



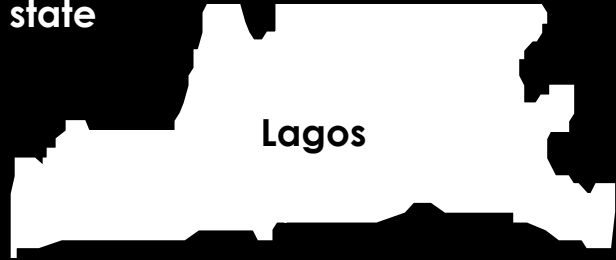
LSETF
LAGOS STATE EMPLOYMENT TRUST FUND

Setting the Context: Lagos State at a glance

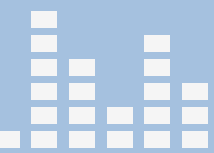


0.4%
Of Nigeria's landmass compared to 6% for Kano state

- Population density 20,000/sq km
- 20 LGAs/37 LCDAS
- 5 divisions across 3 senatorial districts



GSP \$136 billion



Contribution to National GDP **24%**

- Major financial centre hosting 200 financial institutions
- Largest stock exchange in West Africa

4th Largest economy in Africa

IGR **70%**

GSP Per Capita \$4,333



which is 1.6 times the national average

50%

Of national port revenue

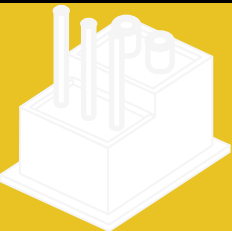


70%

Of international air traffic and 50% of local air traffic

50%

Of national energy consumption



Over 10,000

Industrial & Commercial Businesses

60%

Contribution to national manufacturing



21 million

with 85 migrants per hour

Population Growth Rate **3-5%**

Women **51%**

Formal Education **87%**



45%

Of National skilled labour workforce are resident in Lagos



20%

Of MSME's in Nigeria



Daily waste generation **10,000 metric tonnes**



Power deficit over **3,000 MW**



Daily water demand gap **2.5 billion liters**

Source: Lagos State Household Survey 2013, Lagos State Development Plan, The Economist

Vision

Creating employment and entrepreneurship opportunities for all Lagos residents

Mission

“Enabling Lagos residents realize their aspirations by providing leverage & access to finance”



“...enabling...”

Catalyst for a conducive environment to make businesses thrive and unleash potential



“...Lagos residents...”

Any individual who resides in Lagos State and has been registered by LASRRA



“...aspirations...”

Hope and ambition of achieving a successful & sustainable business



“...providing leverage...”

Various non-financial platforms, support & resources deployed to increase the chances of survival and success of the businesses



“...access to finance.”

Enable otherwise unqualified individuals or enterprises a means to financial support i.e. loans

Core Values



Transparency

To be open, fair and equitable



Integrity

Principled, ethical and honest



Inclusiveness

"Nobody left behind"



Enabling

Catalyst for a conducive environment to make businesses thrive and unleash potential



Result-oriented

Focused on delivery and desired outcomes. Always having the end in mind



Innovation

Questioning the status-quo, always striving to be better than we are. Continuous learning and improvement



Accountability

Periodically inform and give updates to our stakeholders

Strategic Targets



300,000 direct & up to 600 thousand indirect jobs to be created & sustained by 2019



Support at least 100,000 MSMEs by 2019



Add over 200,000 new tax payers to the tax register by 2019



Achieve sustainable funding by ensuring non-LASG sources contribute at least 50% of total funding by 2019

strategic principles

1 We will deliver primarily through **our partners** and will leverage their **experience & learnings** to achieve our objectives

