaceuticals and Healthcare

PH 1: Number of hospital beds deployed

PH 2: Number of major diagnostic equipment procured

PH 3: Number of new pharma product lines introduced into the market

PH 4: Increase in installed capacity for pharmaceutical manufacturers

PH 5: Number of health facilities built, upgraded or equipped

PH 6: Volume of essential medicines produced locally

PH 7: Number of healthcare workers trained

PH 8: Number of healthcare jobs created in hospital, diagnostics or pharma sectors

PH 9: Number of patents or innovative solutions deployed in this sector

2. Agro Processing

AP 1: Increase in installed capacity

AP 2: Land area under irrigation

AP 3: Storage and transportation logistics equipment provided

AP 4: Reduction on post-harvest losses

AP 5: Number of Processing Facilities established or upgraded

AP 6: Volume of Agricultural Produce Processed

AP 7: Number of Small Holder Farmers linked to processing facilities

AP 8: Number of workers trained

AP 9: Volume of processed goods sold

AP 10: Number of export ready processing facilities established

AP 11: Number of modern processing technologies adopted

AP 12: Number of facilities using renewable energy

AP 13: Number of processing facilities located in rural or underserved areas

### 3. Infrastructure

IF 1: Infrastructure density provided (megawatts, km, capacity, etc as relevant)

IF 2: Number having access to infrastructure provided

IF 3: Penetration of infrastructure provided

IF 4: Number of Power Generating Facilities Constructed or Upgraded

IF 5: Additional Capacity Installed

IF 6: Increase in Economic Activities in the Project Area

IF 7: Increase in trade volumes through improved logistics

IF 8: Growth in SME Activity along project corridor

IF 9: Improved Access to Essential Services

IF 10: Policy reforms enabled through project implementation (PPPs, tariff, etc)

### 4. Manufacturing (Including Engineering)

MF 1: Manufacturing value add

MF 2: New capacity utilization

MF 3: Industrial production index increase

MF 4: Number of manufacturing facilities constructed, rehabilitated or expanded

MF 5: Installed Production Capacity

MF 6: Utilization rate of production capacity

MF 7: Volume of Goods produced

MF 8: Number of employees trained

MF 9: Number of Local suppliers integrated into manufacturing supply chain

MF 10: Volume of raw materials sourced locally

MF 11: Volume of goods exported

MF 12: Number of new domestic or international markets entered

MF 13: Volume of waste recycled

MF 14: Number of new technologies adopted

MF 15: Patents filed or innovations introduced

MF 16: Number of MSMEs supported along manufacturing value chain

5. Food Processing

FP 1: Increase in capacity

FP 2: Increased output in processed food

FP 3: Increase in export volume/value

FP 4: Increase in locally processed foods

FP 5: Number of food processing facilities established or upgraded

FP 6: Volume of Raw Materials Processed

FP 7: Technology adoption within funded projects

FP 8: Local sourcing of raw materials

FP 9: Number of workers trained in food processing

FP 10: Adoption of Quality Assurance Certifications

FP 11: New or expanded local or export markets for processed goods

FP 12: Compliance in local and international food standards

6. Creative Industries and Digital Technology

CI 1: Number of creative products financed

CI 2: Number of creative/cultural events organized

CI 3: Intellectual property registration increases

CI 4: Number of startups or businesses funded

CI 5: Number of patents registered

CI 6: Number of capacity building workshops, trainings, accelerator programs sponsored or hosted

CI 7: Number of partnerships formed with educational institutions, tech hubs, etc

CI 8: Number of hubs, studios, co-working spaces developed

CI 9: Number of products/projects exported to international markets

7. Mining and Metals

EX 1: Increase in extraction/production volumes

EX 2: Environmental compliance standards

EX 3: Percentage of local content add

EX 4: Number of miners, engineers, etc trained

EX 5: Financed projects adhering to ESG standards

EX 6: Growth in export and export revenues in this sector

EX 7: Value addition (local processing rates)

EX 8: Number of artisanal miners transitioning to formal operation

EX 9: Percentage of local materials and labour used

EX 10: Percentage of financed projects meeting international certification standards

8. Oil and Gas

OG 1: Increase in local content share of the industry

OG 2: Number of modular refineries and infrastructure supported

OG 3: Number of flaring reduction or carbon capture and storage projects

OG 4: Domestic consumption of refined products

OG 5: Number of technical programs and trainings conducted

OG 6: Number of professionals trained

OG 7: Volume of production or processing capacity added

OG 8: Number of projects supporting LNG or CNG Infrastructure

9. Hospitality Industry

HI 1: Occupancy increase in financed projects

HI 2: Number of tourists/visitors attracted

HI 3: Number of facilities established

HI 4: Number of facilities developed

HI 5: Number of workers trained

HI 6: Number of local businesses supported

- HI 7: Improvement in income or livelihoods of local residents
- HI 8: Number of projects promoting and preserving local/National culture & heritage
- HI 9: Increase in participation of local artists and performers

