

# THE BANKERS'

**NEWS**

A Newsletter of The Chartered  
Institute of Bankers of Nigeria

May-June  
2012



## Mr Segun Aina elected as 17<sup>th</sup> CIBN President

Two CIBN Past  
Presidents join  
their ancestors

Stress  
Management

Interview:  
Banks should collaborate  
more than compete for a  
better industry

Tell Leaders the  
truth - Gov. Obi

# Contents

The Bankers' News An CIBN Publication  
Vol.10 No.2 May—June 2012

- |              |              |                     |              |                   |
|--------------|--------------|---------------------|--------------|-------------------|
| ④ Bank Notes | ⑩ News       | ①6 Tributes         | ②3 Interview | ②6 Banks Products |
| ⑥ Jokes      | ⑦ View Point | ②0 Personal Finance | ②1 Health    |                   |

## Contents



## THE BANKERS'

A newsletter of The Chartered Institute of Bankers of Nigeria

### EDITOR-IN-CHIEF

Segun Shonubi

### EDITOR

Ben Igbokwe

### EDITORIAL ADVISERS

Mathew Arewah, FCIB  
Joseph Adegunloye, FCIB  
Emele Onu  
Odidison Omankhanle

### PRODUCTION

Nelson Olagundoye

### CREATIVE ARTIST

Shegun Shokunbi

### CORRESPONDENCE

The Editor, Bankersnews  
The Chartered Institute of  
Bankers of Nigeria  
PC19, Adeola Hopewell Street  
Victoria Island, Lagos.  
Tel: +234-01-4617924  
Email: bankersnews@cibng.org

## Editor's Note

Hello our Dearest Readers!

In this May - June edition of the Bankers News, we serve you the account of the change of guard of the Institute's leadership following the hitch-free election on Saturday, May 19, 2012, which took place at the Bankers' House.

The edition also contains an exclusive interview with the Chairman of the Committee of Chief Inspectors of Banks in Nigeria which gives insight on the efforts by bank Inspectors to keep depositors funds safe and make the banking industry safer and secured.

The Health Column looked at causes of stress and how bankers and other operators in the economy could avoid or at worst, minimize the impact of stress in their daily lives.

On the Business Segment, Readers would have the opportunity to know things which prospective entrepreneurs should not do or do when venturing into a business.

As the Nigerian banking industry inches towards a Cashless and electronic economy, we looked at the banks that have taken steps to embrace it by focusing on Card money products such as Visa Cards and the benefits each bank offers her customers.

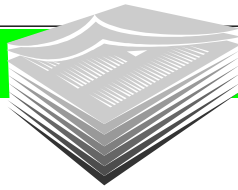
This edition also features News stories in the industry as well as a rare advice from a serving State Governor to fellow Nigerians to embrace the honest "Truth" as the only way to ensure good and effective governance.

Banks Notes is not left out to further enrich the reading menu of loyal and prospective readers.

Happy Reading!

Ben Igbokwe  
Bankersnews@cibng.org



**BANK NOTES****RANKED**

-First Bank Nigeria Plc...as number one bank brand in Nigeria by The Banker Magazine, London

-GTBank Plc...as number two bank brand in Nigeria by The Banker Magazine, London

-UBA Plc...as number three bank brand in Nigeria by The Banker Magazine, London

**AWARDED**

-Union Bank...Best agric Finance Bank for the second time Central Bank of Nigeria

-Zenith Bank Plc ... 'Best Bank in Nigeria' for corporate governance practices by the highly influential World Finance magazine

-Ecobank Transnational Incorporated ... African Bank of the Year in the 2012 by the African Bankers' Magazine

-Mr. Arnold Ekpe, MD/CEO, Ecobank Transnational Incorporated... Lifetime Achievement by the African Bankers' Magazine

-Mr. Olusegun Agbaje ... African Banker of the Year by the African Bankers' Magazine

**Appointed:**

-Mr. Ugochukwu Nwagbodoh, former Head, Performance Management, UBA Plc ... Chief Financial Officer of the bank



- Mr. Peter Obaseki, ACIB former Executive Director, FCMB Plc ... Managing Director/CEO, FinBank Plc

- Hon. Omolara Abiola Edewor, former member of House of Representative, National Assembly... Executive Director, Corporate Services, Nigeria Deposit Insurance Corporation (NDIC)

- Mr. Babatunde Macaulay, former Divisional Head, FCMB Plc...Head of Transactional Products and Services for West Africa, Standard Bank Group



- Mr. Folashodun Adebisi Shonubi, former, Executive Director, Union Bank of Nigeria Plc...Managing Director/CEO, Nigeria Inter-Bank Settlement System (NIBSS) Plc

- Mr. Ezekiel Oyeniyi Ajao, former General Manager, Nigeria Inter-Bank Settlement System (NIBSS) Plc...Executive Director, Technology & Operations of the bank

- Mrs. Christabel Onyejekwe, former General Manager, UBA Plc, Nigeria Inter-Bank Settlement System (NIBSS) Plc...Executive director, Business Development, Nigeria Inter-Bank Settlement System (NIBSS) Plc

**Died**

-Mr. Osaze Osifo, Managing Director of FBN Capital...in Lagos

-Dr. Femi Adekanye, FCIB, Past President, Chartered Institute of Bankers of Nigeria/former Chairman, Commerce Bank Plc...in Ilorin, Kwara State

-- Sir (Chief) Francis A. Ijewere, FCIB, 1<sup>st</sup> President Chairman of Council, Chartered Institute of Bankers of Nigeria...in United State of America at the age of 79

-Pa Otunba Ademola Ogun, Father In-Law of Mr. Segun Shonubi, Group Head, Membership Services ... in Ijebu-Ode, Ogun State

-Mr. Mahmud Ahmed Dukawa, representative of National Universities Commission in Governing Council, CIBN... June 3, 2012 at Iju-Ishaga area, Lagos as a result of the ill-fated Dana Air plane crash

-Mrs. Nneoma Columbus, wife of Mr. Uche Columbus, Immediate Past Chairman, Committee of Heads of Security of Banks and Other Financial Institutions in Nigeria...in Lagos

-Prof. Tokunbo Sofoluwe, Vice Chancellor, University of Lagos in Lagos



-HRH Oba Oladele Olashore, FCIB of Iloko-Ijesha, Osun State, former Minister of Finance, former Managing Director/CE, First Bank of Nigeria Plc, former Managing Director/Founder of defunct Lead Merchant Bank Plc and Fellow of The Chartered Institute of Bankers of Nigeria...in London, United Kingdom

- Chief (Dr.) Mrs. Hera Neyi Mike Okiro, wife of Chief (Sir) Mike M. Okiro, former Inspector-General of Police...in Abuja

- Mrs. Grace Nwautoro Nnaji, mother of Mr. Robert Obi Nnaji, ACIB, General Secretary, CIBN Union Bank Chapter... recently

- Dr. (Mrs.) Ugochi Rosaline Ihejiahi, wife of Mr. Reginald Ihejiahi, OFR, FCIB, Managing Director, Fidelity Bank Plc... Recently

- Mrs. Julie A. Ikomi, mother of Mr. Oti Ikomi, Managing Director/Chief Executive, Keystone Bank Ltd... recently

-\_Rev. Habila Tongnakente Gapsiso, father of Mr. E. V. H. Gapsiso, HCIB...recently

-153 people, as a result of the ill-fated Dana Air plane crash, which occurred on Sunday, June 3, 2012 at Iju-Ishaga area, Lagos.

**Opened**

-Jaiz Islamic Bank, ...in Abuja

**News**

- The Governor of the Central Bank of Nigeria (CBN), Mallam Sanusi Lamido Sanusi, advises African Central bankers to be cautious over the rampaging debt crisis in the Euro zone.

- The Nigeria Deposit Insurance Corporation (NDIC) has opposed the use of foreign currency in some transactions in Nigeria

- CBN set to regulate management of commercial banks

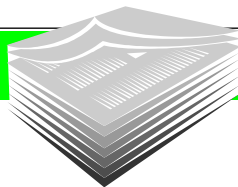
- Union Bank of Nigeria Plc, has said that its current portfolio on agricultural lending is about N40bn, adding that over 60,000 farmers have benefitted from its agriculture lending

-Apple's stock market value closed above \$500bn (£314bn), cementing its position as the world's most valuable company. Only six US firms have ever been worth more than \$500bn

- MFBs, Mortgage Banks excluded from Cash Limit Policy says CBN

-The Federal Mortgage Bank of Nigeria (FMBN) has said it had initiated plans to develop about 150 housing units in each state of the federation and Federal Capital Territory for officers of the Nigeria Police



**BANK NOTES**

-CBN, First Bank support University of Calabar Teaching Hospital and the Cross River University of Technology's hydro-electric project.

-Diamond Bank supports the economy by empowering Micro, Small and Medium Scale Enterprises,

-FG reduces SURE fund from N1.134tn to N426bn- Subsidy Reinvestment and Empowerment Programme

-AfDB approves \$63m fund for Support to Agricultural Research for Development of Strategic Crops in Africa" (SARD-SC).

