

SPECIAL CASSAVA EXPORT CREDIT FACILITY (SCECP)

Following the establishment of the Presidential Initiative on Cassava Export Promotion by Mr. President in February 2004, NEXIM was selected as a key member of the Sub-Committee on Finance & Export Proceeds Repatriation and specifically requested to support the initiative.

To this end, the Management of NEXIM considered and consented to the establishment of a *Special Cassava Export Credit Facility* to allow for disbursement of approved loans to qualified exporters of Cassava Products.

Eligibility

The exporter must be a registered creditworthy export Company/Cooperative Society provided that such Company/Cooperative Society is incorporated in Nigeria and meets other statutory requirements to be availed the facility. The applicant must establish that the loan will develop or expand its cassava export business

Collateral Requirements

In addition to the commodity being used as collateral through the use of reputable Collateral/Warehouse managers, the Bank shall also secure the facility through one or a combination of the following:

- Assignments of the underlying export receivables to NEXIM.
- First legal charge on export item (stock).
- Personal and Several Guarantees of the Promoters and sponsors.
- Guarantee of the National Association of Cassava Exporters of Nigeria.
- Any other collateral, as may be determined by the Bank from time to time.

Documentation

Application

In addition to the requirements under the eligibility criteria, a company/cooperative society seeking to benefit from the facility shall forward a formal application to NEXIM accompanied by the following documents:

- Copies of the Certificate of Incorporation.
- Copies of Memorandum and Articles of Association certified by the Corporate Affairs Commission (CAC);
- Forms CO2 and CO7 certified by the CAC;
- Audited Accounts for the last three (3) years and the most recent Management Account, where available;
- A Board resolution of the Company/Cooperative Society to borrow from NEXIM;

- A letter from applicant authorising NEXIM to obtain any information about the Company/Cooperative Society;
- Pro-forma invoice(s)/contract orders;
- Full details of any facility obtained elsewhere, including collaterals, liens, etc;
- Registration with the NEPC;
- Duly executed authorised signature mandate cards;
- Any other as may be required by NEXIM.

Disbursement

NEXIM shall disburse approved funds upon fulfillment of all conditions precedent to draw down. Disbursements shall be as agreed between the beneficiary and NEXIM. NEXIM shall support each transaction presented under this window up to 80% of the Naira equivalent of the cost of executing the underlying export order.

Other Conditions

- NEXIM shall undertake periodic visits to the beneficiary companies/cooperative societies to ensure adherence to the conditions of the loan.
- NEXIM reserves the right to recall the loan if the exporter is found not to have complied with the set conditions during monitoring.
- All beneficiaries of the Cassava Facility shall be required to submit monthly declarations of performance of export contracts and repatriation of proceeds to NEXIM.

For further information please contact:

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