10. Chemical Industry

- CH 1: Environmental compliance standards
- CH 2: Investments in Research and Development
- CH 3: Increase in production capacity
- CH 4: Number of plants/facilities established or supported
- CH 5: Number of projects incorporating automation and advanced technologies
- CH 6: Number of workers trained in chemical and industrial minerals processing
- CH 7: Number of projects adhering to EIA requirements
- CH 8: Growth in domestic manufacturing
- CH 9: Reduction in hazardous waste generation by project

11. Climate Finance

- CF1: Green Jobs Created by Funded Projects
- CF2: Emissions Avoided by Funded Projects
- CF3: Volume of Climate Investments Mobilised
- CF4: Increase in Energy Efficiency of Funded Projects
- CF5: Percentage of Waste Reduction or Recycling Achieved by Funded Projects
- CF6: New Climate Solutions Developed/Adopted
- CF7: Number of Projects implementing circular economy models
- CF8: Reduction in energy consumption
- CF9: Sustainable supply chain practices adopted
- CF10: Number of eco labeled or certified sustainable products introduced

With increased focus on results, this will also require an increase in the amount of information collected and monitored at various levels. Project Officers will now have as

bulk of their task, the monitoring and collection of data on outputs and intermediate outcomes from our financed projects.

Relevant indicators must be disaggregated by Gender and Youth.

### 3.3. Level 3 Indicators

To paint a complete picture of our developmental effectiveness, the Bank also needs to report comprehensively on its internal capacity to deliver on the strategy that it has set, monitor and report on its development impact. This is recognized global best practice for Developmental Effectiveness Monitoring.

Level 3 of the Framework measures our operational performance through four (4) key categories

1. Our **Portfolio** Management
2. The Capacity of our **People**
3. The Efficiency of our **Processes**
4. The Effectiveness of our **Systems**

*Table 4: Internal Efficiency Indicators*

Category	Indicator	Baseline*	Data Source
Portfolio	– PF 1: Compliance with Strategic Plan Portfolio Distribution Requirements (See subsection)		Performance Management
	– PF 2: New Projects with at least gender/youth equality outcome/output indicator		Development Effectiveness
	– PF 3: Number of Projects formally supervised quarterly (4 times in a year)		Development Effectiveness

Category	Indicator	Baseline*	Data Source
	– PF 4: Number of Problem projects in on-going portfolio (NPL & Non NPL Issues)		Performance Management
	– PF 5: Approval share of all applications		Risk Management
	– PF 6: Disbursement Share of Approvals		Risk Management
	– PF 7: Funds disbursed to funds raised within same period		Treasury
	– PF 8: Average days from Approval to Disbursement		Risk Management
	– PF 9: Average days from Application to Approval		IT
	– PF 10: Number of Projects with disaggregated data based on BOI Thematic Areas		Development Effectiveness
<b>People (PP)</b>	– PP 1: Staff Attrition Rate		HR
	– PP 2: Share of Women in Professional Staff		HR
	– PP 3: Rate of Operational Professional Staff		HR
	– PP 4: Manpower Fit and Skills Gap		HR
<b>Process</b>	– PC 1: Administrative/Operational cost per N1 Billion Disbursed		Finance

Category	Indicator	Baseline*	Data Source
<b>(PC)</b>	– PC 2: Number of Processes required from Application to Disbursement		Strategy
	– PC 3: Customer Satisfaction Score		Customer Care
	– PC 4: Staff Satisfaction Score		Customer Care
<b>Systems</b>			
<b>(ST)</b>	– ST 1: Average Internet Downtime		IT
	– ST 2: Average Systems Down time		IT
	– ST 3: Average time to resolve support IT requests		IT

*\*The targets will be set at the point of setting KPIs for the relevant business units. The baselines will likely be our 2024 results along the lines above*

The indicators monitored at level 3 directly affect the quantity and quality of outputs and intermediate outcomes (Level 2) produced by the Bank, and this affects the long term objectives of delivering impact (Level 1) across the country.

From PF 1 Indicators above, the strategic plan for 2025 – 2027 has indicated that the Bank’s funding portfolio should meet several growth and divestment requirements by 2027.