2 We will focus on financing **businesses** with **'track record & proven markets'**

3 We will **test innovative areas** on experimental basis

4 We will facilitate **strategic and structured business support** to MSMEs

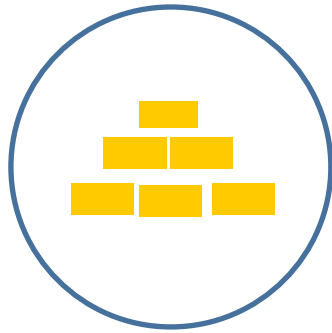
9 We will **lead by example**

5 We will focus on **promoting entrepreneurship** by leveraging access to finance

6 We will adopt a **'test and learn'** approach to employability

7 We will ensure **LASG funding** is no more than **50%** of our capital by 2019

8 We will ensure LSETF interventions **reach all LGAs and LCDAs**



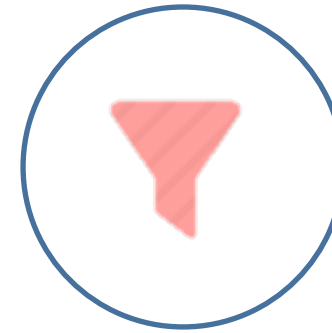
Build

We will define & outline our strategy blueprint and operational framework that will guide our overall operations with a focus on our core interventions



Test

We will pilot our strategy on a test and learn basis and take on all the learnings within the first year of operation



Refine

We will leverage key learnings and refine our strategy on an on-going basis to ensure we achieve optimal impact

Our Strategic Pillars (2016 – 2019)



Vision

“Creating employment and entrepreneurship opportunities for all Lagos residents”

Our Strategic Pillars



Entrepreneurship

Provide relevant support to entrepreneurs to create tangible jobs across the state



Employability

Facilitate individuals employability through up skilling and job placement



Interventions

Facilitate the enhancement of the operating and market conditions of MSMEs in Lagos State



