



CENTRAL BANK OF NIGERIA

Financial Policy and Regulation Department
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REF: FPR/DIR/GEN/CIR/07/054

CIRCULAR TO ALL MICROFINANCE BANKS

RE: REVIEW OF MINIMUM CAPITAL REQUIREMENTS FOR MICROFINANCE BANKS IN NIGERIA

The Central Bank of Nigeria in consideration of the impact of the Corona Virus (COVID-19) pandemic on economic activities has revised the deadlines for compliance with the minimum capital requirements for Microfinance Banks (MFBs) in Nigeria communicated vide its circular dated March 7, 2019 referenced FPRD/DIR/GEN/CIR/07/024.

Consequently, the CBN has extended the deadlines for compliance with the revised minimum capital requirements for all categories of MFBs by **one year** as follows:

- 1) MFBs operating in rural, unbanked and under banked areas (Tier 2) shall meet the ~~₦35~~ million capital threshold by April 2021 and ~~₦50~~ million by April 2022;
- 2) MFBs operating in urban and high density banked areas (Tier 1) are expected to meet the ~~₦100~~ million capital threshold by April 2021 and ~~₦200~~ million by April 2022;
- 3) State MFBs shall increase their capital to ~~₦500~~ million by April 2021 and ~~₦1~~ billion by April 2022; and
- 4) National MFBs are expected to meet minimum capital of ~~₦3.5~~ billion capital by April 2021 and ~~₦5~~ billion by April 2022.

Please be guided accordingly.

A handwritten signature in blue ink, appearing to read 'Kevin N. Amugo', written over a horizontal line.

KEVIN N. AMUGO
DIRECTOR, FINANCIAL POLICY AND REGULATION DEPARTMENT