

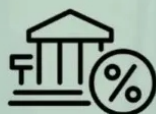


301ST
MPC

Monetary Policy Committee

Tuesday, July 22, 2025

MPR Retained at 27.50%



MPR Monetary Policy Rate

27.50%



CRR Cash Reserve Ratio

50%

16%

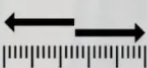
Commercial Banks

Merchant Banks



LR Liquidity Ratio

30%



AC Asymmetric Corridor

+500
- 100

Basis Points
Around MPR

#CBNMPC

www.cbn.gov.ng

CBN Retains MPR at 27.50%

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- IMF Commends CBN for Bold Monetary Reforms
- Nigeria, Egypt Central Banks Forge Strategic Alliance
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Editor's Note

In this July 2025 edition of CBNUPDATE, we present key developments that reflect the Central Bank of Nigeria's (CBN) strategic focus on stability, innovation, and engagement at both domestic and international levels.

The Monetary Policy Committee (MPC) meeting held on 21 and 22 July reaffirmed the Bank's commitment to price stability, as interest rates were held steady to curb inflation and support the Naira. This decision, though technical, speaks directly to the daily economic realities facing Nigerians, from the cost of living to credit conditions and business viability.

In another story, the International Monetary Fund (IMF) has commended the current leadership at the CBN for implementing bold monetary policy measures aimed at restoring macroeconomic balance and institutional credibility. This is in recognition of the Bank's reform agenda.

On the international front, a CBN delegation, led by the Deputy Governor, Operations, Dr. Bala Bello, joined central banking peers and technical experts at the Giesecke+Devrient Currency Technology Symposium in Munich, Germany, where emerging trends in currency innovation were discussed.

Similarly, the recent partnership between the African Development Bank and the OPEC Fund to strengthen environmental and social safeguards across Africa signals a growing emphasis on sustainability in financial governance across the continent.

We thank our readers and stakeholders for their continued interest in CBNUPDATE, and encourage you to explore the complete stories and insights in this edition. The CBN remains resolute in its mandate to foster monetary and financial stability while contributing meaningfully to Nigeria's broader development goals.

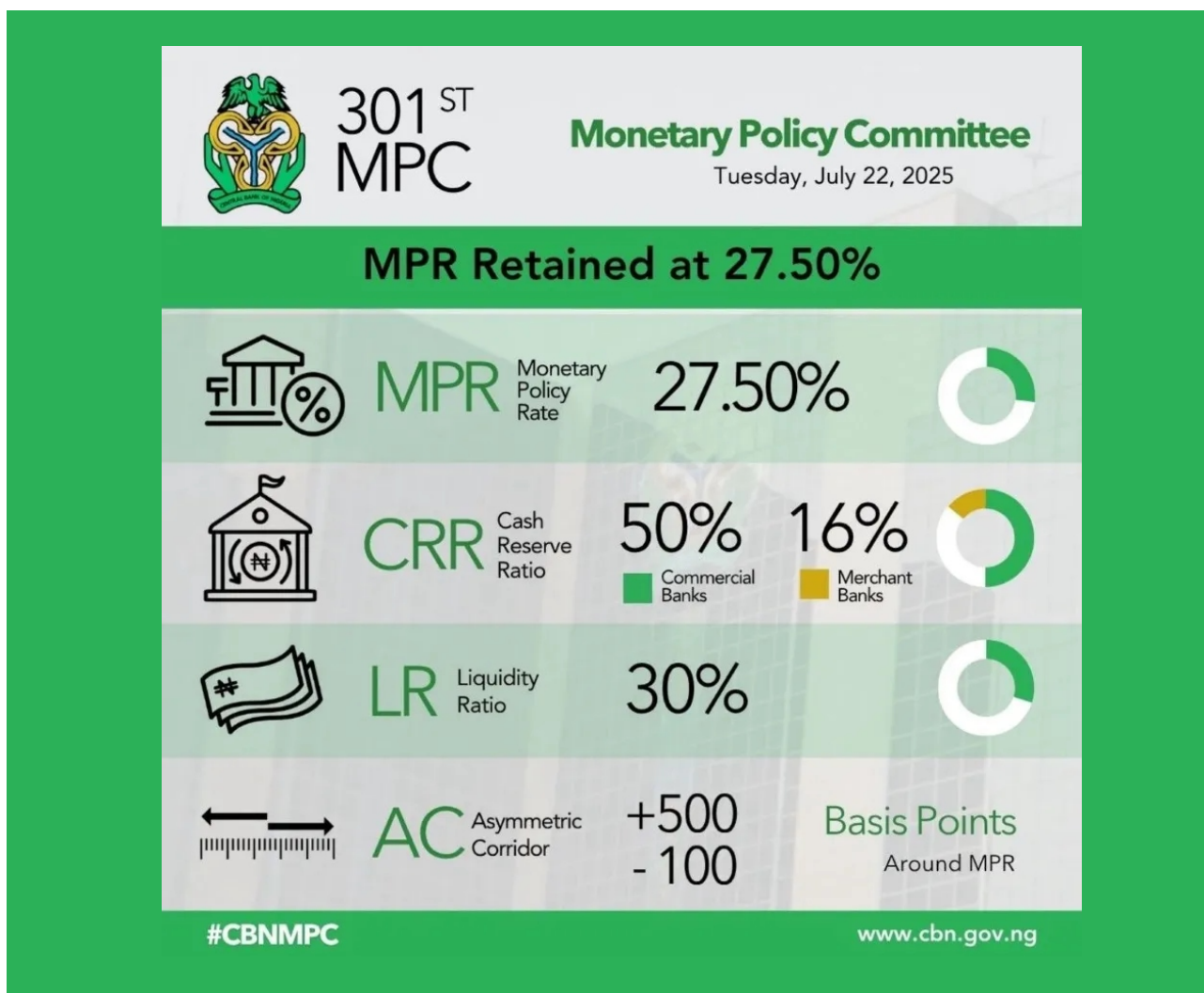
Enjoy the package! ■

Hakama Sidi Ali (Mrs.)

Editor-in-Chief

CBN Retains MPR at 27.50%

By: Khadeejah Bello



The Monetary Policy Committee (MPC) of the Central Bank of Nigeria (CBN) has unanimously decided to retain the Monetary Policy Rate (MPR) at 27.50 per cent, and maintain the asymmetric corridor around the MPR at +500/-100 basis points. Additionally, the Committee chose to retain the Cash Reserve Ratio (CRR) for Deposit Money Banks at 50 per cent and for Merchant Banks at 16 per cent.

The CBN Governor, Mr. Olayemi Cardoso, announced this at the end of the MPC 301st meeting held on Tuesday, July 22, 2025. He added that the Committee members had reviewed recent economic and financial developments, as well as the outlook and decided to maintain the current monetary stance by holding all policy parameters.

This decision was premised on the need to sustain the momentum of disinflation and sufficiently contain price pressure, as maintaining the current policy stance will continue to address the existing and emerging inflationary pressure. The Governor assured that the MPC will continue to undertake rigorous assessment of economic conditions, price development and outlook to inform future policy decisions.