Promotion

Promote entrepreneurship in Lagos to International and domestic Stakeholders

Our Key Enablers



Sustainable Funding



Effective Partnerships



Proactive Stakeholder Communication & Engagement

Our Critical Capabilities



Performance Monitoring & Evaluation

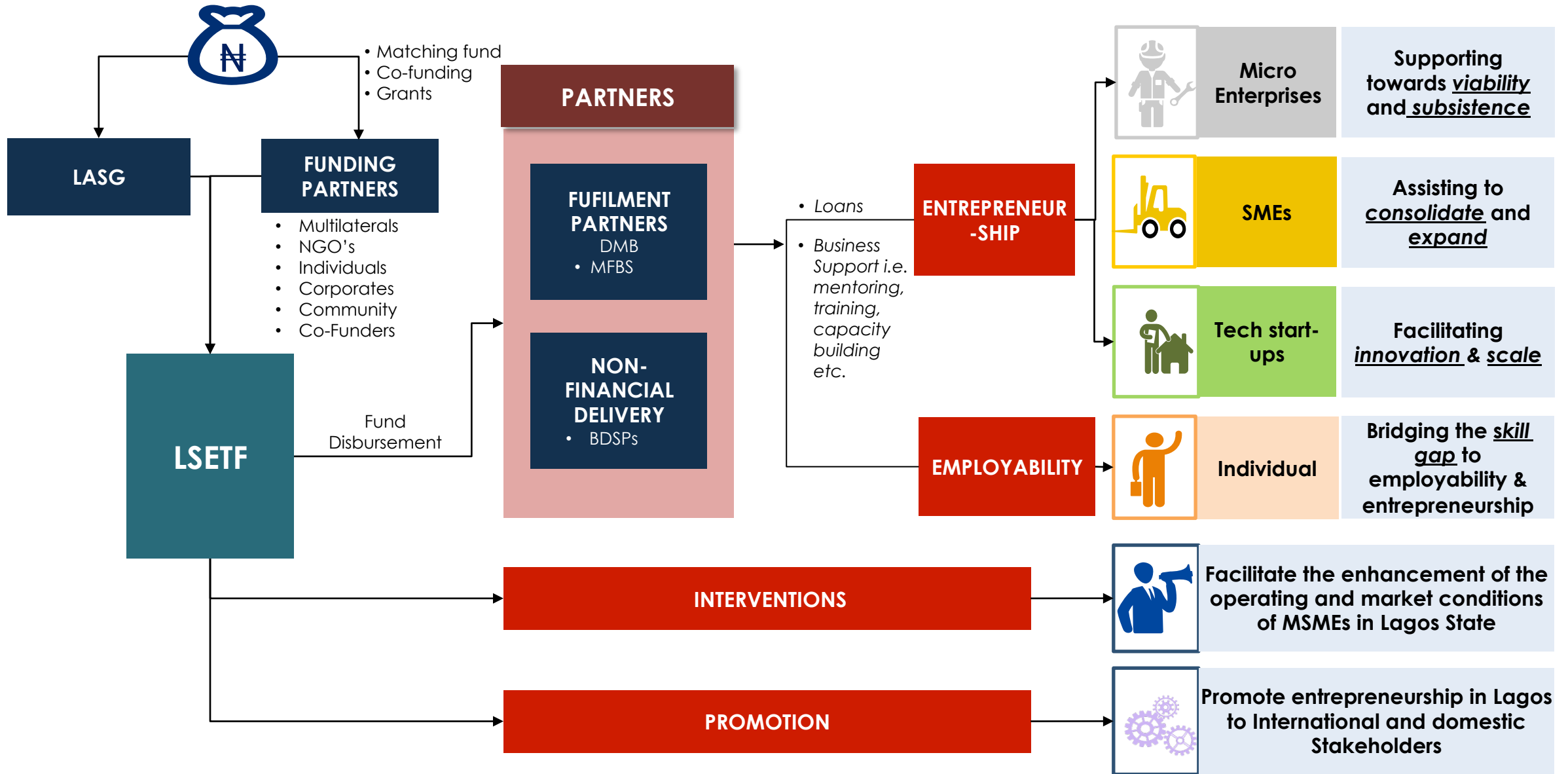


Effective Lean & Scalable Operating Platform



Robust Risk Management

LSETF Overall Approach – This Is primarily underpinned by indirect delivery model





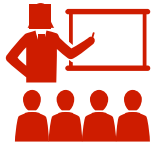
Micro Enterprises

Targeted at **micro-enterprises** or subsistence businesses with **annual turnover** of less than **5 million**



CLASS ROOM INTERVENTION

Intensive classroom intervention to build basics of business management. Focus would be on



- **Creative Entrepreneurship:** creating an understanding of strengths and weaknesses of small enterprises, **reasons small businesses fail** and the **role of governance** in small business development
- **Growing Small Businesses:** creating an understanding of the **growth process of small businesses** and how to confront issues arising from the growth. It would cover **life cycle of business venture**, the **managerial orientation required** to handle growth in small businesses and the **financial implications** of a growing small business
- **Small Business Marketing:** Creating an understanding of how to market their own small businesses. It would cover the **importance of building a marketing plan**, **customer selection and engagement**, tact in **engaging in sales activities**, **distribution activities and channels**, **inter-relationship between customer satisfaction and repeat buying** and the **role/value of computers in the small business environment**.

BUSINESS ADVISORY

Micro businesses would be supported by in-business involvement...



- **Mentoring and coaching** which would provide room **for hand-holding micro enterprises** at critical growth points along the business lifecycle. **Micro enterprises would be mapped to thriving SMEs** in their business value-chain for advisory, support and business linkage opportunities
- Provision of **business support including book-keeping activities, sales plan and cost management plan**

FOLLOW-UP SESSIONS

Database of micro businesses would be captured and technology would be leveraged to conduct subsequent follow-up sessions



- Phone calls and text messages would primarily be used as the medium to **reaching and dissemination important information** to the micro businesses.
- WhatsApp group would be created for clusters of micro businesses and **business tips** would regularly be conveyed from this platform



Small & Medium Enterprises

Targeted at **SMEs** with **annual turnover** between **N5 - N500 million**

We will run an intensive SME boot camp in order to develop an investment ready SME



SME Boot Camp

LSETF approach

3-5 days intensive **SME Boot Camp** would be organised for prospective businesses designed to equip them with the necessary competence, skills and capabilities to thrive. The training to be administered at the boot camp would cover

- **Entrepreneurship 101**
- **Basic Business Management**
- **Business Marketing**

The Courses:



Entrepreneurship 101

- Creating an understanding of entrepreneurship and why it is important today
- It would cover the following:
 - ✓ Important success factors for businesses
 - ✓ Fundamentals for expansion
 - ✓ Defining a business model
 - ✓ Organising finances
 - ✓ Recruiting talent
 - ✓ Target market identification & testing etc.



Basic Business Management

- Exposure to the basic management skills required to effectively manage their businesses.
- It would cover the following:
 - ✓ Common business management styles
 - ✓ Leadership attributes, motivation
 - ✓ Performance management
 - ✓ Importance of governance
 - ✓ Organization and reporting structure etc.