The core requirements include to have the following distribution by 2027:

- 35% of all funding to be to MSMEs
- 80% of all LE Funding to be to high impact sectors (Infrastructure, Food, Agro, Pharma and Manufacturing)
- 30% of all LE Funding to go to Infrastructure
- 20% of Funding to be to Youth and Skills focused Businesses
- 15% of all Funding to be to Gender Focused Businesses

- 10% of funding to Climate Mitigation/Adaptation Businesses
- 15% to Digital and ICT Businesses

These requirements have been captured and cascaded along different years as below. These are projections based on the contents of the proposed 2025 – 2027 Strategic Plan for the Bank and is subject to change when the budgets for the years in review are finalized and adopted.

Table 5: Growth Targets for BOI (2025 – 2027)

	Targets				Actual				Baseline
	2027	2026	2025	2024	2027	2026	2025	2024	2022/23
Strategic 2X Growth Requirements									
Disbursements (NGN Billion)	538	460	381	303					224
Asset Size (USD Million)	8.9	7.8	6.7	5.5					4.4
Impact Instrument Share (%)	65	56	47	38					29

Table 6: Disbursement Distribution Targets, %, for BOI (2025 – 2027)

	Targets				Actual				Baseline
	2027	2026	2025	2024	2027	2026	2025	2024	2022/23
Disbursement Targets (%)									
MSMEs	35%	30%	25%	20%					16%
Youth & Skills	20%	15%	10%	5%					1%
Gender	15%	13%	11%	9%					7%
Climate	10%	8%	6%	4%					1%

	Targets				Actual				Baseline
Infrastructure	20%	18%	12%	8%					5%
Digital	15%	14%	12%	11%					9%
LE Priority	52%	51%	50%	49%					48%

Table 7: Disbursement Distribution Targets, Value, for BOI (2025 – 2027)

	Targets (NGN Billion)				Actual				Baseline
Disbursement Targets (Value)	2027	2026	2025	2024	2027	2026	2025	2024	2022/23
MSMEs	188	138	95	61					36
Youth & Skills	108	69	38	15					2
Gender	81	60	42	27					16
Climate	54	37	23	12					2
Infrastructure	105	83	46	24					11

	Targets (NGN Billion)				Actual				Baseline
Digital	81	64	46	33					20
LE Priority	280	234	191	148					107

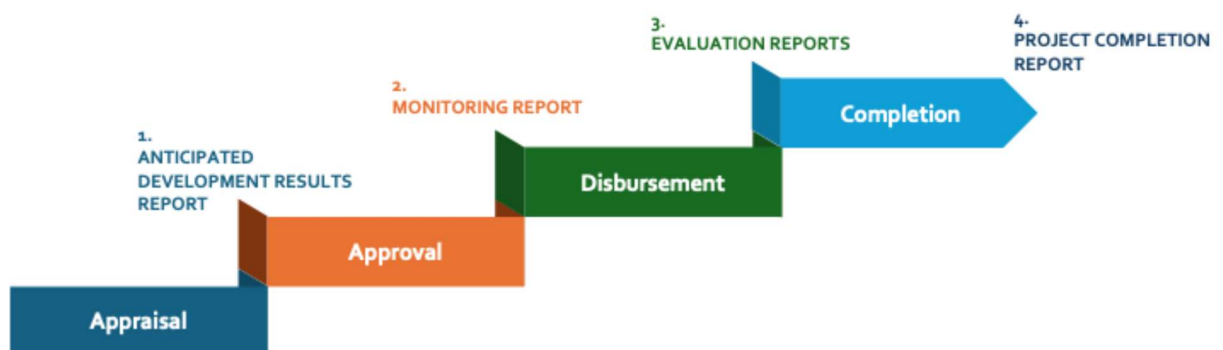
## 4. Monitoring, Evaluation and Reporting Process

There will be three phases of reporting for the DIF Framework. This will include:

1. Ex-Ante (Anticipated Impact) Phase
2. Monitoring Phase
3. Ex-Post Evaluation

The ex-post evaluation will include pre-determined periodic evaluation and end of project completion report.

*Figure 2: The DIF Reporting Periods*



### 4.1. Ex-Ante Evaluation (Anticipated Impact):

The ex-ante reporting will be carried out at the point of prospecting and appraisal of the customer. The Anticipated Development Results Report (ADRR) will be produced by the customer with the assistance of the project officer and this will accompany the project appraisal report for Credit Approval meeting (MiCC or EMC). The ADRR will be automated and scoring based on inputs from the customer. The tool will have to pass the pre-set conditions before the project can proceed for EMC or MiCC. While the tool is automated, the results would be automatically forwarded to Development Effectiveness Group for further reviews and collation.

