



HIGHLIGHTS OF THE CIRCULARS ISSUED BY THE CENTRAL BANK OF NIGERIA IN THE MONTH OF JANUARY 2019

Dear Esteemed Clients,

Introduction

The Central Bank of Nigeria (CBN) issued the following Circulars/Guidelines in the month of January 2019. We hope that you find some of the information useful in your operations.

- PSM/DIR/CIR/GEN/01/002 - EXPOSURE DRAFT FOR THE REGULATION ON END TO END ELECTRONIC PAYMENT OF SALARIES, PENSIONS & OTHER REMMITANCES, SUPPLIERS & REVENUE COLLECTIONS IN NIGERIA (REVISED 2018)
- COD\GEN\01\23-01-2019 - BANKNOTE FITNESS GUIDELINES
- COD/GEN/02/23-01-2019 - CLEAN NOTE POLICY
- COD/DIR/GEN/CNF/18/050 - PENALTY FOR PAYMENT OF COUNTERFEIT BANKNOTES FROM ATMS/TELLER POINTS

1. PSM/DIR/CIR/GEN/01/002 - EXPOSURE DRAFT FOR THE REGULATION ON END TO END ELECTRONIC PAYMENT OF SALARIES, PENSIONS & OTHER REMMITANCES, SUPPLIERS & REVENUE COLLECTIONS IN NIGERIA (REVISED 2018)

The CBN recently issued a circular to all Deposit Money Banks (DMBs), other Financial Institutions and the general public for the review and suggested comment on the exposure draft of the regulation on end-to-end electronic payment of Salaries, Pensions and other Remittances, Suppliers and Revenue Collection in Nigeria (Revised, 2018). All comments are to be forwarded in hard copy to the Director, Payments System Management Department and softcopy of same should be sent to AMADAHMAN@cbn.gov.ng and OUNWOSU@cbn.gov.ng on or before the 4th of March, 2019.

Please refer to the circular for additional information at: [http://www.cbn.gov.ng/Out/2019/PSMD/Circular and Guideline on E-Payment.pdf](http://www.cbn.gov.ng/Out/2019/PSMD/Circular%20and%20Guideline%20on%20E-Payment.pdf)

2. COD\GEN\01\23-01-2019 - BANKNOTE FITNESS GUIDELINES

This month also witnessed the issuance of the Banknote Fitness Guidelines by the CBN to all DMBs, Micro Finance Banks, third party service providers and the general public. The guidelines provides for the following:

- The quality standards and guidelines for banknotes production and recirculation;
- The standardised quality criteria for sorting of banknotes and a guide to all participants in the currency management industry; and
- The processes of removal of unfit banknotes that are in circulation.

Please refer to the circular for additional information at: [http://www.cbn.gov.ng/Out/2019/COD/Banknote fitness Sept 2016 final compressed.pdf](http://www.cbn.gov.ng/Out/2019/COD/Banknote%20fitness%20Sept%202016%20final%20compressed.pdf)

3. COD/GEN/02/23-01-2019 - CLEAN NOTE POLICY

A Clean Note Policy was issued by the CBN to all DMBs, Micro Finance Banks, third party service providers and the general public. The Clean Note Policy entails a spectrum of diverse currency management activities which are geared towards the efficient circulation of premium quality banknotes and withdrawal of unfit/soiled banknotes so as to guarantee public confidence and usage of the Naira banknotes as a medium of exchange. The Policy requires that the production, issuance of new banknotes and re-circulation by the DMBs as well as processing companies should conform with predetermined standards.

Please refer to the circular for additional information at: [http://www.cbn.gov.ng/Out/2019/COD/Clean Note Policy.pdf](http://www.cbn.gov.ng/Out/2019/COD/Clean%20Note%20Policy.pdf)

4. COD/DIR/GEN/CNF/18/050 - PENALTY FOR PAYMENT OF COUNTERFEIT BANKNOTES FROM ATMS/TELLER POINTS

Lastly, the CBN has expressed concern on the incidences of counterfeits paid through some DMBs ATMs/Teller points. In a bid to sustain public confidence in the National currency and ensure compliance with the provisions of the Banknote Fitness Guidelines and the Clean Note Policy, the CBN has approved spot checks on DMBs ATMs and Teller points and imposition of N1,000,000 (One Million Naira only) fine per branch of DMBs as penalty for none compliance.

Please refer to the circular for additional information at: [http://www.cbn.gov.ng/Out/2019/COD/Penalty for payment of counterfeit banknotes.pdf](http://www.cbn.gov.ng/Out/2019/COD/Penalty%20for%20payment%20of%20counterfeit%20banknotes.pdf)