



NCDMB FRAMEWORK FOR WOMEN IN OIL & GAS INTERVENTION FUND

OPERATING GUIDELINES

1.0 Introduction

The Nigerian Content Development and Monitoring Board (NCDMB) recently executed a US\$20 million Managed Fund Agreement with the Nigerian Export-Import Bank (NEXIM) that is designated as the Women in Oil & Gas Intervention Fund. The Scheme is an interventionist offshoot from the Nigerian Content Development Fund (NCDF), which is designed to promote building and deepening indigenous capacities and capabilities of women entrepreneurs/industrialists to fully participate in the Nigerian Oil and Gas Industry

The NCDMB Women in Oil & Gas Industry Fund will support the activities of predominantly women-owned, dominated and/or managed companies operating in the oil and gas industry through short-to-medium/long term financing. The Fund will be applied to support the scope of activities under clause 3.4 (Features of the Scheme) below.

The partnership between NCDMB and NEXIM under the scheme is in accordance with the mandates of both organisations toward the promotion and development of Service-related companies to effectively compete domestically and internationally, especially against the backdrop of the African Continental Free Trade Agreement (AfCFTA). The synergy is also in the realization of the growing influence and dominance of Nigeria's Service sector with an annual contribution in excess of 50% to the GDP.

2.0 Objectives of the Scheme

The NCDMB Women in Oil & Gas Scheme is designed to achieve the following strategic objectives:

- a. Boost indigenous participation of women in the oil and gas industry, build local capacity and competencies.
- b. Promote the growth and development of Nigerian Content in the provision of services by women to the Nigerian Oil and Gas Industry.
- c. Address persistent funding challenges that have constrained capacity and growth of women participation in provision of services related to oil and gas related activities.

- d. Facilitate and support start-up companies in participation and provision of services to the upstream oil and gas sector. This category need not have subsisting or previous contracts in the oil and gas industry
- e. Enhance productivity and women-related job creation in the Oil and Gas Industry
- f. Enhance skill acquisition and competences of women in oil and gas-related activities as well as improve their rating to undertake export of services in the sector

3.0 Product Description

The product is a short to medium term loan financing targeted at companies operating in the Nigerian Oil & Gas industry with majority ownership and/or management by women. It is designed to help provide concessional funding to businesses promoted / dominated by women who have existing contracts with approved IOCs or executed contracts for which invoices have been duly accepted for payment by the IOCs.

Furthermore, funding under the scheme is aimed at supporting capacity in contract execution, leasing and logistics support services, as well as manufacturing of oil & gas industry-related equipment, components and accessories. The Scheme is available to both existing and start-up companies. The scope of activities in the Oil and Gas Industry for funding are listed below:

- i) Working Capital
- ii) Invoice Discounting
- iii) Oil Service Contracts
- iv) Capacity Building (including financial advisory/ literacy)
- v) Project Finance
- vi) Asset Acquisition

3.1 Fund Size- US\$20 million and matching fund of the same amount in Naira from NEXIM

3.2 Single Obligor Limit- US\$500,000.00 (Five hundred thousand US Dollars) or its equivalent in Naira

3.3 Pricing

All-in Interest rate of 5% per annum. However, fees arising from perfection of collateral cover for the loan shall be borne by the beneficiary

3.4 Tenor/Moratorium

The facility under the Scheme has a tenor of up to five (5) years, inclusive of a moratorium period of up to one (1) year

4.0 Eligibility Criteria/Target Market

The target market comprises women who are either entrepreneurs in the Oil and Gas industry holding majority shareholding of (51%) in the obligor-company OR where women hold minimum of 50% of Management positions OR where the CEO and at least 40% of Management positions are hld by women.

4.1 Eligible Applicant / Qualification

Only duly registered Nigerian Oil Service Providers/contractors shall be eligible under this Scheme. Such eligible company shall also be:

4.1.1 Duly registered/incorporated in Nigeria

4.1.2 Commercially viable and have contract relationship with IOCs, except for Start-up companies

4.1.3 Minimum of 51% ownership by women

OR

Entities where at least 50% of Management positions are occupied by women

OR

Entities where the CEO and minimum of 40% ownership are women

4.2 Eligible Transaction

Eligible transactions qualifying for funding support under this Scheme shall comprise the following:

- (i) Manufacturing (equipment, components, accessories)
- (ii) Oil Service Contracts (Oilfield and Office Supplies, Security, etc.)
- (iii) Environment management
- (iv) Leasing
- (v) Logistics
- (vi) Catering
- (vii) Training

4.2 Eligible Loan

Eligible loans under this Scheme include the following

- i) Working Capital
- ii) Invoice Discounting Facility (IDF)
- iii) Term Loan/Asset Finance
- iv) Lease Finance Facility (LFF)

5.0 Application Procedure

All applications shall be web-based (online) through a dedicated portal created by NEXIM for the scheme. Applications under this Scheme with full documentary requirements shall be processed to disbursement within 21 working days.

5.1 Documentation Requirement

All applications shall be submitted with the under-listed certified true copies of the following documents

- ❖ Incorporation documents
- ❖ Contract/Payment Invoice

- ❖ Permit to Operate as an oil industry service company
- ❖ Proforma Invoice, where applicable
- ❖ Copy of latest audited Financial Statements
- ❖ Financial Summary Sheet (as per template)
- ❖ Completed Questionnaire/Checklist

5.2 Collateral Documentation:

- Registration of Invoices/Movable Assets with National Collateral Registry
- Assignment of contract(s)
- Domiciliation of Proceeds/Assignment of receivables
- ISPO from Receiving Bank(s)
- Assignment of receivables
- Personal Guarantee of the Directors
- Association Guarantee
- Insurance cover with NCDMB/NEXIM noted as loss payees