The tool for capturing the ADRR will include three key classes of indicators:

1. The Mandatory indicators for all projects at BOI which is made up of the six (6) thematic areas for BOI;
2. The Cross Cutting Indicators which comprise the Levels 1 and 2 indicators already highlighted above; and
3. Sector Specific Indicators which are the L2 industry sector specific industries. Indicators for which differ by industry area and will be completed based on the industry sector of the prospective customer. This will also include the Level 3 indicators which are for our internal BOI capacity measurements. This will be completed by the relevant back unit officers when reporting on those areas.

*Figure 3: ADRR Indicators*



Like earlier indicated, the customer must have a score of Major in at least two of our six mandatory indicators and a Medium score in another two before they can proceed for EMC or MiCC. The full performance of the customer on the cross cutting and sector

specific indicators would also inform credit committee on the developmental potential of the project and will help inform their decision on whether to progress the project or not.

The task of the project officers appraising the project will be:

- **Needs Assessment:** Conduct a detailed assessment of potential projects to understand their alignment with BOI's strategic goals and expected development plans.
- **Establish Expected Outcomes:** Define expected outputs, intermediate outcomes, and final outcomes using predefined sector-specific and cross-cutting indicators.

#### 4.2. Monitoring

Monitoring is the responsibility of the Project Officer who appraised and disbursed the facility. On-going monitoring is required to capture and develop the Monitoring Reports (MR). Project Officers are required to carry out project monitoring on their projects at least once every quarter. Those project monitoring are the things that feed into this report. This report contains progress on "actual but not verified" development results of BOI projects against targets captured in the ADRR at project planning stage.

The task of the project officers monitoring the projects will be:

- **Progress Tracking:** Continuously monitor project performance, tracking progress towards achieving outputs and intermediate outcomes.
- **Data Collection:** Collect real-time data from stakeholders, beneficiaries, and BOI field offices to assess the impact of interventions during implementation.

The tools for the MR would also contain the indicators as included in the ADRR along with the targets/commitments that were already made in the ADRR to confirm compliance.

A Monitoring Report will be issued on every project at the end of every quarter. This report will be due by the end of the week after the end of the quarter. Delays or failures in issuing this will be part of the KPIs of the Project Officers.

#### 4.3. Ex-Post Evaluation

The Development Effectiveness Group will oversee evaluation of the projects at the bank. The evaluation process will be by stratified purposive sampling. In every financial year the following number of evaluations must be carried out across the different Directorates

*Table 8: Evaluation Schedule*

S/N	Directorate	Minimum Number of Evaluations	Evaluation Sample Size
1	Large Enterprises	22	<ul style="list-style-type: none"> <li>- There are 11 Groups in the LE Directorate</li> <li>- Evaluations must be carried out on 2 Projects in every Group. 1 of the projects will be a recently completed project over the FY and the other a project that is still under repayment</li> </ul>
2	MSME	20	<ul style="list-style-type: none"> <li>- There are six (6) Divisions under MSME               <ol style="list-style-type: none"> <li>1. Lagos/South West</li> <li>2. South East/South South</li> <li>3. North 1</li> <li>4. North 2</li> <li>5. SME Lending</li> <li>6. Micro Lending</li> </ol> </li> </ul>

S/N	Directorate	Minimum Number of Evaluations	Evaluation Sample Size
			<ul style="list-style-type: none"> <li>- 4 Projects must be evaluated each year from each of the first 4 Divisions and 2 projects from the last 2 Divisions.</li> <li>- All the special projects like SME Funds, Various Matching/Managed Funds would be evaluated individually on a Project Level</li> </ul>
3	Public Sector and Interventions	3	<ul style="list-style-type: none"> <li>- There are three customer facing public sector Divisions under the PSIP Directorate               <ol style="list-style-type: none"> <li>1. Loan Interventions</li> <li>2. Grant Interventions</li> <li>3. Multilateral Interventions</li> </ol> </li> <li>- These Interventions will be evaluated as separate group projects every year.</li> </ul>
4	Corporate Services	5	<ul style="list-style-type: none"> <li>- Corporate services oversees all our subsidiaries               <ol style="list-style-type: none"> <li>1. BOI MFB</li> <li>2. LECON</li> <li>3. BOI Insurance Brokers</li> <li>4. BOITC</li> </ol> </li> <li>- These subsidiaries will be evaluated every year at their subsidiary levels for their overall development impact</li> <li>- Corporate Services also oversees our CSR Activities, the CSR activities will</li> </ul>

S/N	Directorate	Minimum Number of Evaluations	Evaluation Sample Size
			also be evaluated as a group at least once every year.
5	Risk Management and Corporate Finance	~ 5	Corporate finance oversees some of our Equity Finance and other specialized finance projects. We will be evaluated all the various speciliased financing projects atleast once every year to measure our developmental impact.