-Gender Equality: CBN Set to Appoint 3 Female Directors in all banks

-Mallam Sanusi, CBN Governor explains Naira payment to Federal, States and LGs

-CBN condemns politicisation of donations to bomb blast victims

-Fidelity Bank deploys new Credit Quest software nationwide



-Labour accuses nationalised banks of unfair practices

-UBA Foundation holds free prostate cancer screening

- The Federal Government suspended flight operations of Dana Air throughout its five destinations in the country.

-The Central Bank of Nigeria (CBN) warned that it would dish out "appropriate sanctions" to banks found to have run foul of

banking rules when the report of the Senate probe panel unearthing the fraud associated with the management of pension funds is released



Mr. Mustapha Chike Obi

-AMCON seeks advisers to guide it through the process of disposing the three nationalised banks

-Cash-less policy: CBN reduce service charge to 10%

-Islamic Development Bank berths in Nigeria

-Nigerian bank to fund Zambia's \$1bn power projects

-Standard Chartered unveils securities services in South Africa

-CBN mulls establishment of Microfinance Development Fund

-Unity Bank wins CBN award on efficiency- for being the most error free non settlement bank

-Oceanic: NUBIFIE commends Ecobank over settlement of redundancy issue REL

-Cash-less policy: Interbank processing to exceed N2.4tr, says Interswitch

-United Bank of Africa PLC may issue a \$500 million Eurobond in the final quarter of this year

-Banks impede national ID card project



-Skye Bank upgrades Internet banking services as the new 'cash-lite' economy takes off which de-emphasises cash based transactions and promotes electronic and web based banking

-Cash-Less Policy: CBN exempts Donor Agencies, Embassies-

-FG loses N3.7bn to BA, Virgin Atlantic yearly Senate

-Workers petition CBN as sack gale spreads in banks

-Diamond Bank Leads Banking Sector with 21% Rise at Nigerian Stock Exchange (NSE)

-Bank of Agric seeks N100bn capitalization

-CBN warns against upward review of oil price benchmark predicts pressure on external sector

-Micro-finance bank disburses N168m to poor women, others in Enugu

--POS transactions to grow by over 200% Interswitch

'G targets 370,000 new jobs is year ...inaugurates public works employment project

4,000 micro, small and medium scale entrepreneurs (SMEs) get N30bn from Diamond Bank

-Enterprise Bank may sack 140 employees

-FG to Borrow \$600m from Islamic Development Bank

-Ecobank Nigeria Plc sacks 700 of its workforce

-UBA sells N100b bad loans to AMCON

-Reps order reinstatement of 41 sacked employees of Mainstreet Bank Ltd

-Nigeria prints three billion bank notes annually Nigerian Security Printing and Minting Company (NSPMC)

-World Bank assisted Nigeria with \$500m loan to combat global financial crisis'

- The Central Bank of Nigeria (CBN) lost eight staff in Dana air disaster

- Zenith Grows Deposits by 26% to N1.653trn

-Zenith Bank's N61bn Profit excites Shareholders

**Vacant Office Space**

**TOLET**

Size: 276.81 SQM  
Location: 3rd Floor

Bankers House  
PC 19, Adeola Hopewell Street,  
P. O. Box 72273, Victoria Island, Lagos, Nigeria

For Further Enquires, Please Call  
**Ezele**  
**08034511289, 4610655**

# VIEW POINT



## Stakeholders' Reactions on Proposed Amendment of Central Bank of Nigeria Act by the National Assembly?



**Mr. Segun Aina, OFR, FCIB, President/Chairman of Council:** An independent central bank would be in the best position to ensure financial stability, sound economic performance, stable economic growth, access to resources to achieve its policy objectives, a positive international perception among other benefits than when under control of an external body or agency. Central Banks all over the world have the core mandate of ensuring monetary and price stability, non-inflationary growth as well as the responsibility of ensuring a sound and stable financial system, in addition to other developmental functions.

**Prof. Sherifdeen Tella, Former Vice-Chancellor, Crescent University:** The CBN should remain independent to attend to issues in the Financial Sector. I expressed fears about the plan to amend the Act.

However, there should be a reduction of its political leaning.”

**Prof. Usman Muttaka, Senior lecturer in the Department of Economics, Ahmadu Bello University:** The removal of the autonomy could jeopardise the economy. Autonomy and interference are two issues that depend on the type of government we have. Where there is rule of law and the government respects it, there must be limitations on its interference in the affairs of the bank.



**Prof. Charles Soludo, CFR, FCIB, former Governor of the bank:** The removal of the bank's autonomy is dangerous to the economy.

**Mr. Scott Rogers, Chief/Senior Resident Representative, IMF in Nigeria:** A strong and independent central bank would help ensure that monetary policies were not politicised. IMF has always advocated for

a strong independent CBN, which we think provides the autonomy to keep action on monetary policy. Without an autonomous central bank, you do not have any independent managerial and monetary policy; everything becomes dependent upon the budget alone.



**Mallam Sanusi Lamido Sanusi, Governor, Central Bank of Nigeria:** Removing the autonomy of the CBN would cripple international investor relations with the country and encourage political interferences. There is no single central bank in the world whose budget goes to the parliament.

**Dr. Sarah Omotunde Alade, Deputy Governor Central Bank of Nigeria (CBN):** I appealed to the National Assembly not to tamper with the autonomy of the CBN in the interest of the country's economy. Once the autonomy of the CBN is tampered with, then it becomes incapacitated.



## Viewpoint



**Alhaji Amusa Oladimeji Otit, OON, FCIB, Past President and Chairman of Body of Past Presidents of the Institute:** The apex bank should continue to have its operational and financial autonomy and the budget should not be subjected to financial appropriations. I strongly implore members of the Senate and House of Assembly to leave the CBN Act alone as it was conceived by the founding Fathers in 1958

**Dr. Olusola Dada, Vice Chairman and Chief Executive Officer, Anchoria Investment and Securities Limited:** All over the world, central banks are independent. The CBN Act should not be amended such that the apex bank will be reporting to the Federal Ministry of finance.



**Prof Green Nwankwo, Past President, CIBN and former Executive Director, CBN:** The apex bank had performed well over the years and should be independent of political interference, to be able to discharge its mandate.

**Wale Abe, chief executive officer of Financial Market Dealers Association of Nigeria (FMDA):** The monetary functions of the central bank must not be interfered with at all. This is the only instrument that helps check-mate spending, particularly

fiscal rascality of government.

**Mr. Isa Aremu, Vice President, Nigeria Labour Congress (NLC):** The proposed amendment is grossly unpopular. If there is no autonomy, it would be difficult for the CBN to intervene in the banking crisis. Monetary policies will not work if there is no independence. We support the autonomy of CBN.



**Alhaji Umaru Ibrahim, Managing Director/Chief Executive, Nigeria Deposit Insurance Corporation (NDIC):** The tinkering with the autonomy of the CBN would make its operations less transparent and expose the economy to mismanagement

**Mr. Bismark Rewane, Managing Director, Financial Derivative Company Limited:** The removal of the autonomy will undermine the financial system's stability. There is enough evidence to show that there is correlation between economic performance and the CBN's autonomy.

**Dr. Abiodun Folawewo, Lecturer, Economics Department University of Ibadan -** All over the world the apex banks are assumed to be autonomous because their activities must not be politicised. Whatever hampers its autonomy will hamper its power to regulate financial policies and activities of the banks within the system.

**Dr. Pius Oyeniran Abioje, Lecturer, University of Ilorin:** The Nigeria's legislators will not be forgiven by posterity if they fail to subject the CBN to accountability. I don't know what the situation used to be, but neither Soludo nor Sanusi justify absolute autonomy for the CBN.



**Adamu Ciroma, a former governor of the CBN and former Minister of Finance:** Any action that could jeopardise Nigeria's relationship with the international community should be ignored by National Assembly. It will not be in the interest of the country to tamper with the CBN's autonomy. The CBN was structured after the British model, which is independent from the intervention of the day to day business of government.

**Dr. Ayo Teriba, Chief Executive Officer, Economic Associates:** The Central Bank of Nigeria should not shy away from the fact that they need to be more accountable to the government. If the National Assembly members are good enough to confirm their appointments, then they should be good enough to superintend some of their activities.

## News

# CBN ACT:

## Why We Supported The Apex Bank - CIBN President



**F**resh facts have emerged concerning the reason behind the support given by the Chartered Institute of Bankers of Nigeria to the Act which established the Central Bank of Nigeria.

The Institute had the privilege of being one of the few institutions that made presentation at the public hearing on the amendment of CBN Act organised by the National Assembly on May 28, 2012, at Abuja.

Mr. Segun Aina, OFR, FCIB, President/Chairman of Council explained that the Institute conducted a diligent survey of over 35 Central Banks in the world including the developed and emerging markets before taking the position to support the apex Bank's Act. "The situation where the Governor acts as Chairman of the Central Bank's Board is aligned to international best practices and designed to support the independence of the Central Bank. Such independence, includes the authority of the Central Bank to run its own operations without excessive involvement of the government and in Australia, Belgium, Canada, Germany, Japan and Netherlands, India, Korea and South Africa and also in emerging operative markets like Gambia, Ghana, Botswana, Zambia and Kenya", he noted.

He said that the proposed amendment will undermine the independence of the CBN in discharging its functions

satisfactorily to achieve the desired macroeconomic stability for the growth and development of the economy. "After consideration of the above salient points, such amendment can be deemed unnecessary and potentially harmful", Aina insisted.

