

 Early Warning System

AFDB-P-NG-HAB-073

NIGERIA - Trade Finance Package to Access Bank Nigeria (ABN) PLC



Quick Facts

Countries	Nigeria
Financial Institutions	African Development Bank (AFDB)
Status	Approved
Bank Risk Rating	B
Voting Date	2024-12-17
Borrower	Access Bank Nigeria PLC
Sectors	Finance, Industry and Trade
Investment Type(s)	Loan
Investment Amount (USD)	\$ 173.37 million



Project Description

According to the Bank's website, the project consists of the provision of a USD 230 million, Trade Finance Package (Facility) to Access Bank Plc comprising (i) a USD 170 million Trade Finance Line of Credit (TFLoC) with a 3.5-year tenor and (ii) a USD 60 million Transaction Guarantee (TG) instrument with a tenor of 3 years. The TFLOC will provide critically needed FX liquidity to support SMEs and local enterprises operating in the tradable sectors to settle maturing trade finance obligations and continue to have unencumbered access to international financial markets and global supply chains as they procure critical inputs such as raw material, equipment, and intermediate goods for further local processing. Under the TG, Access Bank will act as an Issuing Bank (IB) supporting trade finance activities in Nigeria while the Bank will provide up to 100% guarantee to Confirming Banks (CBs) for the non-payment risk arising from the confirmation of letters of credit and similar trade finance instruments issued by ABN. The project contributes to climate finance, with 92 million USD of the total approved amount dedicated to mitigation.



Early Warning System Project Analysis

Environmental Category: [2] Moderate Risk



Investment Description

- African Development Bank (AFDB)

Finance Type: Standard loan

Commitments (UA): 130,385,096

Conversion Rate USD (2024-12-17): 1,32974

Financial Intermediary

Financial Intermediary: A commercial bank or financial institution that receives funds from a development bank. A financial intermediary then lends these funds to their clients (private actors) in the form of loans, bonds, guarantees and equity shares. Financial intermediaries include insurance, pension and equity funds. The direct financial relationship is between the development bank and the financial intermediary.

- [Access Bank Plc](#) (Financial Intermediary)



Private Actors Description

Access Bank is a leading full-service commercial bank operating through a network of more than 660 branches and service outlets, spanning 12 countries, and 36 million customers. The Bank employs 28,000 people in its operations and has subsidiaries across Sub-Saharan Africa and the United Kingdom (with a branch in Dubai, United Arab Emirates) and representative offices in China, India, and Lebanon.



Contact Information

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Bank Documents

- [Appraisal Report \(EN\)](#)
- [Environmental Study \(EN\)](#)