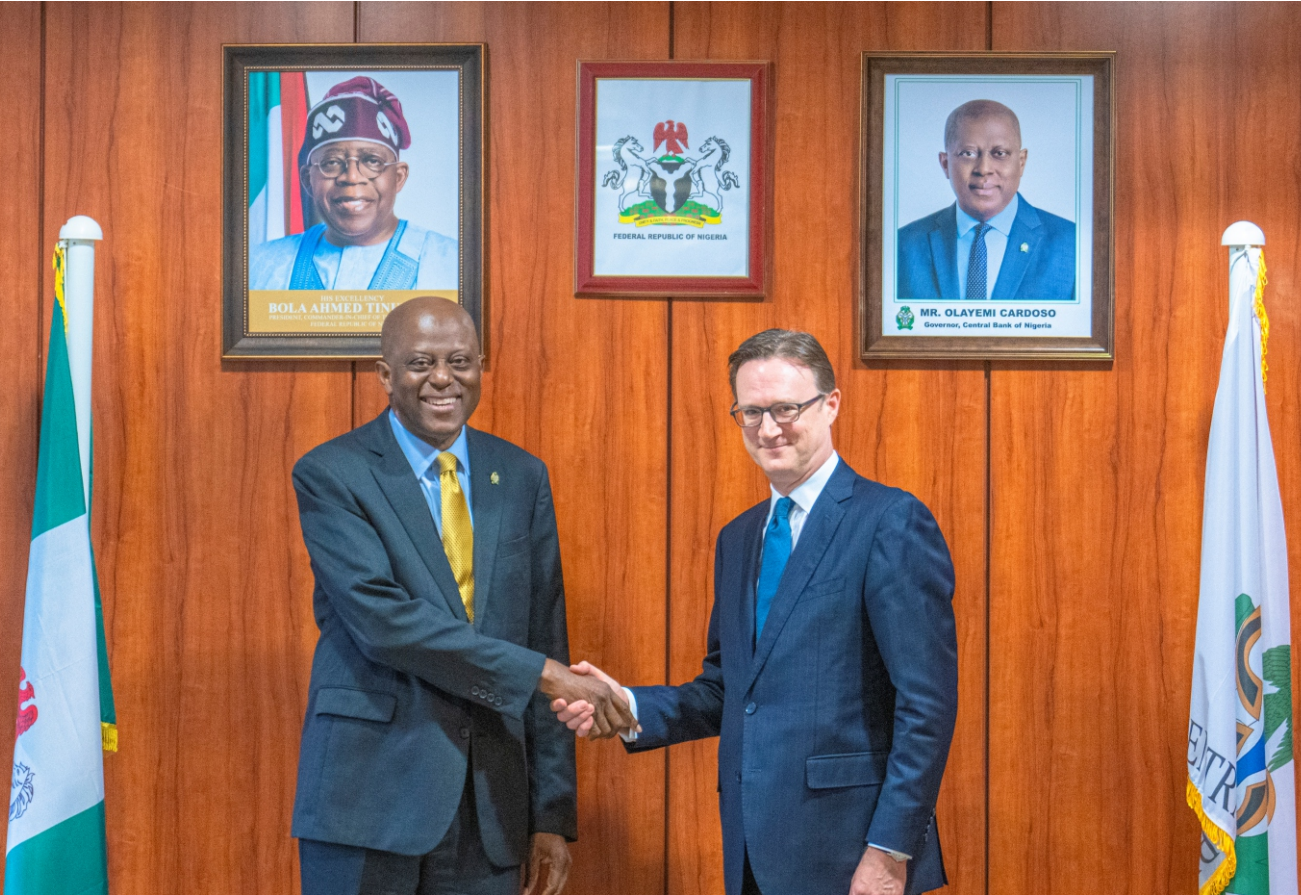




Cardoso Urges Stronger Collaboration with Bank of England

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- CBN, NDIC Renew Commitment to Financial Stability
- DG Abdullahi Launches CBN Digital Commons
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Editor's Note

This August 2025 edition of CBNUPDATE highlights significant developments that underscore the Central Bank of Nigeria's commitment to stability, transparency, and inclusive growth.

At the international level, the Governor of the Bank, Mr. Olayemi Cardoso, advanced dialogue with the Bank of England, while also joining President Bola Ahmed Tinubu during his State Visit to Brazil. These engagements reflect the Bank's increasing role in shaping conversation on national development, financial stability, and international trade.

Back at home, the CBN clarified its position on irregular foreign exchange forward contracts, ensuring that accountability, legality, and prudence continue to guide its market operations.

This edition further captures the launch of the CBN Digital Commons, a significant stride in knowledge accessibility, and the reaffirmed collaboration between the CBN and the Nigeria Deposit Insurance Corporation (NDIC) to safeguard financial system stability.

In addition, readers will find insights into Nigeria's non-oil export performance, as well as assessments by the International Monetary Fund (IMF) and International Finance Corporation (IFC) of the Federal Government's reforms. We equally brought to you CBN's new directives on PoS devices used outside of a merchant's registered address.

Together, these stories reflect the Bank's strategic focus on building trust, strengthening reforms, and deepening financial inclusion as Nigeria advances toward its long-term development goals.

We thank our readers and stakeholders for your sustained interest in our monthly publication and invite you to engage with the complete package in this edition.

Happy reading! ■

Hakama Sidi Ali (Mrs.)

Editor-in-Chief

Cardoso Urges Stronger Collaboration with Bank of England

By: Uche Tobias



CBN Governor, Mr. Olayemi Cardoso, in a warm handshake with the British High Commissioner to Nigeria, Dr. Richard Montgomery, at the CBN Headquarters, Abuja.

The Governor of the Central Bank of Nigeria (CBN), Mr. Olayemi Cardoso, has called for deeper collaboration between the CBN and the Bank of England (BoE), advocating the need for structured engagement and mutual support in navigating global economic challenges.

Cardoso made the call during a high-level meeting with the BoE Parliamentary Affairs Team, led by the British High Commissioner to Nigeria, Dr. Richard Montgomery, at the CBN headquarters in Abuja recently.