According to Mr. Segun Aina, OFR, FCIB, President/Chairman of Council who made the presentation on behalf of the Institute and the banking industry "after examining the governance structure of Central Banks across the developed and

sound economic performance, stable economic growth, access to resources to achieve its policy objectives, a positive international perception among other benefits than when under the control of an external body or agency.

Mr. Aina observed that Central Banks all over the world have the core mandate of ensuring monetary and price stability, non-inflationary growth as well as the responsibility of ensuring a sound and stable financial system, in addition to other developmental functions. "These



From L-R: Dr. Segun Ajibola, 2<sup>nd</sup> Vice President, Otunba (Mrs) 'Debola Osibogun, 1<sup>st</sup> Vice President, Mr. Segun Aina, President/Chairman of Council and Mr. Uche Olowu, National Treasurer, Chartered Institute of Bankers of Nigeria pose for photograph after their election at the Annual General Meeting held on May 19, 2012, at Bankers House, Victoria recently

emerging/frontier economies and the impact on Central Bank independence, we found out that the CBN Act 2007 is in line with International best practices".

The CIBN boss noted that an independent Central Bank would be in the best position to ensure financial stability,

mandates and functions are peculiar to Central Banks, and no other institution performs such functions", Aina said.

Similarly, Alhaji Amusa Oladimeji Otit, OON, FCIB, a Past President and Chairman of Body of Past Presidents of

## News

the Institute affirmed the position of the Institute by saying that the apex bank should continue to have its operational and financial autonomy and the budget should not be subjected to financial appropriations. "I strongly implore members of the Senate and House of Representative to leave the CBN Act alone as it was conceived by the founding Fathers in 1958". Alhaji Oti who spoke on the floor of the National Assembly through the CIBN president, Mr. Segun Aina also noted that Central banks all over the world are autonomous.

Another Past President of the Institute, HRH Prof. Green Nwankwo, OON, FCIB alongside Managing Director/Chief Executives of Banks spoke-out in total support of CBN autonomy.

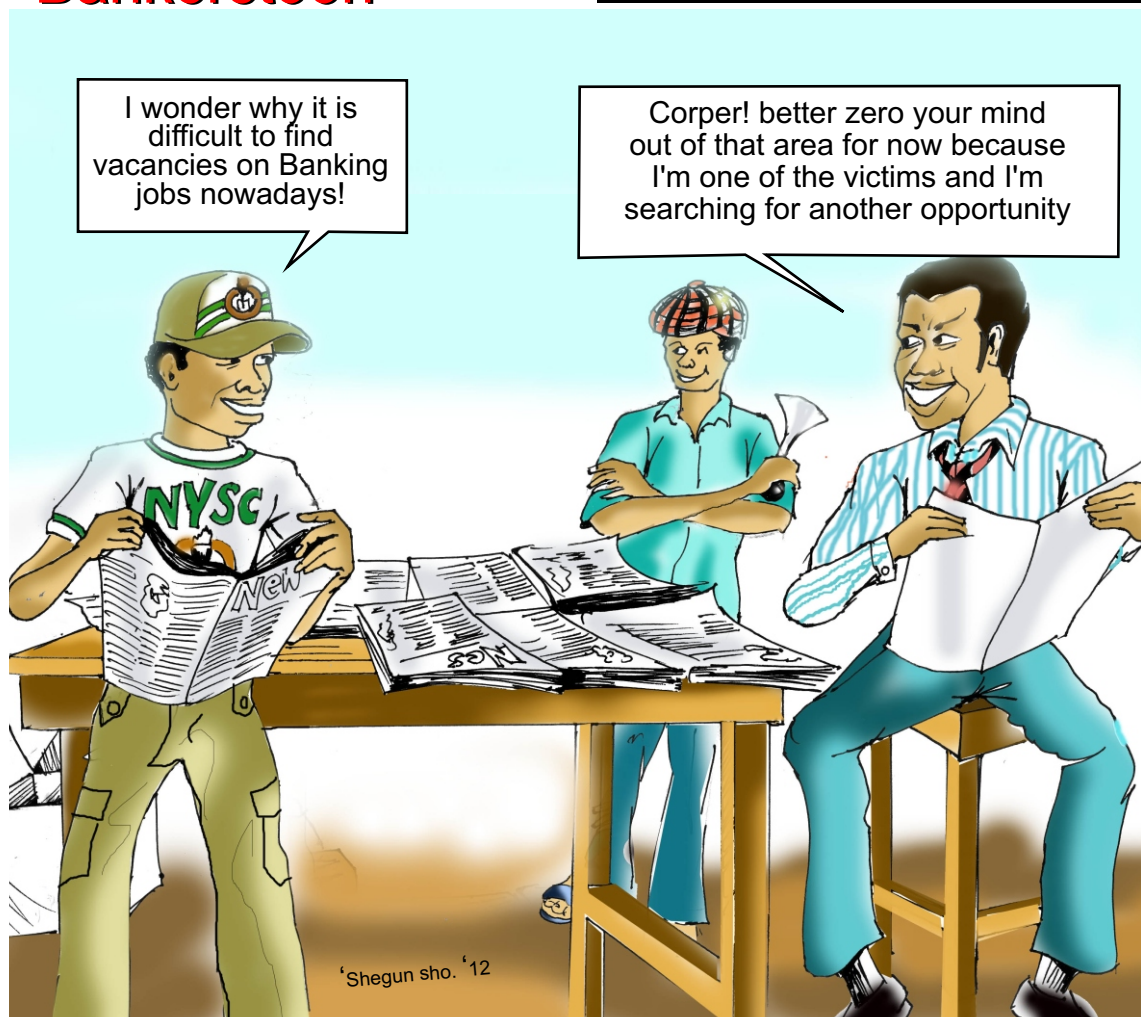
You would recall that the National Assembly had planned to amend the Act establishing the Central Bank of Nigeria through the Senate whose intention is to enhance the powers of the CBN to prohibit transactions with foreign currencies in Nigeria. The Upper House also wanted to divest the Board of Directors of approval of the Annual budget by compelling the Board to submit its annual budget to the National Assembly for approval. In the same manner, the Lower House are seeking to alter the composition of the Board of Directors of the apex bank by appointing a person other than the Governor as the Chairman and exclude Deputy Governors as members of the board among others.

Mr. Aina warned that the bill, if implemented, as proposed by the

National Assembly could have devastating impact on the autonomy of the apex bank and expose the entire economy to greater risks. "If the bill is implemented, based on empirical evidence, there would be adverse implications on the independence of the CBN with its attendant negative effect on the economy. The economy stands the risks of increased inflation, depreciation of the naira, loss of investor confidence which will lead to decreased foreign direct investment (FDI) and foreign portfolio investment (FPI) and consequently, slow economic growth. All of these would have adverse effect on long term growth and development".

He cautioned against subjecting the CBN annual budgets to the approval process of the National Assembly, so as not to

## Bankerston







# Tell Leaders Truth

Gov. Peter Obi Charges Professional Bodies, Nigerians

**D**r. Peter Obi, Governor of Anambra State has stressed that only truth has the potency and efficacy to heal the many wounds inflicted on the country.

He noted that Nigeria could only make meaningful political, social and economic progress if the professional bodies including CIBN and the citizens dutifully and sincerely tell their political and professional leaders the honest truth all the times.

Governor Obi made this observation at the last Fellowship investiture of the Chartered Institute of Bankers of Nigeria, at the Federal Palace Hotel, Victoria Island, Lagos.

Obi who was the first serving Governor to be honoured with the Institute's prestigious honorary fellowship award, stated that the time had come for Nigerians to embrace risk management with all seriousness; adding that "as bankers, we should ensure that the borrowers meet the criteria for borrowing". He charged the Institute, other professional bodies and well meaning Nigerians to help the Governors and other political leaders to govern responsibly and cut the cost of governance while frowning at government officials who travel with large entourage. "This is wasteful and distracting", he stressed.

Governor Obi urged his fellow leaders to live exemplary lives, noting that 'His Excellency' is an excellent thing to emulate. Governors and other leaders who use the name and appellation of "His Excellency should endeavour to live a life worthy of emulation two time."

The Governor of Anambra State insisted that the leaders were in better positions to take Nigeria to the Promised Land. Hear him, "we can do more for the country. Tell those (Governors, Bank CEOs, senate and the Presidency) the truth. I want the CIBN to invite me and tell me you cannot do this, you don't do that." No body can build Nigeria for us."

## News

He narrated his experience where in a particular community he had visited on a working tour, the people were singing his praises and dancing in celebration of his achievements while in the same community, some primary school pupils told him that their school buildings had no roof, there was no water and toilets in the school.

“As a governor, I hear people telling me you are doing well. You are doing well. Tell the Governor that they are not doing well. Tell us the truth.”

Similarly, Chief Oluwole Alani Adeosun, OON, Chairman, PENCOM, said that the banking industry, the economy and indeed, Nigeria would be more prosperous only if they re-trace their steps to the road of old values.

The PENCOM Boss who was Special Guest of Honour at the Investiture urged bankers to “go back to the old values for their customers to have peace of mind. So that we can face Nigeria as a whole and indeed the whole world and be proud that we have done our best.”

We must endeavour to go back to the old values so that we can be at peace with ourselves, our society and our God”, Chief Adeosun, maintained.