Business Marketing

- Creating an understanding of how to market their own businesses.
- It would cover the following:
 - ✓ Importance of building a marketing plan,
 - ✓ Customer selection and engagement
 - ✓ fact in engaging in sales activities
 - ✓ distribution activities and channels
 - ✓ inter-relationship between customer satisfaction and repeat buying and
 - ✓ the role/value of technology in the business environment.



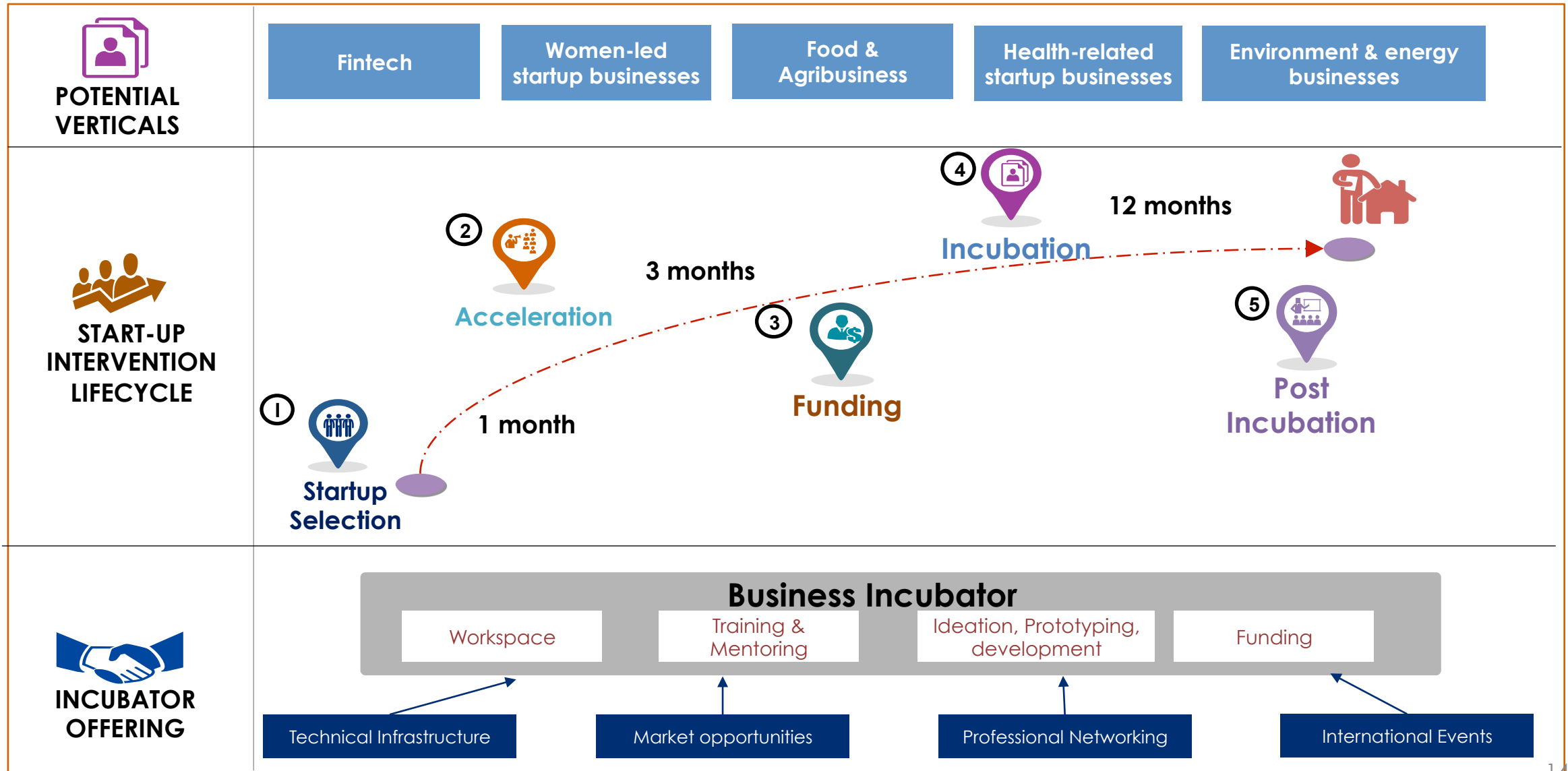
Tech Start-ups

Describes **High growth, high potential businesses** that are typically young and with a business model that relies heavily on software or other forms of technology for distribution of product/ service or in it operations

Our Approach to support Start-ups



Our approach to supporting startups is building a strong intervention lifecycle and network of relationships





Individual

Describes **individuals** lacking the required skills to be employable as well as those with little or no access to jobs

We will pilot the 'test & learn' program with individuals with a minimum of secondary school certificate & match them with potential employers...



