



## **CENTRAL BANK OF NIGERIA (AMENDMENT) DECREE No. 37 1998**

Commencement 22nd December 1998

THE Federal Government hereby decrees as follows:-

Amendment of 1991 No. 24, 1993 No. 79, 1997 No. 3

1. The Central Bank of Nigeria Decree 1991 (in this Act referred to as "the principal Decree") as amended,

is hereby further amended as set out in this Act.

Amendment of section 6

2. Section 6 of the principal Decree is amended by substituting therefor the following new subsections, that is -

Membership etc. of the Board of Directors

6. (1) There shall be for the Bank, a Board of Directors (hereinafter in this Act referred to as "the Board")

which shall be responsible for the policy and general administration of the affairs and business of the Bank.

"(2) The Board shall consist of -

- (a) a Governor who shall be the Chairman;
- (b) four Deputy-Governors ;
- (c) the Permanent Secretary, Federal Ministry of Finance;
- (d) five Directors

(3) The Board constituted under subsection (2) of this section shall be responsible for -

(a) the consideration of the annual budget of the Bank prior to its transmission to the President , Commander- in-Chief of the

Armed Forces for his approval,

(b) the approval of the audited and management accounts and the consideration of the management letter from the external auditors.,

- (c) the formulation of the Monetary and Credit Policy for Nigeria;
- (d) devising suitable mechanism to determine rates of exchange at which the Bank shall buy and sell foreign currencies;
- (e) the appointment of auditors in accordance with section 43 of this Act , the provision of the necessary facilities and the rates of remuneration;
- (f) the establishment and closing of Zonal Offices,' Branches and Currency Centres;
- (g) carrying out of such other activities as are necessary and expedient for the purposes of achieving the objectives of the Bank.

(4) It shall be the duty of the Board to approve the detailed responsibilities. of each of the Deputy Governors on the recommendation of the Governor.

(5) Without prejudice to subsection (4) of this section, the Board may, on the recommendation of the Governor, assign-or re-assign the Deputy Governors, from time to time, as may be expedient for the performance of the Bank's functions under or pursuant to this Act ."

#### Amendment of Section 9

3. Section 9 of the principal Decree is amended by inserting immediately after subsection (3) the following new subsection, that is

"(4) The Governor shall -

- (a) from time to time, keep the President informed of the affairs of the Bank; and
- (b) at the end of every period of six months make a formal report of the affairs of the Bank to the Provisional Ruling Council."

#### Amendment of Section 14

4. Section 14 of the principal Decree is amended in subsection (1) by substituting therefor the following new subsection, that is -

"(1.) Appointment of employees of the Bank shall only be in respect of positions created by the Bank and on such terms and conditions as may be laid down by the Board: Provided that the appointment and removal of staff of the grade of Assistant Director and above shall be with the approval of the Board."

#### Insertion of sections 38A and 38b.

5. Immediately after the existing section 38 of the principal Decree there shall be inserted the following new sections, that is -

## Establishment of the Financial Services Regulation Coordinating Committee

38A. (1) There is hereby established for the purpose of coordinating the supervision of financial institutions, a Financial Services Regulation Coordinating Committee (hereafter in this Act referred to as the Committee")

(2) The Committee shall consist of

- (a) the Governor of the Bank who shall be the Chairman;
- (b) the Director-General, Securities and Exchange Commission;;
- (c) the Commissioner for Insurance
- (d) the Registrar-General, Corporate Affairs Commission;
- (e) a representative of the Federal Ministry of Finance not below the rank of a Director.

### Objectives of the Committee

38B. The objectives of the Committee shall be to -

- (a) coordinate the supervision of financial institutions especially conglomerates;
- (b) cause reduction of arbitrage opportunities usually created by differing regulation and supervision standards amongst supervisory authorities in the economy.,
- (c) deliberate on problems experienced by any member in its relationship with any financial institution;
- (d) eliminate any information gap encountered by any regulatory agency in its relationship with any group of financial institutions;
- (e) articulate the strategies for the promotion of safe, sound and efficient practices by financial intermediaries; and
- (f) deliberate on such other issues as may be specified from time to time. "

### Amendment of Section .45

6. Section .45 of the principal Decree is amended in subsection (1) by substituting therefor the following new subsection, that is

"(1) There shall be for the Board a Secretary who shall be -

- (a) appointed by the Board; and
- (b) be responsible to the Board through the Governor.

(2) The Secretary shall be responsible for

(a) convening, on the authority of the Chairman, meetings of the Board;

(b) recording the minutes of all meetings of the Board and such other meetings as the Board may direct;

(c) acting as Secretary to any committee of the Board;

(d) maintaining and keeping minute books and a register of the Directors of the Bank;

(e) keeping in safe custody the Common Seal of the Bank;

(f) keeping in safe custody all title documents relating to the Bank's properties;

(f) keeping in safe custody all agreements entered into by the Bank and any third party;

(g) carrying out such other duties and responsibilities as may be assigned to him, from time to time, by the Governor."

Repeal of 1997 No. 3

7. The Central Bank of Nigeria (Amendment) Decree 1997 is hereby consequentially repealed

Citation.

7. this Act may be cited as the Central Bank of Nigeria (Amendment) Decree 1998

MADE at Abuja this 22<sup>nd</sup> day of December 1998

**GENERAL ABDULSALAMI ALHAJI ABUBAKAR**

***Head of State, Commander-in-Chief***

***of the Armed Forces***

***Federal Republic of Nigeria.***

#### EXPLANATORY NOTE

*(This note does not form part of the above Decree but is intended to explain its purport)*

The Decree amends the Central Bank of Nigeria Decree 1991, as amended, to provide, among other things, for the reconstitution of the Board of the Directors of the Bank.