

Small & Medium
Enterprises
Development
Agency of
Nigeria



2009 ANNUAL REPORT

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1.0 PREAMBLE

1.1 This report gives an overview of the activities of the Agency from January to December 2009. On my assumption of duty as the Director-General/Chief Executive Officer of the Agency, I set the machinery in motion to reposition SMEDAN to effectively discharge its mandate of promoting the development of MSMEs with the resultant effect of improving industrial production, generating wealth, creating more jobs, helping to increase the standard of living of majority of Nigerians and indeed creating a secure environment.

1.2 The new programme framework provides a paradigm shift on the conception, articulation and delivery of programmes of the Agency. To this end, we have conceived the following:

- i. MSME sub-sector strategy: Planning Framework- an holistic approach for developing the Agency's programme in consonance with the development perspective of the nation
- ii. National MSME Policy Implementation framework
- iii. Rural Enterprise Sector Development framework comprising Rural Enterprise Development Initiative (REDI), One Local Government One Product (OLOP) and First Lady Women Entrepreneurship Programme, otherwise known as Self-Help-Group Entrepreneurship Enhancement Programme (SHG EEP)
- iv. Identifying and establishing collaboration areas with Government Agencies necessary for the Agency to succeed
- v. Establishment of friendly working relationship with Bank of Industry (BOI), National Economic Reconstruction Fund (NERFUND) and Nigeria Agricultural Cooperative and Rural Development Bank (NACRDB) in an effort to source relatively cheaper sources of funds for SMEs.

1.3 The introduction of these initiatives has provided the required impetus and dynamism considered imperative in providing a fresh perspective for the development of appropriate interventions in advancing the MSME sector to deliver increased employment generation, food security, wealth creation and help to curtail restiveness in the Niger Delta region. Moreover, these renewed efforts are conceived within a framework of increased domestic production, competitiveness and quality product delivery.

1.4 Activities covered include all the programmes of the Agency within the purview of its mandate. During the period under review, the Agency has been able to provide to MSMEs the following:

- i. **Advocacy and Policy Direction:** Our drive towards popularizing the services of the Agency and the benefits derivable, have taken advocacy to Kano, FCT, Bauchi, Katsina, Zamfara, Lokoja, Warri, Kaduna, Akure, and to major stakeholders through activities and programmes where SMEDAN participated actively in all the geo-political zones of the nation. Also during the period under review the Agency executed the National Policy on MSMEs Implementation Summit in the Six Geo-Political Zones simultaneously on, 28th – 29th October, 2009.
- ii. **Awareness creation/business sensitization and information provision:** A total of 9,887 people were sensitized during the period under review. We were able to sensitize students, national youth corp members, civil servants and the general public on the need to attain considerable degree of economic independence in terms of revenue generation and how to be successful entrepreneurs. A major shift in our training programmes is the inclusion of vocational skill acquisition in our training programmes.
- iii. **Business Development Services (BDS) Provision:** We continue to offer BDS through our Business Support Centres (BSCs) and Business Information Centres (BICs) at the headquarters of some states and local government areas in the country. In order to give a solid base to our entrepreneurship training for the benefit of our clients, the Agency reintroduced vocational training as part of her core BDS provision. So far, we have done vocational training on fish farming, hats and beads making.
- iv. **Promotion of enterprise networking/cluster formation:** The Agency has finalized a framework for moving the clusters it has intervened in to the next level i.e in carrying out post training activities involving facilitating access to markets, cheaper sources of funds, providing shared facilities, workspace, common processing equipment etc. in order to ensure increased productivity and competitiveness. The Agency also facilitated participation of some MSMEs during the visit of Brazilian Business Mission to Nigeria in June, 2009 (see appendix I) which provided a platform for match-

- making and establishment of business relationships between MSMEs in Nigeria and their Brazilian counterparts.
- v. **MSME Baseline Data:** In order to have a credible data base of MSMEs, the Agency is into collaboration with National Bureau of Statistics (NBS) to develop credible base line data on MSMEs all over the country.
 - vi. **ACCESS TO FINANCE:** The Agency towards the end of 2009 initiated collaboration with the National Economic Reconstruction Fund (NERFUND) for the purpose of providing affordable finance for MSMEs.
 - vii. **STRATEGIC PARTNERSHIPS:** To promote and facilitate SME development, the Agency has resuscitated its partnership with JICA to implement One Local Government One Product. This process culminated into signing agreement amongst the key stakeholders i.e. Federal Ministry of Commerce and Industry, Japan International Cooperation Agency and SMEDAN in June 2009. Also, the Agency is into partnership with International Fund for Agricultural Development (IFAD) for the implementation of Rural Enterprise Development. The Agency is also part of the National Council on Commerce and Industry (NCCI) where pertinent issues affecting industrial and commercial development of the nation are discussed. Infact, at the second NCCI held in Enugu in June 2009, the Agency made principal submissions on Rural Enterprise Development Initiative (REDI), National MSME database, National Credit Guarantee Scheme to provide afford affordable funding for SMEs and implementation framework for the National Policy on MSMEs.

1.5 Furthermore, the Agency is about to commence Entrepreneurship Development Programmes targeting identified MSME clusters in an attempt to re-focus, strengthen and help them improve their productivity and competitiveness. No doubt, recent activities of SMEDAN seem to be capable of ushering in an unprecedented dawn in MSMEs development in Nigeria.

1.6 In addition, in order to build capacity of our staff towards effective service delivery to our clients (MSMEs), the management has given priority to training and retraining of members of staff. In 2009, 33 officers have attended international training apart from conferences/seminars while 67 Senior Officers, 26 Clerical Officers and 13 Drivers 15 officers went on training at local level. Also,

during the period under review the Governing Board of the Agency was inaugurated (28th April, 2009) with Alhaji Musa Abdulhamid Ujah as the Chairman.

1.7 To this end, I wish to appreciate the resourcefulness of the staff of the Agency for the renewed commitment towards the development and re-vitalization of the MSME sub-sector.

2.0 Background/Establishment

2.1 ESTABLISHMENT AND MANDATE

The Small and Medium Development Agency Nigeria (SMEDAN) was created vide the **Small Medium Scale Industries Development Agency (Establishment) Act 2003** and charged with the responsibility for promoting and facilitating the development programmes in the small and medium scale industries sub-sector and for connected purposes. The Act enacted by the National Assembly came into force on 19th June, 2003.

2.2 VISION

The vision of the Agency is to establish a structured and efficient Micro, Small and Medium Enterprises sub-sector that will enhance sustainable economic development of Nigeria.

2.3 Mission

To facilitate the access of micro, small and medium entrepreneurs to all the resources required for their development.

2.4 Target Beneficiaries

Our target beneficiaries include but not limited to:

- I. Micro, small and medium enterprises;
- II. Prospective entrepreneurs;
- III. SMEs support institutions
- IV. Non-Governmental Organizations (NGOs) and Business Membership Organizations (BMOs) in the MSME sub-sector of the economy;
- V. The Federal government (through a functional feedback mechanism).
- VI. The Nation's Industrial Development and Productivity

2.5 Our Mandate

The mandate of SMEDAN as contained in the enabling Act can be summarized as follows:

- i. Stimulating, monitoring and coordinating the development of the MSMEs sector;
- ii. Initiating and articulating policy ideas for small and medium enterprises growth and development;
- iii. Promoting and facilitating development programmes, instruments and support services to accelerate the development and modernization of MSME operations;
- iv. Serving as vanguard for rural industrialization, poverty reduction, job creation and enhanced livelihoods;
- v. Linking SMEs to internal and external sources of finance, appropriate technology, technical skills as well as to large enterprises;
- vi. Promoting and providing access to industrial infrastructures such as layouts, incubators, industrial parks;
- vii. Intermediating between MSMEs and Government (SMEDAN is the voice of MSMEs);
- viii. Working in concert with other institutions in both public and private sector to create a good enabling environment of business in general, and MSME activities in particular.

2.6 The Agency also provides **Business Development Support Services** such as Entrepreneurial Training and Education, Business Counselling, Coaching and Mentoring. These services are delivered at SMEDAN Head Office in Abuja and the **Business Support Centres (BSCs)** and **Business Information Centres (BICs)** established by the Agency and its public-private sector partners across the country. Moreover, the Agency offers extension services to business clusters and takes advantage of forum/fora organized by other private and public sector organizations to deliver business development services.

2.7 Our Operating Strategy

- I. A core of lean, trained, competent and highly motivated staff;
- II. An ICT driven operating process
- III. Partnership that works:
 - Public-public
 - Public-private
 - SMEDAN-International community
- IV. Complimentary services of certified Business Development Service Providers (BDSPs)

2.8 Organizational Structure

SMEDAN has six major groups under the supervision of the Director-General/CEO i.e:

- I. Planning, Research & Coordination;
- II. Enterprise Promotions Management & Extension Services;
- III. Engineering, Technology & Infrastructure;
- IV. Finance & Accounts;
- V. Administration & Human Resources;
- VI. Monitoring & Evaluation;

There are also 5 units in the Director General's office i.e:

- a. Internal audit
- b. Legal
- c. ICT
- d. Corporate Affairs
- e. Protocol

3.0 ACTIVITIES DURING THE PERIOD UNDER REVIEW

In order to achieve its mandate, the Agency during the period under review provided MSMEs the following:

3.1 Information and Advisory services

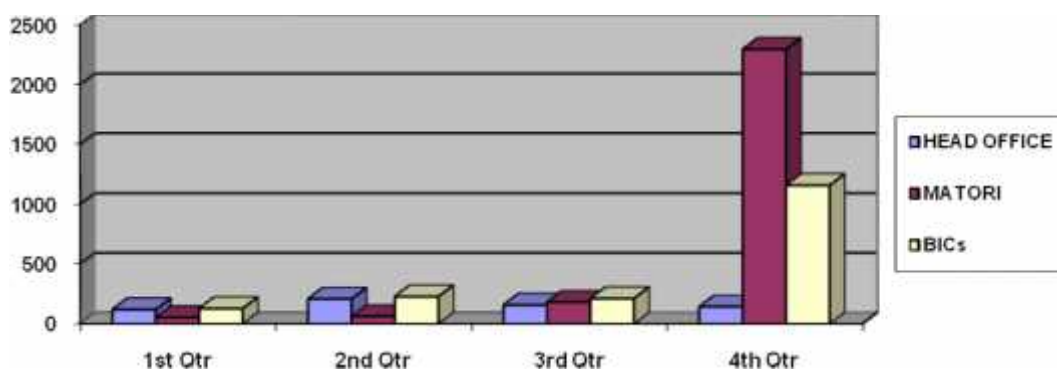
3.1.1 The Agency provided information on raw materials, machinery, general business information and advisory, access to finance, markets and business counseling to a total of 804 MSMEs during the period under review. We continued to update our data bank on MSMEs in order to ensure an efficient information service to our clientele.