In total, we expect about 60 Evaluations to be carried out every year. This comes to an average of 5 evaluations every month. Giving the current staffing and skills level at the bank, we envisage that about 25% of the evaluations or 15 evaluations will be carried out in house, while the other 75% or 45 evaluations will be either external or mixed external/internal evaluations.

The Developmental Effectiveness Group through its evaluation officers will prioritize the schedule and process of carrying out these evaluations to ensure that required objectives are met. They would also oversee the process of engaging external evaluators where need be.

Because of the peculiarity of projects that usually run through multiple years, the ex-post evaluations will be carried out periodically mid project as well as at the end of the project. This is to ensure compliance with made commitments and address any lingering issues mid way through the project before it gets to the end and discovery of little or no development impact with regards the project. The mid project evaluation reports will be carried out every six months to give the Evaluation Reports (ER) while the end of project evaluation will be carried out at the end of the project and the report issued will the Project Completion Report (PCR).

- Project Completion Report (PCR) is a document prepared at the end of a project cycle to summarize its performance, achievements, challenges, lessons learned and overall outcomes. It serves as a basis for accountability, learning, and performance improvement for future projects and development impact tracking. A project completion report should be prepared between Three (3) to Six (6) months after project completion to assess longer term impacts. Project Implementation team i.e Business units (Bus), Project Officers (POs), State Managers (SMs), and Group Heads (GHs) are responsible for preparing the project completion report, while DE group provide the technical support and review the report which will form part of the Group Annual Development Effectiveness Report (ADER). **NOTE:** Project Completion report (PCR) is independent and different from the project close out report.
- The task of the Evaluation Officers evaluating the projects will be:
  - **Impact Assessment:** Evaluate the long-term impact on beneficiaries' lives, the performance of financed businesses, and broader economic effects.
  - **Comparison:** Compare actual outcomes with anticipated goals to assess performance and identify lessons learned.

#### 4.4. Reporting

The following reports will be produced at these intervals

- ADRR's will be produced at the appraisal of every project
- Monitoring Reports will be every quarter and, on every project,
- Evaluation Reports will be periodic as required on sampled projects
- Annual Development Effectiveness Report (ADER) will be done at end of every year
- End of Project Reports will be issued at the end of every project

While the ADRR and Monitoring Reports are responsibility of the Project Officers, the Evaluation Officers in the DE Group will be responsible for the rest of the reports.

Figure 4: Reporting Schedule



These reports will be issued ensuring transparency by publishing results for government agencies, the BOI Board, and the public.

There will be a Results Scorecard (RS) that will be produced quarterly by the Developmental Effectiveness Group. This is a summary of key management indicators contained in the RMF and will provide updates on indicators at Levels 2 and 3. This Scorecard is mainly for discussion at Quarterly Performance and Impact Review. The objective is to highlight areas where the bank is not on track so that remedial action can be quickly taken. Remedial actions taken will be reported at the next QPIP session.

The Bank should also implement a Results Reporting System (RRS). This should be preferably a web-based system that can track and match the results generated at output levels to the results in the intermediate outcomes, then final outcomes and eventually the societal impact of BOI’s interventions. This reporting system will enable senior management and others with relevant clearance to instantly generate real time results and status of any and all BOI projects as well as summaries along industry, sector, thematic area and geographic location.

## 5. Alignment with Global Standards

### 5.1. Sustainability and SDGs:

BOI is committed to all the indicators in the Sustainable Development Goals (SDGs). However, because we are a development bank focused on industrialization, most of our indicators are focused along Eight (8) core SDG areas. These include:

SDG 1 – No Poverty

SDG 5 – Gender Equality

SDG 7 – Affordable and Clean Energy

SDG 8 – Decent Work and Economic Growth

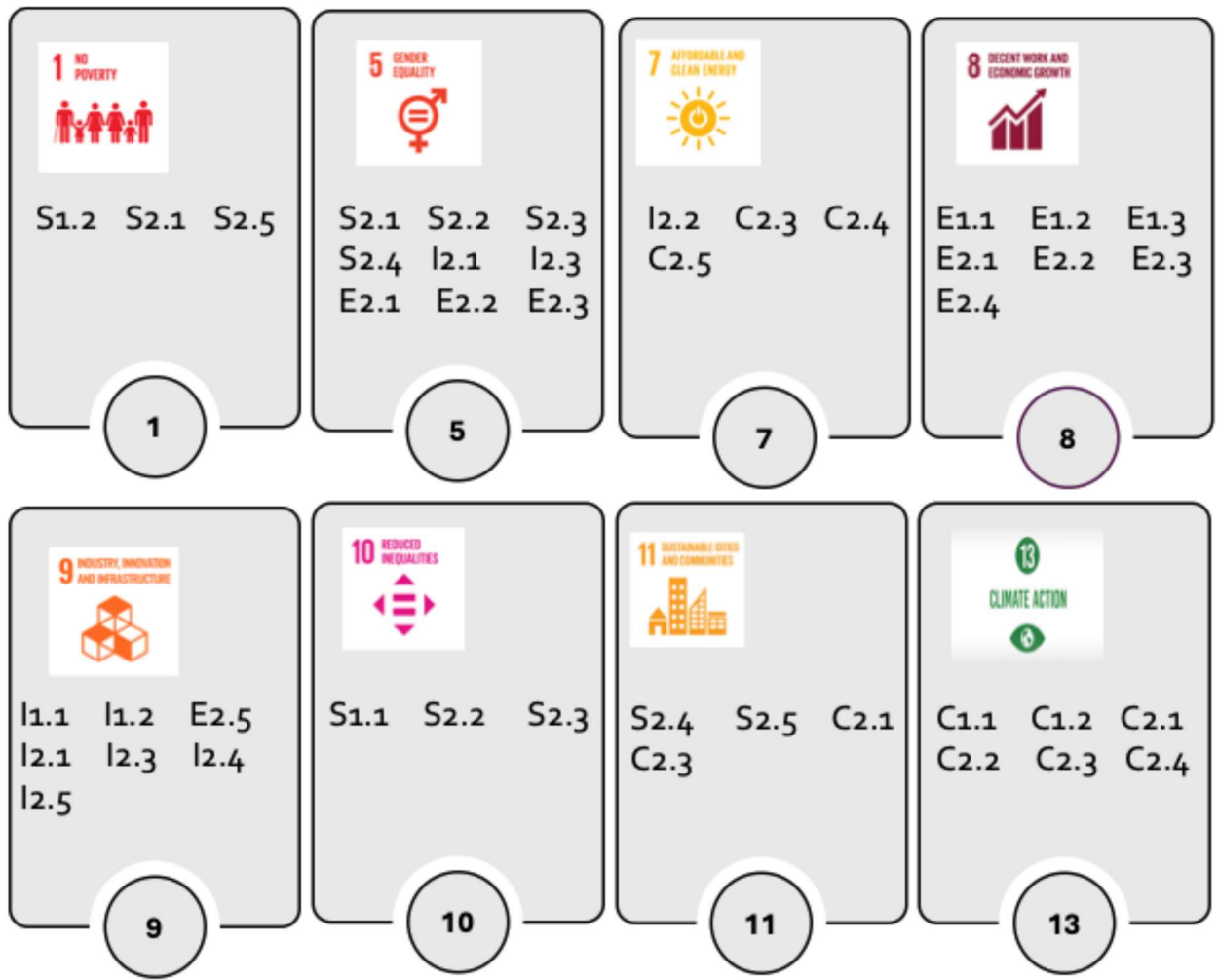
SDG 9 – Industry, Innovation and Infrastructure

SDG 10 – Reduced Inequalities

SDG 11 – Sustainable Cities and Communities

SDG 13 – Climate Action

The codes for the Indicators related to each of these SDG areas have been grouped under the schema below.



Beyond the eight (8) core SDGs above relating directly to our core sector indicators, we also have indicators out of our sector specific areas that also address other SDGs including:

SDG 2 – Zero Hunger’

SDG 3 – Good Health and Wellbeing

SDG 4 – Quality Education

SDG 6 – Clean Water and Sanitation

These are borne from our various CSR activities as well as special social programmes being implemented on behalf of Federal and State Governments as well as several bilateral and multilateral partner agencies.

## 5.2. Global Best Practices:

We have adopted several global best practices for developing this framework including the International Development Finance Club (IDFC) Green Financing Framework, OECD-UNDP Impact Standards for Financing Sustainable Development, World Bank's Approach to DFI Performance Management and UNU-WIDER Results Measurement Systems.

We will conduct an annual review of the framework with a view to updating key areas and ensuring consistency with other global best practices and standards.

## 6. Governance and Accountability

The Development Effectiveness Group is responsible for implementing this Framework and ensuring compliance with monitoring and evaluation standards.

