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CIRCULAR TO ALL COMMERCIAL, MERCHANT, AND NON-INTEREST BANKS ON IMPLEMENTATION OF THE FOREIGN CURRENCY DISCLOSURE, DEPOSIT, REPATRIATION, AND INVESTMENT SCHEME, 2024

The Federal Government of Nigeria on October 19, 2023, issued the Presidential Executive Order No. 15 to facilitate voluntary disclosure, deposit, and repatriation of internationally tradable foreign currencies held onshore and offshore by Nigerian citizens, resident within or outside Nigeria. Sequel to this, the President signed the Presidential Executive Order No. 15, Modification Notice, 2024, which was gazetted on October 25, 2024. To operationalise the Executive Order No. 15, the Honourable Minister of Finance and Coordinating Minister of the Economy had issued the Foreign Currency Disclosure, Deposit, Repatriation, and Investment Scheme Guidelines, 2024 (Scheme Guidelines) on April 8, 2024.

In furtherance thereof, the Central Bank of Nigeria hereby issues this Guidelines on the Foreign Currency Disclosure, Deposit, Repatriation and Investment Scheme, 2024, for implementation. The Guidelines provides modalities for the participation of Commercial, Merchant, and Non-Interest Banks (CMNIBs) in the Scheme and should be read in conjunction with Presidential Executive Order 15 (as modified), the Scheme Guidelines, and other applicable laws.

In implementing the Scheme, CMNIBs are required to comply with extant rules and regulations, including Anti-Money Laundering/Combating the Financing of Terrorism/Countering Proliferation Financing (AML/CFT/CPF) laws and regulations.

The Guidelines takes effect from November 6, 2024.


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**GUIDELINES ON IMPLEMENTATION OF THE
FOREIGN CURRENCY DISCLOSURE, DEPOSIT,
REPATRIATION, AND INVESTMENT SCHEME,**

2024

EFFECTIVE NOVEMBER 6, 2024

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GUIDELINES ON IMPLEMENTATION OF THE FOREIGN CURRENCY DISCLOSURE, DEPOSIT, REPATRIATION, AND INVESTMENT SCHEME, 2024

1.0 INTRODUCTION

To operationalise Executive Order No. 15 on the Disclosure, Depositing, Repatriation and Investment of Eligible Foreign Exchange Assets and Related Matters Order, 2023 (hereinafter referred to as Principal Executive Order), modified on October 25, 2024, the Honourable Minister of Finance and Coordinating Minister of the Economy (Minister) issued the Foreign Currency Disclosure, Deposit, Repatriation, and Investment Scheme Guidelines, 2024 (Scheme Guidelines).

Sequel to these regulations, the Central Bank of Nigeria (CBN or Bank) hereby issues the Guidelines on Implementation of the Foreign Currency Disclosure, Deposit, Repatriation and Investment Scheme to Commercial, Merchant and Non-Interest Banks (CMNIBs). This Guidelines clarifies regulatory expectations from CMNIBs on their participation in the Foreign Currency Disclosure, Deposit, Repatriation, and Investment Scheme, 2024 (the Scheme).

The Guidelines should be read in conjunction with the CBN Act 2007, Banks and Other Financial Institutions Act, 2020 (BOFIA), Principal Executive Order (as modified), Scheme Guidelines, and other applicable laws and relevant regulations.

2.0 RESPONSIBILITIES OF STAKEHOLDERS

2.1 Commercial, Merchant, and Non-Interest Banks

Commercial, Merchant, and Non-Interest Banks (CMNIBs) shall:

- a. open domiciliary accounts designated for the purpose of the Scheme for intending Participants;
- b. receive and process applications from intending Participants in the Scheme in accordance with the Scheme Guidelines;
- c. accept deposits of disclosed Internationally Tradable Foreign Currencies (ITFCs) from participants, either directly or from a legal person nominated by the participant;

- d. ensure that ITFCs deposited by a participant are held in the designated domiciliary account.
- e. not later than 24 hours from the time the ITFC is deposited, issue a receipt to the Participant, indicating the originating country of the funds, and acknowledging that such funds were received for the Scheme;
- f. notwithstanding Section 5.0 (a) of this Guidelines, avail the Bank upon request, information on deposits of ITFCs within 48 hours of issue of such request;
- g. track and report to the Bank, participants' ITFC investments in permissible investment instruments or permissible investment sectors;
- h. ensure that participants comply with the provisions of this Guidelines, the Principal Executive Order, Scheme Guidelines, and other applicable laws relating to the Scheme;
- i. treat with confidentiality, all information received from participants in the Scheme in line with the Nigerian data protection laws and regulations;
- j. render returns to the Bank in accordance with Section 5.0 of this Guidelines;
- k. obtain from the intending participants the information listed in Section 3.1 of this Guidelines;
- l. maintain appropriate and comprehensive records of data/information relating to transactions under the Scheme; and
- m. perform such other functions as the Bank may direct.