3.1.2 TABLE I - SUMMARY OF ACTIVITIES ON INFORMATION PROVISION & ADVISORY SERVICES AT THE HEAD OFFICE & OTHER CENTRES

LOCATION	JAN.	FEB.	MARCH	APRIL	MAY	JUNE	TOTAL
HEAD OFFICE	30	50	40	95	55	59	329
BSCs	10	44	-	28	17	18	117
BICS	95	34	-	102	127	-	358
TOTAL	135	128	40	225	199	77	804

3.1.2a TABLE 11 (JULY-DECEMBER, 2009)

LOCATION	JUL.	AUG.	SEPT.	OCT.	NOV.	DEC.	TOTAL
HEAD OFFICE	55	54	50	50	59	35	303
BSCs	55	82	45	1112	1140	1032	3466
BICS	102	79	31	52	82	1025	1317
TOTAL	212	215	126	1214	1281	2092	5086



3.1.3 Information dissemination was through prints and electronic devices. For example thousands of business sensitization leaflets (such as The A-Z of doing business, Service available from SMEDAN, What SMEDAN can do for you, SMEDAN at a glance, Information on SMEDAN's Business Support and Business Information Centres, How to start a small business and answers to frequently asked questions (FAQs) regarding starting and running a business were distributed nation wide. Distribution channels include the Business Support Centres, Business Information Centres, meetings, conferences, workshops, high traffic points such as trade fairs, public institutions etc.

3.2 Business Support and Business Information Centres (BSCs & BICs)

3.2.1 BSCs are partnerships established between SMEDAN and interested stakeholders such as State Governments, national chapters of Business Membership Organisations (BMOs) or any business community that is committed to the provision of business development services and information to MSMEs. The Business Information Centres are also partnership between SMEDAN and Local Governments, Enterprise Clusters or City/state chapters of BMOs. SMEDAN has a total of 15 BSCs and 38 BICs that are fully equipped, and they are at varying levels of performance. Apart from a few centres such as Matori and Akure BSCs where

SMEDAN staff hold sway as well as few BICs committed to the Agency's values and goals, the level of activities at these centres has been low. To correct this anomaly, the Agency during the period under review deployed some staff from the Head office to the BSCs to improve on their level of activities. This move was initiated to be a stop-gap arrangement pending the recruitment of more permanent staff for these Centres. The effect of this redeployment was evident in the 3rd and fourth quarter of the year. Appendices I & II contain a list of all the existing BSCs and BICs as of the period under review.

3.3 Enterprise Linkages, Cooperation and Clustering

3.3.1 A sectoral and geographical concentration of enterprises that produce and sell a range of related or complimentary products, and thus face common challenges is known as cluster

3.3.2 The Agency realised the principal role of Enterprise linkage cooperation & clustering and this informed the decision of the Agency to identify and work with Agro and non Agro clusters scattered around the country. The Agency is mapping out strategy for further interventions through improved access to affordable funds, processing equipment and markets in the following clusters rice, cassava, catfish, leather, machine fabricators automobile, waste to wealth, garment, Tie and dye, sheabutter, cane weavers, and raffia while developing new ones such as Sesame seed, Gum arabic, Ginger, Groundnut etc. Within the period under review however, only 3 clusters (Leather, Waste to Wealth and Groundnut) were interacted with, through Business Development Service and information/advisory services. The Agency has brought a wide range of benefits to MSMEs using the strategy of linkages, co-operation and clustering such as:

- I. Increased access to business development services
- II. Pooled sourcing of raw materials
- III. Equipment sharing
- IV. Deeper inter-firm learning and co-operation
- V. Linkages of complimentary skills to bid for work that would have been beyond their reach as individual units
- VI. Realization of potentials for economies of scale, improved information flow
- VII. Improved access to finance and other pertinent resource/export services

3.3.4 The Agency is also perfecting interventions aimed at moving clusters that have benefited from capacity enhancement to functional next-levels. Working with bank of Industry (BOI), such interventions have included access to finance to expand and or create new businesses, credit to acquire common facilities, nudging them into formidable cooperatives/associations where not previously existing. The above mentioned new services will be extended to rice, cassava, catfish, leather, machine fabricators, waste to wealth, garment, tie & dye, sheabutter, cane weavers, and raffia clusters in the third quarter. However, during the period under review, study tour of three clusters (i.e. ground nut, waste recycling and leather) in Kano State was undertaken under the FMCI-SMEDAN/JICA collaboration on One Local Government One Product (OLOP) scheme. Kabuski farmers in Misau, Bauchi State were also visited

3.4 BUSINESS DEVELOPMENT SERVICES

Faith – Based Initiative

3.4.1. Under the faith-based initiative, the Agency continued to trigger entrepreneurial activities amongst various religious groups through provision of entrepreneurship awareness for existing/prospective entrepreneurs. The Agency worked with the Prisons Fellowship of Nigeria, the Nigerian Prison Service to conduct re-assessment/screening of inmates for the proposed training programme under the “Onesimus Project” and the Covenant University to train mentors and also Muslim Student Society of Nigeria (MSS) Olabisi Onabanjo University Ago-Iwoye branch on Business Plan preparation on the 29th of January and 9th of March, 2009 respectively.

3.5 CORPER’S ENTREPRENEURSHIP DEVELOPMENT PROGRAMME (CEDP)

3.5.1 The Agency provided Entrepreneurship sensitization to a total of 15,644 Youth Corpers under Corper’s Entrepreneurship Development Programme (CEDP) in Abuja, Katsina, Uyo, Akwa Ibom, Ilorin, Ado-Ekiti, Abeokuta, Abakaliki and Lagos Orientation Camps.

Also during the last quarter of 2009, 370 prospective entrepreneurs, 10 participants from each state of federation were trained on basic entrepreneurship comprising A-Z of starting business, Business Plan Preparation, Marketing and sales

technique, Basic Book-keeping and Personal and Business Visioning. This training was conducted in collaboration with NYSC Headquarters, sponsored by Office of the Senior Special Assistant to the President on MDGs (Millennium Development Goal).

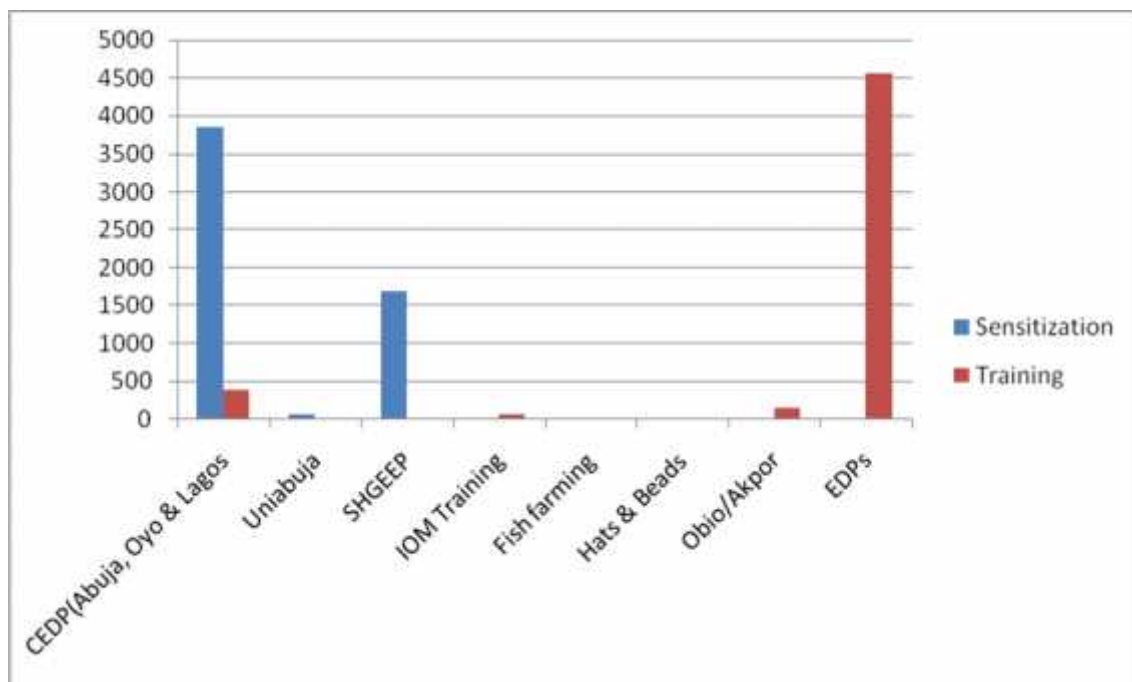
3.6 ENTREPRENEURSHIP DEVELOPMENT PROGRAMME

3.6.1 The Agency sensitized more than 230 MSMES at the head office (UNIABUJA Students) and various Support/Information Centres at 120 and 110 respectively during the period. The Agency also trained about 150 people under the Entrepreneurship Development Programme in partnership with Honourable Ike Chinwo empowerment programme for Obio/Akpor Federal Constituency, Rivers State in February, 2009. In addition, discussion with Office of Head of Service of the Federation (HOSF) is on-going for target participants for the on-going Public Service Entrepreneurship Development Programme (PSEDP). The objective of the PSEDP is to impact beneficiaries with business skills and entrepreneurship capacity on which informed decisions on starting/managing various businesses effectively after retirement can be based. Earlier in March, 2009, the Agency in partnership with Federal Ministry of Education had trained 127 Civil servants on entrepreneurship in readiness for retirement.

3.7 ENTREPRENEURSHIP DEVELOPMENT PROGRAMMES (EDP) TABLE II

	SENSITIZATION	TRAINING
CEDP (Abuja, Oyo & Lagos)	3857	385
UNIABUJA(Mgt. Students)	60	-
First Lady's Programme & Others(SHGEEP)	1,684	-
IOM Training (Migrnats)	-	31
Fish Farming/HQ EDP	-	25

Hats & Beads making/HQ EDp	-	18
Obio/Akpor Federal Constituency, Rivers State	-	150
EDPs		4554
International Organization for Migration		29
Total	5601	4968



3.8 BUSINESS SENSITIZATION–HEAD OFFICE, BUSINESS CLINICS & BSCs/BICs.

3.8.1 Apart from the business sensitization activity captured under CEDP, the Agency also sensitized more than 1, 684 existing and prospective entrepreneurs under the Self Help Group Entrepreneurship Programme as well as its Head office Business Clinics. Business sensitization at the BSCs/BICs during the months of April, May and June stood at 162, 848 and 674 respectively. This compared favourably with 230 beneficiaries during the first quarter. The June figure (674) includes business sensitization of the Nigeria Police Force, Osun State Command and Osogbo.

TABLE III - SUMMARY OF REPORT OF ACTIVITIES AT THE CENTRES & HEAD OFFICE (JAN-DEC, 2009)

CENTRE	INFORMATION	SENSITIZATION	COUNSELING	TOTAL
HEAD OFFICE	263	747	105	1115
BICs	435	367	139	941
BSCs	195	3078	12	3285
TOTAL	893	4192	256	5341

3.9. SELF HELP GROUP PROGRAMME:

3.9.1 Coordinated by SMEDAN, the programme seeks to economically empower Nigerian women MSMEs. It kicked off with a Fair of Women's Product across the country on 7th April, 2008, in Abuja. During the period under review stakeholders, including Standard Organisation of Nigeria, Nigeria Export Promotion Council, Nigeria Agricultural Cooperative and Rural Development Bank, National Office for Technology Acquisition and Promotion, National Agency for Science and Engineering Infrastructure, Nigeria Export Import bank, Raw Material Research and Development Council, and National Agency for Food and Drugs Administration Control, with guidance of the First Lady's Office, agreed to further drive the programme. A pilot test approach covering 12 states (2 states per geo-political zones) with one product per state was adopted. The list of states and products which are to be developed to international standards is provided as below:

STATE	PRODUCT
Katsina	Zobo
Kano	Leather/Artworks
Anambra	Palm oil
Enugu	Cashew
Bayelsa	Seafood
Edo	Plantain
Osun	Tie & dye
Ondo	Cassava
Kwara	Sheabutter
Benue	Tropical fruits
Bauchi	Groundnuts
Adamawa	Diary products

3.9.2 Six field teams, from institutional stakeholders, subsequently carried out needs assessment of relevant women groups in collaboration with state governments. Action plans were equally developed for programme implementation in each of the selected states. It is expected that lessons learnt during this exercise will be the basis for future programme up-scaling to other states

HEAD OFFICE/VULNERABLE GROUPS ENTREPRENEURSHIP & VOCATIONAL TRAINING PROGRAMME

3.10.1 Of the 74 prospective entrepreneurs trained by the Agency during the period under review, 31 participants were volunteer returnees from the International Organization for Migration (IOM). Another 25 prospective MSMEs were trained in Fish farming while the balance of 18 MSMEs were trained in hats and Beads making. The latter sets of trainees were products of the EDP at the head office, featuring combined vocational and entrepreneurship training. The Head office EDP runs till September, 2009. Other training modules in the programme are hats and beads making, laundry soap making, fruit juice making, poultry farming and mobile phones repairs. Also, during the period under review, the Agency delivered a proposal under Women Entrepreneurship Development Programme (WEDP) to the Honourable Minister of Defence, after preliminary

consultations, for training of officers wives in the three branches- Army, Navy and Air Force.

3.11 ADVOCACY AND OPERATING ENVIRONMENT ISSUES

Our drive towards popularizing the services of the Agency and the benefits derivable, have taken advocacy to Kano, FCT, Bauchi (participated at the Bauchi Agriculture Trade Fair, Intervention for Kilishi Cluster), Katsina, Zamfara (participated at the Zamfara Domestic Trade Fair), Lokoja, Warri, Kaduna, Akure (met with the Governor to further strengthen the relationship between the Agency and the state), and to major stakeholders through activities and programmes where SMEDAN participated actively in all the six (6) geo-political zones of the nation.

3.11.1 NATIONAL POLICY ON MSMEs:

Also during the period under review the Agency executed the National Policy on MSMEs Implementation Summit in the Six Geo-Political Zones simultaneously, 28th – 29th October, 2009 which was well attended by stakeholders at the following centres:

1. **North West** – Katsina State, Liyafa Palace Hotel, Katsina
2. **North East** – Gombe State, Jewell Hall, School of Nursing & Midwifery, Gombe
3. **North Central** – Kogi State, Confluence Beach Hotel, Lokoja
4. **South South** – Delta State, Nelrose Hotel, Government House Road, Asaba
5. **South East** – Imo State, Concorde Hotel, Owerri
6. **South West** – Oyo State, Jogor Centre, Ibadan

3.11.2 SME FINANCING FORUM WITH COMMERCIAL BANKS AND VENTURE CAPITAL FIRMS

The Agency as the voice of MSMEs in Nigeria continued its advocacy on behalf of MSMEs. Notable activities during the period under review include the following:

1. The Agency organized SME financing Forum with Commercial Banks and Venture Capital Firms on 24th of March, 2009 at Protea Hotel Asokoro, Abuja. The objectives of the forum were to bring to the fore the risk of a “missing middle,” given the focus of existing financing schemes on Micro Enterprise (MEs) and Large Enterprises (LEs) as well as exploring the possibilities of a special financing scheme for Nigerian SMEs, aimed at enhancing their access to finance while ensuring that Micro enterprises truly have access to finance through

Micro Finance Banks. The Agency also evaluated the entire Forum and mapped out strategies on the ways of addressing major issues (inaccessibility of finance by SMEs) that cropped up in both the paper presentations and syndicate group discussions during the Forum in order to plan for next level of action in achieving the target objectives. It was proposed at the forum that banks should have special windows for SMEs to facilitate their access to finance; creation of a credit guarantee scheme was also suggested.

- II. The Agency carried out Zonal Sensitization/Awareness Creation Programme on the National Policy on MSMEs. Letters were written to State Governments on the establishment of State Consultative Committees for the implementation of the National Policy on MSMEs in their various states.
- III. Also during the period under review, the Agency was able to resolve the differences between Computer and Allied Products Development Association of Nigeria (CAPDAN) and the Lagos State Government on tax matters.
- IV. Visitation to both Minna and Birnin Kebbi Technology Incubation Centres (TICs) in getting technical information about establishing Industrial Parks, so as to address the problem of workspace facing MSMEs in the country.
- V. Access to Finance- Aside the collaboration with Bank of Industry already discussed (see Enterprise Linkages, Cooperation & Clustering), the Agency is also working with Bauchi CFA micro Finance Bank Ltd. And some other Micro Finance Institutions (MFIs), to expand the window available for micro-finance credit for the sub-sector. The Agency is also working with several interested MSMEs to develop bankable business plans for referral to the banks.

4.0 PARTNERSHIPS

4.1 The Agency re-activated talks on a number of strategic partnerships with both public and private sector institutions to advance its course of operations. These include the Bank of Industry (BOI), Federal Institute of Industrial Research (FIRO), Central Bank of Nigeria (CBN), German Technical Cooperation (GTZ), the Nigeria Prisons Service, National Agency for Science and Engineering Infrastructure (NASENI), Energy Commission of Nigeria (ECN), Standard Organisation of Nigeria, Council for

Renewable Energy of Nigeria (CREN), Niger Delta Development Commission and Ministry of Niger Delta, National Board for Technology (NBTI), World Bank, Japan International Cooperation Agency (JICA), Atomic Energy Commission, Ministry of Petroleum on Cooking Gas Project, Nigeria Agricultural Cooperative and Rural Development Bank (NACRDB), National Orientation Agency (NOA), Corporate Affairs Commission (CAC), National Bureau of Statistics, First Lady's Office, Head of Service of the Federation, etc. Highlights of some of the partnerships are stated below:

- 4.2 In collaboration with the UNDP the Agency, carried out confirmation and verification of MSMEs baseline survey, carried out within six (6) commercial centres (Aba, Abuja, Kaduna, Kano, Nnewi & Port Harcourt). The surveys, captured key indicators as regards MSMEs in the mentioned locations, commenced in 2008, with the support of UNDP. The reports have been accepted and they are now being used as reference points for the development of the sub-sector.
- 4.3 **JICA/SMEDAN Collaboration:** the effort at implementing One Local government One Product (OLOP), which commenced in 2007, reached an important turning point with the submission of a concept note to JICA by SMEDAN through the Federal Ministry of Commerce and Industry. Also JICA team was in Nigeria between 17th and 25th June, 2009 and an MOU with scope of work document was signed at the end of their visit. The scope of work comprises:
 - I. The pilot projects will take place in two states of the Federation selected by JICA namely, Kano and Niger
 - II. Three clusters will be selected in each State
 - III. A steering committee will be set up to oversee the implementation of the pilot projects. The Honourable Minister, Federal Ministry of Commerce and Industry will be the Chairman of the committee while the secretariat will be at the Department of Commodities and Products Inspectorate, FMCI. Other members of the steering committee are SMEDAN, National Planning Commission, JICA Nigeria Office and other stakeholders as will be mutually agreed.
 - IV. The working/implementation group made up of SMEDAN and JICA team shall be set up with FMCI as observer

- V. SMEDAN is expected to budget appropriately for the implementation of the OLOP project
- VI. SMEDAN will provide appropriate office space for the JICA team during the duration of the pilot project
- VII. The pilot project shall be implemented in four (4) phases as follows:
 - Phase 1: Developing preliminary framework – 5 months
 - Phase 2: Developing pilot project plan – 4 months
 - Phase 3: Implementing support measures – 11 months
 - Phase 4: Developing output documents – 3 months
- VIII. The pilot project is expected to take off effectively by February, 2010
- IX. The Government of Nigeria is expected to sign an undertaking in favour of the JICA team.
- X. The Agency coordinated the detailed summary of the 18 model Business plans/Investment profiles for startups and other targeted MSMEs, submitted by the Consultant

4.4 The Agency was part of the Steering Committee of the **Pan African Competitiveness Forum (PACF)**. The committee planned the programme of activities for the PACF stakeholder's forum which took place on the 12th – 13th May, 2009. The objective of this Forum is to encourage Cluster Development.

4.5 **European Union (EU)**: Collaboration with European Union on study to identify support to trade and regional integration of West Africa sub-region.

4.6 **SMEDAN/NASENI collaboration**: the first formal meeting was held in the Agency on the 21st January, 2009 to identify technology challenges of MSMEs, facilitate the adoption of appropriate locally based technology by MSMEs, conduct workshop and training programmes for fabricators and prototype production of equipment as may be appropriate. An MOU was subsequently signed by the two Agencies to seal the relationship.

4.7 **SMEDAN - NIGERIA ATOMIC ENERGY COMMISSION (NAEC).**

The Agency's collaboration with NAEC is to facilitate the use of Gamma Irradiation Technology for the preservation of agricultural produce by MSMEs. A Memorandum of Understanding (MOU) has been signed by the DGs' of the two organizations.

4.8 **Artisanal production of LPG cookers and accessories**: Based on the quality of its submission, the Agency was appointed as

the chairman of a nine member inter-agency team constituted by the Honourable Minister of Petroleum Resources, with a mandate to produce the modalities for the local production of Liquefied Petroleum Gas (LPG) cookers and accessories. Other members of the team included National Poverty Eradication Programme, Nigeria Gas Company, Bank of Industry, Federal Ministry of Science and Technology, Raw Material Research and Development Council (RMRDC), National Agency for Science and Engineering Infrastructure (NASENI), Standard Organization of Nigeria (SON), while Petroleum Products Pricing Regulatory Agency (PPPRA) served as secretary of the committee.

4.9 Proposed National Technology Transfer Programme from Research Institutes to SMEs: The Special Assistant on SME development of the Office of the Vice President in conjunction with the Agency is about to develop a framework for National Technology Transfer Programme (NTP) aimed at addressing the glaring disconnect between SMEs and Research Institutions-which has resulted in the inability of inventions to transform to innovation.

4.10 SMEDAN-FEDERAL INSTITUTE OF INDUSTRIAL RESEARCH OSHODI (FIRO): The Agency is collaborating with FIRO on Technology Transfer to domesticate technologies for MSMEs in the country.

4.11 SMEDAN - NATIONAL BOARD FOR TECHNOLOGY INCUBATION:

The Agency is into collaboration with NBTI .The DG earlier paid a courtesy visit on the DG of NBTI to consolidate the collaboration. In furtherance to the collaboration, the Agency and NBTI teams visited the Lagos, Newi, Calabar, Minna, Birnin kebbi and Benin Technology Incubation Centres. The visit was for the teams to assess the operators, their challenges with a view to improving their productivity and efficiency.

4.12 SMEDAN - NIGERIA BUILDING AND ROAD RESEARCH INSTITUTE (NBRRI): The Agency collaborated with the Nigeria Building and Road Research Institute. The collaboration was to facilitate Enterprise development in the building and road sector especially feeder roads. A committee comprising of staff from both Agencies are working assiduously with respect to the collaboration.

4.13 SMEDAN/ECN/CREN/SON Collaboration: towards hosting a training workshop on the production of solar water heaters/cookers and system sizing for Photo Voltaic (PV)-

application has concluded preliminary meeting for the implementation of the programme. The collaboration budget is being reviewed for subsequent approval by the management.

5.0 ADMINISTRATION AND MANPOWER ISSUES

5.1 In terms of size, the Agency operates a lean bureaucracy. It undertakes regular training of staff and helps build their capacity to deliver service. This is evident in the local and international training, conferences and workshops attended. The total staff strength of the Agency as at December 2009 stood at 138, Directorate GL 15-17= 22, Senior Staff GL 07-14= 89, Junior Staff 04-06= 26.

5.2 During the period under review, SMEDAN Management undertook a number of initiatives directed at strengthening its internal mechanism with a view to delivering a structure that can better support the existing and emerging needs of our clients. Also, during the period, an upgrade of the operating financial and accounting package was effected to facilitate better management of our expenditure. Some of organizational restructuring milestones of the first half of the year are provided below:

- I. Constitution of Ad Hoc committee on the review of the Agency's programmes and activities. This committee had finished their assignment and the report is being considered by management.
- II. Constitution of staff audit and organizational restructuring committee. This committee is about to conclude its assignment.
- III. During the period under review, consideration was given to the establishment of zonal offices, state offices. There will be need to fill vacancies both at the Headquarters and the state offices in line with approval from the Office of the Head of Service of the Federation.
- IV. Insurance cover has been provided for all the Agency's assets. The insurance companies also settled the claim of one stolen vehicle during the period under review.
- V. Confirmation of appointments of 13 staff in view of their good records of service and satisfactory medical report.
- VI. Registration of 9 staff for the 2009 Combined Confirmation/ Promotion Civil Service examinations

- VII. The official vehicles in the Agency have depreciated to nil value and due for boarding as their usefulness had since expired. There is serious challenge in replacing the operational vehicles because of budgetary and policy constraints.
- VIII. During the period under review a 200KVA generating set was installed to serve as back up to the initial 135KVA for the Agency's use
- IX. Advertisements were placed for expression of interest in three (3) National newspapers in line with Procurement Act for Capital Expenditure which is basically training, 770 submissions were received out of which 193 were pre-qualified after evaluation and given Technical and Financial bids. The Technical bids were also assessed and 104 firms proceeded to the financial opening stage. The Procurement Planning Committee and Tenders Board had considered the reports.
- X. Commencement of formal operation of staff canteen in the month of February 2009.
- XI. Submission of updated staff pension record to Pension Commission.
- XII. In order to enhance performance of duties, Staff of the Agency were sent for training programme both locally and internationally as follows:

5.3 LOCAL TRAINING PROGRAMMES JAN-DEC 2009

S/N	COURSE TITLE	LOCATION AND DATE	OFFICERS RECOMMENDED	REMARKS
1.	Management Trainers Development Programme for Training Officers.	CMD Training Complex, Shangisha, 4 th – 15 th may, 2009	Mrs. N.A. Obilor	Admin
2.	Management Development Administration and Information for Secretaries	Arewa House Kaduna, 4 th – 8 th May, 2009.	Etim Mary & Onovirakpo Gloria	ET & I
3.	Computer Application to Library Services	ASCON Badagry, 9 th – 15 th , 2009.	Udondak Naomi	PR & C
4.	Effective Service Delivery Training	ASCON, Badagry, 11 th –	Eyiuche Mba	M & E

	Workshop	15 th May, 2009		
5.	Intensive Workshop for Accounting, Finance & Revenue Officers	ICAN Excellence Hotel, Ogba, Lagos. 8-12 June, 2009	Mrs. Kolawole Mary	F & A
6.	Total Quality Management	Entrepreneurship Enhancement Centre, Calabar. 9-12 June, 2009.	Mr. Tope Adeoye	Admin
7.	Management Workshop for Road Transport Officers	Centre for Management Development, Lagos. 15-19 June, 2009.	Uwuigbe Gloria	Admin
8.	Making Effective Poverty Alleviation Policies	Centre for Social Protection Studies. 9-13 June, 2009	Nwakama Gloria	EPMES
9.	Training Needs Analysis & Assessment Workshop	CMD, Lagos 15-19 June, 2009	Ikenna Onugha	ET & I
10.	Project Management Workshop	Entrepreneurship Enhancement Centre. 16-18 June, 2009	Andy Ime	PR & C
11.	Managing Sustainable Poverty Reduction Schemes	CMD, Lagos. 15-19 June, 2009.	Ajibola Lanre	M & E
12.	Public Speaking, Effective Presentation & Report Writing	UAC Training Centre Apapa, Lagos, 8-12 June, 2009.	Ibrahim Kaula	C/A
13.	N+ (Network plus)	JIDAW System Ltd. Lagos. 22 June – 4 July, 2009	Akande Gbenga	ICT
14.	Workshop on Effective Management of Small Business	ASCON Complex, Badagry, Lagos. 27 th – 31 st July, 2009	Ahmad Madaki	EPMES
15.	Workshop on	ASCON	Ocheiga N. O.	F & A