Partners

Public or Private Organization

Corporate and other Organizations that partner with LSETF would give first hand knowledge of opportunities to LSETF

Vocational Training centres

Interested and qualified individuals would acquire specific skills at these centres

Public or Private Organization

Organizations then engage qualified candidates etc.

Private & Public Companies

On completion of internship programme, organization may then retain individual or receive finance from LSETF for start-up

Engage

Engage organizations on available vacancies



Train

Interested Individuals with ability or basic qualification would be trained to bridge any specific skill gap or requirements.



Intern

The trained individuals would then be placed on internship programmes where they will be gainfully engaged



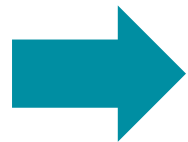
Place

Subsequent agreement can be made with organizations to retain individuals or alternatively LSETF equips artisans with starter packs



Engage

Engage organizations on available vacancies



Intern

Already trained individuals in the LSETF database that fit the job description would then be placed on internship

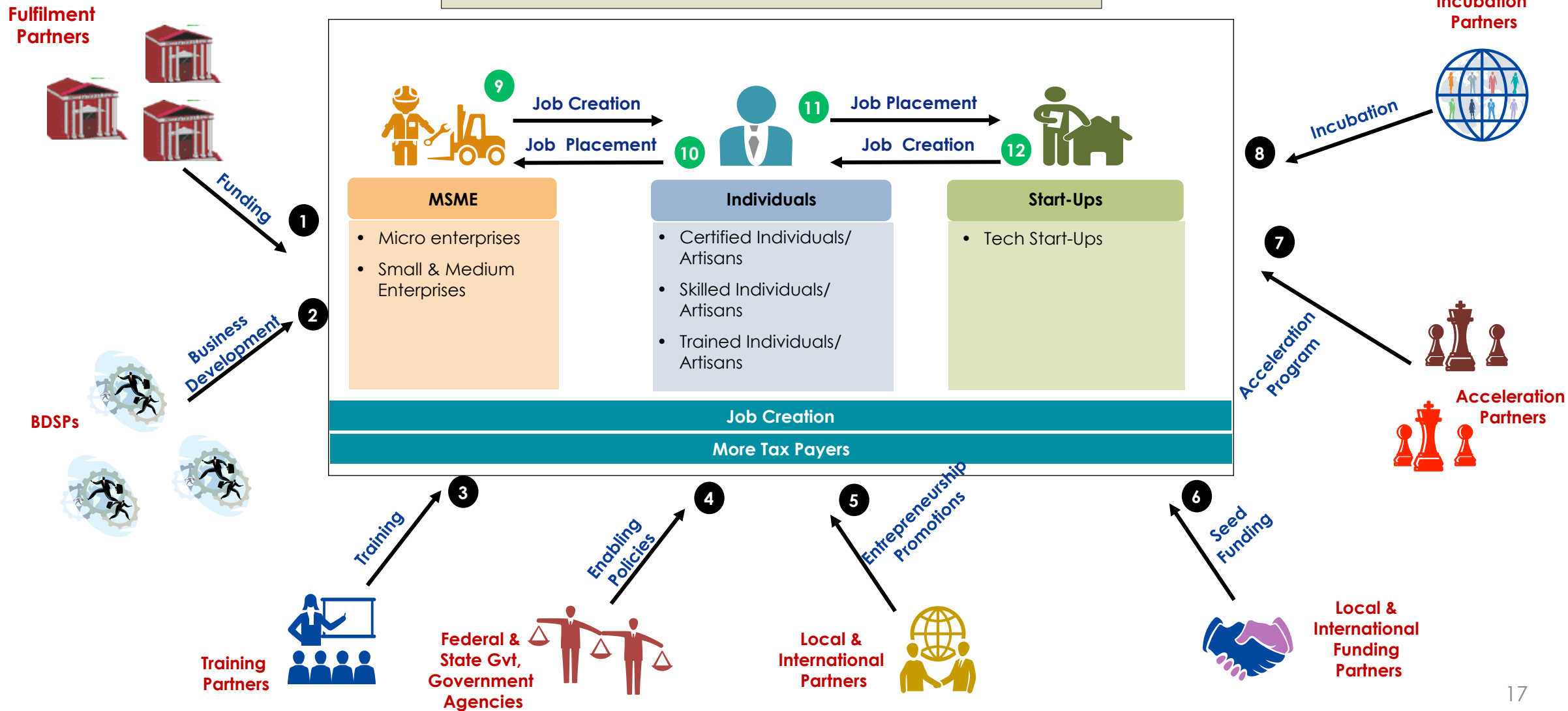
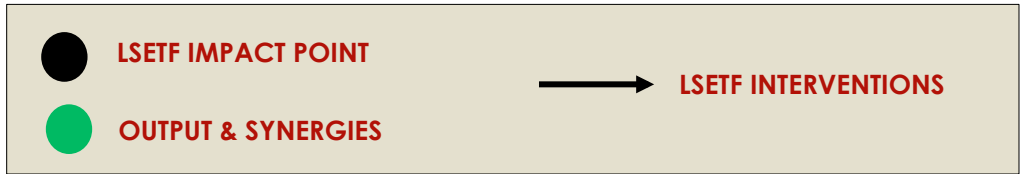