On the other hand, Mr. Mustapha Chike Obi, in his keynote address at the event emphasized that Nigerian bankers were as good as other bankers in other parts of the world.

Chike Obi stated that Nigerian banks should as a matter of priority extend credit facilities to

businessmen and critical sectors of the economy in order to move the country to global competitive stage. “We must make credit available to those who need it. We must move towards computerizing our documentation and filling system” he said.

The highpoint of the event was the conferment of Honorary Fellowship of the Institute on Governor Peter Obi and Mr. Remi Babalola, Former Hon. Minister for Finance.

Speaking at the event, Mr. Laoye Jaiyeola, the immediate Past President/Chairman of Council noted that the awardees had over the years, imbibed, propagated and supported the objectives, ideals and culture of the Institute and the profession in their practice of banking.

### CBN to go tough on CIBN membership

The Central Bank of Nigeria (CBN) has enjoined all bank workers to enlist as members of the Chartered Institute of Bankers of Nigeria (CIBN), as provided in CIBN Act No. 5.

Speaking at the 45th Annual Bankers' Dinner in Lagos, the Deputy Governor, Operations, Mr. Tunde Lemo, regretted that despite the provisions in the CIBN Act No. 5 which stipulated that all workers in the banking sector should be members of CIBN, most of them were yet to comply.

According to Mr. Tunde Lemo, since moral suasion has failed, the apex bank and the relevant bodies would

look for ways to enforce the provisions of the CIBN Act.

“The CBN will no longer tolerate a situation where bank workers deliberately refused to become members of the Institute. Henceforth, such workers will face appropriate sanctions,” he said.

Opinions have been expressed at several fora on the attitude of majority of the bank workers to register as members of the Institute.

Earlier in his welcome address, the Immediate Past President, Mr. Laoye Jaiyeola, commended the support of the sector regulators,

CBN and Nigeria Deposit Insurance Corporation (NDIC) and the bank chief executives, to the Institute, stressing that the Institute had embarked on several initiatives to meet its objectives.

“It is my delight to specifically appreciate the explicit support of the CBN Governor and his team in making things happen at the Institute. The NDIC Managing Director and chief executives of banks have also demonstrated unalloyed support. This has helped our drive towards meeting the objectives of the Institute,” he stated.

## Tribute

# Two CIBN

## Past Presidents Join their Ancestors

The Chartered Institute of Bankers of Nigeria has lost two Past Presidents/Chairmen of Council, Dr. Femi Adeyemo Zakariyahu Adekanye, FCIB and Chief (Sir) Francis Anegbode Ijewere, FCIB, to the cold hands of death. They joined their ancestors on February 21, 2012 and April 2, 2012, respectively.

Dr. Femi Adeyemo Zakariyahu Adekanye, FCIB, former Chairman/Chief Executive of the defunct Commerce Bank Limited, Fellow and Past President/Chairman of Council of the Institute, 1989 - 1992, was a distinguished scholar and prolific writer. His books included 'Elements of Banking in Nigeria' Published in 1983 and now in its 4th edition, 'Presumed Guilty' which essentially captured his ordeal after the liquidation of Commerce Bank Ltd., among others. In 1993, he co-authored 'The Crusade for a Profession' which chronicled the history and developments of the Institute.



Dr. Femi Adeyemo Zakariyahu Adekanye, FCIB  
August 8, 1937-February 21, 2012

Dr. Adekanye, FCIB, was born in Derma, Ghana on August 8, 1937. He was

educated in Ghana, Nigeria and the United Kingdom. He attended Offa Grammar School and later Kilburn Polytechnic London. He was a graduate of the University of Ibadan and obtained a Ph.D. Degree in Banking and International Finance from the City University, London, United Kingdom

The Institute attained her Chartered status in 1990 under his regime and his Presidency marked the end of the Nigerian Institute of Bankers (NIB) and heralded the beginning of the Chartered Institute of Bankers of Nigeria (CIBN), He was also the founding President of Association of Banking Institutes in West Africa (1992 - 1994). Dr. Adekanye was a philanthropist, educationist and a religious leader.



Chief (Sir) Francis Anegbode Ijewere, FCIB  
January 4, 1937 - February 21, 2012

On the other hand, Chief Francis Anegbode Ijewere, FCIB, was born on 4<sup>th</sup> January, 1933, at Ubijaja, Edo State.

After his secondary education, he proceeded to University of London and obtained a Bachelor of Laws (LLB), in 1961. He also obtained a Certificate in International Finance from the International Monetary Fund (IMF), in 1962.

He became Fellow of the Institute of Chartered Secretaries and Administrators, London and the Chartered Institute of Bankers, London in 1958 and 1973, respectively.

Chief Ijewere commenced his banking career with the Central Bank of Nigeria as an Assistant Manager in 1959 and rose to become the Chief of Banking Operations in 1971, a position he held until 1975. He was appointed the Director General/Chief Executive, West African Monetary Agency, Freetown, Sierra-Leone in 1976 and he was on this exalted post until he retired in 1977.

He was one of the first two signatories to the first Naira notes introduced in the country on January 2, 1973, during which period with his team, they successfully decimalised the Nigerian currency from Pounds to Naira. He was also one of the last two signatories to the last set of Pound Notes in Nigeria.

As an exemplary professional, he devoted the greater part of his entire active life to the banking profession. He indeed, wrote the letter to London on account of which Chartered Institute of Bankers, London established its centre in Lagos. It was this Centre that metamorphosed into the CIBN. Based on his numerous noteworthy contributions, he was elected the 1<sup>st</sup> President/Chairman of Council of the Institute in 1973, a position he held until 1976. Thereafter, he served the Institute in other capacities, including as member, Board of Fellows, and Chairman, Body of Past Presidents.

As a mark of appreciation to his immense contributions to the banking profession and the Institute, the Governing Council, in 2002 named the auditorium at the Bankers' House, Victoria Island, Lagos after him - "IJEWERE HALL". Until his death, Chief Ijewere was a committed banker, educationist, a philanthropist and religious leader.

In line with the tradition of the Institute, befitting Special valedictory Governing Council Sessions were held in honour of Dr. Femi Adekanye and Chief Francis Ijewere at the Bankers House, Victoria Island, Lagos, which was well attended by stakeholders as well as their family members.



## News

# Mr Segun Aina elected as 17<sup>th</sup> CIBN President



“A patient dog, they say, eats the fattest bone” has been, once again, proven in the affirmative, with the emergence of Mr. Segun Aina, OFR, FCIB, as the 17<sup>th</sup> President/Chairman of Council of the Institute.

Mr. Segun Aina, a thorough bred chartered banker and a seasoned administrator with over 30 years of active service to the Institute and the banking Industry had served the Institute in various capacities. For instance among the top positions he held in the Institute was as 2<sup>nd</sup> Vice President from 2004 - 2006 and Chairman, Corporate & Public Affairs Committee, 2004 - 2008, after which he stepped aside. Then the banking crisis which prompted the intervention of the Central Bank of Nigeria on August 14, 2009, that affected the leadership of the Institute provided another unique opportunity for Mr. Aina to lend his wealth of experience, administrative prowess and professional skills to the Management of affairs of the Institute. Consequent upon these, when he was approached by prominent members of the Institute to contest for the post of 1<sup>st</sup> Vice President on May 8, 2010, Mr. Aina did not refuse because he strongly believe that “as a professional banker one will never stop serving his professional body and country until his or her last day on earth”.

As the 1<sup>st</sup> Vice President under the leadership of Mr. Laoye Jaiyeola,

FCIB, President/Chairman of Council, Mr. Segun Aina showed immense commitment, willingness and energy to serve as evidenced in the ways and manners he discharged his functions as Chairman, Board of Fellows, 2010 - 2012; Chairman, Board of Practice Licence; Chairman, Strategic Planning Committee. On the global scene and as a member of the Taskforce on Global Banking Education Standards Board (GBESB), 2011 - 2012, formed in Malaysia he was very proactive, vocal and resourceful.

During this period, Mr. Aina did not only prove his leadership qualities, but he also earned the trust, respect and confidence of the Founding Fathers, Past President, his fellow Office Holders including the then President, Mr. Jaiyeola and indeed majority of members of the Institute. No wonder he received overwhelming support which culminated in his unanimous election as the 17<sup>th</sup> President/Chairman of Council at the Institute's Annual General Meeting/Election of Officers held on Saturday, May 19, 2012, at the Bankers House, Lagos.

Among the new set of officers elected alongside Mr. Aina to stir the ship of the Institute for the next two years included **Otunba (Mrs) 'Debola Osibogun, FCIB**, 1<sup>st</sup> Vice President; **Deacon Segun Ajibola, FCIB**, 2<sup>nd</sup> Vice President and **Mr. Uche Olowu, FCIB** as

National Treasurer. He will also chair the newly constituted Governing Council of the Institute.

In addition to the Office Holders, Mr. Adebisi Oladele Alabi, ACIB, Executive Director, Ecobank Nigeria Plc; Mr. Bayo Olugbemi, Managing Director, First Registrar Ltd, Mr. Kenneth Onyewuchi Opara, FCIB, Deputy General Manager, Fidelity Bank Plc and Barr. Deji Olanrewaju, FCIB, Head of Department, International Law, Babcock University, were also elected into the Governing Council of the Institute.