	Bank/Financial Security Management		Complex, Badagry, Lagos. 20 th – 24 th July, 2009		
16.	Workshop on Effective Management of Small Business		ASCON Complex, Badagry, Lagos. 27 th – 31 st July, 2009	Ilebode Unugboje	PR & C
17.	Monitoring/Evaluation Workshop for Micro/Small Enterprises		CMD Complex, Shangisha, Lagos. 13 th – 17 th July, 2009	Philip Udeochu	M & E
18.	Management Appreciation Workshop for Managers		CMD Complex, Shangisha, Lagos. 27 th – 31 st July, 2009	Faniyan O. O.	Admin
19.	Management Appreciation Workshop for Managers		CMD Complex, Shangisha, Lagos. 27 th – 31 st July, 2009	Faniyan O. O.	Admin
20.	Workshop on Alternative Dispute Resolution		ASCON Complex, Badagry, Lagos. 6 th – 10 th July, 2009	Peace Akinjo	C/A
21.	Programme & Project Management Workshop for Engineers		CMD Complex, Shangisha, Lagos. 3 rd – 7 th July, 2009	Chito Onuzuiike	ET&I
22.	Efficiency & Performance Improvement Workshop		CMD Complex, Shangisha, Lagos. 20 th – 24 th July, 2009	Isaiah Achemta	DG's Office
23.	Project Investment Planning Analysis & Appraisal Workshop		CMD Complex, Shangisha, Lagos. 24 th – 28 th	Shode O. O.	PR&C

		August, 2009		
24.	Project & Programme Planning, Budgeting, Execution, Monitoring & Evaluation Techniques	FEBI International Consult, CMD Complex, Shangisha, Lagos. 24 th – 28 th August, 2009	Fisher Adeyinka	M&E
25.	Accounting Systems Design & Implementation Workshop	CMD Complex, Shangisha, Lagos. 17 th – 21 st August, 2009	Osho Babatunde	F&A
26.	Workshop on Registry Operation & Procedures	CMD Complex, Shangisha, Lagos. 10 th – 14 th August, 2009	Umar I. D.	Admin
27.	Strategic Human Resources & Personnel Management	BEEC, Hill Station Hotel, Jos. 17 th – 21 st August, 2009	Mrs. F. O. Shaibu	Admin
28.	Speech & Report writing Workshop	ASCON, Badagry, Lagos. 31 st August – 4 th September, 2009	Fortune Etu	C/A
29.	National Workshop on Treatment of Provisions, Accruals & Prepayments Analysis for Decision	ICAN, Excellent Hotel, Ogba, Lagos. 10 th – 14 th August, 2009	Mrs. Bukola Yinka	Audit
30.	The Effectiveness of Value-chain Model Workshop	International Fund for Agricultural Development (IFAD), Eko Hotels, Lagos. 10 th – 14 th August, 2009	Tiamiyu Ibrahim	EPMES
31.	Project and Investment Planning,	CMD, Shangisha,	David Ayenigba	ET & I

	Analysis & Appraisal Workshop	Lagos. 24 th – 28 th August, 2009		
32.	Towards Achieving Harmonious Labour Relations & Better Industrial Relations	DCSA Consults, Excellence Hotel, Ogba, Lagos. 17 th – 23 rd 2009	Auwal Saleh	DG's Office
33.	Advanced Management Workshop for Secretaries & Personal Assistants in Government Establishments	DCSA Consults, Excellence Hotel, Ogba, Lagos. 10 th – 14 th 2009	Moji Adebayo	PR & C
34.	Public Enterprise Management Course	ASCON, TOPO Badagry, Lagos. 12 th – 25 th September, 2009	B.E. Okimba	Admin
35.	Investment & Risk Management Workshop	CMD, Shangisha, Lagos. 7 th – 11 th September, 2009	Ado Bello	EPMES
36.	Training on Project Stakeholder Strategic Management	Supreme Management Training Consultancy Service Ltd. 7 th – 11 th 2009	Chibuzor Osuoha	PR & C
37.	Framework for Achieving the Millennium Development Goals	CMD, Shangisha, Lagos. 7 th – 11 th September, 2009	Alero Dafeta	M & E
38.	Workshop on Management Control of Store Operation	ASCON, TOPO Badagry, Lagos. 7 th – 11 th September, 2009	Mukail Mustapha	Admin
39.	Training on Project Stakeholder Strategic Management	Supreme Management Training	Abdulmalik Zainab	ET & I

		Consultancy Service Ltd. 21 st – 25 th 2009		
40.	Designing a Wind Server 2008 Active Infra & Server	New Horizons Training Centre, Ikeja, Lagos. 14 th – 19 th 2009	Kayode Meyanbe	ICT
41.	National Workshop on Payroll Computation & Accounting.	ICAN, Excellence Hotel Ogba, Lagos. 7 th – 11 th 2009	Bola Aiyejumo	Finance & Accounts
42.	Competence Development & Effective Records, Information & File Management in the Emerging Electronic Work Environment	FEBI Consulting Ltd., Industrial Training Fund Centre, Markurdi, Benue State. 7 th – 11 th 2009	Faith Dachir	Admin
43.	Professional Skills for Personal & Senior Secretaries	BEEC Consulting Ltd. UAC Training Centre, Apapa, Lagos. 7 th – 11 th 2009	Stella Ani	EPMES
44.	How to Maximize Media Coverage	BEEC Training Centre, Enugu. 7 th – 11 th 2009	Charles Adibe	CA
45.	5 Day Intensive Workshop for Expenditure & Cost Management Officers in Government Establishments	ICAN, Excellence Hotel Ogba, Lagos. 26 th – 30 th October, 2009	Adewale Adesanya	Finance & Accounts
46.	Workshop on Managerial Effectiveness	Danhensha Consulting, Nanet Hotels, Kaduna. 12 th – 16 th October, 2009	Mohammed Zakari Dambam	
47.	Management Workshop for Protocol Officers & Executives	Cumbaed Associate Consulting, ITF Complex, Lagos.	Julcit Onigbogi	Protocol

		12 th – 16 th October, 2009		
48.	Project Monitoring & Evaluation Report Writing Workshop	CMD, Shangisha, Lagos. 26 th – 30 th 2009.	Bunmi Kole-Dawodu	M & E
49.	Project Management Course	ASCON Complex, Topo Badagry. 12 th – 23 rd 2009.	Remi Adeleke	PR & C
50.	Practice & Efficiency of Supervision	FEBI International Consult, GRA, Kaduna. 26 th – 30 th 2009.	Idris Ali	Admin
51.	Project Feasibility Analysis & Workshop (using Comfar III software)	CMD, Shangisha, Lagos. 5 th – 9 th October, 2009.	Bimpe Fawale	EPMES
52.	Project Feasibility Analysis & Workshop (using Comfar III software)	CMD, Shangisha, Lagos. 5 th – 9 th October, 2009.	Oyinkansola Oguntola	ET & I
53.	Practice & Efficiency of Supervision	FEBI International Consult, GRA, Kaduna. 26 th – 30 th 2009.	Shekarau Ahmed	
54.	Advance Workshop in Project Analysis & Evaluation	CMD, Shangisha, Lagos. 23 rd – 27 th November, 2009	Dr. Robert Owaiye	EPMES
55.	Advance Workshop in Project Analysis & Evaluation	CMD, Shangisha, Lagos. 23 rd – 27 th November, 2009	M.B. Salau	ET & I
56.	Advance Workshop in Project Analysis & Evaluation	CMD, Shangisha, Lagos. 23 rd – 27 th November, 2009	A.O. Oduneye	PR & C
57.	Intensive Workshop for Accounting, Finance & Revenue	ICAN, Excellence Hotel, Ogba.	P. Tella	Finance & Accounts

	Officers	23 rd – 27 th November, 2009		
58.	Intensive Workshop for Accounting, Finance & Revenue Officers	ICAN, Excellence Hotel, Ogba. 23 rd – 27 th November, 2009	Wole Mabinuori	Finance & Accounts
59.	Materials Management & Ware Housing Workshop	CMD, Shangisha, Lagos. 2 nd – 6 th November, 2009	Abubakar Aliyu	Admin
60.	Effective Records Management	CUMBAED Training Centre, Kaduna. 23 rd – 27 th November, 2009	Ruth Hamza	Admin
61.	Performance Improvement Workshop for Protocol Officers	ASCON Complex, Topo Badagry. 30 th – 4 th Dec. 2009.	Abiodun Akanbi	Protocol
62.	Effective Records Management	CUMBAED Training Centre, Kaduna. 23 rd – 27 th November, 2009	Hafsat Adamu	DG's Office
63.	Computer Aided Design AutoCAD	ASCON Complex, Topo Badagry. 2 nd – 6 th November, 2009	Hillary Okwor	CA
64.	Public Sector Treasury Management Workshop	CMD, Shangisha, Lagos. 16 th – 20 th November, 2009	Ebere Ijeomah	Finance & Accounts
65.	Office Management & Productivity Course	Business Education Examination Council, UAC Training Centre, Apapa, Lagos. 2 nd – 6 th November, 2009.	Jacqueline Igiekhume	Admin

66.	Basic Management Workshop for Secretaries	Centre for Management Development, South East Area Office, Opposite Modotel Hotel, Owerri, Imo State. 9 th – 13 th November, 2009.	Chinyere Muomaife	CA
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2009 FOREIGN TRAINING, WORKSHOP/CONFERENCE & SEMINARS ATTENDED BY STAFF OF THE AGENCY

