



CENTRAL BANK OF NIGERIA

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LETTER TO ALL BANKS

FOREIGN EXCHANGE RESTRICTION ON THE IMPORTATION OF 42 ITEMS

The Central Bank of Nigeria as part of its developmental objective of employment generation and inclusive growth in Nigeria, on July 1, 2015, restricted the availability of foreign exchange to the importation of 41 items, which could be competitively produced within the economy.

This policy has resulted in massive investments and the establishment of cottage industries that now engage in the production of the restricted items across the country. The growth and employment benefits have been phenomenal.

Unfortunately, trade information available to the CBN indicates the circumvention of the policy as the restricted items are being dumped in the country. The implications are that the growth and employment benefits arising from the policy may be eroded if not checked.

The CBN views this development with trepidation. The Economic Intelligence Unit of the Bank in collaboration with the Economic and Financial Crimes Commission would commence immediate investigation of the accounts of the corporates and entities engaged in this unwholesome act with a view to visiting severe sanctions on all the culprits.

Such sanctions would among others include blacklisting the corporates and their directors; closure of their bank accounts; and restricting them from maintaining any bank accounts in any bank under the CBN remit. Banks that provided their platforms for such economic abuses would also be appropriately sanctioned.

Banks are by this notice advised on strict compliance with the **Know Your Customer (KYC) and Know Your Customer Business (KYB)** requirements and to be properly guided, please.



KEVIN N. AMUGO

DIRECTOR, FINANCIAL POLICY AND REGULATION DEPARTMENT