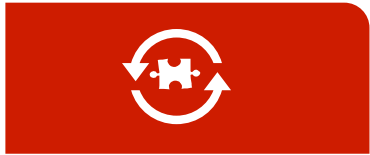
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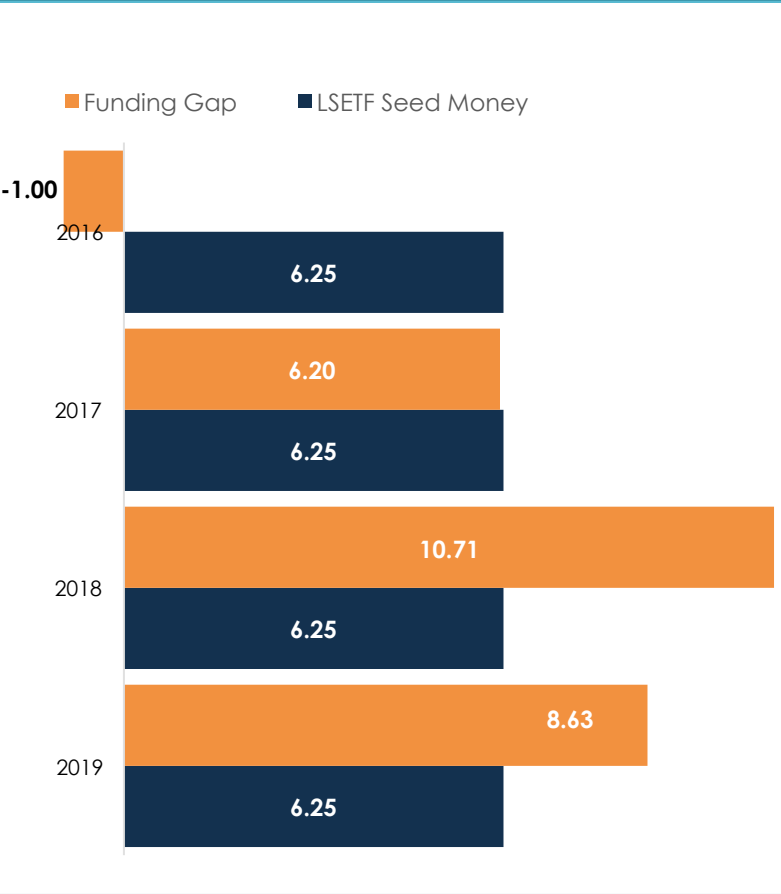
LSETF Impact Web Diagram





Based on aspiration of over 300k jobs over 4years, LSETF will require additional funding of N25bn

LSETF Funding Gap (N'bn)



- LSETF faces funding gaps from 2017 onwards
- Need to explore complementary and sustainable funding sources

Response to Funding gap

We would focus on becoming a sustainable independent funding institution



Funding options

- Equity
- Debt
- Loans
- Grants