The MPC noted that eight banks have fully met the recapitalisation requirements, while others are making progress towards meeting the deadline. The Committee thus urged the Management of the Bank to sustain its oversight of the banking system to ensure continued resilience, safety and soundness of the financial system. ■

NEWS ANALYSIS

CBN Keeps Interest Rates Unchanged to Control Inflation

By: Ali Abubakar



CBN's Monetary Policy Committee during the 301st MPC meeting at the CBN Head Office, Abuja.

The Bank held its Monetary Policy Committee (MPC) meeting on July 21 and 22, 2025, and the decisions made are crucial for every Nigerian. While the language of monetary policy may sound complex, the outcomes affect everyday issues such as food prices, loan rates, job opportunities, and the value of the Naira.

At the meeting, the Committee decided to maintain the current monetary policy settings. This means that the Monetary Policy Rate (MPR) was held at 27.5 per cent. Other key indicators, such as the Cash Reserve Ratio (CRR) for commercial banks (50 per cent) and merchant banks (16 per cent), as well as the Liquidity Ratio (30 per cent), were also left unchanged. The primary reason for these decisions is to sustain the fight against inflation, which has been easing but remains high.

The Bank acknowledged that inflation has slowed down for three consecutive months. This decline is due to lower energy prices, greater exchange rate stability, and improved security in some farming communities. However, the month-on-month increase in prices shows that inflation is not yet entirely under control. Services and imported food

remain expensive, and the CBN is being careful not to relax too soon. Governor Olayemi Cardoso stated that the Bank's goal is to bring inflation down to a single digit and that achieving this would take continued discipline and the use of tight monetary tools.

The CBN recognised the efforts of the Federal Government in improving food production by supporting farmers with seeds, fertilisers, and other inputs. The harvest season is expected to further help in reducing food prices. The Governor urged that this support should continue, especially since food prices remain a significant contributor to inflation in Nigeria.

There was also good news regarding the Naira. The rise in oil production, stronger non-oil exports, and reduced imports have helped stabilise the foreign exchange market. Remittances from Nigerians living abroad are also increasing with the introduction of Non-resident BVN, which allows people abroad to open Nigerian accounts from anywhere. The Governor noted that confidence in the Naira is returning, with more Nigerians now choosing to save and transact in the local currency.

The banking sector remains strong. Eight banks have so far met the new capital requirements set

under the ongoing banking sector recapitalisation programme, and many more are making progress. One bank even raised funds on the London Stock Exchange, demonstrating that international investors are confident in Nigeria's financial system. The Bank is closely monitoring the commercial banks to ensure they remain sound and responsible in their operations.

Nigeria's economy grew by 3.13 per cent in the first quarter of 2025, which is higher than the same time last year. This growth is a sign that the economy is moving in the right direction. International institutions, such as the IMF and global rating agencies, have recognised the Bank's reform efforts. The removal of fuel subsidies, the unification of exchange rates, and the control of government borrowing have helped restore economic discipline and investor confidence.

Despite this progress, risks remain. Conflicts around the world, trade tensions, and fluctuating oil prices continue to pose challenges for Nigeria. The CBN is aware of

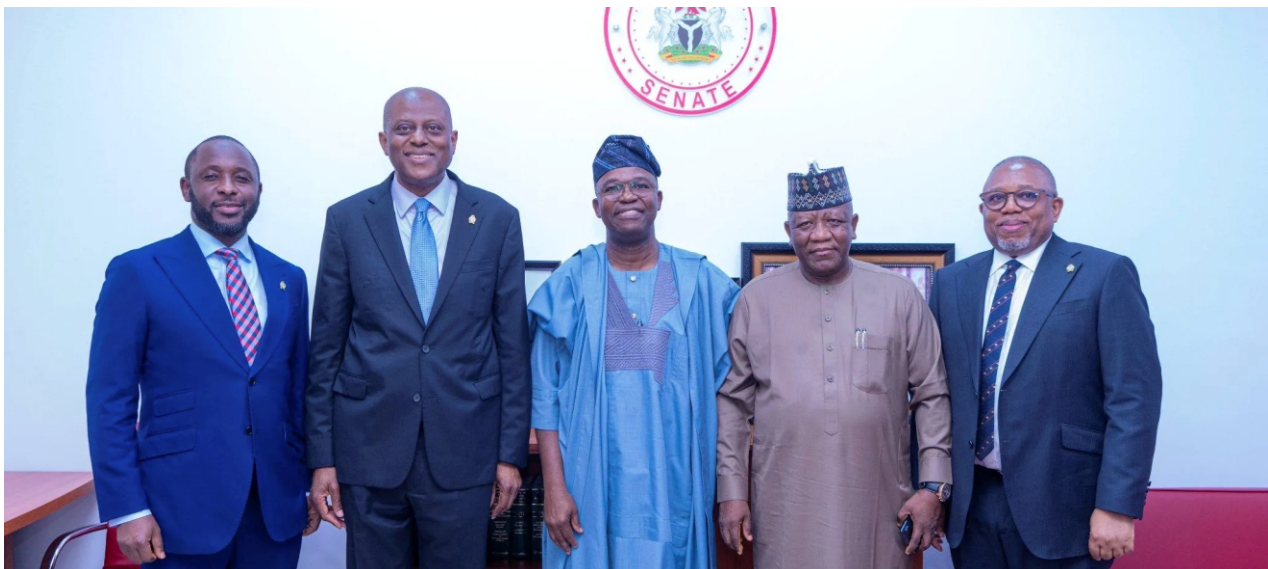
these risks and is determined not to let up until inflation is properly under control. This means that interest rates will stay high for now, and banks will continue to be guided firmly.

The message to Nigerians from the MPC communique, therefore, is that change is happening. Prices may still be high, but they are rising at a slower rate. Bank loans remain expensive, but this is to protect the value of money. The Naira is regaining respect, and international investors are returning. Stronger banks, more responsible government spending, and greater trust in economic policy are setting the stage for a more stable and prosperous future.

The CBN's strategy is showing results. It is not yet time to celebrate, but the direction is in the right place. The CBN will remain vigilant before the next MPC, and Nigerians should continue to monitor the progress being made. Stability, growth, and better living conditions may not be immediate, but they are gradually becoming more possible. ■

Senate Hails CBN's Impressive Mid-Year Performance

By: Chioma Udeogu



L-R: DG EP, CBN, Dr. Muhammad Abdullahi; CBN Governor, Mr. Olayemi Cardoso; Chairman, Senate Committee on Banking, Insurance, and Other Financial Institutions, Senator Adetokunbo Abiru; the Vice Chairman, Senate Committee on Banking, Insurance and Other Financial Institutions, Senator Abdulaziz Yari, and DG FSS, CBN, Mr. Phillip Ikeazor during the statutory briefing with the Senate Committee on Banking, Insurance, and Other Financial Institutions at the National Assembly, Abuja.

The Governor, Central Bank of Nigeria (CBN), Mr. Olayemi Cardoso, has received high commendation from the

Nigerian Senate for the Bank's impactful financial and monetary policies that have contributed to notable improvements in the

nation's economy over the past six months.

