



**OPENING REMARKS DELIVERED BY PROFESSOR SEGUN AJIBOLA, FCIB, PRESIDENT/CHAIRMAN OF COUNCIL, CHARTERED INSTITUTE OF BANKERS OF NIGERIA AT THE WORKSHOP ON PANACEA TO COLLATERISED NON-PERFORMING ASSETS: BANKERS AND VALUERS PERSPECTIVES HELD ON FRIDAY MARCH 16, 2018 AT THE BANKERS HOUSE, VICTORIA ISLAND, LAGOS**

**Protocol**

Distinguished guests, it is my pleasure to welcome you all to this workshop. I dare say that this gathering of bankers and estate surveyors is indeed exemplary of the required unity and collaboration between both professions.

Permit me as I extend my highest regards to our distinguished Chairman of the Event Mr. Adeniyi Akinlusi, HCIB, ACIB, President, Mortgage Banking Association of Nigeria (MBAN). I would also like to extend my greetings to all panelists engaged to facilitate this programme. Looking through the programme of events, I nurse no doubt that such experienced facilitators would do justice to the theme.

Ladies and gentlemen, the theme of today's workshop **Panacea to Collateralised Non-Performing Assets: Bankers and Valuers Perspectives** a highly germane topic. The high incidence of Non-Performing Loans (NPLs) in the Nigerian banking sector cannot be ignored. The onslaught of low oil prices, dwindling oil revenue, foreign exchange scarcity and a crippling recession over the last two years saw significant deterioration in the country's macroeconomic indicators, which in turn exposed Nigerian banks to significant risks. According to the International Monetary Fund, NPL cases rose sharply from 5% in 2015 to 15% as of October 2017, three times above the CBN stipulated limit.

Banks in order to shield their portfolio against such losses rely on other financial institutions during their decision making processes. Presumably one of the most important sectors that aid financial institutions' profitability and efficient discharge of their duties is real estate valuation. Estate Surveyors and Valuers assist banks in valuing and reviewing real estate while also providing advisory services on the suitability of collateral. There is a consensus among professionals that while a wide range of assets are used as loan collateral by banks and financial institutions, real estate appears to occupy a leading position in collateralized transactions as well as credit recovery measures taken by banks.

Over the years, institutions and initiatives have been developed to strengthen the Nigerian banking industry against NPLs. Institutions such as the Asset Management Corporation of Nigeria (AMCON) Disposal designed specifically with the aim of resolving NPL assets has recovered over N681 million Naira worth of property, cash and shares in the past 6 years. This as well as other effective solutions to the menace of NPLs would be discussed today.



Distinguished guests, I anticipate the robust discussions which would take place today as existing as well as novel and emerging solutions to this pertinent issue would be discussed. Indeed, participants are sure to be engaged in informative and enriching sessions.

Let me therefore formally welcome you all once again to this Workshop. I implore all participants to avail us their invaluable input to today's discussion as we collectively strive to move the banking and finance as well as the real estate sectors forward.

Thank you for your kind attention.

**Professor Segun Ajibola, FCIB**  
President/ Chairman of Council  
Chartered Institute of Bankers of Nigeria  
March 16, 2018