Mr. Aina, a product of Universities of Lagos and Ibadan, holds a number of academic and professional qualifications, notable among which are, Masters of Science in Banking and Finance; Bachelor of Science degree in Accounting. He qualified as Associate of the Chartered Institute of Bankers of London (ACIB) in 1979. He is also a Fellow of the Chartered Institute of Bankers, (FCIB), London and Nigeria; Fellow, Nigeria Institute of Management (FNIM), Fellow, Institute of Directors (FIOD); Member, Canadian Council on Africa etc. He is also an alumnus of Lagos Business School; INSEAD, France and IMD, Switzerland. Mr. Aina, a seasoned and well grounded professional Banker, has contributed significantly to the growth and development of

the banking industry. He started his professional banking career at the United Bank for Africa Plc in 1974, moved to Ecobank Nigeria Plc as Assistant General Manager in 1989 and rose to the position of Executive Director of the bank in February, 1994. He left the services of Ecobank Plc in 1999 and joined Fountain Trust Bank Plc (now member of Spring Bank Plc) as the Managing Director/Chief Executive until his voluntary retirement from the bank in 2004. In addition, he has served as Director of many other institutions within the financial services industry such as: Nigeria Interbank Settlement Scheme PLC (NIBSS), First Securities Discount House Ltd, (FSDH) and FITC.

In addition to playing active roles in the banking industry, Mr. Aina also serves as Director, First Atlantic Bank Ltd, Ghana; Director, ACCION Microfinance Bank; Chairman, Advancement Board, Federal University of Technology, FUTA, Akure; Member, Advancement Board, Obafemi Awolowo University O.A.U Ile-Ife and Member, Advisory Board, Osun State University, UNIOSUN.

He was the President, West African Bankers Association (Nigerian Chapter), 1999 - 2001 and Chairman, Banking Industry Public Enlightenment Committee (a Sub-Committee of Bankers Committee), 2005 - 2008.

## News

**Mr. Segun Aina was conferred with a national honours award of Officer of the Order of the Federal Republic (OFR) by the Federal Government of Nigeria in recognition of his contributions to banking industry and economy.**

Mr. Segun Aina is expected to bring his broad experience and an excellence record of leadership quality built over 30 years into the running of the affairs of the Institute. His perspective on the directions and prospects of the institute will be invaluable to the implementation of the new strategic initiative.

In his acceptance speech Mr. Aina unveiled a nine-point agenda comprising of **Best Practice, Alliances, Relevance, Opportunities, Membership, Education, Technology, Ethics and Research** tagged "**BAROMETER**", which aptly captured the focus of his tenure and will not only help drive delivery but also a benchmark for measuring results as well.

"This tenure agenda will be measured and reviewed regularly to ensure sustained focus on the end goals. Periodic updates on progress and milestone attainments will be communicated to the relevant stakeholders as defined within our communications plan", he assured



**OTUNBA (MRS.) 'DEBOLA OSIBOGUN, FCIB-1<sup>st</sup> VICE PRESIDENT**

Otunba (Mrs.) Debola Osibogun is an accomplished banker with extraordinary years of cognate experience and a seasoned technocrat with decades of experience spanning across various areas in the banking and finance sector. She is currently the 1st Vice-President of the Chartered Institute of Bankers of Nigeria ("CIBN"). Her past track record in the financial industry includes Managing Director of Skye Trustees Ltd, Deputy General Manager of Skye

Bank Plc., General Manager of Co-operative Bank Plc., and Managing Director of Coop Savings & Loans Ltd.

Her service to the CIBN spans over several years. Having qualified as an Associate of the Chartered Institute of Bankers of Nigeria (ACIB) in 1994, and conferred with the Fellowship status of the Institute (FCIB) in 2005, she has served as the 2nd Vice President of the CIBN; Chairman, Disciplinary Tribunal, CIBN; Chairman, Ad-Hoc Committee on Annual Bankers Dinner; Chairman, Publicity and Image Management Committee, CIBN; Chairman, Staff Restructuring Committee, CIBN; Member, Executive Committee, CIBN Ibadan Branch; Examiner, Mortgage Finance; Member Research & Publication Committee, CIBN. She has also served the Institute in other areas, including Member, CIBN Governing Council; Chairman, CIBN Ibadan Branch; Zonal Chairman, Association for Professional Women Bankers Oyo/Osun States Zone; Member, Disciplinary Tribunal, CIBN; and Member Editorial Board of Bankers News.

Similarly, her national record includes service as National President, Mortgage Bankers Association of Nigeria; Member, Presidential Committee on Housing and Urban Development; Member, Presidential Committee on Mortgage Finance; Member, Real Estate Developers Association of Nigeria; and Member, Board of Trustees of Mortgage Bankers Association.

As a professional, she has delivered several lectures, written numerous articles and organised several workshops. She is currently affiliated with the Nigerian Institute of Management, and the Chartered Institute of Taxation of Nigeria.

Otunba (Mrs) Debola Osibogun is an alumnus of the University of Ibadan with a Bachelor Degree in Economics and a Masters Degree in Banking and Finance. She has furthered her education by attending a variety of international and local courses. She currently operates a consulting firm and a non-government organisation "Centre For Economic Enlightenment and Consumer Protection".

**DR. SEGUN AJIBOLA, PH.D, FCIB 2<sup>ND</sup> VICE PRESIDENT**

Deacon Joseph Olusegun Ajibola,

Ph.D., FCIB was equally elected as 2nd Vice President of the Institute at



the Annual General Meeting held on May 19, 2012. Prior to this, he had been National Treasurer, 2008 2010; Chairman, Finance & General Purpose Committee, 2008 2010; Chairman, CIBN Press Limited, 2009 2010; Member, Lagos Multi Door Court House, Lagos State Judiciary, 2009 date; Member, Governing Council, 2004 2008; Chairman, CIBN Lagos Branch, 2006 2008 and Chairman, CIBN Investment Sub-Committee, 2006. He had also served as Member, Council Ad-hoc Committee on AGM/Elections 2006; Member, Finance & General Purposes Committee, 2006; 1st Vice Chairman and Chairman of Consultancy Committee of the Branch, 2002 2006; 2nd Vice Chairman and Chairman of Lagos Bankers Nite Committee of the Branch, 2000 2002; Assistant Branch Secretary, CIBN Kano Branch, 1990 1992 and Member, Faculty on Practice of Banking. He was also a member, Board of Directors, Accion Microfinance Bank Limited, 2010 2011.

Deacon Ajibola attended University of Ife, Ile-Ife (now Obafemi Awolowo University) where he graduated with First Class in Economics in 1983 and M. Sc degree in Economics in 1986. The quest for knowledge propelled him to enroll for a degree in Law at the University of Lagos in 1995 and graduated with LLB Second Class Upper in 2001. Thereafter he proceeded to the Nigerian Law School and obtained a Barrister at Law (BL) degree in 2003. He crowned his thirst and zeal for academic exploit with a Ph.D in Economics from Obafemi Awolowo University, Ile-Ife in 2011.

He began his working career at the University of Ife, Ile-Ife, as a Graduate Assistant/Assistant Lecturer 1985 1986. Deacon Ajibola thereafter joined the services of Financial Institutions Training Centre (FITC) as a

Lecturer/Training Officer in 1986. In 1989 he transferred his services to Nigerian-American Merchant Bank Limited as a Deputy Officer and rose to the position of a Senior Manager in 1996. In the same year Deacon Ajibola moved over to First City Merchant Bank Limited (now First City Monument Bank Plc) where he held the post of an Assistant Vice President & Head of Credit until 1999.

He later joined the services of First Bank of Nigeria Plc as Principal Manager in 1999, promoted Assistant General Manager in 2000 and Deputy General Manager in charge of Commercial Banking in 2002 before crossing over to Intercontinental Bank Plc in 2004. At Intercontinental (now Access Bank Plc), he held positions such as General Manager and Divisional Head, 2004 2005; Executive Director and Regional Chief Executive, 2005 2009 and Managing Director Designate, Intercontinental Bank Plc East African Franchise, 2009. He was Principal Partner, Olusegun Ajibola & Co (Legal Practitioners) and Consultant, Business Banking, First City Monument Bank Plc, 2010.

An erudite scholar, seasoned professional banker and economist, Deacon Ajibola qualified as Associate of the Chartered Institute of Bankers of Nigeria (ACIB) in October 1997 and was subsequently conferred with the Fellowship status of the Institute in 2006. He is also a Fellow of the Institute of Credit Administration of Nigeria, 2008.

At present Deacon Ajibola is the Risk Management Advisor/Director, Federal Inland Revenue Service, 2012 to date and prior to his appointment he was the Director of Operations, National Lottery Trust Fund, The Presidency, Abuja, 2010 2012.

**UCHE MESSIAH OLOWU, FCIB- NATIONAL TREASURER**



To continue in page 27

## Personal Finance

### A journey that begins with a wrong step seldom ends at the right destination.

Becoming your own boss has sort of gained a global appeal. These days many people start up their own businesses for virtually any reason. Somehow it doesn't seem to count anymore what led people to go into business, going into business has suddenly become the new mantra of the 21<sup>st</sup> century. Obviously, there are several factors owing to this global trend some of which are; the emergence of the Internet, the unreliability of job security, the God-like attention given to

successful entrepreneurs, the rise of the knowledge worker and so on. In the end, it's not the number of businesses that are being started that matters, but the number of businesses that **thrive**.