During a statutory engagement with the Senate Committee on Banking, Insurance, and Other Financial Institutions, chaired by Senator Adetokunbo Abiru, the CBN was praised for steering the Nigerian financial landscape towards greater stability and growth.

Senator Abiru underlined the significant progress made by the CBN, noting a moderation in inflation rates from 23.71 per cent in April 2025 to 22.97 per cent in May, gradual accumulation of external reserves, and relative stability in the exchange rate, highlighted by a convergence between the official and parallel market rates. These positive developments reflect increased confidence in the foreign exchange market, underpinned by reform measures such as the FX Matching System and FX Code, which enhance transparency and market discipline.

Furthermore, the Senate lauded the CBN's Monetary Policy Committee for maintaining the Monetary Policy Rate at 27.5 per cent in the February and May 2025 meetings. According to the Senate, this deliberate pause in rate hikes signals a more balanced and prudent approach to managing inflation while fostering economic growth.

The Committee also acknowledged the Bank's pragmatic regulatory support for Deposit Money Banks (DMBs) during recapitalisation exercises, the renewal of the bilateral currency swap agreement with China supporting local currency trade settlements, and the launch of the Non-Resident Bank Verification Number (NRBVN) framework to improve Know-Your-Customer (KYC) standards for Nigerians abroad.

Continuing, Abiru added that while progress is evident, "other areas still require serious improvement" and will be discussed with the CBN Governor in a closed-door session.

However, Governor Cardoso highlighted the strategic steps taken by the CBN to support Nigeria's ambitious vision of achieving a \$1 trillion Gross Domestic Product (GDP) by 2030. Central to this vision is the forward-looking recapitalisation of the banking sector, which is designed as a catalyst for driving sustainable economic growth. His approach emphasises rebuilding trust, stabilising the exchange rate, curbing inflation, and enhancing the capacity of the banking sector to support the larger economy, even amid global economic headwinds. ■

PMI Indicates Economic Expansion

By: Pearl Ogbonna



The Composite PMI for June 2025 indicated an expansion in economic activities for the sixth consecutive month, according to the June 2025 PMI Report. This positive trend reflects sustained growth in the nation's economy, as reported by the Central Bank of Nigeria (CBN) through its Statistics Department.

The Purchasing Managers' Index (PMI) report, which keeps stakeholders informed about economic trends in Nigeria, revealed that 25 out of the 36 surveyed subsectors experienced growth in economic activity. At 51.4 index points, the Industry sector, largely driven by an increase in production level in the sector, recorded expansion for the sixth consecutive month in June 2025. Out of 17 subsectors reviewed, nine subsectors recorded growth in activities.

The Services sector also indicated expansion in the month under review by recording an index of 51.3 points, attributable to increased business activities. 11 subsectors out of 14 subsectors recorded growth in the Services sector.

Notably, the Agriculture sector recorded expansion for the eleventh consecutive month, owing to an increase in farming activities. With index points of 55.2, and all five subsectors noting growth in the activities, CBNUPDATE garnered that the Agriculture sector recorded the highest input and output prices gap in June 2025 at 9.8 points, while the Services sector had the least input and output prices at 4.4 points in the period under review.

Furthermore, at 53.5 points for composite Output, 52.3 points for composite New Orders, and 50.5 points for composite Employment indices, the growth was evident in June 2025. Composite stock of Raw materials also recorded an increase of 52.4

index points, with Suppliers' Delivery Time improving at 52.9 index points.

According to the report, the survey, which was conducted from June 9 – 13, 2025, covered 1,900 respondents drawn from the three sectors of the economy, namely, Agriculture, Industry, and Services. Within the surveyed subsectors in the Industry sector, Printing & Related Support Activities and Petroleum & Coal Products had the highest expansion, while Paper Products recorded the lowest contraction.

Similarly, in the Services subsectors, Motion Pictures, Cinema, Sound Recording and Music production achieved the highest expansion, while Transportation & Warehousing had the highest contraction. For the Agriculture sector, Forestry recorded the highest growth among the five subsectors.

CBNUPDATE recalls that the PMI is a diffusion index computed based on responses regarding the direction of change in key monthly business activity variables. ■

Nigeria, Egypt Central Banks Forge Strategic Alliance

By: Ogochukwu Ikeagwuonu



CBN Governor, Mr. Olayemi Cardoso and the Governor, Central Bank of Egypt (CBE), Hassan Abdalla

In a landmark move aimed at reshaping regional financial cooperation, the Governor, Central Bank of Nigeria (CBN),

Mr. Olayemi Cardoso, paid a bilateral visit to the Governor, Central Bank of Egypt (CBE), Hassan Abdalla, in Cairo for a strategic high-

level working visit.

The meeting, held at the CBE headquarters, marked a significant step toward strengthening economic and financial collaboration between two of Africa's largest economies. The discussions revolved around enhancing regional financial integration, sharing institutional expertise, and exploring joint initiatives to promote trade, investment, and macroeconomic stability across the continent.

The CBN delegation included the Bank's Deputy Governor (Operations), Dr. Bala Bello, as well as two Departmental Directors and a Special Adviser to the Governor, highlighting the seriousness Nigeria places on fostering this bilateral partnership.

Welcoming the delegation, Governor Abdalla emphasised the importance of mutual

cooperation in tackling global financial challenges, noting that Africa's economic resilience lies in strategic alliances and shared development goals.

Governor Cardoso reiterated Nigeria's commitment to deeper ties with Egypt. He stated that "this collaboration represents a shared vision for a more integrated African financial ecosystem, one that supports sustainable development and economic stability."

The visit provided an opportunity for both Central Banks to engage in constructive dialogue on regional financial cooperation and to deepen institutional collaboration between Nigeria and Egypt in support of broader economic development goals. ■

DG Abdullahi Pledges Stronger Collaboration to Boost Payments System

By: Titilayo Oluwasina



DG EP, CBN, Dr. Muhammad Sani Abdullahi (middle), and other Industry players at the event, which held in Lagos.

The Deputy Governor, Economic Policy Directorate, Mr. Muhammad Sani Abdullahi, has reaffirmed the Bank's commitment to strengthening collaboration with stakeholders to enhance regulatory clarity, resilience, and efficiency in the country's

payments system.

Mr. Abdullahi gave the assurance during a strategic meeting convened by the Payments System Policy Department (PSPD) at a recent event in Lagos.

He explained that the forum aimed to deepen mutual understanding between the regulator and operators, strengthen relationships within the ecosystem, and build a feedback mechanism to address emerging issues while sustaining the safety and stability of the national payments landscape.

He stressed that the Bank would continue regular engagements in collaboration with the Financial System Stability Directorate to ensure stakeholder concerns were addressed.

The Deputy Governor thanked participants for their insights on some of the Bank's ongoing initiatives and contemporary issues in the payments ecosystem. He assured them that the CBN remained committed to driving innovation while safeguarding the system's integrity.

