

**REGULATORY UPDATE**  
**HIGHLIGHTS OF THE CIRCULARS,**  
**PRESS RELEASE, AND NOTIFICATIONS**  
**ISSUED IN THE FINANCE INDUSTRY**  
**IN OCTOBER, 2024**



 LAGOS | ABUJA | CALABAR

**Dear Esteemed Client,**

The Central Bank of Nigeria (“**CBN**”), the Securities and Exchange Commission (“**SEC**”), Nigerian Investment Promotion Commission (“**NIPC**”) and the Federal Competition & Consumer Protection Commission (“**FCCPC**”) issued the following Press Releases, Circulars, and Guidelines in October 2024, containing information and directives for the Banking Industry and Financial Markets. We hope that you find the information useful in your operations.

**Please find the highlights below:**

**FCCPC WARNS BANKS AGAINST SERVICE DISRUPTIONS AND VIOLATION OF CUSTOMERS’ RIGHT**



The FCCPC expressed concern over recent disruptions in online banking services in Nigeria. These disruptions negatively impacted millions of customers. The FCCPC emphasized that banks have a legal obligation to provide quality service, including maintaining service reliability, providing reasonable access, and communicating transparently with customers. The Commission is urging banks to take immediate action to restore services and enhance customer support.

For more information, please refer [here](#):

**NIPC INTRODUCES REVISED FEE SCHEDULE FOR APPLICATIONS**

The NIPC has upwardly reviewed its fees for business registration and Pioneer Status Incentives (PSI). The new fee schedule includes a replacement fee for applicants who wish to replace previously obtained Business Registration Certificates. First-time applicants for PSI are now required to pay a due diligence fee of NGN1,000,000.00 and an annual service charge of 1.5% of their actual pioneer profits.

Companies are now required to renew their business registrations with the NIPC and the annual renewal application fee is NGN50,000. The NIPC has also imposed a non-refundable default penalty of NGN200,000 for new applicants and NGN100,000 for extension applicants whose applications are deemed abandoned by way of redundancy in processing.

For more information, please refer [here](#):

**SEC ISSUES PROPOSED NEW RULES AND AMENDMENTS ON ISSUANCE OF COMMERCIAL PAPERS**

The SEC has proposed new rules and amendments to existing regulations governing the issuance of Commercial Papers (CPs) in Nigeria. The primary objectives of these proposed changes are to enhance investor protection, promote market transparency, and standardize the issuance process for CPs. By implementing these new rules, the SEC aims to create a more robust and regulated market for CPs in Nigeria, fostering investor confidence and promoting economic growth.

For more information, please refer [here](#):

**CBN REAFFRIMS COMMITMENT TO FINANCIAL SYSTEM STABILITY**

The CBN issued a press release reaffirming its commitment to ensuring the stability and safety of depositors’ funds in the Nigerian financial system. The CBN emphasizes its active role in

maintaining the integrity of the financial system through rigorous regulation, stress testing, and early warning systems. The CBN also highlights its collaboration with other countries to ensure the safe and sound operation of Nigerian banks' subsidiaries internationally. Through its efforts, the CBN aims to foster confidence in the banking system and safeguard the financial interests of all Nigerians.

For more information, please refer [here](#):

### **CBN CLARIFIES STANCE ON THE VALIDITY OF OLD NAIRA NOTES**



The CBN has clarified that the old series of ₦200, ₦500, and ₦1,000 banknotes will remain legal tender indefinitely. The press release refutes claims circulating that the old banknotes will cease to be legal tender on 31<sup>st</sup> December 2024. The CBN also reiterates that the Supreme Court's order granting the extension of the use of old Naira banknotes is in effect, and all branches of the CBN continue to issue and accept all denominations of Nigerian banknotes.

For more information, please refer [here](#):

### **CBN ISSUES THE EXPORSURE DRAFT FOR NIGERIA FOREIGN EXCHANGE (FX) CODE BOOK**

The CBN has issued a "Central Bank of Nigeria FX Code" which is a set of principles outlining good practices for the Nigerian Foreign Exchange Market (NFEM). The code aims to promote a fair, transparent, and robust NFEM that operates according to globally accepted standards. It also provides specific guidance on each principle, addressing issues such as conflicts of interest,

order handling, risk management, and settlement procedures.

For more information, please refer [here](#):

### **CBN INTRODUCES THE ELECTRONIC FOREIGN EXCHANGE MATCHING SYSTEM**

The CBN has announced the introduction of the Electronic Foreign Exchange Matching System (EFEMS) in the Nigerian interbank foreign exchange market, which will replace the current system by November 2024. This new system aims to improve market transparency and facilitate a market-driven exchange rate that will be accessible to the public, thereby reducing speculative activities and market distortions. To ensure a smooth transition, the CBN will publish real-time prices and buy/sell orders data, and will collaborate with the Nigerian Financial Markets Association (FMDA) to publish rules for the EFEMS.

For more information, please refer [here](#):

### **CBN INTRODUCES GUIDELINES ON FOREIGN CURRENCY DISCLOSURE AND REPATRIATION**

The CBN has released the Guidelines on Implementation of the Foreign Currency Disclosure, Deposit, Repatriation, and Investment Scheme, 2024. The Guidelines will be effective from 6<sup>th</sup> November 2024. The Guidelines outlines regulations for a scheme aimed at encouraging Nigerians to disclose, repatriate, deposit, and invest eligible foreign exchange assets in Nigeria. The Guidelines specify responsibilities for commercial, merchant, and non-interest banks (CMNIBs), participants, and the CBN, including aspects such as application procedures, deposit and repatriation of internationally tradable foreign currencies (ITFCs), withdrawal from designated domiciliary accounts, and the treatment of uninvested funds.

For more information, please refer [here](#):

**CBN INTRODUCES ACADEMIC JOURNAL: THE BULLION**

The CBN has published guidelines for contributors to its academic journal, The Bullion. The journal aims to disseminate research on economic growth, monetary policy, and development finance, among other topics. Contributors must submit original, unpublished manuscripts that adhere to specific formatting and referencing guidelines. Articles undergo a rigorous peer-review process and must be written in English using British spelling and usage. Accepted papers will be awarded an honorarium and all authors are required to submit a digital passport photograph.

For more information, please refer [here](#):

**CONTACTS**

**GRACE EREWELE**  
grace.erewele@advocaat-law.com



**OLUWATIMILEHIN ILORI**  
oluwatimilehin.ilori@advocaat-law.com



**VICTORIA OBI**  
victoria.ob@advocaat-law.com