S/N	COURSE TITLE	INSTITUTION/LOCATION	DATE/DURATION	BENEFICIARY	COLLABORATING ORGANIZATION/GOVT
1.	Reinforcement of Micro, Small & Medium Enterprises Supporting Organization for African Countries	Japan	Jan 13 th -March 15 th 2009	Mr. Kayode Shode	Japan International Corporation Agency (JICA). Training
2.	Enterprise Networking in Regional Development	Japan	Jan 28 th -March 1 st , 2009	Mr. Bunmi Kole-Dawodu	Japan International Corporation Agency (JICA). Training
3.	African Knowledge Transfer Partnership (AKTP) meeting	Nairobi, Kenya	25 th -26 th February, 2009	Mr. S.O. Adebisi	British Council Meeting
4.	5 th CII EXIM Bank Conclave on India Africa Project Partnership	New Delhi, India	22 nd -24 th March, 2009	Director-General Dr. Friday Okpara	India High Commission Conference
5.	Community Capacity & Rural Development- Focusing on One Village One Product for African Countries	Japan	March 30 th -April 26 th , 2009	Mr. Gbenga Ogundeji	Japan International Corporation Agency (JICA) Training
6.	Monitoring & Evaluation Development	United Kingdom	April 20 th -1 st May 2009	Mrs. J. I. David	Training
7.	UN Commission for Sustainable Development	New York, USA	May 4 th -15 th 2009	Engr. Igwesi K.O.	United Nations Meeting

	meeting				
8.	Pro-Poor Enterprise Development meeting (PPED)	Manchester, New Hampshire, USA	June 7 th -20 th June, 2009	Miss Alero Dafeta	Training
9.	The Honourary International Investors Council Meeting	Hilton Hotel, Park Lane, London	June 25 th -26 th 2009	Director-General Mr. S.O. Adebisi Mallam Zakari Danbani	Meeting
10.	The Dynamism of Small Business, Theory Practice & Policy	Seoul, Korea	June 22 nd -3 rd July, 2009	Director General Mr. S.O. Adebisi Dr. A.A. Balogun Mallam Iiyasu Aliyu	International Council for Small Businesses (ICSB) Conference
11.	ILO Summer Academy for Sustainable Enterprises Development Seminar	ILO, Turin, Italy	June 22 nd -July 3 rd 2009.	Mr. O.T. Fasanya Miss Balla Safiya	Training
12.	Eliminating Rural Poverty- the Israeli Development Experience	Israel. 28 June-9 th July, 2009.	June 28-July 9, 2009.	Mr. B.E. Okimba	Training
12.	Macro Economics & Policy Making	London, United Kingdom	June 29 th -July 10 th 2009	Mr.AP. Ayoola	Training

6.0 MEETINGS/SEMINARS/WORKSHOPS

The Agency attended and made presentations at several fora during the period under review including the following:

- Presented goodwill message at graduation ceremony of start-ups in Niger State, 20th January, 2009.
- One day stakeholders' forum on sustainable development of the sesame seed industry in Nigeria, 16th February, 2009 at Nsikak hall Air Force club house, Rabbah road, Kaduna.
- Food Security Team Group (FSTG) meetings.
- Presented goodwill message at AGRITECH conference Abuja 2009 organized by the embassy of Israel with the assistance of the Nigeria Israel business forum at Trancorp Hilton, Abuja on 24-25 February, 2009.
- Discussion of Nigeria Country Impact Review of IFC funded Projects 16-20 February, 2009
- Meeting with Central Bank of Nigeria on the Governing Council of Entrepreneurship Development Centres 9th February, 2009
- Workshop by Centre for Youth Initiative on self education, 21st February, 2009.
- Sensitization workshop on trade financing in Kano and Lagos, 21st February, 2009.
- Meeting with bank of Industry, 4th February, 2009.
- Attended career day at Ladela Day school, 12th of February, 2009.
- Assessment tour of Bauchi State on MSMEs development and establishment of Bauchi Business Support Centre, 11-13 February, 2009.
- Attended workshop on trade barriers and custom organized by USAID.
- Attended the Nigeria-Ireland Business Interactive Session, 18th March, 2009
- Held meeting with officials of Department For International Development (DFID) on MSME development, 1st April, 2009
- Held meetings with officials of National Bureau of Statistics on generating credible MSME data base, 7th and 28th of April, 2009
- Attended Investment Opportunity Seminar for SMEs, a collaboration between SMEDAN and FIRO, 15th-16th April, 2009.
- Attended the first North-West International Forum organized by Nigeria Investment Promotion Commission (NIPC) in Kano and presented a paper titled "Promoting Investments in the

MSME sub-sector of the economy: The Role of SMEDAN", 16th April, 2009.

- Attended International Conference on Poverty Reduction in Nigeria hosted by House of Representative Committee on Poverty Alleviation and presented a paper titled "OLOP Concept As an Instrument for Poverty Reduction In Nigeria: The Role of SMEDAN" 27th April, 2009.
- Held meeting with delegation of European Commission on MSME development.
- Presented a paper at the Lebanese Trade delegation to Nigeria, April, 2009.
- Participated at the 2nd Nigeria international Food Fair, 1st May, 2009.
- Held meeting with European Union (EU) delegation on study to identify support to trade and regional integration, 5th May, 2009.
- Attended the Abuja chamber of commerce, industry, mines, and agriculture International Trade Fair, 11th May, 2009.
- Prepared a paper titled "Leveraging on Public Private Partnership for development of enterprise clusters/industrial parks from existing Industrial Development Centres for presentation by the Vice President in China, Malaysia and Singapore, April, 2009.
- Submitted update on SMEDAN input on realization of 7 points agenda to Chief Economic Adviser to Mr. President, 5th May, 2009.
- Meeting on adoption of the SME Guaranty Scheme- Israeli experience
- Meeting of Nigeria Micro-finance Technology Congress
- Federal Ministry of Women Affairs facilitated workshop for First lady and wives of Governors
- Meeting with IDA-Ministry of Finance on World Bank-MSME project.
- Students In Free Enterprise (SIFE) Programme
- Meeting with Kaolin Processors in Bauchi
- Participated at the 6th Zamfara Domestic Trade Fair and presented a paper titled "Promotion of SMEs in North-Western zone of Nigeria- Role of SMEDAN", 9th May, 2009.
- Attended the 1st All Nigeria Rural Development Summit, 11th-12th May, 2009.
- Attended the 10th National Productivity Day Celebration, 12th May, 2009.

- Attended Pan African Competitiveness Forum inauguration of Nigeria's chapter and presented a paper titled "Promoting Business Development Services (BDS) as a vehicle for Driving MSMEs Cluster Development. 14th May, 2009.
- Attended Centre for Creativity & Leadership Development Lecture Series in Kaduna and presented a paper titled "SMEDAN AND THE CHALLENGES OF ECONOMIC TRANSFORMATION" 16th May, 2009.
- Held meeting with Japan International Co-operation Agency (JICA) on OLOP, 27th May, 2009.
- Attended seminar for all micro finance banks in the FCT and presented a paper titled "Significance of Small and Medium Enterprises in Economic Growth"
- Attended the inauguration ceremony of the organizing committee of the 1st Nigeria-China Trade and Investment Forum and presented a paper titled "The Role of MSMEs in the Economic Development of Nigeria, 28th May, 2009.
- Attended the 2nd National Council on Commerce and Industry (NCCI-02) meeting. Presented 3-point memoranda Date: 1st – 5th June, 2009 at Protea Hotel, Nike lake Resort, Enugu.
- Held a meeting with JICA detailed planning survey mission from Japan on OLOP, 10th June, 2009.
- Attended Brazilian Trade Mission Forum in Lagos, 11th June, 2009.
- Attended a workshop on OLOP and presented a paper titled "concept paper for the implementation of OLOP programme in Nigeria" 22nd June, 2009.
- Prepared "MSME sector strategy for attaining vision 20:2020" and submitted to the stakeholders' development committee of FMCI as input to vision 20:2020 committee, 22nd June, 2009
- Held a meeting with Bank of Industry (BOI) officials on proposed collaboration between SMEDAN and BOI, 30th June, 2009.
- International Congress of Small Businesses, Seoul, South Korea
- Honourary International Investors' Forum, London, United Kingdom

7.0 FINANCE MATTERS

7.1 **Payment for contract:** During the period under review, vouchers in the sum of N499, 999, 998.00 were processed as payment to contractors

7.2 **Capital Projects:** The capital allocation for the year 2009 in the sum of N499, 999, 998.00 was expended on EDP across the 36 states of the federation including FCT.

7.3 **Internally Generated Revenue:** The sum of N6, 3890, 400.00 was realized as internally generated revenue.

7.4 The Agency prepared and rendered returns on expenditure and revenue to various relevant organs of Government of the Federation i.e National Assembly, Office of the Secretary to the Government of the Federation (SGF), Office of the Accountant General of the Federation, Budget Office of the Federation, etc.

7.5 The Agency also successfully concluded the preparation of 2008 Financial Report.

8.0 IMPACT OF INTERVENTION PROGRAMMES

8.1 In order to keep track of the Agency's programmes and ensure effective feed back from beneficiaries of our intervention programmes, the Agency initiated various monitoring mechanisms such as the use of log frames, generation of performance indicators as well as keeping in touch with our clients via physical visits and telephone calls to monitor their progress. For example 30 participants that attended the two batches of the Public Service Entrepreneur Training Programme conducted by the Agency at the head office in 2008 were monitored via the use of telephone and internet. The main aim of the follow up was to measure the impact of the training on them and the position of their businesses and we came out with the following findings:

- i. 10 had businesses before attending the training
- ii. started their businesses after the training.
- iii. 14 yet to start their businesses
- iv. Out of the above mentioned 14, 7 are not ready to start businesses (attended to have more knowledge) while the

- remaining 7 claimed they still needed help in perfecting their business plans and accessing finance.
- v. Out of the thirty, 15 had business plans while 12 have registered their businesses.