In their responses, stakeholders welcomed the

initiative. They called for more regular meetings on key industry issues, updates and harmonisation of regulations to curb fraud and reduce bottlenecks and clear guidance on the next phase of the PSV 2025.

They urged the Bank to deepen cross-border payments within Africa, promote mass eNaira adoption through incentives and better communication, and align payments system goals with national priorities.

The engagement session brought together Managing Directors and Chief Executive Officers of major industry players, including the Nigeria Inter-Bank Settlement System (NIBSS), Committee of e-Business Industry Heads (CeBIH), payments service providers, and FinTech associations.■

CBN Engages Global Experts on Currency Innovation

By: Titilayo Oluwasina



DG Operations, CBN, Dr. Bala Bello (Middle) with Executives of G+D

The Central Bank of Nigeria's (CBN) delegates, led by the Deputy Governor, Operations, Dr. Bala Bello, recently

participated in the Giesecke+Devrient (G+D) Currency Technology Symposium, held recently in Munich, Germany.

The biennial event, themed “Currency Fast Forward,” was the first since 2019 and brought together over 300 participants from central banks, printworks, and the commercial cash handling worldwide. The symposium explored the evolving role of public currency in an increasingly digital era and how central banks and industry stakeholders can collaborate on secure and efficient solutions for the future of currency management.

The CBN delegation, which included the Special Adviser to the CBN Governor, Mr. Fatai Karim, engaged with global industry leaders to exchange ideas, share experiences, and explore advanced technologies that would

further strengthen Nigeria's currency operations.

The four-day event featured panel discussions, interactive sessions, and networking opportunities designed to foster collaboration and knowledge exchange among industry leaders from more than 80 countries.

The annual symposium underscores the importance of continuous innovation and international cooperation in safeguarding the integrity, security, and accessibility of currency as a trusted means of payment and store of value in the modern economy. ■



The CBN delegation led by DG Operations, Dr. Bala Bello (second from the left)

STRATEGIC ENGAGEMENTS



CBN Governor, Mr. Olayemi Cardoso, in a warm handshake with Nelson Barbosa, an Executive Board member of the Brazilian Development Bank (BNDES) on the sidelines of the BRICS summit in Rio de Janeiro, Brazil.



Group photograph of the CBN Management Team and the Central Bank of Egypt Team after a bilateral meeting in Cairo, Egypt.



Group photograph of DG EP, CBN, Dr. Muhammad Abdullahi, and other Industry players during a strategic meeting on the Payments System ecosystem recently held in Lagos.



DG EP, CBN, Dr. Muhammad Abdullahi, speaking during the 12th Steering Committee Meeting, IMF AFRITAC West 2, held at the Abuja Continental Hotel, Abuja.

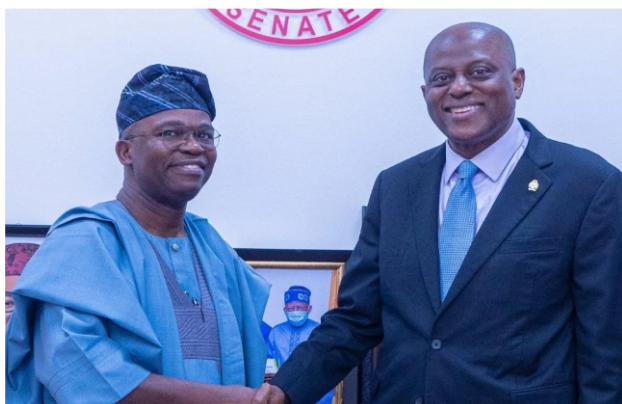


L-R: Deputy Governor, Central Bank, The Gambia, Mr. Paul Mendy; Deputy Governor, Central Bank, Ghana, Ms. Matilda Asante Asiedu; DG Economic Policy, CBN Dr. Muhammad Abdullahi, and the IMF AFRITAC West 2 Advisor, Mr. Gani Gergun during a Panel Discussion on Monetary Policy.



DG FSS, CBN, Mr. Philip Ikeazor, chairing the 34th National Financial Inclusion Technical Committee Meeting, at the CBN Head Office, Abuja.

STRATEGIC ENGAGEMENTS



CBN Governor, Mr. Olayemi Cardoso, in a warm handshake with the Chairman, Senate Committee on Banking, Insurance and other Financial Institutions, Senator Adetokunbo Abiru, during the CBN's Statutory Briefing of the Senate Committee on Banking, Insurance, and Other Financial Institutions, at the National Assembly, Abuja.



CBN Governor, Mr. Olayemi Cardoso, looking elated during a digital transformation programme held recently at the CBN Head Office, Abuja.



Governor, Central Bank of Nigeria, Mr. Olayemi Cardoso, in a bilateral discussion with the Managing Director/Chief Financial Officer, World Bank Group, Anshula Kant, when the latter paid a working visit to the CBN in Abuja.



Governor, Central Bank of Nigeria, Mr. Olayemi Cardoso, in a bilateral discussion with the Managing Director/Chief Financial Officer, World Bank Group, Anshula Kant, when the latter paid a working visit to the CBN in Abuja.



CBN delegation led by DG Operations, Dr. Bala Bello, (Fourth from Left) with Executives of the Giesecke+Devrient (G+D), at the G+D Currency Technology Symposium, held recently in Munich, Germany.



Group photograph of policymakers, industry associations, and development partners at the 34th National Financial Inclusion Technical Committee Meeting, at the CBN Head Office, Abuja.

GLOBAL TIT BITS

IMF Commends CBN for Bold Monetary Reforms

By: Ogochukwu Ikeagwuonu

source: www.bing.com



The International Monetary Fund (IMF) has commended the Central Bank of Nigeria (CBN) under the leadership of Governor Olayemi Cardoso for implementing decisive monetary policy reforms aimed at restoring macroeconomic stability and reinforcing institutional credibility.

The remarks were contained in the IMF's latest Article IV Consultation Report, which applauded Nigerian authorities for adopting "bold and politically difficult" measures that have significantly improved economic resilience. A key reform highlighted in the report is the restoration of central bank independence, a shift away from years of excessive fiscal influence. According to the IMF, this move signals a clear discontinuation of deficit monetisation. It strengthens governance within the Bank, laying the groundwork for a transition to a full-fledged inflation-targeting framework.

CBNUPDATE gathered that the report also credited the CBN's tight monetary policy stance with helping to curb runaway inflation. The IMF emphasised that continued monetary discipline is necessary until disinflation becomes firmly established.

In its Executive Board Assessment, the Fund praised the CBN's overhaul of the foreign exchange (FX) market, particularly the dismantling of the long-standing multiple exchange rate regime. Under Cardoso's leadership, the Central Bank of Nigeria introduced a "willing-buyer, willing-seller" FX trading model, supported by the B-Match digital platform to improve transparency and liquidity.

The impact of these reforms, according to the IMF, has been significant. The FX premium, the gap between official and parallel market rates, has dropped from over 60 per cent to below 3 per cent.