In his opening remarks, Dr. Montgomery stated that the BoE team was in Nigeria to explore areas of cooperation, particularly in security and economic policy. He noted ongoing discussions with Nigeria's Minister of Finance and Coordinating Minister of the Economy, Mr. Wale Edun, on federal tax policies. He expressed the UK's interest in Nigeria's broader economic direction.

Dr. Montgomery highlighted the impact of U.S. trade policies on global growth and stressed

the importance of resilient partnerships. He also revealed that the BoE had engaged with key CBN departments to enhance collaboration in areas such as payment systems, digital currency, and cryptocurrency regulation.

Similarly, BoE's Head of Parliamentary Affairs, Clare Cowan, underscored the importance of the visit, noting that her institution has maintained a strong relationship with the CBN over the past two years. She stated that the team sought to strengthen their engagement by gaining deeper insights into the CBN's operations, particularly in areas such as inflation targeting, currency circulation, and seigniorage.

Cowan also shared perspectives on the BoE's approach to promoting financial stability, including its interactions with the British Parliament. She emphasised that educating parliamentarians on complex financial matters is considered a key component of their broader communication and stakeholder management strategy.

In his response to the delegation, Governor

Cardoso acknowledged the strong and constructive relationship between the two central banks and called for stronger ties between the two institutions. He highlighted the critical role of effective communication and economic stability. He noted that the CBN's engagement with the National Assembly has significantly improved, largely due to recent efforts aimed at stabilising the economy.

Cardoso underscored the importance of maintaining stability in currency, exchange

rates, and growth of reserves, as a foundation for sustaining public and legislative confidence. He reaffirmed his commitment to regular engagements with the National Assembly but emphasised the need to keep economic policy insulated from political influence.

A highlight of the meeting was the presentation of three papers by the visiting BoE team, including "Parliamentary Engagements" and "Interaction of Financial Stability with Monetary & Fiscal Policy." ■

Cardoso, Edun, Adedeji Meet on Fiscal Monetary Coordination

By: Ogochukwu Ikeagwuonu



L-R: The Executive Chairman, Federal Inland Revenue Services (FIRS), Dr. Zaccheus Adedeji, CBN Governor, Mr. Olayemi Cardoso, and the Minister of Finance and Coordinating Minister of the Economy, Mr. Wale Edun, after a crucial meeting at the Central Bank of Nigeria (CBN) Head Office, Abuja.

In an effort to strengthen Nigeria's economic stability and boost investor confidence, leading economic figures have committed to enhancing collaboration between fiscal and monetary authorities. The statement was made during a high-level strategic meeting held on Tuesday, August 19, 2025, at the Central Bank

of Nigeria (CBN) headquarters in Abuja.

At the meeting were the Governor of the Central Bank of Nigeria, Mr. Olayemi Cardoso; the Minister of Finance and Coordinating Minister of the Economy, Mr. Wale Edun, and the Chairman of the Federal Inland Revenue Service

(FIRS), Dr. Zacch Adedeji.

A statement issued by the Director of Information and Public Relations at the Ministry of Finance, Mr. Mohammed Manga, outlined the key focus areas of the engagement: maintaining macroeconomic stability, encouraging private sector-led growth, and reinforcing investor confidence.

In his remarks, the CBN Governor, Mr. Olayemi Cardoso, emphasised that transparency and data-driven policies at the CBN were viewed as a steady hand in navigating Nigeria's monetary challenges. His meeting with Edun and Adedeji forms part of a series of structured engagements aimed at building a more cohesive economic management framework.■

Nigeria's FX Reserves Hit \$41 Billion, Highest in 4 Years – CBN

By: Tina John



The Central Bank of Nigeria (CBN) has announced that the country's foreign exchange reserves have risen to \$41.00 billion as of August 19, 2025, the highest level in nearly four years. Data published on the CBN's website indicated that this is the strongest external reserve position Nigeria has had since December 3, 2021, a significant turnaround after months of volatility and decline.

The recent surge follows a prolonged period of reserve depletion, largely driven by external debt repayments and pressure on the Naira. The current trajectory reflects a period of

steady external accretion in recent weeks, with analysts pointing to improved foreign exchange inflows as a key driver.

In August alone, Nigeria's reserves have rallied by \$1.46 billion, rising from \$39.54 billion on August 1 to \$41.00 billion by August 19, a 3.69% increase in less than three weeks. The upward momentum has remained consistent throughout the month, with only brief pauses in daily growth.

The reserves first crossed the \$40 billion mark on August 7, after closing below \$39.4 billion at the end of July. By August 12, they had climbed to

\$40.5 billion, and within a week, breached the \$41 billion threshold. On average, reserves increased by approximately \$81 million per day in August, underscoring stronger foreign exchange inflows relative to outflows.

This renewed strength enhances the CBN's ability to stabilise the Naira, manage market liquidity, and respond to speculative pressures in the official market. While the short-term gains have been significant, the year-to-date growth remains modest.

From a historical perspective, the current level of \$41 billion positions Nigeria at its most robust FX reserve standing since late 2021, marking a reversal of the prolonged drawdowns seen in 2022 and 2023, when reserves struggled to hold above \$38 billion.

A strengthened reserve position is crucial for

boosting market confidence, enhancing Nigeria's credit outlook, and maintaining the country's ability to meet its external obligations. It also expands the CBN's capacity to manage external shocks and currency market volatility.

The CBN had earlier credited the sustained reserve growth to rising capital inflows, improved crude oil production, a rebound in non-oil exports, and a decline in import bills. Looking ahead, the sustainability of this upward trend will depend on a combination of factors, including stable oil revenue, increased non-oil foreign exchange receipts, effective debt management, and a coherent monetary policy.

For now, the sharp reserve buildup in August places Nigeria on a stronger footing, with the country's FX reserves standing at their highest point in nearly four years. ■

CBN Restates Commitment to Inclusive Growth at Lagos, Abeokuta Fairs

By: Titilayo Oluwasina



Group photograph of stakeholders at the event.

The Central Bank of Nigeria (CBN) has reaffirmed its commitment to promoting financial inclusion, enhancing productivity, and fulfilling its mandate of maintaining monetary and price stability.