8.2 The results are encouraging because it confirms the impact of our training programmes on the target group and an achievement of our mission of engineering a well structured formal MSME sector.

9.0 CHALLENGES AND CONSTRAINTS

The major constraint of the Agency during the period under review was inadequate funds to carry out its mandate, especially with a large population of enterprises requiring different forms of interventions to develop their businesses coupled with the challenge of covering a large country like Nigeria.

9.1 Our success in terms of awareness creation, entrepreneurship sensitization and education was limited especially on mileage because of paucity of funds.

9.2 Budgetary allocation of the Agency is not proportional to the scope of work at hand because activities, awareness and demands are increasing, while statutory allocation is not forthcoming and rather decreasing. This has significantly affected the Agency's performance.

9.3 In addition, slow response/uncooperative attitude of some State Governments and public sector institutions posed a major challenge to the Agency in its quest to emancipate MSMEs at the grass roots.

9.4 The cost of doing business in Nigeria is still high due to infrastructural inadequacies and weak operating capacities of the MSMEs. Expenses such as payment of commercial prices for training and capacity building sessions, meeting the registration conditions of institutions such as Corporate Affairs Commission (CAC), National Agency for Food and Drug Administration Control (NAFDAC) and Standard Organization of Nigeria (SON) are hardly affordable, especially by start-ups.

9.5 Lack of access to finance by MSMEs and non availability of funds for awareness and sensitization campaign to a greater extent, slows down the work of the Agency.

9.6 Low level of awareness on the activities of SMEDAN- the Agency is stepping up activities on awareness creation and entrepreneurship sensitization so that the Nigerian populace could get familiar with the activities of the Agency. To this end, there is need to increase funding to the Agency.

9.7 Uncooperative attitude of some State Governments and public sector institutions – the Agency has intensified effort in collaborating with relevant stakeholders such as Ministries, Department and Agencies, State Governments, Local Governments, Micro Finance Institutions, NGOs etc. with a view to developing and sustaining institutional synergy and cooperation for the development of the sub-sector

9.8 Poor Condition of Service: some staff left the Agency as a result of poor condition of service- We are presently working towards new conditions of service and substituting the salary of the Agency with CONTISS which is a better salary structure.

9.9 The workspace in the present location is largely inadequate- we intend to expand our branch network by establishing offices in all the states of the Federation.

10.0 WAY FORWARD

10.1 On the whole, there is notable improvement in interventions/performance from the Agency during the period under review. In addition, business information provision and advisory/counseling services which run through our business clinics and BSCs/BICs improved remarkably. As planned, our programmes roll-out commenced towards the end of February except Public Service Entrepreneurship Development Programme (PSEDP) which commenced with the Ministry of Education training in March. Further discussion for a larger PSEDP with office of the Head of Service of the Federation is on-going. Good publicity

and focused delivery from the Agency is equally obvious in the good participation/efficient running of the on-going Head office capacity building programmes.

10.2 Our lessons of experience regarding the performance of SMEs in other countries vis-à-vis our performance in the year under review (2009, as well as the commitment of the Federal Government to the realization of the seven point agenda of this present administration leave us in no doubt that SMEDAN has serious challenges ahead. With the little we have been able to do so far, SMEDAN views the issue of sustainability of its intervention in the MSME sub- sector very seriously, hence its reliance on effective partnership with the private sector and other major stakeholders, including the international donors community.

10.3 Funding continues to pose very serious challenge and threat to service delivery and development of micro, small and medium enterprises (MSMEs). These limitations are adversely affecting the proposed intervention programmes of the Agency.

10.4 In view of the foregoing, there is need for an improved funding of the Agency. If the Agency is to achieve its lofty objectives, like its counterparts in other parts of the world, it has to be adequately funded. Other areas of immediate concern, in order to move the sector forward include:

- I. Improvement in infrastructure, especially power, transportation, water, etc.
- II. Continuous review of the legal/regulatory regime to create a more business-friendly environment for small businesses to thrive
- III. Provision of technical assistance to SMEDAN and other State Agencies with the mandate for MSME development.
- IV. Promoting Venture Capital and Private Equity options of financing
- V. Continuously improving access of small businesses to third-party credit; providing credit guarantee scheme and other financing options for MSME sector development
- VI. Providing support for key Business Membership Organizations.
- VII. Support of other Federal Government Agencies
- VIII. Intensive lobbying for increased funding by government.

- IX. Improved collaboration with States and local governments and other institutional stakeholders.
- X. Improved collaboration with International donor agencies
- XI. Gradual increase in training fees payable by beneficiaries of the Agency's programmes
- XII. Organisational restructuring for which a management committee has been inaugurated by the Director General and its in the final stage of submitting its report.
- XIII. Creating friendly atmosphere with relevant Agencies to allow for more collaborations.
- XIV. Intensified efforts to collaborate with Bank of Industry, Nigeria Agricultural Rural and Cooperative Development Bank, etc.
- XV. Intensified efforts at articulating an effective National Credit Guarantee Scheme with the full support of government.
- XVI. Redoubled efforts towards coordinating SME development in the country to pave way for the Agency to correctly assume leadership the sub-sector.

Muhammad Nadada Umar
Director General/CEO

Appendix I- LIST OF MSMEs MOBILIZED BY SMEDAN THAT ATTENDED THE BRAZILIAN BUSINESS FORUM IN EKO HOTELS, LAGOS, 11TH JUNE, 2009.

S/ N	COMPANY	SECTOR	REPRESENTATIVE	PHONE NO/EMAIL/Address
1.	ATM Technical Njg. Ltd	Art/Craft works	Ibikunle Abimbola	08035251742/bimbo.ibikunle@yahoo.com
2.	Exceptional Leather works	Leather	Rabiu Al-Rahman	08042658383
3.	Dahunsi Enterprises	Leather	Dahunsi Solomon	08066298495
4.	Yemi Tie & Dye	Tie & Dye	Yemi Abayomi	08029324757 yemisikemi@yahoo.com
5.	Adamu Leather works	Leather	Adamu Mohammed	08054997731
6.	Goriola Ade	Agro Allied	Goriola Ade	08023255176
7.	David woodworks	Art/Craft	David Adamson	08067820557
8.	Tosin Ajirisu	Tie & Dye	Tosin Ajirisu	Tosinade199@yahoo.com
9.	Abdullahi Ibrahim	Leather	Abdullahi Adamu	
10	James Nkereuwem	Agro Allied	James Nkereuwem	youthagriculture@yahoo.com 07096033087
11	Bello Saidat	Agro Allied (Shea butter)	Bello Saidat	4, Taiwo road, Ilorin, Kwara State
12	Ola Metals	Metal	Seyi Ajibola	deolarahmat@yahoo.com 08008023431907
13	Clifford Okeke	Leather	Clifford Okeke	08036014623

14	Nura Goje	Agro Allied (ground nut)	Goje Nura	08029322568
15	Binta Musa	Agro Allied (Shea Butter)	Musa Binta	08059351677
16	Bolaji Furnitures	Arts & Crafts	Emmanuel Bolaji	08024153713 mobolajjabati@yahoo.co.uk
17	Kola Olodo	Metal	Kola Olodo	08073934825 kolaolodo@yahoo.com
18	Nkechi Nkem	Agro Allied	Nkem Nkechi	08036626687
19	James Friday	Agro Allied	James Friday	
20	Yahaya Dangana	Leather	Yahaya Dangana	

Appendix II List of Business Support Centres (BSC) & their location

S/N	BSC	ADDRESS	CONTACT PERSON/TEL
1	Abuja Enterprise Agency	22, Kudang Street, Off Aminu Kano Crescent, Wuse 11, Abuja.	Mr. Taofeek 08053574887 info@abujaenterprise.org
2	Akure BSC	Industrial Park, Akure-Lagos Expressway, Akure, Ondo State	Mr. Ogundeji Gbenga 08036706209
3	Matori BSC	Small Business Ind Estate Fatai Atere Way, Mushin-Lagos	Miss Bodunrin Dawodu- 08027019029 bodawodu@yahoo.co.uk
4	Enugu SME Centre	DFID Teachers' House, Ogui Rd, Otigba Junction, Enugu	Hon. Nnanyelugo Obasi 08033364717 info@enugusme.org
5	MAN BSC	House 77, Obafemi Awolowo Way, Ikeja. P.O. Box 3835, Marina Lagos State	Mr. Ambrose Oruche 01-4942471 Fax 01-4974247
6	Abia State University BSC	Abia State University, P.M.B. 2000, Uturu, Abia.	08052610681 08036811454 Emeka Nwokoro: emeka15207@yahoo.com
7	Katsina BSC	Investment House, IBB Way, Opposite Unity Bank, Katsina.	C/o Ministry of Commerce and Industry, Katsina State Ndayako Usman 08035294155
8	Sokoto BSC	Five Star State Secretariat, Ministry of Commerce & Ind, Sokoto by-pass, Sokoto.	Hamis Isiaq isiaq_hamis@yahoo.com 08033854015
9	Akwa Ibom BSC	51, Ikot Abasi Street, Uyo, Akwa Ibom	Basil Idioli idiobasil@yahoo.com 08037920248
10	Ebonyi BSC	Min. of Comm & Industr, Abakaliki, Ebonyi State.	Mr. Victor Ugwu 08055319599
11	Bayelsa BSC	Suit G14, Bayelsa State Sect Annex, Road Safety Rd, Yenagoa.	Iloba Egbuna 08039663726 st.ketone@yahoo.com
12	Ilorin BSC	Mantrite building,	Mrs. Zainab Abdulmalik

