

Ondo boosts SMEs with N2B BOI partnership fund

Access to the N2billion Ondo State Government-Bank of Industry Small and Medium Enterprises Fund was yesterday made open with the release of the first tranche of cheques and other facilities to beneficiaries.

Performing the official flag-off of the credit window yesterday, Governor Olusegun Mimiko said the ODSG-BOI Development Fund as a collaborative venture between the Ondo State Government and the Bank of Industry is “for the establishment of a veritable financial leverage to foster the development of SMEs for the sole purpose of accelerating the industrialisation of the State.”

“This fund is coming on the heels of other proactive measures initiated to rescue the state from the doldrums of economic and industrial backwardness, which have been our experience in the last several years.

“These include; the reactivation of ailing industries such as the Ifon Golden Ceramic Industry and the Cocoa Catalytic Industry, Idanre;

“Establishment of new Industries like the Tomato Puree factory in Arigidi Akoko; provision of numerous credit windows within the State through the Ondo State Micro Credit Agency OSMA, Ondo State agricultural Development Trust Fund OSADTF and the Entrepreneurial Training Programme EDP to mention but a few.”

Speaking on the rationale for the initiative, Mimiko said: “We are convinced that Small and Medium Enterprises lie at the core of development; are the engines of innovation and growth and remain the cornerstones on which a more just, fair and prosperous society could be built. It is common knowledge however that SMEs are hindered from achieving their lofty potentials by the paucity of funds, hence the decision of the Ondo State Government to broaden access and at a reduced cost after observing that traditional avenues of getting credit have become unattractive due to high interest rates and de-liberalised access.”

He said the ODSG-BOI partnership is one of several by his government to give financial lifelines for the take-off of SMEs and their sustenance adding that government is acting out of conviction that the initiative, apart from creating more jobs and promoting economic growth, is “envisioned to bring about crime reduction, arrest, if not halt, rural-urban drift and consolidate private sector development in the state.”

In her speech, the Managing Director of BOI, Ms. Evelyn Oputu expressed open excitement at the quick take-off of the partnership with the Dr. Mimiko led Ondo State Government. She said: “We have signed two MOUs in the past which did not translate into any tangible development. We were however surprised that just two months after we signed an agreement with this government in June, the first instalment of five hundred million naira has been deposited into our accounts as partnership funds in August!”

Speaking further Aputu said: “Beyond monetary commitment, we have never seen the level of commitment displayed thus far by the governor. He has not stopped from reminding us of the need to make the funds truly available to the people by approving successful applications. But we are not surprised. We have seen how through the 3is initiative he is actualising the lofty goals of the MDGs.

“He has demonstrated the passion, doggedness and the never-say-die spirit of his ancestors, progenitors of the people of this state who through trade and service bestrode this clime in the area of Cocoa, Timber and Palm Oil trade.”

She therefore recommended the same spirit to the youths and other beneficiaries so that they could make the best of the facilities and repay as at when due.

In his address, Mr. Akin Akingbesote, the State Commissioner for Commerce and Industry said the ODSG-BOI Development fund was conceived as “a direct response of the State Government to the yearnings of local entrepreneurs who have hitherto been handicapped due to relative lack of access to financial opportunities to grow their businesses,” adding that the “overall objective of this fund is therefore to precipitate a boom in the private sector by empowering SMEs to succeed in Ondo State.”

The funds which he said will be a continuous one is open to every resident of the State irrespective of tribe, religion and gender and is being made available by government having realised that “there can be no meaningful industrial development in a country without priority attention to the development of the SME Sub-sector as demonstrated by countries like India, Indonesia, Singapore and China to mention just a few.”

Beneficiaries drawn from across the State expressed gratitude to government for the initiative, promising to reenergise their businesses so as to play their parts in the laudable arrangement. Engineer Emmanuel, CEO Adewunmi of Denki Wires and Cable, a wholly indigenous concern, said the effort of government is commendable as it recognises a cardinal problem facing industrial growth and development.

“There is a lot of hue and cry over the absence of dependable power supply, rational as it may be however, the absence of funds is a greater killer as the right amount of funds at the right time can make power supply a thing of the past and industrial growth, a reality,” Adewunmi who also doubles as the Chairman of the Manufacturers Association of Nigeria, Ondo State Chapter said.

He said funds come in, in several areas such as procurement of raw materials, payment of staff and even the payment for power supply. But power supply comes in only at the point of powering your machines which makes funds a greater need. He called on beneficiaries to see the facilities as “lifelines not to be frittered away on frivolities as they are no freebies.”

Governor Mimiko had in his address said the government will not just release the funds to beneficiaries but will through COMBED, a programme designed to train, monitor and evaluate performance help them to maximise the funds and repay as at when due.