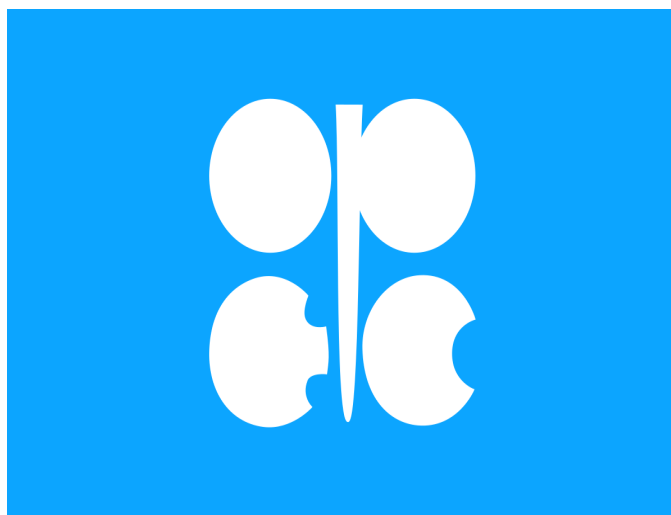
The IMF further acknowledged reforms in the financial sector, particularly the ongoing recapitalisation of banks, and noted that this initiative is aimed at ensuring banking system resilience, improving credit access, and supporting Nigeria's ambition to build a \$1 trillion economy.

Further commendation was given for efforts to enhance financial inclusion, develop capital markets, and strengthen regulatory oversight. ■

GLOBAL TIT BITS

AfDB, OPEC Partner to Strengthen Safeguards across Africa

By: Ogochukwu Ikeagwuonu



The African Development Bank (AfDB) and the Organisation of the Petroleum Exporting Countries (OPEC) Fund for International Development have launched a strategic partnership aimed at enhancing environmental and social safeguard systems across Africa. The initiative was unveiled at a high-level workshop held recently at the OPEC Fund headquarters in Vienna, Austria.

The inaugural event brought together over 50 development professionals from ten African countries, alongside representatives from leading multilateral development institutions. The workshop marked a significant step toward strengthening sustainable development governance and aligning international safeguards with national frameworks.

The new initiative builds on a series of Country System Assessments conducted by the AfDB, which evaluate the capacity of national frameworks to manage environmental and social risks in development projects.

High point of the event featured training

sessions that incorporated interactive panels, real-world case studies, and comparative reviews of international safeguard standards versus national systems. Key topics addressed included land acquisition and resettlement, biodiversity conservation, social inclusion, cultural heritage preservation, and community safety.

Vice President for Strategy at the OPEC Fund, Musab Alamar, underscored the importance of local ownership in implementing safeguards effectively. "Sustainable development requires strong institutions," he noted. "Through this partnership, we are supporting African countries in building the systems they need to manage environmental and social risks effectively and responsibly."

The collaboration signals a growing commitment by development partners to support African countries in embedding global best practices into local governance structures, ensuring that future infrastructure and investment projects are both sustainable and socially responsible. ■

GLOBAL TIT BITS

IMF Projects Nigeria's Growth at 3.4%

By: Pearl Ogbonna

source:www.bing.com



The International Monetary Fund (IMF) recently revised Nigeria's economic growth upward to 3.4 per cent, as global growth is projected at 3.0 per cent for 2025, reflecting front-loading ahead of tariffs, lower effective tariff rates, better financial conditions, and fiscal expansion in some major jurisdictions.

IMF provided this in its World Economic Outlook report titled "Global Economy: Tenuous Resilience Amid Persistent Uncertainty", where it raised its growth forecast for Sub-Saharan Africa, projecting a 4.0 per cent expansion in 2025 and 4.3 per cent for 2026.

The Fund's Economic Counsellor and Director of the Research Department, Dr. Pierre-Olivier Gourinchas, in his remarks, noted that most regions were experiencing modest growth upgrades in 2025 and 2026. While acknowledging the resilience of the global economic outlook, he also cautioned that it remains fragile, as the trade shock, though less severe, still had a significant impact on the global economy.

Dr. Gourinchas, therefore, called for prudence and the need for improved collaboration. He recommended restoring stability in trade policy, which he said is essential to reduce policy uncertainty.

He also emphasised the need for predictable

and stable rules extending to other areas of policymaking. "It is important to reaffirm and preserve the principle of central bank independence. The evidence is overwhelming that independent central banks, with a narrow mandate to pursue price and economic stability, are essential to anchoring inflation expectations. That central banks around the world achieved a successful 'soft landing' despite the recent surge in inflation owes a great deal to their independence and hard-earned credibility", he noted.

Speaking further, he stated that restoring fiscal space remains a priority for many countries. Even where new spending needs are emerging, he observed, efforts must be made to implement gradual and credible consolidation while protecting growth.

He concluded by reiterating the need for increased efforts to boost long-term productivity through structural reforms.

Recall that the World Economic Outlook (WEO) is a survey of prospects and policies conducted by IMF staff that presents analyses and projections of the world economy in the near and medium term. It forms an integral part of the IMF's surveillance of economic developments and policies across its member countries and the global economic system, considering issues affecting advanced, emerging and developing economies, while addressing topics of pressing current interest. ■

CBN Explains NRBVN Fees

By: Mukhtar Maigamo



The Central Bank of Nigeria (CBN) has provided clarification regarding the fees associated with the new Non-Resident Bank Verification Number (NRBVN) platform. Dispelling online rumours, the Bank affirmed that there are no hidden charges and that BVN registration within Nigeria is entirely free.

In a statement, the Acting Director, Corporate Communications Department, CBN, Mrs. Hakama Sidi Ali, explained that the reported fee only pertains to the NRBVN, a service specifically developed for Nigerians residing abroad.

According to Mrs. Sidi Ali, the approximate \$50 charge is not a fee for obtaining a BVN but rather a processing cost required for remote biometric capture and due diligence verification. This cost covers secure identity validation, data management, and the technical infrastructure necessary to support enrollment outside the country.

"Nigerians in the diaspora previously paid as much as \$200," she stated. "The current \$50 charge is solely to cover the cost of processing remote verification, and not for the BVN registration itself." She also emphasised that the NRBVN system is a voluntary, secure, and

convenient option for Nigerians overseas to obtain their BVN.

She further dismissed reports on social media alleging that Nigerians would face additional or hidden charges, describing such claims as false and misleading. Mrs. Sidi Ali also emphasised that the NRBVN initiative is not a standalone measure but part of the CBN's broader digital transformation strategy aimed at expanding access to financial services globally.

She therefore urged Nigerians to verify all information related to the NRBVN platform through official CBN and NIBSS communication channels to avoid misinformation.

On May 13, 2025, the CBN launched the NRBVN platform, in collaboration with the Nigeria Inter-Bank Settlement System (NIBSS), to enable Nigerians residing abroad to seamlessly obtain their BVN without returning home. This is a significant innovation that enhances convenience by eliminating the need for international travel while ensuring safe, reliable, and compliant digital identity verification. ■

CBN Restates Support for Youth Development

By: Titilayo Oluwasina



Jubilant Winners at the 46th edition of the CBN Senior Open Tennis Championship held at the Moshood Abiola National Stadium, Abuja.