Speaking at the CBN Fair held in Lagos with

the theme "Driving Alternative Payment Channels as Tools for Financial Inclusion, Growth and Accelerated Economic Development", the Acting Director of the Corporate Communications Department, Mrs. Hakama Sidi Ali, explained that the forum provided an opportunity for direct engagement

with the public and key stakeholders on the Bank's policies for long-term economic sustainability.

She described the theme as timely, stressing that it highlighted the importance of strengthening value chains that support small and medium enterprises (SMEs) and other sectors critical to maintaining price stability. Mrs. Sidi Ali noted that recent initiatives by the CBN have led to higher inflows of foreign investments, healthier trade balances, and a significant rise in Nigeria's financial inclusion levels.

Highlighting key policy measures rolled out by the Bank's current Management, she listed the unification of exchange rates and clearance of over \$7 billion verified FX backlogs, the launch of the Nigeria Foreign Exchange Code to promote ethical standards, the ongoing banking sector recapitalisation exercise to boost resilience and competitiveness of banks, and the introduction of the Non-Resident BVN to connect Nigerians abroad with the financial system.

On the Naira, Mrs. Sidi Ali stressed the Bank's commitment to ensuring the availability of clean notes while urging Nigerians to treat the currency with respect as a symbol of national identity.

She disclosed that the Fair features presentations on CBN's role in microfinance, consumer rights protection, payment system innovations, and developments in the foreign exchange market, while encouraging participants to engage actively and ask questions.

The Lagos edition, hosted by the Branch Controller, Mr. Sunday Daibo, had presentations from senior CBN officials on the Bank's role in the microfinance sector, naira protection, and expanding financial access. Sessions highlighted agent banking, mobile money, open banking, and the cashless policy, with practical insights on consumer rights, counterfeit detection, and naira security features.

Following the Lagos edition, the Fair was extended to Abeokuta, Ogun State, where the Branch Controller, Mr. Malik Ademola, welcomed participants. The engagements in Abeokuta provided stakeholders from various sectors and members of the public with another platform to interact directly with CBN officials, deepen their understanding of the Bank's policies, and learn how initiatives on payment systems, consumer protection, and financial inclusion are driving economic activities and enhancing livelihoods across the country. ■

CIBN Unveils Annual Banking and Finance Conference Agenda

By: Khadeejah Bello

The Chartered Institute of Bankers of Nigeria (CIBN) has announced plans for its 18th Annual Banking and Finance Conference, with a distinctive focus on the intersection of banking, policy, and technology. It also serves as a platform for all stakeholders in the banking and finance ecosystems, including policymakers, regulators, financial operators, academics, clients, and other interest groups, to be informed and deliberate on critical developments within the sector and the broadereconomy.

The theme of the conference, "The New

Economic Playbook: The Intersection of Banking, Policy, and Technology," was revealed at the World Press briefing. The CIBN annual conference is scheduled for September in Abuja, with Virtual participation available worldwide.

The President/Chairman, Prof. Pius Olanrewaju, affirmed that the event was in line with the Institute's core mandate to build the capacity of banking and finance professionals consistently.

The Governor of the Central Bank of Nigeria, Mr. Olayemi Cardoso, has often addressed stakeholders on the importance of this Annual



Event, stating its materiality as a platform for major players and the business communities to share perspectives on burning issues affecting the banking and financial services sector, and the economy in general.

Mr. Cardoso has also been known to outline the CBN's strides over the past years in steering Nigeria's economy through significant reforms

aimed at stabilising prices, improving the foreign exchange market, and fostering sustainable growth, as well as offering a peek into the plans and policy directions of the apex bank at past CIBN conferences.

The event, scheduled for September 9-10, is expected to gather over 10,000 participants worldwide. ■

DG Abdullahi Launches CBN Digital Commons

By: Alhaji Auwalu

The Deputy Governor of the Economic Policy Directorate at the Central Bank of Nigeria (CBN), Dr. Muhammad Sani Abdullahi, has officially launched the CBN Digital Commons. Beyond a mere technological milestone, he said the initiative was a strategic investment in accessibility, research, and the future of financial and economic development.

Delivering the keynote address at the e-Library Road Show, held at the CBN Head Office Atrium in Abuja recently, with the theme

"Fueling Knowledge through Cultural Revolution: The CBN Library as a Driver of Change," he identified knowledge and information as the core drivers of innovation.

Reaffirming the Bank's core values of Integrity, Meritocracy, Professionalism, Accountability, Courage, and Tenacity (IMPACT), the Deputy Governor noted that the CBN's vision "to be a trusted and respected central bank promoting confidence in the economy" is both intentional and forward-looking.



DG EP, CBN, Dr. Muhammad Sani Abdullahi, delivering the keynote address at the e-Library Road Show, held at the CBN Head Office in Abuja.

He further explained that the Bank's five strategic pillars are all strengthened by accurate, timely, and easily accessible knowledge. He noted that the new e-Library plays a critical role in advancing these objectives and urged staff to leverage the platform as a dynamic tool for engaging with the intellectual foundations of monetary policy, financial regulation, and economic transformation.

In her welcome address, the Director, Research Department, Ms. Aderinola Shonekan, described the launch as a significant milestone in the Bank's journey toward digital transformation, transparency, and inclusive knowledge sharing. She observed that "the e-Library is more than just a digital repository; it is a gateway to economic research, policy insights, financial data, and historical records that form the foundation of sound monetary policy."