The Group will actively engage **internal stakeholders at BOI, beneficiaries, civil society organizations, and private sector partners** in the design, implementation, and evaluation of projects to ensure that interventions meet the mandate of BOI as well as the needs of the Nigerian economy and its people.

## Appendix A1 – Mandatory Indicators

S/N	Mandatory Indicators	
1	<b>BOI Core Thematic Areas</b>	M1 - MSMEs
2		M2 - Gender
3		M3 - Youth and Skills
4		M4 - Infrastructure
5		M5 - Climate Action
6		M6 - Digital and Technology
<b>Level 1 - Cross Cutting Indicators</b>		
1	<b>Economic Growth</b>	E1.1 - Contribution to GDP
2		E1.2 - Import Substitution
3		E1.3 - Export Promotion
4	<b>Industrialisation</b>	I1.1 - Increase in Productivity
5		I1.2 - Improvements in Service Delivery
6	<b>Social Impact</b>	S1.1 - Reduction in Regional Inequalities
7		S1.2 - Poverty Reduction
8	<b>Climate &amp; Environment Sustainability</b>	C1.1 - Climate Mitigation
9		C1.2 - Climate Adaptation

## Appendix A2 – Mandatory Indicator Test

<b>Core Focus Area Indicators</b>	
<b>S/N</b>	<b>Gender</b>
1	Is the business owned by a woman
2	Is the business managed by a woman?
3	Are more than 30% of the employees women?
4	Are more than 30% of the Board Members women?
5	Are more than 30% of the Management Women?
6	Is their main product/service targeted specifically for women?
7	Do they have any documented policy on women inclusivity?
8	Are they or have they run any verifiable programs specifically for Women?
9	Is the project being implemented by the Gender Business Group of the Bank?

<b>S/N</b>	<b>Youth</b>
1	Is the business owned by a person under 35 years?

<b>Core Focus Area Indicators</b>	
2	Is the MD/CEO under 35 years?
3	Are more than 50% of the Staff under 35 years?
4	Are more than 50% of the Board under 35 years?
5	Are more than 50% of the Management under 35 Years?
6	Is their main product/service targeted specifically for Youth?
7	Do they have any documented policy on youth inclusivity?
8	Are they or have they run any verifiable programs specifically for Youth?

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<b>S/N</b>	<b>MSMEs</b>
1	Does the business have less than 200 Employees?
2	Does the business have assets worth less than N500m excluding Lands
3	Are the operations of the business limited to 1 State?
4	Does the business have established backwards or forward linkages to enable or build MSMEs?
5	Is more than 50% of the shares of the business owned by a private individual?

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<b>S/N</b>	<b>Climate &amp; Sustainability</b>
1	Is the business product/service specifically for climate or environment?
2	Does the company have a documented ESG policy?
3	Is the company implementing measures to reduce their carbon foot print?
4	Does the business have documented evidence of ensuring its supply chain is environmentally responsible?
5	Are the products or services designed to minimize negative environmental impacts?
6	Do they incorporate sustainable materials, energy-efficient designs, or promote conservation in some way?
7	Does the business hold any environmental certifications or comply with recognized sustainability frameworks or standards?

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<b>S/N</b>	<b>Infrastructure</b>
1	Is the project focused on providing a publicly used central infrastructure?

<b>Core Focus Area Indicators</b>	
2	Does the business involve designing, constructing, or managing physical infrastructure like roads, bridges, utilities, energy facilities, or digital networks?
3	Does the business work with government agencies or through public-private partnerships (PPPs) to deliver infrastructure projects?
4	Is the project designed to withstand climate-related risks, reduce environmental impacts, or improve energy efficiency?
5	Is the project being implemented by the Infrastructure Group at the Bank?

S/N	<b>Digital Transformation and Technology</b>
1	Is the company or project focused on specific technologies (e.g., AI, IoT, blockchain) or processes to enhance digital capabilities?
2	Does the company have documented evidence of programs to drive digital literacy and tech in Nigeria?
3	Is the project focused on integrated digital tools and platforms across various functions, such as customer service, operations, sales, and marketing for the business? How does technology enhance these functions?
4	Is the Project being executed by the Engineering/Technology Group of BOI?
5	Is the business a start up focused on leveraging technology to drive innovation and entrepreneurship?
6	Does the business or the project have a documented focus on digital skills and talent development?