Therefore, in this article we will be x-raying some of the ways how **NOT** to start a business so that in the end, you can have the right mindset needed to start a business.

#### 1. Don't Start a Business for the sake of MONEY

Top on the list of reasons why

people go into business is the strong desire to amass wealth. As unpopular as it might sound, most business failures stem from this singular fact alone. Why? Because the moment **making money** becomes your primary focus as an entrepreneur, **delivering value** which is the foundation of effective business practice becomes secondary. And when this happens, no matter how great your business is, it automatically goes on a downward spin. Nothing kills a business faster than putting money first before adding value.

#### 2. Don't Start a Business because you LOST your job

People who lose their jobs are often driven by fear and to start a business because you are afraid is absolutely disastrous. The implication is often enormous; top on the list is that you will never exercise the due diligence starting a new business entails. Because the fear of living without a regular income since you no longer have a job will keep haunting you and eventually start making you place unrealistic financial expectations on your new business venture. Second on the list is that you are emotionally

## DID YOU KNOW



- The Chartered Institute of Bankers of Nigeria came into being because 124 bankers gathered at the Randle Hall, Surulere, Lagos on November 28, 1963, and passed a resolution for the establishment of the Local Centre of the Institute of Bankers, London, in Nigeria.
- The Chartered Institute of Bankers of Nigeria was Incorporated on December 15, 1976, as a company limited by Guarantee
- Mr. D. Macleod was Chairman, Lagos Local Centre, Institute of Bankers London, 1963-1965
- Chief C. K. N. Obi, FCIB, was Chairman, Lagos Local Centre, Institute of Bankers London, 1965 - 1967
- Mr. G. H. Griffin, FCIB, was Chairman, Lagos Local Centre, Institute of Bankers London, 1967 - 1969
- Chief (Sir) F. A. Ijewere, FCIB, was Chairman, Lagos Local Centre, Institute of Bankers London, 1969 - 1974
- Alhaji A. O. G. Otit, OON, FCIB, was Chairman, Lagos Local Centre, Institute of Bankers London, 1974- 1976
- Chief (Sir) F. A. Ijewere, FCIB, was President/ Chairman of Council, The Chartered Institute of Bankers of Nigeria, 1974 - 1976
- Alhaji A. O. G. Otit, OON, FCIB, was President/Chairman of Council, 1976 - 1981
- HRH (Alh) S.A.O. Sule, OON, FCIB, was President/Chairman of Council, 1981 - 1985
- HRH Eze (Prof) G. O. Nwankwo, OON, FCIB, was President/Chairman of Council, 1985 - 1987
- Chief S. I. Adegbite, OFR, FCIB, was President/Chairman of Council, 1987 - 1989
- Dr. F. A. Z. Adekanye, FCIB, was President/ Chairman of Council, 1989 - 1992
- Mr. R. K. O. Osayameh, FCIB, was President/Chairman of Council, 1992-1994
- Mr. Femi J. Ekundayo, FCIB, was President/ Chairman of Council, 1994 - 1996
- Prof. Wole Adewunmi, FCIB, was President/ Chairman of Council, 1996 -1998
- Chief Luke E. Okafor, FCIB, was President/Chairman of Council, 1998-2000
- Prince E. Kola Odubanjo, FCIB, was President/ Chairman of Council, 2000 2002
- Mazi O. C. K. Unegbu, FCIB, was President/ Chairman of Council, 2002 - 2004
- Mr. S. E. Kolawole, FCIB, was President/ Chairman of Council, 2004- 2006
- Mrs. Juliet A. Madubueze, OON, FCIB, was President/ Chairman of Council, 2006 - 2008
- Dr. Erastus B.O. Akingbola, OON, FCIB was President/ Chairman of Council, 2008 - 2010
- Mr. 'Laoye Jaiyeola, FCIB was President/ Chairman of Council, 2010 - 2012



## Interview

# INTERVIEW

## Banks should collaborate More for a better Industry

Competition is not new to the Nigerian Banking Industry but it was taken to a frenzy level after the conclusion of the first consolidation exercise in 2005. Much as the banks, the entire industry and other service providers benefited from the fallout of the competition while it lasted, it grossly exposed the banks to grave risks including all manners of insider abuses. The exposure led to a major crisis that the banking industry ever witnessed in its history, hence another intervention by the apex bank to restore order and sanity in the system.

In the interview with the Bankers' News, Mr. Boye Ogunmode, HCIB, Chairman, Committee of Chief Inspectors of Banks and Chief Inspector, Fidelity Bank Plc, spoke about the role of Inspectors in the banks, the Challenges and the efforts of the Committee is doing to ensure a better, safer and fraud free banking industry.

**Sir, we are from the Bankers' news, we are here to interact with you. Can we meet you?**

I am the Chief Inspector of Fidelity Bank Plc, a position I have held for 7 8 years now. I am also the current Chairman of the Committee of Chief Inspectors of Banks in Nigeria, which I have also held for about two years now.

**What are the functions / roles of the Committee in the banking industry? What do they do?**

As the name implies, it is an Association of Chief Inspectors of Banks and Discount Houses in Nigeria. It used to be a Sub-Committee of the Bankers' Committee in those old days. Now what do we do? As a Committee, one of our primary objectives is to come together as a body and fight the common enemy in the industry. And who are the enemies? The fraudsters, As a Committee we collaborate and cooperate among ourselves. We unite in all fronts that are required to make sure that the industry is fraud free. As you know, these days, we are prone to all manners of frauds. The worst is internal fraud perpetuated by staff that work in and within the organization, who understands our processes. Sometimes in collusion with outsiders, sometimes, amongst themselves, trying all manners of means and ways to beat the processes of the controls in banks. So our primary function is to collaborate amongst ourselves and beat the fraudsters.

We also share experiences because if I share experience with them, automatically they will learn lesson from it and take steps within the organization to prevent such occurrences and invariably we have helped the industry. These are a few things we do together at the Committee. We also organize training to empower our staff because we know they are the ones doing the work. They are the field officers, so we need also to



empower them to deliver on a particular mandate. Amongst ourselves as Committee of Chief Inspectors, we bring people together and share experience with them. We bring external faculties and from amongst ourselves too. That is a few of the things we do as a Committee.

**What informed you as Chief Inspectors of Banks to come together?**

Like I said it was a Sub-Committee of Bankers' Committee before now. I make bold to say that it is the first Committee of banks to come together and it is about the strongest today. We know, like I said to you, that banks today in Nigeria, what we know how to do best is competing. When we are competing, we are competing to make money. But if we are competing and we are not securing or protecting the money we made, you know we are wasting time. Part of the things that have bounded us together more is the fact that we do not have any area of competition, rather several areas of collaboration. What is critical to us is that if we collaborate, the industry is better off, our individual institutions are also better off. We realized that it was easier for us to work together to confront and defeat the enemy than for us to be fighting

individually. So that is the strength that we have.

**What are the challenges that the Committee encounters in trying to achieve its objectives?**

Part of the challenges is that, we say the Chief Inspector should be independent collectively and individually, He should be able to blow the whistle and say to Central Bank of Nigeria (CBN) that, look this is what is happening in my organization but you and I know that this is not practically possible for me to seat down here and blow a whistle against my organization to CBN. We have said that to CBN several times again and again that look, if you must empower the Chief Inspectors of Banks you must also do everything both legally and otherwise to also protect us. I cannot be seen to be independent even though I am supposed to be, because if you say independent, my bank hired me, pays my salary and going to pay my pension and gratuity when I retire and you are saying that I should blow whistle against it without protection from CBN. That is the number one challenge. At every opportunity, we have told CBN that look if you want us to do this job very well there must be some protection.

## Interview

So, individually and collectively we see this as part of the challenges that we have. As a body, we try as much as possible to co-operate amongst ourselves. Like I have said the only issue we have or the snag we have amongst ourselves, is because of the workload that each an everyone of us has in his organization.

### Despite these challenges, what can you say that the Committee has achieved for itself and for the industry?

For the industry, we may not go out to blow our trumpet but I think we have done tremendously well amongst ourselves. First and foremost, every quarter we meet, we seat down on the table and share experiences, and say where are our risks? Before now our risks used to be huge cash lodgments in banks, huge cheque lodgements, cheque cloning (cheque fraud). We ask ourselves, where are our risks? Where are controls? What are we doing as institutions and what are we doing collectively. Recently, I got a call from a bank and there was a fraud that involved several hundreds of millions in the bank and they were investigating it. They called me and said that they have traced one of them to another bank and they wanted me to find out whether there was still money in the account and who was the account owner. After we logged on to the account we found out that there was still money in that account, we know that if indeed it was a fraud, I would have saved that bank from losing the money in that account because the customer would not be allowed to withdraw the money until it is proven that it was not a fraud. That is the kind of co-operation we have amongst ourselves. We don't hide information from ourselves, even though we don't give

detailed information about our individual banks but we will not hide information that will help us to protect the industry from ourselves. As a body, I think we have achieved a great mileage and good success as far as collaboration and co-operation amongst ourselves is concerned. I think this is our major achievement apart from tasking ourselves on building capacity. By and large, I think we have done a good job.