The Central Bank of Nigeria (CBN) has reiterated its longstanding support for youth development through sports.

This was disclosed in the keynote address of the Governor, Mr. Olayemi Cardoso, at the finals of the 46th edition of the CBN Senior Open Tennis Championship decided recently at the Moshood Abiola National Stadium, Abuja.

Delivering the Governor's remarks on behalf of the Deputy Governor, Corporate Services, Ms. Emem Usoro, the Acting Director, Corporate Communications Department, Mrs. Hakama Sidi Ali, expressed the Bank's pride in sponsoring the championship for over four decades.

The keynote also emphasised the role of sports in shaping lives, discovering talents, and promoting national unity. The Governor further highlighted the success of the CBN

Junior Tennis Tournament, launched in 2006, as a vital pipeline for grooming future champions, some of whom had graduated to the senior level.

Mr. Cardoso also disclosed that the Bank sees sports as a means of empowerment and fostering national unity, and highlighted the Bank's dedication to comprehensive youth development.

He commended the Nigeria Tennis Federation (NTF) for its professionalism in organising the championship, and the media for their consistent coverage. He further congratulated the winners and encouraged all participants to remain resilient and focused on their growth.

Also speaking, the President of the Nigeria Tennis Federation (NTF), Engineer Ifedayo Akindoju, commended the CBN for its continued sponsorship of the Championship following a two-year break.



Central Bank of Nigeria Headquarters, Abuja.

He acknowledged the Bank's longstanding support as a key driver of tennis development in the country. He emphasised that the tournament remains a crucial platform for nurturing talent and enabling Nigerian athletes to compete at top levels.

At the end of the tournament, Michael Emmanuel and Chicago-based Adesuwa Osabuohien emerged champions in the men's and women's singles categories, respectively.

Michael Chima partnered with Ikechukwu Iloputa to claim the men's doubles title, while Aina Goodnews and Favour Moses triumphed in the women's doubles category.

The event marked the end of ten days of competitive matches that showcased discipline, determination, and sportsmanship among the nation's top tennis talents. ■

Nigeria's Inflation Declines for Third Consecutive Time- NBS

By: Ogochukwu Ikeagwuonu

The National Bureau of Statistics (NBS) has reported a decline in Nigeria's headline inflation rate to 22.22 per cent in June 2025, down from 22.97 per cent in May, according to its latest Consumer Price

Index (CPI) report.

This marks the third consecutive monthly decline in the country's inflation rate, following reductions in both May and April.



However, the report also shows that food inflation rose to 21.97 per cent in June from 21.14 per cent in May, an increase of 0.83 percentage points. The NBS attributed this to higher prices of several staple food items, including dried green peas, fresh pepper, white dried shrimps, crayfish, fresh meat, tomatoes, plantain flour, and ground pepper.

While food inflation saw a year-on-year decline, dropping from 40.87 per cent in June

2024 to 21.97 per cent in June 2025, a notable increase was recorded on a month-on-month basis, rising to 3.25 per cent in June from 2.19 per cent in May.

On a month-to-month basis, some states saw the steepest increases in food inflation, while some recorded notable declines, NBS added. The report underscores the ongoing challenge of food price volatility, while acknowledging signs of improvement in the coming months. ■



Central Bank of Nigeria

BOLD REFORMS

STABILITY | IMPACT



Economic Growth & Stability



Bank Recapitalization: Unveiled recapitalisation plans, boosting banks' capacity to support economic growth.



Monetary Policy: Effectively waived cash deposit fees, promoting financial intermediation and aiding monetary policy effectiveness.



Financial Inclusion

MFB Licenses & Fintech Initiatives: Expanded financial services through new Microfinance Bank licenses and innovative Fintech solutions, enhancing access for underserved populations.



Consumer Protection

Regulatory Strengthening: Enhanced consumer protection measures, reinforcing trust in the financial system.



Innovation & Fintech Oversight

Regulatory Balance: Promoted Fintech innovation while ensuring financial system stability through comprehensive new regulations.



Financial Literacy

Youth Empowerment: Revised the National Financial Literacy Framework, positioning the next generation for financial success.



Anti-Money Laundering & Counter-Terrorist Financing

FATF Grey List Delisting Efforts: Made strides in implementing AML/CFT measures aimed at removing Nigeria from the FATF Grey List.



Cybersecurity

Cybersecurity Enhancements: Prioritised the adoption of ISO 27001 and a Risk-Based Framework, significantly improving cybersecurity in financial institutions.



Transparency & Market Conduct

Promotion of Responsible Conduct: Banned the distribution of unearned income by banks, fostering transparency and accountability in the financial sector.



Women's Economic Empowerment

We-Fi Code Implementation: Launched the We-Fi Code, boosting financial access for women-owned businesses and promoting economic empowerment.



Foreign Exchange Market Stabilisation

Unification of Rates: Successfully unified exchange rates, helping to stabilise the forex market and reduce arbitrage opportunities.



Economic Confidence

International Endorsements: Restored confidence in the Nigerian economy, evidenced by positive endorsements from international agencies and financial institutions.



Inflation Control

Inflation Targeting: Achieved a decline in inflation for the first time in 19 months, demonstrating effective monetary policy interventions.

FREQUENTLY ASKED QUESTIONS (FAQs) ON THE BANKING SECTOR RECAPITALIZATION PROGRAMME 2024

1. What is the Banking Sector Recapitalization Programme 2024?

The Banking Sector Recapitalization Programme (the Programme) is a regulatory initiative of the Central Bank of Nigeria (CBN) that requires banks to increase their minimum paid-in common equity capital to a specified amount according to their license category and authorization within a specified period.

2. Why is the Programme necessary?

The Programme became necessary to further strengthen Nigerian banks against external and domestic shocks as well as enhance the stability of the financial system. By increasing the minimum capital requirements, the CBN aims to ensure banks have a robust capital base to absorb unexpected losses and the capacity to contribute to the growth and development of the Nigerian economy.

3. What is the objective of the Programme?

The broad objective of the Programme is to engender the emergence of stronger, healthier, and more resilient banks to support the achievement of a US\$1 trillion economy by the year 2030. Bigger banks with larger capital base and capacity can underwrite larger levels of credit which is critical to lubricate and catalyze the growth of the economy.

4. Which category of banks are affected by the Programme?

The Programme shall apply to commercial, merchant, and non-interest banks. The goal is to ensure that each institution maintains adequate capital that is commensurate with the risk profile, scale and scope of its operations.

5. What are the new minimum capital requirements under the Programme?

The new minimum paid-up share capital requirements applicable to each authorization category of banks are as follows:

Type of Bank	Authorisation	Minimum Capital (N' Billion)
Commercial	International	500
	National	20
	Regional	50
Merchant	National	50
Non-interest	National	20
	Regional	10

For existing banks, the capital requirements specified above shall be paid-in capital (Paid-up plus Share Premium) only. Bonus issues, other reserves, and Additional Tier 1 (AT1) Capital shall not be allowed or recognized for the purpose of meeting the new minimum capital requirements. However, relevant reserves will continue to be recognized in the computation and determination of the risk-based capital adequacy ratio (CAR) in line with the CBN's Guidelines on Regulatory Capital. All applications for new banking license shall comply with the new capital requirements.

6. What is the timeframe for banks to comply with the new requirements?

The CBN has set a timeline of 24 months for banks to comply with the new requirements commencing from 1st of April 2024 and terminating on March 31, 2026.

7. Will the Programme affect banks' delivery of products and services?

The Programme will not affect the smooth functioning of banks. Accordingly, consumers of financial services are expected to carry on with their regular banking transactions unhindered during the implementation of the Programme.

8. How will the Programme impact the economy?

The Programme will better position banks to play their intermediation role through lending to critical sectors of the Nigerian economy, thus supporting economic growth and development. In addition to supporting economic growth, the Programme will help enhance banks' capital buffers to ensure their continued stability and sustainability in the face of global and domestic macroeconomic headwinds.

9. What factors did the CBN consider in determining the new minimum capital requirements?

The CBN assessed various factors in determining the appropriate level of the minimum capital requirements. These include: a. Risk profile of banks; b. Global and domestic headwinds and their potential impact on banks' balance sheets; c. Impact of inflation. d. Stress tests of banks' balance sheets, to gauge their resilience to absorb current and unexpected shocks.

10. Given that significant funds will be received from various investors in the course of the recapitalization exercise, how will the CBN ensure that illicit funds are not used for the purpose of recapitalization of banks?

The CBN has robust anti-money laundering regulations which will be strictly enforced, with the active collaboration of relevant law enforcement agencies. In addition, the CBN will require all banks to ensure that appropriate and effective anti-money laundering screening/checks (Know Your Customer, Customer Due Diligence and Suspicious Transactions Monitoring, etc) are conducted.

11. Given that new investors may own shares in banks as a result of this Programme, will the CBN ensure that only fit and proper persons are approved as significant shareholders of banks?

There shall be strict enforcement of Fit and Proper checks for all prospective and significant shareholders as well as directors and senior management staff of banks.

12. How are banks expected to raise or meet the required capital?

Banks may meet the new requirement through the following options: a. Issuance of new common shares (by way of public offer, rights issues, or private placements); b. Mergers and Acquisitions (M&As); or c. upgrade/downgrade of their respective license category or authorization. The CBN will issue guidelines to prescribe the definition, options, and approaches to meeting the new minimum capital requirement.

13. What is the role of the CBN in managing the recapitalization process?

The CBN will actively monitor and supervise the recapitalization process to ensure compliance with set guidelines. This will involve the conduct of on- and off-site reviews, verification of capital, periodic interventions when necessary, and broader stakeholder engagements.

14. How will the CBN ensure the protection of depositors during the Program?

The CBN, in collaboration with the Nigeria Deposit Insurance Corporation (NDIC), will ensure that depositors' interests are protected during the Programme. The CBN will enhance its monitoring and supervisory oversight over the banks and will apply appropriate sanctions for violations of extant laws and regulations as well as ensure the protection of depositors' interests.

15. In the event of a merger or acquisition, how will depositors be affected?

In a merger or acquisition scenario, depositors' accounts and funds will remain secure. The acquiring institution will assume responsibility for all liabilities and obligations, including the protection of depositors.

16. How can the public stay informed about the progress of the programme?

The public can stay informed about the progress of the Programme by monitoring communications from the CBN, through its official website (www.cbn.gov.ng), social media handles and other communication channels.

17. What are the consequences if a bank fails to meet the new capital requirements?

The CBN remains optimistic that all banks will comply with the new capital requirements and will constantly engage banks on the status of execution of their respective implementation plans. In the event of non-compliance with the new capital requirements at the expiry of the transition timeline, the CBN will take appropriate steps in line with the provisions of relevant laws and regulations to sustain confidence in the banking system.

FREQUENTLY ASKED QUESTIONS (FAQs) ON THE GUIDELINES FOR THE MANAGEMENT OF DORMANT ACCOUNTS, UNCLAIMED BALANCES AND OTHER FINANCIAL ASSETS IN BANKS AND OTHER FINANCIAL INSTITUTIONS IN NIGERIA

1. What are the Guidelines on the Management of Dormant Accounts, Unclaimed Balances and Other Financial Assets in Banks and Other Financial Institutions in Nigeria?

The Guidelines on the Management of Dormant Accounts, Unclaimed Balances and Other Financial Assets in Banks and Other Financial Institutions (OFIs) in Nigeria is a policy issued by the CBN that seeks to operationalise Section 72 of the Banks and Other Financial Institutions Act, 2020 and standardize the management of dormant accounts and unclaimed balances.

2. Why is the Guidelines necessary?

Financial Institutions (FIs) maintain deposit accounts and other financial liabilities in their records and once these accounts become inactive due to the absence of customer-initiated transactions over time, they may become dormant if the inactivity continues. With the effusion of time, these balances continue to accumulate in banks and OFIs in the Financial System. The owners of the funds, however, may not receive adequate compensation for their funds. Also, dormant accounts and unclaimed balances are susceptible to fraudulent transactions or abuse. These are some of the issues the Guidelines seek to remedy.

3. What are the objectives of the Guidelines?

The Guidelines seek to:

- i. Identify dormant accounts/unclaimed balances and financial assets;
- ii. Hold the funds in trust for the beneficial owners;
- iii. Standardize the management of dormant accounts/unclaimed balances and financial assets;
- iv. Establish a standard procedure for reclaiming warehoused funds; and
- v. Reunite the funds with their beneficial owners.

4. Some people seem to have conclude that the CBN is by the Guidelines directing banks to transfer funds in domiciliary accounts to the CBN. Is this the case? The Guidelines cover Dormant Accounts, which are different from Domiciliary Accounts. Dormant accounts are accounts that have been inactive for more than 10 years, while domiciliary are accounts that hold currencies other than the Naira. The Guidelines do not require banks to transfer funds in domiciliary accounts to the CBN. However, balances in dormant domiciliary accounts, like balances in dormant Naira accounts, will be affected by these Guidelines. No active domiciliary account is affected by the Guidelines.

5. What is the difference between an inactive and a dormant account?

An inactive account is an account that has no customer-initiated transaction for six (6) to twelve (12) months, while a dormant account is an account that has remained inactive for one year or more.

6. What are unclaimed balances and financial assets?

Unclaimed balances are account balances and other financial assets that have remained dormant for a minimum of ten years in the books of FIs and qualify for transfer to the CBN.

7. What types of accounts are eligible for dormant status?

Eligible accounts are dormant account balances that have remained with the FIs for a period of ten (10) years or more. These eligible accounts include current, savings, term deposits in local currency, domiciliary accounts, deposits for shares and mutual investments, prepaid card accounts and wallets, government-owned accounts, and others as specified in the Guidelines by the CBN.

8. Which accounts are exempted from being considered dormant?

These are accounts that may be inactive for 10 years or more but are not considered dormant. They include:

- i. Accounts that are subject to litigation.
- ii. A judgment debt for which the judgment creditor has not claimed the amount of judgment award and the case is still active in Court.
- iii. Accounts under investigation by a regulatory authority or law enforcement agency.
- iv. Encumbered accounts including, but not limited to, collaterals and liens.

9. The October 2015 Guidelines on the Management of Dormant Accounts and Other Unclaimed Funds by Banks and Other Financial Institutions in Nigeria exempted some types of accounts from dormancy, which are not exempted by the extant Guidelines. How will the 10 years period of dormancy be determined for such accounts that were previously exempted but now are not?

The 2015 Guidelines (now superseded) excluded three classes of accounts from the scope of the policy (namely savings accounts, government-owned accounts, and individual accounts that are subject of litigation and/or fraud). The extant Guidelines has not offered exemption to the first two classes of accounts. It should be noted that the extant Guidelines does not have retroactive effect. As such, FIs will commence classification of such accounts as inactive after six months from date of the circular and dormant after twelve months.

10. How are customers notified about dormancy status of their accounts?

The FI shall notify account owners in writing through the agreed medium such as email, text message, and letter immediately an account becomes inactive/dormant and thereafter on a quarterly basis.

11. What is the procedure for reactivating a dormant account?

Account owners are required to complete a reactivation form in person at the respective FI where the account is domiciled and provide evidence of ownership of the dormant account along with valid means of identification, proof of residence, as well as an affidavit confirming the accuracy of the submitted information. Following the verification of the submitted information,

the reactivation shall be approved by two authorized officers, including the Branch Operations Manager of the respective FI.

12. What is the timeline for an FI to transfer unclaimed balances to the CBN?

FIs shall transfer unclaimed balances to the CBN immediately such accounts have been dormant for ten (10) years.

13. What is the role of the CBN with respect to dormant accounts and unclaimed funds/balances?

The CBN shall issue regulations for the management of dormant accounts and unclaimed funds/balances. In line with the provisions of the Guidelines, it shall receive and manage eligible funds in trust for the account holders and funds beneficiaries.

14. Will there be a dedicated office or centre to manage the dormant account funds?

Yes. The CBN shall establish a dedicated office for this purpose. The office will be supervised by a Management Committee.

15. How will the unclaimed balances be managed?

The CBN will manage the unclaimed balances by warehousing the funds in the Unclaimed Balances Trust Fund (UBTF) Pool Account and thereafter investing the funds in Nigerian treasury bills and other approved securities.

16. What is the "Unclaimed Balances Trust Fund (UBTF) Pool Account"?

This is an account maintained by the CBN for the purpose of warehousing and managing unclaimed balances in eligible accounts.

17. How much interest will be paid on unclaimed balances?

The interest payable shall be at a rate to be determined by the CBN from time to time. For Non-interest banks, the profit and loss on the unclaimed balances shall be determined by the CBN from time to time.

18. What happens to the interest on unclaimed balances?

The CBN will refund the principal and any interest on the invested funds to the beneficiaries within ten (10) working days of receiving a reclaim request from the FI.

19. How can account owners reclaim unclaimed balances?

Account owners shall visit the FI, complete an Asset Reclaim Form, and provide evidence of account ownership, sworn affidavit of support, and valid identification. The FI shall verify the claim and initiate the request with supporting documents to CBN within ten (10) working days. The CBN shall refund the monies to the account of the beneficiaries within ten (10) working days from the date of the receipt of the FI's request.

20. Can a Next-of-Kin, legal representative, or beneficial owner make claims on unclaimed balances?

Yes. Next-of-Kin, legal representative, or beneficial owner can make claims on unclaimed balances or funds in dormant accounts by submitting applications for the reclaims to the financial institutions, with necessary legal evidence of title and, in the case of corporate entities, their directors, authorized signatories, business addresses and any other customer update for the reclaim of balances transferred to CBN.

21. In the event the licence of a financial institution is withdrawn, how will owners of the unclaimed balances be affected?

In the case of FIs in liquidation, the Nigeria Deposit Insurance Corporation (NDIC) shall assume the role of the FI. This implies that customers of FIs in liquidation (or whose licence has been withdrawn) can approach the NDIC to apply for the unclaimed balances funds in their dormant account.

22. Are there any fees or associated costs with reactivating a dormant account or processing reclaim on unclaimed balances?

No. FIs are not allowed to charge any fees for reactivating a dormant account or processing any unclaimed balance requests from the account owners or beneficiaries.

23. How can disputes regarding dormant accounts and unclaimed balances be resolved?

Where there is any dispute between the customer (the dormant account owner) and the FI, the FI will resolve the dispute in line with the CBN's Consumer Protection Regulation (CPR). If unresolved within fifteen (15) days, the customer can escalate the complaint to the Consumer Protection Department of the CBN.

24. How will the CBN enforce compliance with the provisions of this Guidelines?

FIs shall render quarterly returns to Banking Supervision Department (BSD) and Other Financial Institutions Supervision Department, (OFISD) in the prescribed format. The CBN shall conduct periodic examinations to establish the volume and value of dormant accounts and unclaimed balances in FIs.

25. Are there sanctions for FIs that do not comply with the Guidelines?

Yes. Non-compliance with the provisions of the Guidelines by an FI shall attract appropriate sanction in line with extant regulations.

26. How can the public stay informed about the management of the funds?

The CBN shall publish annually on its website, the list of owners of unclaimed balances that have been transferred to the 'UBTF Pool Account', the procedure for reclaim of warehoused funds and other financial assets; and publish annually a notice in three national daily newspapers inviting members of the public to check details of outstanding unclaimed balances in its custody.

In the case of the FIs, they shall publish, on their websites, details of all dormant accounts, six months before their eligibility for transfer to CBN. For other financial institutions (OFIs) without websites, such publications shall be done on their association's website. FIs shall also publish annually, the list of dormant account owners in at least two national daily newspapers, except for state and Unit microfinance banks, which shall publish in their premises.



Consumer Protection: How to Write a Proper Complaint in Four (4) Steps:

Begin with an address. Your complaint should contain a Contact Address, which could be your Residential or Postal Address (as in your bank records). It should also have the address of the Financial Institution (FI) to which you address your complaint.

Secondly, briefly state your complaint. It should contain the What, When, Where, and How (in no particular order). Furthermore, include monetary loss (if any). State what happened; this is like a short story of what happened. State the date and time when the issue occurred. State the location, which is the name of the place where it happened. Finally, state the financial service or product used that led to the challenge.

The next thing your complaint should contain is the Prayer/Request (what do you want?). Write what you would like to be done for you or how you would like the problem to be resolved.

Finally, conclude your complaint stating the Signature, Account Name, Account Number, Email (if any) and Mobile Number.

Your bank is to issue a unique identification number and acknowledge your complaint within twenty-four (24) hours of lodging the complaint as stipulated in Section 6.2.2 of the Consumer Protection Regulations.

Where your complaint is not responded to or addressed within two (2) weeks (it may be more or less depending on the nature of the complaint), Section 6.4 of the Consumer Protection Regulation 2019 stipulates, you have the right to escalate to at cpd@cbn.gov.ng



Central Bank of Nigeria