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TO ALL AUTHORISED DEALERS

GUIDELINES FOR THE PAYMENT OF REFUNDS OF EXCESS
PARIS CLUB EXIT DEBT TO STATES

Sequel to the payment of Paris club debt from the excess crude and PPT accounts, it was observed that some states had excess deductions from their statutory allocations in the process of effecting the payment.

Consequently, the following guidelines are to enable designated banks make refunds of the excess deductions to the affected states.

- 1) The Central Bank of Nigeria shall transfer the US Dollar amounts allocated to the respective states to the offshore FEM (WDAS) accounts of their designated banks.
- 2) The banks shall credit the domiciliary accounts of the beneficiary states with the amounts allocated to them as soon as the accounts are created.
- 3) Any interests accruing on the amounts from the date the banks are credited by the CBN to the date the funds are paid into the domiciliary accounts of the states shall be transferred to the beneficiary.
Furthermore, banks shall also pay appropriate interest on the balance in the domiciliary accounts pending utilization of the funds by the states.
- 4) Banks shall not be allowed to effect disbursement of funds from the accounts to the states in US Dollar cash.
- 5) Drawings from the accounts shall be made only in Naira at the prevailing interbank exchange rate on the date of the request from the states.
- 6) However, states can utilize the funds in their accounts to effect offshore payment in respect of eligible transactions including opening of letters of credits (LCS) subject to appropriate documentation and authorization by the State Governor.

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for Director

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