Why do we still have the level of fraud in the banking industry going up if your Committee has done all these you have said. Available records in CIBN, NDIC and CBN are strong pointers to this trend

That has to do with internal fraud. Like I said to you, our job is like the cat that is chasing the mouse. Forever and ever, the cat will continue to chase the mouse, especially as regards internal fraud. That is somebody who works within your organization who understands your processes very, very well. For him to defraud you is so easy. Let me give a typical example, before now a customer walks across the counter, he wants to lodge his cash. He gives the teller his cash. The teller stamps the deposit slip gives the customer his own copy and he retains the other three copies. While the customer is walking away, the teller pockets the money and tears the deposit slips in his custody. How would you as a bank know that there is a fraud? There is no way until the customer comes back and complains. Why has he

(Teller) succeeded, because the teller knows once he posts that bill, a trace has already been established. Internal fraud is staff related fraud and I wish to say that as far as that is concerned it is something we would continue to see but the good thing about it is that for every time you see it you will continue to learn from it and take steps.

You know that our stock-in-trade are cash and as long as this is available at all times and you know it is very inducing it will be difficult for us to say that we are going to have a zero degree of fraud.

Am sure that you are as

expected to say that we want to have things in common. I have attended Chief Compliance Officers' meetings. If we have any issue we go to them but we have not come together under one single umbrella because that will be a very large body. As it is, everybody has his own area of concentration.

Don't you think that it would be wise for the Executive Committee of ACAMB, Chief Securities Officers, Compliance, Auditors e.t.c to meet at least quarterly to review situations in banks because whatever happens in one area affects the image of the industry. If all the Executive Committee of these



worried as CIBN and the regulators are about the level of fraud and sharp practices in the industry. Does the Committee of Chief Inspectors of Banks have relationship with other Committees and Associations in the industry such as the Chief Security Officers of Banks and other Financial Institutions; Chief Compliances Officers of Banks, Association of Corporate Affairs Managers of Banks, etc to deal with these situation.

Yes we have a link and we do collaborate but it is just that we have not come together as

Associations come together don't you think you have a better chance of achieving results?

If somebody is championing it, we don't have a problem with it. If somebody says lets bring together the committees that are relevant, let us see how we can co-operate and collaborate, all well and good.

Like I said, the workload is so much so that we can hardly meet on our own talk-less of coming together because that will increase the number of meetings and involvements but like I said if it is championed by somebody we



## Interview

don't have problem. However, accessibility to us and getting information from ourselves, I don't see it as a problem.

**Part of the reasons for the intervention in the industry by the CBN in August 14, 2009, was as a result of what they discovered or saw that was alarming and if left unchecked would be catastrophic for the industry and most of them pointed to the audit the apex bank conducted in the banks which revealed large scale of fraud and insider abuses that were involved. What is the role of your Committee in these?**

Are you talking about the committee or inspectors of individual banks?

**We are talking about your Committee which also means the individual inspectors in banks and the people who were there when those things were happening.**

Listen to what I said as part of the challenges we have and will continue to have, and it is called independence. I have worked with Fidelity Bank Plc for 11 years and so I know the bank inside out. Assuming I have an issue with Fidelity Bank Plc and I want to report it. That I feel strong about something and I have mentioned it to Management stressing, "Management, this is my position", which is my first responsibility. My responsibility as an inspector is to write a report to the Chairman of my Board Audit Committee, and copy the Executive Management. If there are infractions or insider dealings. If there are things that are in professional, or unethical that I have seen and I have written to the Board Audit Committee which is my primary responsibility. What other role am I supposed to play? If I play the other role am

supposed to play as the CBN say I should play, then I will be out of the job within a few days. So, that is why I say that on independence, CBN should not pay lip service to it. The worst we can do is to put our reports together and send them to the Board of our organizations and if the Board feels strongly about it, they can take action but if not we have done what is required to do as inspectors to file our reports and report what we have seen.

**What is the challenge of electronic banking to your function as Chief Inspector?**

That is where our risks are going to pile up now. Infact, it is where our risks have piled up because today, we are having all manners of electronic banking products. E-payroll, mobile banking, e-banking, POS, funds transfer, all manners. The challenge is going to be enormous to us because, there is a paradigm shift from what we used to see in the past, when a customer walks in and he brings a cheque before you, and you look at the cheque, and tell him you are not the owner of this cheque. Sir, I need to confirm this from the customer. This is a major paradigm shift because an average customer can now seat in the comfort of his house and carry out major transactions be it in the U.S or anywhere in the world and be doing transactions on his account. So, the challenges can be enormous and that is where our risks are going now. As a Committee we have started building capacities, we are already training our

people. Like I said, it will not come without its own problem, but as an institution and as a body we are working towards resolving and making sure that as we make progress whatever issue we see, we resolve it and move on.

**What is your advice to banks and also to the staff?**

My advice to banks is that they should learn from history. They should try to collaborate than compete. If we collaborate more the economy of Nigeria is large enough for all of us to do business. My advice is also that we should listen to our inner minds. The

i n n e r  
m i n d s  
i n  
t h e  
s e n s e  
t h a t  
i f  
w e  
d o  
t h i n g s  
i n  
t h e  
w a y  
t h a t  
a r e  
p r o f e s s i o n a l,  
t h a t  
a r e  
e t h i c a l  
w e  
s t i l l  
m a k e  
m o n e y.  
W h e n  
y o u  
a r e  
o v e r -  
a m b i t i o u s,  
i t  
a l s o  
h a s

direct impact on your controls and processes.

My advice to bankers? As bankers we should be moderate in everything we do and in the way we pursue both official and personal businesses. You can see in the case of our colleague that was killed a few months ago. That transaction was personal. We should also be professionals. What is banking? Trust. A customer leaves his house and brings his money and keep in your custody. So that trust, if we don't entrench it then as individuals, as institution and as an industry we will lose.

You see a young graduate who should still be learning, should be joining bus to go home is already riding a big car. And some other institutions also encourage them. I learnt in

some institutions once you join, the first thing they welcome you with is a car loan. These are the things that expose the staff unnecessarily to greed and crime. My advice is that staff should be less ambitious and be more professional in the way and manner they do things.

**Your emphasis have been on being prudent, ethical, professional, etc. In line with this, what are you doing to encourage the banks and staff to subscribe to CIBN membership.**

Let me start with my institution (Fidelity Bank) I think we are a corporate member of CIBN. We have CIBN Chapter and they register members of staff with CIBN. I am also a member (Honorary Senior Member). Part of the things we do in my own department is that everybody must belong to a professional Association. I think it is compulsory in my Bank (Fidelity Bank Plc) for every staff to belong to CIBN because whether you like it or not the bank will deduct CIBN annual subscription from your money and you are also free to attend their meetings. Also we take training very seriously. There is no training program of CIBN that I see that I will not recommend my staff to attend because they are also helping the industry. I also think that the CIBN should also do more by coming to our meetings to tell us what they want from us and if there are demands on us. There is nothing that CIBN does that Fidelity Bank is not part and parcel of it. For instance, we are part of the Ethics and Professionalism Committee, etc. We look forward to more collaboration and cooperation with CIBN.

"If I play the other role am supposed to play as the CBN say I should play, then I will be out of the job within a few days."











# Banks Products

## Visa Card: A Product You Must Embrace



Most accomplished men and women in the society today not only want to have the feel and access to all the good things of life as long as money and fame could afford them, but also look forward to transacting business within and outside their domain with the greatest ease and convenient. Thanks to technology which has made this possible through the birth of electronic banking (aka: e-banking). The e-banking necessitated the introduction of Card based (card money) products including Visa Cards.


The Visa Credit and Debit Cards are available and effectively used for transacting business in the developed economies. Thanks to the Nigerian banks who have made e-banking a top priority in the array of products and services they provide to their customers, especially the high net-worth individuals. In line with this development, almost all the banks in the country have embraced Visa Cards as one important product they must make available to their educated middle class, rich, affluent and highly mobile customers. This is because, Visa Cards are secured, easy to carry about, could be used for both Naira and foreign currencies, convenient and confers status on the cardholder and many other benefits and features associated with Visa Card depending on the bank.


