



## DEVELOPMENT FINANCE DEPARTMENT (DFD)

### 1.0 SMIEIS Investments by Banks

As at January, 2005, the positions of investments and set aside funds by banks under the SMIEIS remains unchanged. Thus, banks under the Scheme had invested a total amount of N8.53billion. That represented an increase of N1.47billion (i. e. 21.0 percent) over the sum of N7.07billion invested by banks under the Scheme in 2003.

Presently, the Department has completed the re-verification exercise it embarked upon within the last quarter of 2004, when it commenced double checking all returns by banks and collated investment figures under the Scheme. It is noteworthy that, at the completion of the exercise, the Department discovered that certain investments made by some banks were in the form of preferential shares. As a result, and in accordance with the Bankers' Committee's decision that preferential shares should not be allowed under the SMIEIS, such investments were disqualified and expunged from the earlier records compiled on the Scheme. This explains the reduction in the overall value of the hitherto published national figures under the Scheme.

### 1.1 Sectoral Distribution of Investments

The breakdown of investments by sectors under the Scheme shown on Table 3, indicates that investment in the real sector increased from 95 in 2003 to 114 (20%) in 2004 by number of projects and from ~~N~~4.88b to ~~N~~5.58b (i.e. 14.6% over the 2003 figure) by value. The service-related sub-sector (excluding trading) increased from 42 projects in 2003 to 54 projects in 2004 (i. e. 28.57%) and rose from ~~N~~2.19b to ~~N~~2.951b (34.67%) in 2004.

S/N	SECTOR	ENTERPRISE	INVESTMENT AS AT 31 <sup>ST</sup> DECEMBER, 2003		INVESTMENT AS AT 31 <sup>ST</sup> DECEMBER, 2004		VARIANCE	
			NO OF PROJECTS	AMOUNT N'000	NO OF PROJECTS	AMOUNT N'000	NO OF PROJECTS	AMOUNT N'000
1.	REAL SECTOR	Agro-allied (including wood work & water bottling)	24	664.181	21	706.684	+3	42.503
		Manufacturing (including printing & publishing)	60	3,316.263	81	3,741.869	+21	435.806
		Construction (including quarrying)	9	868.884	9	1,071.288	NIL	202.404
		Solid Minerals	2	29.440	3	59.440	+1	30.000
		<b>SUB TOTAL</b>	<b>95</b>	<b>4,878.768</b>	<b>114</b>	<b>5,579.281</b>	<b>25</b>	<b>710,713 or 14.6%</b>
		2	SERVICE RELATED ENTERPRISES	Information Technology & Telecommunications	12	951.119	13	1,024.633
Educational Establishment	1			20.000	3	103.935	+2	83.935
Services	25			923.814	34	1,619.260	+9	695.446
Tourism & Leisure	4			296.398	4	203.220	NIL	-93.178
Others	0			0.00		0.00		0.00
<b>SUB TOTAL</b>	<b>42</b>			<b>2,191.332</b>	<b>54 or 28.57%</b>	<b>2,951,048</b>	<b>12</b>	<b>759,717 or 34.67%</b>
3	OTHERS	Micro Enterprises						
		<b>GRAND TOTAL</b>	<b>137</b>	<b>7,070,099</b>	<b>168</b>	<b>8,530,328</b>	<b>31</b>	<b>1,470,430</b>

### 1.3 Geographical Spread of Investments

The largest investment under the Scheme still took place in Lagos state. The total amount invested in the state was N5.045 billion as at 31<sup>st</sup> December, 2004 in 110 projects (80.29% of the total) followed by Ogun State with nine (9) projects representing 6.6%, while Abia, Kano and Rivers recorded five (5) projects each representing 3.7%.

The total amount of withdrawn funds as at 31<sup>st</sup> December, 2003, was N2.058b, while the figure as at 31<sup>st</sup> December, 2004, is being compiled.