### Appendix A3 – Cross Cutting Indicators

S/N	<b>Level 2 - Cross Cutting Indicators</b>	
1	<b>Economic Growth</b>	E2.1 - Jobs Created
2		E2.2 - New MSMEs Created
3		E2.3 - Businesses Supported
4		E2.4 - Revenue Growth in Supported Businesses
5		E2.5 - Innovation Driven Entrepreneurships (Unicorns Supported from early stage to Growth)
6	<b>Industrialisation</b>	I2.1 - Infrastructure Uptake
7		I2.2 - Installed Capacity Increase
8		I2.3 - Patent Registrations Supported

9		I2.4 - Uptake of Technology in Funded Projects
10		I2.5 - Backward & Forward Linkages Enabled
11	<b>Social Impact</b>	S2.1 - Financial Inclusion of Vulnerable Customers
12		S2.2 - Unserved and Underserved Accessing Finance
13		S2.3 - Geographic Distribution of Financing
14		S2.4 - Households & Communities Supported
15		S2.5 - Income Increase in Communities with Financed Projects
16	<b>Climate Action</b>	C2.1 - Financed businesses Adopting Sustainability Practices
17		C2.2 - New Climate-Focused Businesses Supported
18		C2.3 - Renewable Energy Capacity Installed by Funded Projects
19		C2.4 - Internal/ External Carbon Footprint Reduction
20		C2.5 - Number of people benefitting from climate projects funded

## Appendix A4 – Sector Specific Indicators

S/N	Level 2 - Sector Specific Indicators	
1	<b>Pharmaceuticals &amp; Healthcare</b>	PH 1: Number of hospital beds deployed
2		PH 2: Number of major diagnostic equipment procured
3		PH 3: Number of new pharma product lines introduced into the market
4		PH 4: Increase in installed capacity for pharmaceutical manufacturers
5	<b>Agro Processing</b>	AP 1: Increase in installed capacity
6		AP 2: Land area under irrigation
7		AP 3: Storage and transportation logistics equipment provided
8		AP 4: Reduction on post-harvest losses
9	<b>Infrastructure</b>	IF 1: Infrastructure density provided (megawatts, km, capacity, etc as relevant)
10		IF 2: Number having access to infrastructure provided
11		IF 3: Penetration of infrastructure provided
12	<b>Manufacturing (Engineering)</b>	MF 1: Manufacturing value add
13		MF 2: New capacity utilization
14		MF 3: Industrial production index increase
15	<b>Food Processing</b>	FP 1: Increase in capacity
16		FP 2: Increased output in processed food
17		FP 3: Increase in export volume/value
18		FP 4: Increase in locally processed foods
19	<b>Creative Industries</b>	CI 1: Number of creative products financed
20		CI 2: Number of creative/cultural events organized
21		CI 3: Intellectual property registration increases
22	<b>Extractive Industries</b>	EX 1: Increase in extraction/production volumes
23		EX 2: Environmental compliance standards

24		EX 3: Percentage of local content add
25	Oil & Gas	OG 1: Increase in local content share of the industry
26		OG 2: Number of modular refineries and infrastructure supported
27		OG 3: Reduction recorded in gas flaring/ gas capture technology supported
28		OG 4: Domestic consumption of refined produce
29	Hospitality	HI 1: Occupancy increase in financed projects
30		HI 2: Number of tourists/visitors attracted
31		HI 3: Number of facilities established
32	Chemicals	CH 1: Environmental compliance standards
33		CH 2: Investments in Research and Development
34		CH 3: Increase in production volumes

## Appendix A5 – Internal Capacity Indicators

S/N	Level 3 – Internal Capacity Indicators	
1	Portfolio	- PF 1: Compliance with Strategic Plan Portfolio Distribution Requirements (See subsection)
2		- PF 2: New Projects with at least gender/youth equality outcome/output indicator
3		- PF 3: Number of Projects formally supervised quarterly (4 times in a year)
4		- PF 4: Number of Problem projects in on-going portfolio (NPL & Non NPL Issues)
5		- PF 5: Approval share of all applications
6		- PF 6: Disbursement Share of Approvals
7		- PF 7: Funds disbursed to funds raised within same period
8		- PF 8: Average days from Approval to Disbursement
9		- PF 9: Average days from Application to Approval
10		- PF 10: Number of Projects with disaggregated data based on BOI Thematic Areas
11	People	- PP 1: Staff Attrition Rate
12		- PP 2: Share of Women in Professional Staff
13		- PP 3: Rate of Operational Professional Staff
14		- PP 4: Manpower Fit and Skills Gap
15	Process	- PC 1: Administrative/Operational cost per N1 Billion Disbursed
16		- PC 2: Number of Processes required from Application to Disbursement
17		- PC 3: Customer Satisfaction Score
18		- PC 4: Staff Satisfaction Score
19	Systems	- ST 1: Average Internet Downtime
20		- ST 2: Average Systems Down time
21		- ST 3: Average time to resolve support IT requests