BANKS	PRODUCT'S NAME	FEATURES/BENEFITS
	Access Card	<ul style="list-style-type: none"> <li>Worldwide Acceptance</li> <li>Zero Liability</li> <li>Lost/Stolen Card Reporting</li> <li>Auto Rental Insurance</li> <li>Ensures you can visit countries abroad without the burden of carrying physical cash.</li> <li>Card holders can manage their financial budget efficiently as their credit limit restricts them.</li> <li>Safety &amp; Security of transactions due to its Chip &amp; Pin technology, etc.</li> </ul>
	Diamond Visa Card	<ul style="list-style-type: none"> <li>Naira card dominated</li> <li>Can be spent all over the world</li> <li>Protects users against unexpected expenses</li> <li>Offers loyalty points on all retail spent, etc.</li> </ul>
	Ecobank Visa Card	<ul style="list-style-type: none"> <li>Worldwide Acceptance</li> <li>24-hour customer service</li> <li>Year End Account Summary</li> <li>Around – the-clock access to card based transactions</li> <li>Provision of monthly statements.</li> </ul>
	Fidelity Visa Card	<ul style="list-style-type: none"> <li>Access to Customer's account 24/7</li> <li>EMV Chip and Pin secured</li> <li>Worldwide acceptance</li> <li>Secured online transaction and reliable</li> <li>Spend your naira anywhere in the world, etc</li> </ul>
		<ul style="list-style-type: none"> <li>Global acceptance of card in over 210 countries on Web, ATM and Mail order</li> <li>Ability to fund the card from naira account at FCMB exchange rate</li> <li>No monthly charge</li> <li>Free online statement of account from anywhere in the world, etc.</li> </ul>


BANKS	PRODUCT'S NAME	FEATURES/BENEFITS
	Firstbank Visa Card	<ul style="list-style-type: none"> <li>Dual currency account naira and dollar</li> <li>EMV Chip and Pin secured</li> <li>Global acceptance</li> <li>Convenient access to funds via multiple channels. POS, ATM, Web and Point of Sale</li> </ul>
	Firstbank Infinite Visa Card	<ul style="list-style-type: none"> <li>Flexible for payment in other countries</li> <li>Personalized attention from First Bank Private Banking and access to international Concierge, Medical services and legal assistance</li> <li>Comprehensive insurance services, including Purchase Protection, Extended Warranty, and Travel Insurance</li> <li>Multi-lingual round-the-world, round-the-clock support, providing 24 hours emergency card replacement, 24 hours emergency cash disbursement and emergency payment authorization, etc</li> </ul>
	Firstbank Gold Visa	<ul style="list-style-type: none"> <li>It is a Visa branded credit card recognized and acceptable at millions of Visa locations across multiple channels.</li> <li>A dollar denominated card with flexibility on multi-currency spending.</li> <li>Access to emergency services (Emergency Card Replacement and Emergency Cash Advance)</li> <li>Access to 'Stand-In' authorization service limit of \$1000 daily, etc</li> </ul>
	Visa Classic	<ul style="list-style-type: none"> <li>The 3 digit Card Validation Value (CVV2) is printed on the reverse side of the card, beside the signature panel.</li> <li>Accessibility – 24 hour access to funds from over 1.7 million ATMs (as of March 31, 2010) in more than 200 countries and territories.</li> <li>Worldwide Acceptance</li> <li>The card eliminates the risk and inconvenience of carrying cash.</li> <li>Affordability - The GTBank Visa Classic card can be issued with a minimum of \$200.</li> <li>Security – The card employs the use of Chip and PIN technology to guard against unauthorized</li> </ul>
	Keystone Bank Visa Card	<ul style="list-style-type: none"> <li>Multi-currency capabilities (Naira, Dollar, Pound sterling and Euro)</li> <li>Chip and PIN (EMV compliant)</li> <li>Debit and Credit variants available in Prepaid, Classic, Gold &amp; Platinum</li> <li>Greater Security Authorization by PIN usage only; with VbV (Verified by VISA) security for web transactions</li> <li>Multi-channel usage (POS, ATM, WEB, MAIL, PHONE)</li> <li>High transaction success rate</li> </ul>

# Banks Products

BANKS	PRODUCT'S NAME	FEATURES/BENEFITS
	Visa Naira Card	<ul style="list-style-type: none"> <li>Daily limit</li> </ul>
	Visa Electronic Debit Card	<ul style="list-style-type: none"> <li>Linked directly to foreign currency account</li> <li>Available in USD, GBP and EUR cards</li> <li>Can be used worldwide, etc</li> <li>Global Customer Assistance available 24 hours a day</li> </ul>
	Visa Gold Card	<ul style="list-style-type: none"> <li>Free access to medical and legal advice when traveling for the first 90 days of any trip</li> <li>You get a Priority Pass which gives you access to over 600 VIP airport lounges worldwide irrespective of your class of air ticket, etc</li> </ul>
	Visa Platinum Card	<ul style="list-style-type: none"> <li>Higher Daily Spending Limits</li> <li>Enabled for internet, mail order and telephone order transactions</li> <li>Purchase protection guarantee and extended warranty, etc</li> <li>Linked to your Naira savings or current account. It Can be used on ATM or POS globally where the Visa sign is displayed to either access foreign currency or pay for goods and services</li> <li>Convenient-Easy access to foreign currency while abroad</li> <li>Spend anywhere in the world and have your account debited in Naira, etc</li> </ul>
	Naira Visa Debit Card	

	Sterling Gold Visa Card	<ul style="list-style-type: none"> <li>Access to cash whenever you need it from any ATM with the VISA logo worldwide.</li> <li>Opportunity to issue a supplementary card on your account to your children/wards abroad thus eliminating funds transfers.</li> <li>Enhanced security –The card is protected by most secure Technology for card transactions-an embedded microchip and also offers additional PIN; Verified by Visa (VbV) for internet transactions, etc</li> </ul>
	Sterling Visa Naira	<ul style="list-style-type: none"> <li>Spend directly from your Naira account for transactions within and outside Nigeria;</li> <li>Secure online purchases, giving you access to goods and services from around the world;</li> <li>Payments of school fees, Exams; Air-tickets, etc.</li> </ul>

	UBA Visa Africard	<ul style="list-style-type: none"> <li>Real time banking transactions; Balance enquiry; Purchase at Pos</li> <li>Purchase on WEB.</li> <li>Debit card holders afraid of using their debit cards on the Internet for purchases may obtain a Prepaid Card which can be used solely for that purpose and is not linked to their domicile account, etc.</li> </ul>
	Visa Domestic Debit Card	<ul style="list-style-type: none"> <li>Linked to an account; Personalized card</li> <li>Requires a Personal Identification Number (PIN)for all transactions</li> <li>Payment for goods and services at merchant outlets (POS)</li> <li>Generation of mini account statements.</li> <li>Safer and secure as it is a chip card</li> <li>POI Channels: POS, ATM, Internet, Telephone and also Card for Visa Cards only</li> </ul>

BANKS	PRODUCT'S NAME	FEATURES/BENEFITS
	Zenith Credit Card	<ul style="list-style-type: none"> <li>Telephone and also Card for Visa Cards only</li> <li>24 Hours Online access to transactions history, etc</li> </ul>
	Visa Debit	<ul style="list-style-type: none"> <li>EMV Chip and PIN Card</li> <li>The Card is issued free</li> <li>24 Hours Customer support, etc</li> </ul>
	V. Prepaid	<ul style="list-style-type: none"> <li>Globally accepted</li> <li>Available to Zenith account holders and non account holders</li> <li>No credit checks, no collateral required, No settlement, No interest charges, etc</li> </ul>
	Visa Naira Card	<ul style="list-style-type: none"> <li>Visa Naira prepaid Card dominated in Naira for local transaction</li> <li>Reloadable Card with 4 years validity, etc</li> </ul>
	V By V Card	<ul style="list-style-type: none"> <li>The Card is issued free</li> <li>Buy online with confident</li> <li>Discounts are available, etc</li> </ul>

**continue from page 18**

Mr. Uche Messiah Olowu was elected the Institute's National Treasurer for the second time having served in this capacity from 2010 - 2012. Mr. Olowu has served the Institute in other areas such as: Chairman, Finance and General Purposes Committee, 2010 - 2012; Member, Staff Restructuring Committee, the Chartered Institute of Bankers of Nigeria, 2011; Vice Chairman, CIBN Port Harcourt Branch 1988; Vice Chairman, CIBN Local Organizing Committee on Bankers Conference, 1999; Chairman, CIBN Port Harcourt Branch, 2000 2008; Member, CIBN Council Ad hoc Committee on AGM/Elections, 2002; Member, CIBN Governing Council, 2002 2004; Member, CIBN Membership and Branch Development Committee, 2002 2004 ; and Member, CIBN Education Committee, 2004 2006.

He also led Council Delegation for the Reactivation of Umuahia, Owerri, Yenagoa and Eket Branches and Coordinated University of Port Harcourt Linkage Programme. He was a Lecturer, CIBN Port Harcourt Examination Center.

Mr. Olowu read Banking and Finance in Rivers State University of Science & Technology (RUST). He holds a Masters Degree in Business Administration (Management) from the same institution. He qualified as an

Associate, Chartered Institute of Bankers of Nigeria (ACIB), 1995 and was later elevated to the Fellowship cadre in 2008. He is currently awaiting his Doctorate degree (Ph.D.) result having successfully defended his thesis - "Emotional Intelligence Consciousness and Effective Managerial Leadership" at Rivers State University of Science and Technology, Port Harcourt.

His flourishing banking career started from 1982 at the United Bank for Africa Plc, 1982 1985. He rose to become Branch Manager/Branch Accountant, 1994 1996; Regional Credit Officer, South 1996 1998; Manager, Corporate Banking (Energy), South, 1998 1999. He joined Equitorial Trust Bank Ltd in year 2000 as Senior Relationship Manager, Group Head, Oil & Gas before crossing over to Fountain Trust Bank Plc for the post of Senior Manager/Branch Relationship Manager, 2002 2004. He became Assistant General Manager/Divisional Head, South, 2005, a position he held until he pitched his tent once again with UBA Plc in 2006 as Head Energy, Corporate & Energy Desk, South Bank.

With over 27 years of active banking experience, Mr. Olowu is at present an Assistant General Manager/Head, Energy, Corporate Banking Group, Union Bank of Nigeria Plc.