



CENTRAL BANK OF NIGERIA
Central Business District,
Cadastral Zone AO
P.M.B. 0187, Garki
Abuja.

PAYMENTS SYSTEM MANAGEMENT DEPARTMENT

Tel: 09 462 38300, 09 462 38346

e-mail: psmd@cbn.gov.ng

website: www.cbn.gov.ng

PSM/DIR/CON/CWO/16/119

December 16, 2020

TO: Circular to International Money Transfer Operators (IMTOs) and Payment Service Providers (PSPs)

Dear Sir/Ma,

RECEIPT OF DIASPORA REMITTANCES: ADDITIONAL OPERATIONAL GUIDELINES

Following the recent policy pronouncements on amendments to procedures for receipt of diaspora remittances, the Central Bank of Nigeria (CBN) notes material compliance by majority of market participants as beneficiaries of remittances through IMTOs now receive foreign currency through their designated banks. However and regrettably, a few operators continue to pay remittances in local currency contrary to the regulatory directive. The CBN frowns at this practice.

In the light of this, the CBN hereby provides the following additional operational guidelines:

1. Switches and Processors should immediately cease all local currency transfers in respect of foreign remittances through IMTOs.
2. All MMOs are required to immediately disable wallets from receipt of funds from IMTOs.
3. Payment service providers are directed to cease integrating their systems with IMTOs going forward and must prevent comingling of remittances with other legitimate transactions.



4. All IMTOs are required to immediately disclose to beneficiaries that they exercise discretion to receive transfer in foreign currency cash or directly into their domiciliary accounts.

5. A central reporting portal for all foreign remittances to be managed by the Nigerian Interbank Settlement System (NIBSS) is currently under development to improve visibility of foreign remittance flows.

All licensed institutions are required to comply with the foregoing guidelines as contraventions will attract stiff regulatory sanction including **revocation of license**.

The CBN remains committed to promoting transparency in the administration of diaspora remittances into Nigeria and will continue to enforce policies that will stabilize and deepen the Nigeria foreign exchange market.

A handwritten signature in black ink, consisting of a series of loops and a long horizontal stroke extending to the right.

**Director, Trade and Exchange
Department**

A handwritten signature in black ink, featuring a stylized 'M' and 'F' followed by a horizontal line.

**Director, Payments System Management
Department**