Ms. Shonekan revealed that the platform had

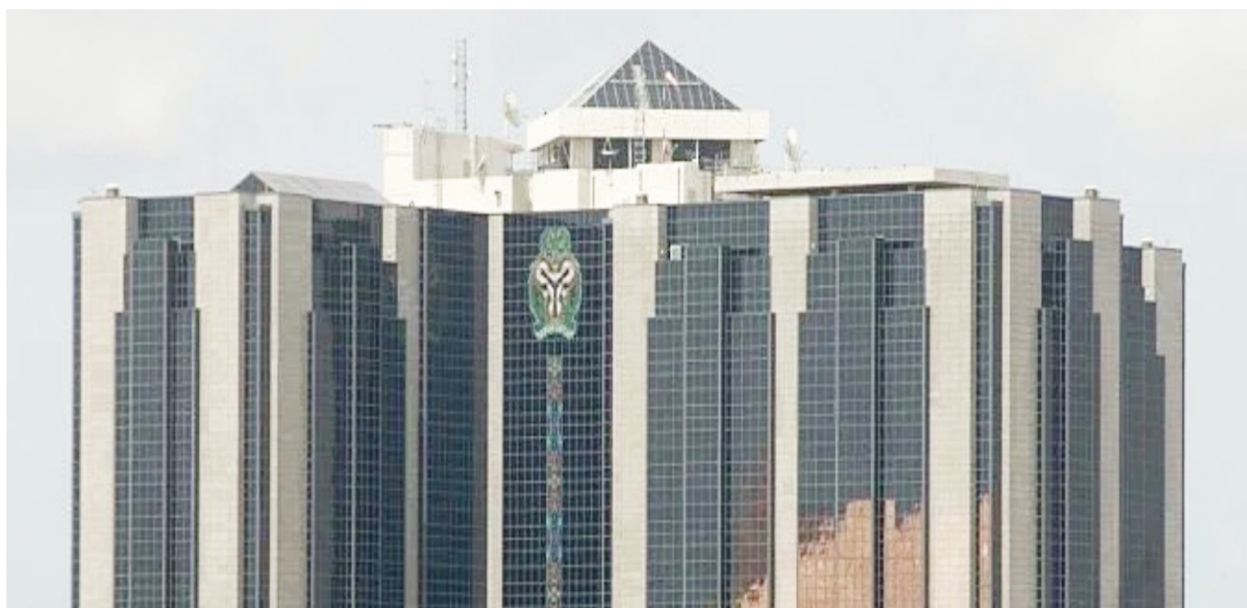
already recorded over 505,000 downloads of CBN publications worldwide, which supports the Bank's strategic goal of strengthening monetary policy communication and reinforces its 2024–2028 strategy. According to the Director, the e-Library is fostering a culture of continuous learning and institutional memory, both within and beyond the CBN.

The highlight of the event was the formal launch of the CBN Digital Commons by the Deputy Governor, Economic Policy, Dr. Muhammad Abdullahi, supported by the Directors of Research, Statistics, Corporate Secretariat, and Security Services Departments.

The event also featured a panel discussion titled "Fueling a Culture of Curiosity: How the e-Library Can Foster a Digital-First Bank," which explored the transformative potential of digital knowledge platforms in shaping the future of central banking. ■

CBN Clarifies Cancellation of Irregular FX Forwards

By: Daba Olowodun



Central Bank of Nigeria Headquarters, Abuja.

The Central Bank of Nigeria (CBN) has issued a formal clarification regarding the cancellation of certain foreign exchange (FX) forward contracts, following a forensic audit that revealed widespread irregularities. In an FAQ sheet published on its official website recently, the apex bank outlined the conditions under which FX forward contracts may be nullified or cancelled.

According to the CBN, contracts were deemed invalid due to fraud or misrepresentation, a lack of proper documentation, illegality or breach of law, regulatory non-compliance, or violation of applicable CBN circulars or FX guidelines.

The Bank confirmed that no FX payments were made on these voided contracts, as they failed to meet the required standards for settlement. Furthermore, the Naira previously received from counterparties in respect of these contracts had been returned.

In a decisive move to uphold market integrity, the CBN is currently engaging with law enforcement authorities to determine appropriate actions in cases involving potential fraud, misrepresentation, or abuse of the FX system. The bank stated that it is

reviewing legal options and will collaborate with relevant agencies to pursue civil, administrative, or criminal sanctions against defaulters.

"Paying invalid contracts would have rewarded non-compliance, encouraged abuse of the FX system, and unnecessarily depleted the nation's FX reserves," the CBN noted. It emphasised that settling contracts that were legally void or irregular would have contravened its statutory responsibilities and exposed it to legal liability and loss of public trust.

In September 2023, the CBN appointed Messrs Deloitte and Touche to conduct a forensic audit of undelivered FX forward contracts under the Retail Secondary Market Intervention Sales (RSMIS). Upon the conclusion of the forensic audit, the CBN honoured all valid contracts to the tune of \$7 billion (Seven Billion Dollars) over time.

This development underscores the CBN's commitment to strengthening due diligence in the FX market, enforcing compliance with documentation requirements and enhancing transparency and accountability in forward contract settlement. ■

STRATEGIC ENGAGEMENTS



L-R: President Bola Ahmed Tinubu, Brazilian President, Luiz Inácio Lula da Silva, and the CBN Governor, Mr. Olayemi Cardoso, sharing a joke during President Tinubu's State Visit to Brazil on August 25, 2025.



CBN Governor Olayemi Cardoso (middle), with the Bank of England Parliamentary Affairs Team, led by the British High Commissioner to Nigeria, Dr. Richard Montgomery (far right), at the CBN Head Office.



CBN Governor, Mr. Olayemi Cardoso, and Nobel Laureate, Professor Wole Soyinka, were special guests of Hon. Gabriel Mango, Representative of the Federal District, Brazil, at the Legislative Chamber, in Brazil.



Governor Cardoso warmly received Executive Director, Africa West, International Monetary Fund (IMF), Wautabouna Ouattara, when the latter visited the CBN Headquarters, Abuja.



CBN Governor, Mr. Olayemi Cardoso, in a roundtable discussion with the Minister of Finance and Coordinating Minister of the Economy, Mr. Wale Edun (right) and the Executive Chairman, Federal Inland Revenue Services (FIRS), Dr. Zaccheus Adedeji (left), at the CBN Head Office, Abuja.



CBN Governor, Mr. Olayemi Cardoso (middle); the Head of the Civil Service of the Federation, Mrs. Didi Esther Walsen-Jack (3rd from right), and other dignitaries at the CBN Head Office in Abuja.

STRATEGIC ENGAGEMENTS



CBN Governor, Olayemi Cardoso, flanked on his right by the Minister of Finance and Coordinating Minister of the Economy, Mr. Wale Edun, and on his left by the Minister of Industry and Investment, Dr. Jumoke Oduwole, with other industry players in Sao Paolo, Brazil, on the sidelines of President Bola Tinubu's State Visit to Brazil.



CBN Governor, Mr. Olayemi Cardoso (middle), with the executive delegation of the Mortgage Banking Association of Nigeria (MBAN). From L-R: Mr. Arinze Adigwe, Mr. Kehinde Ogundimu, MBAN President Mr. Ayo Olowookere, Glory Chukwu, and Adedeji Ajadi.



Governor Olayemi Cardoso and the Minister of State for Finance, Dr. Doris Nkiruka Uzoka-Anite, after a strategic meeting at the CBN Headquarters, Abuja.



Governor Olayemi Cardoso and the Non-Executive Chairman of the Nigerian National Petroleum Company (NNPC) Limited Board, Engr. Ahmadu Musa Kida, after a crucial meeting at the CBN Head Office, Abuja.



L-R: The Director General of the World Trade Organisation (WTO), Dr. Ngozi Okonjo-Iweala; CBN Governor, Mr. Olayemi Cardoso; the Minister of Industry, Trade and Investment, Dr. Jumoke Oduwole, and Nigeria's Ambassador to the WTO, Amb. (Dr.) Adamu Abdulhamid, after a strategic economic discussion at the CBN Head Office, Abuja, on Thursday, August 14, 2025.



DG EP, CBN, Muhammad Abdullahi flanked on his left by Directors, Rashida Mungonu (Corporate Secretariat) and Hakeem Odumosu (Security Services), and on his right by Directors, Aderinola Shokenan (Research) and Usman Okpanachi (Statistics) at the launch of the CBN Digital Commons, in Abuja.

CBN Reaffirms Commitment to Women's Inclusion in Leadership

By: Daba Olowodun



Central Bank of Nigeria

The Central Bank of Nigeria (CBN) has reaffirmed its commitment to promoting women's inclusion in leadership and finance, describing it as crucial to sustainable growth and national development.

Speaking at the graduation ceremony of the WIMBIZ Board Mentorship Programme in Lagos, the CBN Governor, Mr. Olayemi Cardoso, represented by the Director of Consumer Protection and Financial Inclusion, Dr. (Mrs.) Aisha Isa-Olatinwo, said the Bank continues to prioritise policies and initiatives that empower women to thrive.

Addressing the theme of the event, "Make an Impact, Build Legacy", Cardoso noted that it resonates strongly with the CBN's inclusive development agenda and Nigeria's drive towards achieving the Sustainable Development Goals.

"Impact represents the effect of our actions in the present. Legacy reflects the enduring influence we leave for future generations.

When impact matches intent, it influences both personal careers and the country's future path," he noted.

The CBN Governor commended WIMBIZ for inspiring and empowering women in leadership across both the public and private sectors, describing the organisation's work as a catalyst for a global network of accomplished women who are advancing influence in finance, governance, and beyond.

To the graduating participants, Cardoso described the moment as critical, urging them to use their voices and vision to shape the future. "You have been diligently prepared, mentored, and grounded in leadership principles. Your actions have the power to shape both the present and future," he added. Highlighting the CBN's efforts to promote inclusivity, he explained that the Bank provides an enabling environment for women through leadership development, mentorship, diversity policies, and work-life balance. He pointed to recent director-level appointments as evidence of a merit-driven and inclusive culture within the institution.

He further disclosed that, in line with Nigeria's Sustainable Banking Principles, the CBN is building a resilient and inclusive financial system with a focus on achieving a \$1 trillion economy by 2030. Consequently, the Bank is continuously exploring partnership opportunities with several institutions to improve women's access to finance, support women-owned MSMEs, and expand women-based networks for inclusion.

To the private sector, he issued a call to action: "Let us collaborate to make inclusion a standard, not just an aspiration." He also urged society at large to support women "not just in their ascent, but in their leadership." ■

CBN, NDIC Renew Commitment to Financial Stability

By: Tina John

source:www.bing.com



Central Bank of Nigeria

The Central Bank of Nigeria (CBN) and the Nigeria Deposit Insurance Corporation (NDIC) have restated their joint commitment to safeguarding the country's financial system amid ongoing economic headwinds.

This reaffirmation was made during a courtesy visit by the newly appointed NDIC management team, led by its Managing Director/Chief Executive Officer, Mr. Bello Thompson Sunday, to the CBN headquarters in Abuja. The team was received by CBN Governor, Mr. Olayemi Cardoso, who highlighted the importance of inter-agency collaboration in maintaining financial stability.

"The Central Bank counts on NDIC's support in navigating the uncertain times we are in," said Cardoso, while congratulating the new leadership of the NDIC. He added that the visit underscored the shared responsibility of both institutions in building a more resilient financial system.

Mr. Sunday, who was recently appointed as Managing Director and Executive Director of Operations at the NDIC by President Bola Tinubu, commended the CBN for its ongoing reform initiatives, particularly in stabilising the foreign exchange market and overseeing the recapitalisation of deposit money banks. He assured that the NDIC remains committed to its mandate and to aligning its operations with the NDIC Act 2023 (as amended).

He also disclosed that the Corporation is embarking on a strategic restructuring to better support its risk minimisation objectives, with a new corporate strategy in development as the current plan nears expiration at the end of the year.

Highlighting recent achievements, Mr. Sunday noted the payment of ₦54.62 billion to 691,418 depositors of the now-defunct Heritage Bank, and the declaration of a 9.2 kobo per naira liquidation dividend to uninsured depositors—all within a year of the bank's closure. He also cited progress on a target funding framework aimed at enhancing the resilience of the financial system.

However, the NDIC boss raised operational challenges, including the absence of a unique identifier like the Bank Verification Number (BVN) for corporate customers, and difficulties in collecting premiums from insured institutions without CBN accounts. He expressed the NDIC's willingness to collaborate with the CBN in resolving these issues. He also called for the development of a joint crisis preparedness framework with the CBN to strengthen the country's capacity for financial crisis response and management.

The visit ended with both institutions reaffirming their shared vision for a stable and well-regulated financial sector that can withstand both domestic and global shocks. ■

NEPC Reports 20% Rise in Nigeria's Non-Oil Exports

By: Ali Abubakar

source:www.bing.com



Nigeria's non-oil exports surged to \$3.225 billion in the first half of 2025, representing a 19.59 per cent increase compared to the \$2.696 billion recorded in the same period of 2024, according to the Nigerian Export Promotion Council (NEPC).

The Executive Director and Chief Executive Officer of the NEPC, Mrs. Nonye Ayeni, disclosed this in Abuja while presenting the Council's half-year progress report on the performance of the non-oil export sector.

She stated that export volumes also rose to 4.04 million metric tonnes in the period under review, up from 3.83 million metric tonnes in the first half of 2024. The increase, she said, was driven by strong global demand, particularly from emerging economies such as India, Brazil, Vietnam, and several African countries.

"In the first half of 2025, non-oil products exported were valued at \$3.225 billion. This shows an increase of 19.59 per cent as against the sum of \$2.696 billion recorded for the first half of 2024," Ayeni said.

Figures from the first quarter of 2025 also reflected robust performance. Non-oil exports were valued at \$1.791 billion, a 24.75 per cent rise over the \$1.436 billion recorded in the same period of 2024. Export volumes in that quarter reached 2.416 million metric tonnes, up from 1.937 million metric tonnes in the corresponding period last year.

Ayeni attributed the strong growth to several factors, including higher demand for Nigerian commodities such as cocoa, sesame, cashew, and aluminium; improved market access and tariff relief under the African Continental Free Trade Area (AfCFTA); and targeted interventions by the NEPC. These interventions included capacity building in quality assurance, packaging, labelling, export documentation, and certification, as well as programmes to enhance market linkages for Nigerian companies.

The report further revealed that Nigeria exported 236 distinct products in the first half of 2025, representing a 16.83 per cent increase compared to the 202 products shipped in the same period last year. Cocoa beans emerged as the leading commodity, accounting for 34.88 per cent of total export value, up from 23.18 per cent in 2024. Urea and fertiliser ranked second with 17.65 per cent, while cashew nuts placed third with 12.35 per cent. Sesame seeds contributed 4.23 per cent.

In terms of company performance, Indorama Eleme Fertiliser and Chemical Limited was the leading exporter, accounting for 11.92 per cent of total export value. Starlink Global and Ideal Limited followed with 8.82 per cent, while Dangote Fertiliser Limited ranked third with 6.39 per cent.

Exports within Africa also expanded, with 663 million metric tonnes of goods shipped to 11 ECOWAS countries, and 488 million metric tonnes worth \$83.54 million sent to 21 other African nations outside the bloc. The Netherlands, the United States, and India were the top three global destinations, accounting for 18.64 per cent, 8.42 per cent, and 8.36 per cent of export value, respectively.

As part of efforts to strengthen the sector, the NEPC distributed 23,239 hybrid seedlings and farm inputs to 3,047 farmers across the country. The support targeted cocoa, sesame, and oil palm cultivation to improve quality and boost production for export.

Ayeni expressed confidence that the upward

trajectory would continue, noting that sustained policy support, better infrastructure, and increased access to financing could enable Nigeria to surpass its non-oil export record by the end of 2025.

"Our mission remains to ensure that Nigerian products compete favourably anywhere in the world, while contributing to job creation, poverty reduction, and sustainable economic growth," she said. ■

CBN Orders GPS Tracking on PoS Terminals

By: Ogochukwu Ikeagwuonu



source:www.bing.com

The Central Bank of Nigeria (CBN) has issued a new directive advising all licensed payments systems to fully migrate to the ISO 20022 messaging standard and implement mandatory geographical identification of all payment terminals by October 31, 2025.

This was contained in a circular dated August 25, 2025, and signed by the Director, Payments System Supervision Department (CBN), Dr. Rakiya Yusuf. The Bank ordered all licensed operators, including Moniepoint, OPay, PalmPay, and DMBs, to geo-tag every PoS terminal within 60 days. This implies that

the millions of PoS devices currently used by agents and merchants across Nigeria must now be registered with exact GPS coordinates showing the location or where each device is being used.

Under the new guideline, all existing PoS machines must be updated with built-in GPS systems and connected to the National Central Switch, which will monitor locations through a special software development kit (SDK). The CBN introduced the mandatory geographical identification of payment terminals to enhance oversight and curb fraud in the electronic payments space, as well as unauthorised PoS activity by ensuring each terminal's location is verified and continuously monitored.

The directive also applies to newly deployed PoS devices, which must be geo-tagged before activation. Operators such as Payment Terminal Service Providers (PTSPs) and mobile money companies will be responsible for ensuring that all devices in their network comply.

The CBN will commence compliance checks from October 20, 2025, leaving operators with a tight two-month window to upgrade what could amount to more active terminals nationwide. The CBN also warned that terminals not routed through an approved Payment Terminal Service Aggregators (PTSA) will no longer be permitted to process transactions. Geo-location data must be captured at the point of transaction and included in the transaction message payload as a mandatory reporting field.

These regulatory reforms, the circular noted, aim to strengthen Nigeria's digital payments infrastructure, boost transparency, enhance consumer protection, and align the financial system with global best practices for secure and efficient transactions. ■

GLOBAL TIT BITS

Discussing Monetary Policy Across Borders

By: Ekezue Anthonie



CBN Governor, Mr. Olayemi Cardoso and the President of the Central Bank of Brazil, Mr. Gabriel Muricca Galipolo, at the Bank of Brazil Headquarters in Brasília, during President Tinubu's State Visit to Brazil.

During President Bola Ahmed Tinubu's state visit to Brazil, the Governor of the Central Bank of Nigeria (CBN), Mr.

Olayemi Cardoso, held a strategic meeting with Mr. Gabriel Muricca Galipolo, President of the Central Bank of Brazil, at the Bank of Brazil Headquarters in Brasília.

As part of the visit, the CBN delegation engaged in a two-day working session with the Brazilian Central Bank on August 27–28, 2025. These sessions facilitated in-depth discussions on monetary policy, financial stability, and avenues for technical cooperation. The engagements also fostered knowledge sharing and helped strengthen institutional ties between the two central banks.

This initiative underscores the CBN's ongoing commitment to international collaboration and its focus on building sustainable economic value for Nigeria through global partnerships.■



L-R: CBN Directors, Dr. Adetona Adedeji, Dr. Rita Sike and Dr. Victor Oboh and the Central Bank of Brazil's team.

GLOBAL TIT BITS

BIS Calls on Central Banks to Reinforce Trust, Stability

By: Ogochukwu Ikeagwuonu

source:www.bing.com



The Bank for International Settlements (BIS) has urged central banks to serve as a stabilising force in an increasingly uncertain global economic environment. The Deputy Head of the BIS Monetary and Economic Department, Frank Smets,

highlighted this in a virtual interview with BusinessWorld. He emphasised that trust in central banks fosters a “positive dynamic” that helps anchor inflation expectations and promote price stability.

Smets noted that the appropriate policy response would differ by country, particularly given the varying global economic impact of recent U.S. tariff policies.

“For countries like the Philippines or those in East Asia that are on the receiving end of U.S. tariffs, the rise in tariffs is more likely to be a negative demand shock,” Smets observed. He emphasised that markets have been unsettled in recent months by the U.S.’s shifting trade stance.

In addition, such trade measures could depress demand for exports “In those countries, the room for easing monetary policy is probably greater, and a differentiated picture depending on the country.” Smets noted. ■

GLOBAL TIT BITS

IMF, IFC Laud FG's Economic Reforms

By: Chioma Udeogu

source:www.bing.com



The International Monetary Fund (IMF) and the International Finance Corporation (IFC) have commended the reform initiatives of President Bola Ahmed Tinubu's administration, describing them as critical steps



toward transforming Nigeria into a more attractive investment destination. Both institutions, however, urged the government to remain committed to its reform agenda and avoid policy reversals.

GLOBAL TIT BITS

Speaking during the “International Business Conference and EXPO 2025: Invest Nigeria,” organised by the Lagos Chamber of Commerce and Industry (LCCI), IMF Resident Representative, Dr. Christian Ebeke, and IFC's Principal Country Officer for Nigeria, Mr. Christian Mulamula, emphasised that the economic reforms are beginning to yield tangible results. These include early signs of macroeconomic stability, easing inflationary pressure, a more stable foreign exchange market, and growing foreign reserves.

Dr. Ebeke noted that while inflation remains a concern, it is now decelerating. This, he explained, means that although prices are still rising, the rate of increase is slowing, a crucial development for macroeconomic stability. He further stated that the foreign exchange market has shown signs of stabilising, and access to foreign currency, though costly, is now more reliable for businesses. According to him, the stability of the FX market is more critical than simply targeting a fixed naira value, as a functioning exchange market is the foundation for broader economic confidence.

He added that Nigeria's rising external reserves are an encouraging sign, providing cover for short-term liabilities and supporting investor confidence. “This is very good because it brings confidence and helps businesses to plan,” he said. Ebeke expressed confidence in the CBN's ability to intervene effectively in the foreign exchange market to maintain order and deter speculative attacks.

While commending the unification of exchange rates, the removal of the petrol subsidy, and the newly enacted tax reforms, the IMF also flagged areas of concern. Dr. Ebeke highlighted Nigeria's persistently low levels of foreign direct investment (FDI), noting that most inflows remain portfolio-based, with little long-term capital being invested in the manufacturing and productive sectors. He said this trend is worrisome, especially when compared with peer economies. He further urged the government to address structural

challenges, including insecurity, unreliable power supply, and rising food prices.

In his remarks, IFC's Christian Mulamula echoed similar sentiments, praising Nigeria for its bold policy steps. He pointed out that the unification of FX markets, tightening of monetary policy, and elimination of fuel subsidies were all necessary reforms that had long been delayed. According to him, Nigeria now has an opportunity to build on this momentum and attract investments in critical sectors such as information and communications technology, pharmaceutical manufacturing, agriculture, renewable energy, and agro-processing.

Mulamula emphasised the transformative potential of digital infrastructure, noting that expanding Nigeria's nationwide fibre network could unlock massive investments in the digital economy, education, healthcare, and public services, potentially creating over 200,000 jobs. He also identified agricultural processing as a key driver of food security and job creation.

Representing President Tinubu at the event, Minister of State for Industry, Trade and Investment, Senator John Owan Enoh, reaffirmed the administration's resolve to rewrite Nigeria's economic story. He stressed that the president's goal was to shift the narrative from one defined by challenges and bureaucratic roadblocks to one of opportunity and inclusive growth.

He also revealed ongoing discussions with major global automobile manufacturers aimed at creating a business environment that is attractive enough for them to establish production plants in Nigeria.

Earlier, the President of the Lagos Chamber of Commerce and Industry, Mr. Gabriel Idahosa, described EXPO 2025 as a platform designed to unlock and deepen Nigeria's vast investment potential across various sectors. He expressed optimism that with the right policies and collaboration between government and industry, the Nigerian economy could be transformed into a magnet for global capital.■



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 (FAQ) ON THE SETTLEMENT OF UNDELIVERED FORWARD CONTRACTS

1. What is a foreign exchange forward contract? A foreign exchange (FX) forward contract is an agreement between two parties to exchange a specified amount of one currency for another at a predetermined exchange rate on a future date.

2. What type of foreign exchange contract did counterparties enter into with the CBN? Counterparties entered into a bespoke foreign exchange contract, wherein Naira was taken upfront in exchange for future delivery of US Dollars by the Central Bank of Nigeria.

3. Under what circumstances can a foreign exchange forward contract be nullified/cancelled? A foreign exchange forward contract may be nullified or cancelled under the following conditions:

- a) Fraud or Misrepresentation.
- b) Lack of proper documentation.
- c) Illegality or breach of law.
- d) Regulatory non-compliance or violation of applicable CBN circulars or FX guidelines, which render the contract void or unenforceable.

4. Why did the CBN subject the undelivered forwards to a forensic audit? The CBN undertook a forensic audit to ensure the integrity of the foreign exchange market and to confirm that all outstanding forward contracts were legitimate, valid, and met the agreed contractual and regulatory requirements. This step was necessary to safeguard Nigeria's FX reserves, promote market discipline, and ensure fairness to all participants. This step reflects the CBN's statutory responsibility to ensure prudence, legality, and fairness in the management of public financial resources, especially where previous actions may have breached that standard.

5. Who audited the outstanding foreign exchange forward contracts? In September 2023, CBN engaged Deloitte to conduct a comprehensive forensic audit of all transactions in the Retail Secondary Market Intervention Sales (RSMIS), including undelivered forward contracts.

6. What did the forensic audit involve?

The audit involved:

Reviewing contract documentation and trade confirmations.

Verifying underlying trade transactions (e.g., import/export documentation, Form M, shipping and Customs records).

Confirming that contracts complied with applicable CBN circulars and FX market guidelines.

Ensuring that beneficiaries were genuine and eligible counterparties.

7. What were the findings of the forensic audit? The forensic audit uncovered significant irregularities in the execution of some of the foreign exchange forward contracts. Each finding was based on objective and verifiable data, and all affected counterparties were given an opportunity to respond before final decisions invalidating these contracts were made.

8. Why, specifically, were some contracts invalidated? Some undelivered forward contracts were found to be invalid for various infractions and reasons, including:

- a) Company Name on Approved Sales Result Different from Company Name on Form M Portal.
- b) The cumulative value of the approved FX Forward Sales on this Forex Form Number from Auction 1 in 2021 to date of this auction exceeds the total value of the Forex Form Number.
- c) Sales Higher Than Demand.
- d) Non-permissible Item of Import.
- e) Unauthorised Companies Importing Milk.
- f) Vague Narration of the Item of Import of the Item of Import.
- g) Sales Without Demand.
- h) Incorrect Forex Form Number.
- i) Forex Form not indicated.
- j) Blank Form M.
- k) Rejected Form A Application on Form A Portal with Approved

Sales.

l) Approved Sales Value Higher than the cost of import item on Form A portal.

m) Approved Sales Value Higher than the cost of import item on Form M portal. No right to FX settlement can arise under Nigerian law where the underlying transaction is tainted by illegality, misrepresentation, or non-compliance with binding regulatory rules.

9. What happened to the valid contracts? All valid and verified contracts were honoured. CBN has made payments on these contracts in line with agreed settlement terms.

10. What happened to the invalid contracts? Invalid contracts were cancelled in line with audit findings. No FX payments were made on these contracts, as they did not meet the required standards for settlement, as noted in point 8 above. The Naira previously received from counterparties in respect of these invalid contracts has been returned. The CBN is currently engaging with law enforcement authorities to determine appropriate action in cases involving potential fraud, misrepresentation, or abuse of the FX system.

11. Why did CBN take this approach instead of paying all contracts? Paying invalid contracts would have rewarded non-compliance, encouraged abuse of the FX system, and unnecessarily depleted the nation's FX reserves. The CBN's mandate is to maintain market integrity and protect Nigeria's financial stability. Moreover, settling contracts that were legally void or irregular would have contravened the CBN's statutory responsibilities and potentially exposed it to legal liability and loss of public trust.

12. Can banks or counterparties appeal the audit outcome? No. The audit conclusions were based on a rigorous process carried out by an independent forensic expert (Deloitte), acting pursuant to a transparent mandate. The auditor contacted the authorised dealer banks concerning those contracts to get their explanations of the infractions before reaching conclusions on them. The findings have therefore met procedural fairness standards. The case of undelivered forward contracts is now concluded and closed.

13. What does this mean for future forward contracts? This process reinforces CBN's commitment to:

Strengthening due diligence in the FX market.

Enforcing compliance with documentation requirements.

Enhancing transparency and accountability in forward contract settlement.

14. What is CBN's message to banks and market participants? CBN remains committed to honouring all legitimate obligations while ensuring strict compliance with market rules. Banks and their clients are urged to maintain proper documentation, adhere to FX regulations, and submit only valid transactions for settlement.

15. Is any legal action being taken against those parties deemed to have breached rules? The Central Bank of Nigeria is reviewing appropriate legal action against parties found to have violated applicable rules and regulations, based on the findings of the forensic audit. The Bank will collaborate with law enforcement and regulatory agencies to pursue civil, administrative, or criminal sanctions, as necessary.



- The Electronic Foreign Exchange Matching System (**EFEMS**) is an electronic platform introduced by the Central Bank of Nigeria (CBN) in 2024 for conducting foreign exchange (FX) transactions in the Nigerian Foreign Exchange Market (NFEM). It is designed to match buy and sell orders automatically, enhancing transparency and governance in FX trading.
- EFEMS provides real-time pricing and visibility of buy/sell orders, reducing the opacity in the FX market.
- Automated matching of orders ensures that market participants transact at the best available prices, reducing price manipulation and market distortions.
- The system limits speculative trading and reduces the volatility caused by market distortions.
- It enhances oversight, allowing better regulation and monitoring of FX activities.
- Real-time data will be accessible to the public, contributing to a more informed and efficient market.
- Authorised Dealers will use EFEMS to place, buy and sell orders in real-time. The system will automatically match corresponding orders based on predetermined rules, ensuring swift execution of transactions. All transactions will be reflected immediately in the system for market participants and regulators.
- EFEMS replaces the manual or less-automated trading processes with a streamlined, fully electronic system. It introduces real-time transaction visibility and ensures that all trades are processed through a single, regulated platform. This eliminates inefficiencies and manual interventions that may have previously led to market distortions.
- EFEMS is expected to promote a market-driven exchange rate. This means rates will reflect actual market conditions, leading to a more efficient and stable pricing mechanism in the Nigerian FX market.
- EFEMS is expected to reduce speculative activities by ensuring that all trades are conducted transparently and in real-time. This minimises the opportunity for traders to exploit market inefficiencies or create artificial price movements.
- The CBN, in collaboration with the Financial Markets Dealers Association (FMDA), will regulate the system. They will publish guidelines, rules, and real-time data to ensure compliance with the Nigerian FX Code and the revised Market Operating Guidelines for the Nigerian Foreign Exchange Market.
- The public will benefit from improved transparency, as real-time market prices and data will be accessible. This allows market participants, businesses, and individuals to make more informed decisions when engaging in foreign exchange transactions.



Central Bank of Nigeria