		10, Ahmadu Bello Way, Ilorin.	zannyabdul@yahoo.com 07038011412
13	Niger SME Agency	Abdulkadri Kure House Ahmadu Bago Rd Minna Niger State	Mr. Timothy Jiya 08035866154
14	Ekiti BSC		Mr. Abiodun Ayedun biodunekom@yahoo.com 08065115892
15	Ijebu-Igbo BSC		Mrs. Tosin Abajo 08034750265,

Appendix III List of Established BICs & their Locations

S/N	NAME	ADDRESS	CONTACT PERSON
1	OTIGBA BIC	21, Kodesoh St, Computer Village, Otigba, Ikeja-Lagos	Jide Majiyagbe 08034522965
2	IBOGUN BIC	Ibogun Olaogun, Ogun State	Fatokun 08056001852 f_adedayo@yahoo.com
3	OWU-IJI BIC	SMEDAN Office, Behind the Oba's Palace	Abajo Oluwatosin 08084186719 oluteekay@yahoo.co.in
4	OSOSA BIC	St. John's Ang. Church Centenary Hall, Ososa-Ijebu, Ogun State	Aranju Adeleke 08057977417 arsolek@yahoo.com
5	ST. MATTHEW'S GWARIMPA EST PARISH BIC	1 st Avenue, Gwarimpa Estate, Abuja	Samuel 08036188302
6	ISIN LGA BIC, KWARA STATE	c/o Secretary Isin Local Govt, Owu-Isin Kwara State	
7	OGBOR-UGIRI COMMUNITY BIC, ISIALA LGA, IMO STATE	His Royal Highness Eze Matthew Onweni, Traditional Ruler	Dr Jude Onweni 08037212638
8	UMUCHU COMMUNITY BIC, AGUATA, ABIA ST.	HRH Godson Ezechukwu Okwulora 1, Traditional Ruler	08034068438 drgoznwegbu@yahoo.com Uba Damian-08037306903
9	MOTHERS UNION GUILD, DIOCESE OF LOKOJA BIC	Bishop's Court, P.O. Box 11, Lokoja, Kogi State	Rt. Rev. A.A. Egbunu 058-220588/058221788 Mr. S. Egbunu 08065335455 Odoemeka Ngozi N-O.I.C Adegbola Elizabeth F-08036083053
10	FEDERAL POLYTECHNIC, OKO BIC	The Director, Consultancy Services, Federal Polytechnic, Oko, Anambra State.	Mr. Edwin Chukwuma(Director) 08037203000, 08029777489. oyi-chukusz@yahoo.com Ifedigbo J.N.- O.I.C-08083578600
11	AGO-ARE COMMUNITY BIC	Ifelodun Ago-Are Parapo, Ago Are Town Hall, P.O. Box 1, Ago-Are, Oyo	Mr. R.A. Adetola, 08059529144 Segun Sunday Ojo-BIC Officer-08057417112,

			08069200446
12	REMO CHAMBER OF COMMERCE BIC	Remo Chamber of Commerce, 7, Sho-Manager Way, P.O. Box 1172, Sagamu. Remochamber005@yahoo.com	Olajide Ojoye-samueloje@yahoo.com 08033727879, 08033229357 Engr. Ogunsanya-08033229357
13	ANGLICAN WOMEN'S GUILD & MOTHERS' UNION, DIOCESE OF ABUJA BIC	Diocese of Abuja Anglican Communion, 21 Doudala St, Wuse Zone 5, P.O. Box 212, Abuja.	Mrs Susan Akinola 08035869807
14	TAWAKALITU ALALLAHI ISLAMIC CENTRE BIC	APC Plaza, Suite 002B, Cape Town St, Off IBB Way, By Kabo House, Wuse Zone 4, Abuja	Alh. Abdulmalik A. Rufai 08056108921, tawakalitu2007@fasternail.com
15	ABUCCIMA BIC	Abuja Chamber of Commerce, Industry, Mines & Agriculture, Km 8, Airport Rd, P.M.B 86, Garki, Abuja	Ukombu John S. PRO/BIC Officer 08073373632 Joe Wanegema (Idowu)-D/G- 08073538344 09-6707248
16	PEACE DEVELOPMENT CENTRE, UYO BIC	134, Oron Rd, Uyo, Akwa-Ibom State	Daniel Ukpong Udoh 08036026130 Idorenyin F. Ikpang-08023028430, pdc_uyo@yahoo.com
17	AWKA NORTH LGA BIC, ANAMBRA STATE	302, Zik Avenue, Awka, Anambra State	Hon. Osita Egwuatu, 08037869950
18	OTU' EYOTO BIC (MULTI PURPOSE COOP SOCIETY LTD)	EDPA Building, Sokponba Rd, P.O. Box 8001, Benin City, Edo State. Or 10, Okoro Otun Avenue, GRA, Benin-City	Efe Isibor Goubadia 08053901552 President-Eld. Peter Ogbeide, 0803378-7568, 08059450095. Iduhon B.G.- 08027741615
19	AGUATA LGA SECRETARIAT BIC	c/o The Chairman Aguata Local Govt Council, Anambra State	08027469401 Achufusi N-08027469401
20	ST PETERS ANG CHURCH BIC, FAJI	No 3, Ajele Street, Lagos State	08033437880 Sawole Obafemi-0802874726. phemington@yahoo.com
21	ALL CHRISTIAN FELLOWSHIP MISSION,	c/o Rev. William Okoye, Plot 261, Nile Street, Maitama	Rev. William Okoye 08035956085

	AGULU ANAOCHA LGA BIC		Ikegwonu Sunday- 08068842036
22	CASSAVA GROWERS ASSOCIATION BIC, ADO-EKITI	32, Agric Road, off Mathew Str, Odo-Ado, Ado-Ekiti, Ekiti State	Chief Fadahunsi J.A, Chief Mrs. Ogunlola 08033556467,0803913829 2 08060497065 Idowu Bosede P.- 08060607802, bose_4sure@yahoo.com
23	ODU-OFOMU BIC, DEKINA	No 4, Behind Market Square, Dekina L.G.A, Kogi State. c/o 52/53 Lagos St, Garki Village Shopping Complex, Garki, Abuja	Jonathan Eje: offsetas@yahoo.com 08056413244
24	MOTHERS UNION/WOMEN GUILD BIC, MAKURDI	c/o Bishop's Court, Bishop Iyangemar Street, Makurdi, Benue State	08065334038 08057616556 Damaris N.Odoemena(OIC)- damaodo2005@yahoo.com
25	MOTHERS UNION/WOMEN'S GUILD BIC, OTUKPO	c/o Bishop's Court, Depot Road, Otukpo, Benue State	044-662312 08033126952 Lady I.U. Okoli
26	SEPETERI BIC	Sepeteri Community Bank, Saki Road, Sepeteri, Oyo State	08076906586 (Busari) 08052047122 08051313566
27	KWACCIMA BIC, ILORIN	9A, Ahmadu Bello Avenue, Kwara Hotel Premises, Ilorin	08034040401 08033822779 Ahmed Maigida kwaccima@yahoo.com
28	RCCG BIC, OKOTA, LAGOS	23/27, Eddy Onugha Drive, Opposite College B/Stop, Okota.	Mr. Durojaiye 01- 8047964 08033921811
29	KANO CHAMBER OF COMMERCE BIC	Light Industrial Estate, Trade Fair Ground, Kano State	08037128601 kaccima@hotmail.com D/G-08023041944 Shehu A. Usman- 07028377547 shehuabdullahiusman@yahoo.com
30	FUTO BIC, OWERRI	Federal University of Tech, Owerri, P.M.B. 1526, Imo State	Engr. P.B.U. Achi 08035056984 pbuachi@yahoo.com Ezeji E. Nneka- 08037315567, el_chartic@yahoo.com

31	EKET/OBONGOWAN SKILLS ACQUISITION CENTRE BIC	3, Holmes Street, Eket	Lady Eme U. Ekaette 08027780053 Beatrice Akpan- 08023392153, beatriceetimakpan@ya hoo.com
32	MADOBI COMMUNITY BIC	Madobi Town Hall, Bawanda Rd, Dutse, Jigawa State	Alh. S.S.Mohd. 08036519536 Garba Ahmed Madobi (OIC) Mustapha Yakubu- 08039434255, madobindutse@yahoo.com
33	MUSLIM EMPOWERMENT BIC	Muslim Empowerment & Welfare Foundation, Nat. Mosque Complex, Abuja.	Yunus S. AbdulHamid- imomue@yahoo.com 08027649677 08051697887 09-6738545
34	WOMEN & YOUTH SUPPORT BIC	No 1, Maiduguri Road, By Tarauni Junction, Kano	Ladi Wayi (Mrs), lwayi@hotmail.com 08034064425-E/D Hajja Marian Inuwa- Officer
35	ABUJA COOP CREDIT & MKT UNION BIC	Abuja Coop Credit & Marketing Union, Cooperative House, Opposite FBN PLC, Suleja	Jibrin Bala Jos 08034519894 Hassana Bala- 07031065969 Johnson Endurance- Officers Accmu2007@yahoo.co m
36	AIYEDE COMMUNITY BIC	Attah Palace, P.O. Box 1, Aiyede Ekiti.	HRH Oba J.A. Orisagbemi – 08034014515
37	NEW APOSTOLIC CHURCH BIC	211, Abak Rd, Uyo	Apostle Okuyak Uwaa- 08022234722 Miss Uduak Etim U- 08084032909

