

SECURITIES AND EXCHANGE COMMISSION, NIGERIA



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Ag. Director General

ADDRESS DELIVERED AT THE LAGOS CHAMBER OF COMMERCE & INDUSTRY
AWARD CEREMONY

ORIENTAL HOTEL, VICTORIA ISLAND, LAGOS.

Tuesday, May 1, 2018.

PROTOCOL

Distinguished guests, ladies and gentlemen,

1. I feel greatly honoured to be invited as the **Guest of Honour** to the fifth edition of the Lagos State Chamber of Commerce and Industry (LCCI) award. The annual award ceremony is a welcome initiative of the LCCI to identify deserving corporate organizations and institutions in the public and private sphere that have distinguished themselves in the development of commerce and industry in Nigeria. I congratulate the DG of the LCCI and the Chamber and urge that the effort is sustained.
2. I also wish to congratulate very warmly all the award recipients for their painstaking efforts and consequent successes in their business endeavours in the face of the daunting challenges in our economy. It is my conviction that having been adjudged as deserving of this honour, you will be motivated to aim at higher levels of performance.
3. The Securities and Exchange Commission (SEC) as the apex regulator of the Nigerian capital market is proud to be identified with this Lagos Chambers of Commerce and Industry award because of its conviction that a viable commerce and industry sector holds the key to a speedy growth of the Nigerian economy and its industrialization. SEC since its inception and through its mandate has contributed to the development of commerce and industry in the country. I am delighted that the LCCI has over ten (10) sectoral groups including Small and Medium Enterprises (SMEs). Many business establishments in Nigeria are SMEs and their contribution to employment and ability to create new lines of businesses are of great interest to the Commission. Our interest in the SMEs stems from the fact that the capital market provides a solution to one of the major constraints to the growth of SMEs that is access to finance. The capital market is a clear alternative to other forms of financing/ lending, as SMEs are able to raise long term funds in the market at more accommodating terms.

4. I consider it necessary to make a brief remark on a number of Capital Market Masterplan Initiatives we are implementing, which contribute to commerce and industrial development in Nigeria. As you are aware, the Commission launched its 10-year CMMP in 2015. The Master Plan is the outcome of consultations in the entire market community, having identified the challenges and opportunities in the Nigerian capital market. The 10-year master plan is expected to transform the Nigerian market, make it competitive to contribute its quota of developing the nation through funds mobilization. The main thrust of the plan is how the capital market will achieve the scale, sophistication and relevance to influence the development of our national economy.
5. As part of the 10-year master plan initiative, the commission is working with NERDC to institute a standalone capital market curriculum in basic and senior secondary schools. Nigeria will derive many advantages from the improvement of financial literacy because financial skills promote commerce, industry and economic growth. The improvement of financial skills is associated with economic growth or decreases in income inequality. Financial literate investors can create economic ripples, as they make better financial decisions for themselves, understand investment vehicles, process economic information better, make informed decisions and are knowledgeable on opportunities in commerce and industry.
6. I would like to affirm that we are relentless in our efforts of enhancing corporate governance in our listed companies and encouraging retail investors who exited the market after the 2008 financial crisis to return back to the market. Some of the initiatives we have implemented to boost confidence and improve investor participation include: (Free E-Dividend registration, National Investor Protection Fund, Direct Cash Settlement, Dematerialization, Corporate Governance Scorecard, Recapitalization of Capital Market Operators and Zero tolerance to market infractions). Good corporate governance will contribute to value

creation for corporate bodies and investors as well as sustainable economic development in Nigeria by enhancing the performance of companies and increasing their access to global capital. Retail investors are integral in building a sophisticated domestic investor base in Nigeria and will form a critical mass of stakeholders in most capital market initiatives moving the Nigerian economy forward. The other initiatives listed above are aimed at increasing the knowledge and confidence of retail investors in the market. Remember retail investors are the unsung heroes of the highly successful banking sector recapitalization exercises of the last decade. They are therefore very important.

7. In addition, we know the importance of a virile commodities exchange to commercial agriculture and industry. This is consistent with the primary objective of the chamber of promoting and supporting legislative or other measures affecting agriculture, trade, industry and commerce. SEC is doing a lot to engender a robust commodities exchange ecosystem. Reviving the commodities ecosystem will revolutionize Nigerian agriculture through a dynamic, efficient, and orderly marketing system that serves all. The development of commodities exchanges is very vital to the development of the agriculture and solid mineral sectors which are important to the economic diversification objectives of the government.
8. May I at this juncture commend the efforts of the Management of the LCCI again. As partners in development with the SEC, I am seeing concrete steps we can both take towards sustaining this partnership in a way that will guarantee us achieving our respective mandates. I look forward to the partnership with the LCCI in enforcing higher standards of corporate governance in view of the positive impact mentioned earlier. The second area of interest that holds great promise for your members is in getting them to list on our exchanges. The enormous benefits listed companies of your chamber stand to enjoy include more: readily accessible to finance on more favourable terms leading to the sustainable and profitable growth of the Companies.

9. The Securities & Exchange Commission sincerely wishes the LCCI and awardees successful celebration, greater harmony and accomplishments in the future.

Thank you and God bless us all.

Mary Uduk, FCIB

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