



CENTRAL BANK OF NIGERIA

Financial Policy & Regulation Department
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REF: FPR/DIR/BOF/GEN/04/011

LETTER TO ALL BANKS AND OTHER FINANCIAL INSTITUTIONS

ATTENTION: Chief Compliance Officer

REPORT ON THE THREE-TIERED KNOW YOUR CUSTOMER (TKYC) COMPLIANCE EXERCISE

The CBN, in its letter referenced FPR/DIR/GEN/ADM/01/001 of 25th February, 2013 issued guidelines to all banks and other financial institutions (OFIs) on the implementation of the Three-tiered Know-Your-Customer (TKYC) policy. Following the directive, Bank Examiners conducted on-the-spot-check at selected branches of banks and OFIs in locations spread across the country to assess the level of compliance with the requirements on tiers 1 and 2 and its spread. The exercise was also to ensure that the policy (to attract the active poor into the banking system to enable them enjoy its benefits) does not suffer a reversal due to ineffective and lack of diligent implementation by the stakeholders.

The report of the exercise has revealed the need for all stakeholders to take further steps to ensure that the objectives of the policy are achieved. To this end, all banks and OFIs are required to address the following:

- i. Intensify publicity and awareness on the TKYC policy in all locations of their business including rural areas;
- ii. Conduct training for their officers on the implementation of the policy;
- iii. Deploy and maintain effective AML/CFT solution that ensures operation of accounts within the prescribed thresholds;
- iv. Carry out other measures that will enhance the effective implementation of the policy in the country;

- v. Maintain documentary evidence of actions taken to ensure effective implementation of the policy in their institutions for Bank Examiners on on-site compliance visit to the institution; and
- vi. Commence quarterly rendition of returns on the TKYC policy using the attached reporting format.



KEVIN N. AMUGO

DIRECTOR, FINANCIAL POLICY AND REGULATION DEPARTMENT

REPORTING FORMAT FOR QUARTERLY RETURNS ON THREE TIERED KYC

NAME OF REPORTING ENTITY:

REPORT REFERENCE NUMBER:

PERIOD COVERED:

DATE OF REPORT: