



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 towards promoting the building and deepening of 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 to avail short to medium / long term financing. The Funds would be applied to support the scope of activities under Item 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 services-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 realisation of the growing influence and dominance of Nigeria's services sector with an annual contribution of over 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 services provision in 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.

- e. Enhance productivity and women-related jobs 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 exports 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.

Also, funding under the scheme is aimed at supporting contract execution capability, 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-ups companies. Below are the activities in the Oil and Gas Industry and types of funding available;

- 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\$20.0 Million and a counterpart fund from NEXIM

3.2 Single Obligor Limit- US\$500,000 (Five Hundred Thousand US Dollars)

3.3 Pricing

This shall be an all-in Interest rate per annum of 5% for all Loans. However, all legal fees are to the account of applicants.

3.4 Tenor / Moratorium

The facility under the Scheme has a tenor of up to three (3), inclusive of a maximum moratorium of 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 (51%) in the obligor-company or part of Management whereby minimum of 50% are women.

4.1 Eligible Applicant / Qualification

Only duly registered oil-industry service company / contractor shall be eligible under this Scheme. Such shall also be:

- 4.1.1 Duly registered/incorporated in Nigeria.
- 4.1.2 Commercially viable and have contract relationship with IOCs.
- 4.1.3 Applicant that meets ANY of the following Qualifications is eligible to access loan finance under the scheme:

- ❖ Capacity Building (including financial advisory/ literacy)
Project Finance
Asset Acquisition Entities with a 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 to qualify for funding support under this Scheme shall comprised of various scope of activities relating to women participation in the Oil & Gas Industry, and that are catalytic for the industrialization of the sector viz;

- (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, etc

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 under this Scheme shall be online through a dedicated portal created by NEXIM for the scheme. Applications under this Scheme with full documentary requirements shall be processed within 21 working days.

5.1 Documentation Requirement

All applications shall be accompanied 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 account
- ❖ 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
- Domiciliation of Proceeds / Assignment of receivables
- ISPO from Receiving Bank(s)
- Assignment of receivables
- Personal Guarantee of the Directors
- Association Guarantees
- Insurance with NCDMB/ NEXIM noted as loss payees