



CENTRAL BANK OF NIGERIA
Corporate Head Office
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TRADE & EXCHANGE DEPARTMENT

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TO: ALL AUTHORISED DEALERS, NNPC, PPMC AND THE GENERAL PUBLIC

RISING DEMAND FOR FOREIGN EXCHANGE AT WDAS

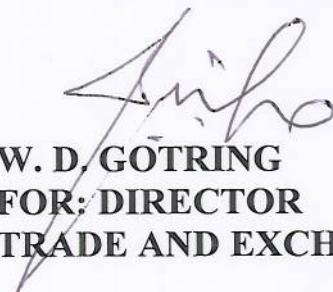
It has been observed that Oil companies that have SWAP arrangements with Nigerian National Petroleum Corporation (NNPC) and or Petroleum Products Marketing Company (PPMC) (for which standby letters of credit have been established to lift crude oil for delivery of refined products) still access WDAS to fund the importation of the refined petroleum products, rather than utilize the foreign exchange proceeds from their exports.

Consequently, companies engaged in product SWAP arrangements with NNPC/PPMC are not allowed to access WDAS funds for negotiating refined petroleum products import transactions, whether through standby Letters of Credit or Bills for Collection.

Authorized Dealers are therefore,

1. to ensure that such companies show documentary evidence of the payment of the NESS fee of 0.2% of the Free on Board (FoB) value of the crude oil export and copy of the NXP form registered with a bank for the export of the crude oil.

2. to submit a monthly report on such transactions upon negotiation to Director, Trade and Exchange Department, CBN Abuja stating:
 - Name and address of Company
 - RC No of the Company
 - Copy each of Form M and NXP
 - L/C instrument or Bills of Exchange
 - Copy of NESS fee payment receipt.
 - Copy of CCI.
3. to bring the provisions of the circular to the attention of their customers and ensure strict compliance, as any breach will be sanctioned appropriately, including suspension of Authorised Dealership License.



**W. D. GOTRING
FOR: DIRECTOR
TRADE AND EXCHANGE DEPARTMENT**