2.2 Participants

A participant in the Scheme:

- a. shall open a designated domiciliary account for Scheme-related transactions with a CMNIB;
- b. may invest funds in Permissible Investment Instruments and/or Permissible Investment Sectors only;
- c. shall permit the CMNIB to share relevant account information with the Bank, the Federal Ministry of Finance, and any other party with whom it would be legally necessary to share such information;
- d. shall provide such other relevant information as the CMNIB or Bank may require;

- e. confirm that:
 - i. funds deposited under the Scheme were not generated from illegal or criminal sources;
 - ii. the participant's involvement in the Scheme is voluntary; and
 - iii. complete and verifiable information has been provided.

2.3 Central Bank of Nigeria

The Bank shall:

- a. regulate the participation of the CMNIBs in the implementation of the Scheme;
- b. receive monthly returns from the CMNIBs participating in the Scheme;
- c. provide CMNIBs with a template for obtaining information on transactions under the Scheme; and
- d. provide the Ministry of Finance with such data/information received from the CMNIBs on the operation of the Scheme, on an industry or individual bank basis, or in such other forms as the Bank may determine.

3.0 OPERATION OF THE SCHEME

3.1 Procedure for Application

CMNIBs, shall pursuant to an application made by an intending participant under the Scheme, obtain the following:

- a. the full name of the applicant;
- b. the applicant's Bank Verification Number and National Identification Number (for natural persons and directors of incorporated entities) or Tax Identification Number (for legal persons);
- c. the amount of the ITFC sought to be deposited;
- d. details of the applicant's designated domiciliary account into which the ITFC shall be deposited;
- e. such other information as the Bank may require from time to time.

3.2 Deposit and Repatriation of Internationally Tradable Foreign Currency

When a CMNIB confirms that an applicant has complied with the requirements of Section 3.1 of this Guidelines, the CMNIB shall:

- a. receive the ITFCs into the designated domiciliary account; and
- b. forward a report to the Bank in conformity with the approved template.

3.3 Withdrawals from Designated Domiciliary Account and Termination of Investment

Except as otherwise provided in the Scheme Guidelines, the CMNIBs shall not impose any restriction on the:

- a. withdrawal from the designated domiciliary account of the participant; or
- b. termination of any investment made in a permissible investment instrument or permissible investment sector with any such ITFC.

3.4 Conversion of Deposited Internationally Tradable Foreign Currency

A CMNIB shall permit a participant to, at any time, exchange part or the whole ITFC in the participant's designated domiciliary account for Naira at the prevailing exchange rate, provided that such conversions are properly disclosed and reported in the CMNIB's foreign exchange returns.

4.0 TREATMENT OF UNINVESTED FUNDS

4.1 Utilisation of Uninvested or Deposited Funds

CMNIBs may trade with any deposited ITFC not immediately invested by a participant, provided that the funds would be made available to the participant when needed.

4.2 Interest on Uninvested Funds

Interest payment by CMNIBs on the balance in the designated domiciliary account shall be in line with relevant provisions of the Guide to Charges by Banks and Other Financial Institutions in Nigeria.

5.0 RENDITION OF RETURNS

- a. Every CMNIB shall render monthly returns (in line with a template to be advised by the Banking Supervision Department) to the Bank on the operation of the Scheme not later than the 14th day of the following month.
- b. The returns shall, at a minimum, contain the following information:
 - i. the number of participants enrolled in the Scheme;

- ii. total value of ITFC received during the period and the cumulative value for the financial year;
- iii. status of applications received and processed during the reporting period, including any noteworthy trends or challenges encountered during the application review process;
- iv. a summary of financial transactions conducted under the Scheme, including the investments made in permissible investment instruments and permissible investment sectors, as well as the total value of uninvested ITFCs;
- v. a statement showing the uninvested ITFC domiciled with the CMNIB;
- vi. a statement showing all transactions (trades, investments, loans) by the CMNIB funded from uninvested ITFCs; and
- vii. any other information the Bank may require.

6.0 COMPLIANCE WITH AML/CFT/CPF REQUIREMENTS

The Money Laundering (Prevention & Prohibition) Act 2022, Terrorism (Prevention and Prohibition) Act 2022, CBN AML/CFT/CPF Regulation, 2022, CBN AML/CFT/CPF (Administrative Sanctions) Regulation, 2023, CBN (Customer Due Diligence) Regulations 2023, and other relevant extant laws and regulations, shall apply to transactions under the Scheme.

In line with Anti-Money Laundering/Combating the Financing of Terrorism/Countering Proliferation Financing (AML/CFT/CPF) laws and regulations, funds derived from illegal or criminal activities are not allowed into the Nigerian financial system.

CMNIBs shall ensure compliance with all applicable AML/CFT/CPF regulations, including:

- i. conducting Customer Due Diligence (including identifying the beneficial owner of the funds) on applicants who are transferring, repatriating, or depositing funds under the programme, based on an assessment of the applicable risks;
- ii. identifying the beneficial owner of the account into which the funds are being transferred, repatriated, or deposited under the Scheme;

- iii. ensuring deposits under the Scheme by way of wire transfers are compliant with extant requirements regarding such transactions; and
- iv. subjecting funds repatriated from countries that do not adequately apply the FATF Recommendations to enhanced due diligence and scrutiny.

7.0 RISK MANAGEMENT AND APPLICATION OF RELEVANT GUIDELINES

CMNIBs shall ensure that risk mitigation measures are put in place to minimize operational, technical, or fraud risks. In particular, the provisions of the Regulatory Framework for Bank Verification Number (BVN) Operations and Watch-List for the Nigerian Banking Industry (as amended) and other applicable laws and regulations, shall apply to CMNIBs in the implementation of the Scheme.

8.0 CONFIDENTIALITY

- a. Information provided by participants shall be treated with confidentiality in accordance with relevant legislation.
- b. CMNIBs shall respect the privacy rights of participants and abide by the Nigerian data protection laws and regulations.

9.0 COMPLAINT RESOLUTION MECHANISM

The principles outlined in the CBN Consumer Protection Regulations and other relevant guidelines issued by the Bank on complaints management/resolution shall apply.

10.0 SANCTIONS

Contravention of any provision of this Guidelines shall attract appropriate sanctions in line with the Banks and Other Financial Institutions Act (BOFIA), 2020, CBN AML/CFT/CPF (Administrative Sanctions) Regulation, 2023, and other relevant laws and regulations.

11.0 EFFECTIVE DATE

This Guidelines takes effect from November 6, 2024.

GLOSSARY

In this Guidelines, the terms in the table below will have the meanings indicated:

Term	Meaning
AML/CFT/CPF	Anti-Money Laundering/Combating the Financing of Terrorism/Countering Proliferation Financing
Applicant	An intending participant in the Scheme.
CMNIB	A commercial, merchant or non-interest bank operating in Nigeria
Designated domiciliary account	A domiciliary account opened solely for participation in the Scheme.
Domiciliary account	An account maintained in a CMNIB that holds foreign currency.
Internationally Tradable Foreign Currencies	Foreign currencies in domiciliary accounts, held in offshore accounts by Nigerians, or held by Nigerians resident in Nigeria or the diaspora, in cash or otherwise, retained in electronic form.
Minister	The Minister of Finance and Coordinating Minister of the Economy.
Participant	Any person, legal or natural, who participates in the Scheme by voluntarily disclosing, repatriating (where applicable), depositing, and/or investing foreign currency in accordance with the provisions of the Scheme Guidelines.
Permissible Investment Instruments	The foreign currency-denominated financial instrument issued pursuant to Executive Order No. 15 (as modified) or such other instrument as the President may determine on the recommendation of the Minister.
Permissible Investment Sectors	Sectors that have capacity to accelerate economic growth, drive infrastructure development, and create jobs as the President may determine on the recommendation of the Minister.
Principal Executive Order	Executive Order No. 15 on Disclosure, Depositing, Repatriation and Investment of Eligible Foreign Exchange Asset and Related Matters Order, 2023
The Bank	The Central Bank of Nigeria.

The Guidelines or This Guidelines	Guidelines on Implementation of the Foreign Currency Disclosure, Deposit, Repatriation and Investment Scheme to Commercial, Merchant and Non-Interest Banks, 2024 issued by the Bank.
The Scheme	The Foreign Currency Disclosure, Deposit, Repatriation, and Investment Scheme.
The Scheme Guidelines	The Foreign Currency Disclosure, Deposit, Repatriation, and Investment Scheme Guidelines, 2024 issued by the Federal Ministry of Finance.

APPROVED