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VICE PRESIDENT,
FEDERAL REPUBLIC OF NIGERIA

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SH/Ag.PRESIDENT/HOUSE/02/5

16th May, 2017

His Excellency
Rt. Hon. Yakubu Dogara
Speaker
House of Representatives, Federal Republic of Nigeria
National Assembly Complex
Three Arms Zone
Abuja.

Dear Rt. Hon. Speaker,

REQUEST FOR INCLUSION OF DEVELOPMENT BANK OF NIGERIA AND FUND FOR AGRICULTURAL FINANCE IN NIGERIA INTO THE 2016-2018 EXTERNAL BORROWING PLANS AS ADDENDUM

I write in reference to my earlier letter requesting for the consideration and approval of the House for the 2016-2018 External Borrowing (Rolling) Plan and to forward herewith two more important under listed items for inclusion into the said Borrowing plan as addendum:

a) Development Bank of Nigeria (DBN)
b) Fund for Agricultural Finance in Nigeria (FAFIN-II)

2. Mr. Speaker may wish to know that the Development Bank of Nigeria (DBN) is a Multi-donor supported Bank approved under the previous administration with the Financing Agreements executed on 25th February, 2015. However, the facility in the sum of USD1.28billion appeared to be inadvertently omitted in the 2014-2016 External Borrowing Plan approved by National Assembly. The Bank is being supported by the World Bank Group,

African Development Bank, KfW Development of Germany and French Development Agency in the sums of USD500m, USD450m, USD200m and USD130m respectively. The Bank is ready to commence operation and the donors are also ready to commence disbursement consequent upon National Assembly approval of the borrowing.

3. Furthermore, Fund for Agricultural Finance in Nigeria (FAFIN-II) is being supported by KfW Development Bank of Germany in the sum of 9million euro. The first Phase of (i.e. FAFIN-I) was in the 10.5million euro and the Financing Agreement was executed on 3rd October, 2013. It is an investment facility in Agricultural financing. The first tranche of FAFIN-I has been fully disbursed and the donor is ready to provide another tranche of 9million euro for FAFIN-II. The second tranche is for the consolidation of the gains in the investment of the first tranche.

4. In view of the importance attached to these two projects by our administration, it has become imperative to seek for your usual understanding and kind consideration for the inclusion of the DBN and FAFIN-II into the 2016-2018 External Borrowing Plan as addendum.

5. Mr. Speaker, please accept the assurances of highest regards, always.

Prof. Yemi Osinbajo, SAN, GCON
Acting President of the Federal Republic of Nigeria