

CENTRAL BANK OF NIGERIA



CBN website: www.cbn.gov.ng

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11th November, 2010

CIRCULAR **TO ALL CHAIRMEN AND MANAGING DIRECTORS OF MICROFINANCE BANKS**

MEMBERSHIP AND ANNUAL SUBSCRIPTION TO THE NATIONAL ASSOCIATION OF MICROFINANCE BANKS (NAMB)

Further to the CBN Circular No. OFI/DIR/GEN/CIR/01/04 dated 16th March, 2010 on the inauguration of the National Association of Microfinance Banks (NAMB), it has become necessary to reiterate that membership of the umbrella association is compulsory for all licensed microfinance banks (MFBs) operating in Nigeria.

Accordingly, in order to ensure its smooth functioning at the national, zonal and state levels and to enable the Association to effectively play its role of advocacy, information dissemination, capacity building, promotion of uniform standards, ethics and professionalism, all MFBs are required to register with the Association and pay the annual subscription prescribed by the Association, which falls due in January every year.

Consequently, all MFBs that are yet to pay their annual subscription for 2010 are required to do so on or before 31st December, 2010 to avoid any unsavoury consequence or sanction. For the avoidance of doubt, evidence of payment of the annual subscription for 2010 and 2011 will be checked during the Routine Examination of all MFBs commencing in January 2011 and defaulters will be appropriately sanctioned. It will also be a condition for issuance of new licences to the 121 MFBs recently granted provisional approvals.

All directors and staff of MFBs are also hereby enjoined to co-operate with the officials of the Association to foster a virile, self-regulating umbrella association that will represent the collective interest of all MFBs.

O. A. Fabamwo

Director, Other Financial Institutions Supervision Dept.