



FREQUENTLY ASKED QUESTIONS (FAQS) ON THE REVIEW OF ATM TRANSACTION FEES

▪ **Why has the Central Bank of Nigeria (CBN) reviewed ATM transaction fees?**

The CBN has reviewed ATM transaction fees to address rising operational costs and enhance the efficiency of ATM services across the banking industry. This adjustment aims to encourage the deployment of more ATMs while ensuring fair and transparent charges for customers.

▪ **When will the new ATM transaction fees take effect?**

The revised ATM transaction fees will take effect from March 1, 2025, as directed by the Central Bank of Nigeria (CBN). All banks and financial institutions are required to comply with the CBN circular dated February 10, 2025, on "Review of Automated Teller Machine Transaction Fees" from this date.

▪ **Will I be charged for withdrawing money from my bank's own ATM?**

No, withdrawals from your bank's own ATMs (On-Us transactions) will remain free of charge.

▪ **What if I withdraw from an off-site ATM of my bank, will I be charged because the ATM is off-site?**

No, withdrawals from your bank's own ATMs (On-Us transactions) will remain free of charge. The location of the ATM does not affect customers of the bank that deployed the ATM.

▪ **What are the new charges for ATM withdrawals?**

The new charges are as follows:

- On-Us Transactions (Withdrawals at your bank's ATM): No charge.
- Not-On-Us Transactions (Withdrawals at another bank's ATM):
 - On-site ATMs: ₦100 per ₦20,000 withdrawal.

- Off-site ATMs: ₦100 per ₦20,000 withdrawal, plus a surcharge of up to ₦500. The surcharge will be displayed on your ATM screen before transaction approval.
- International Withdrawals: Charges will be based on cost recovery, meaning the exact fee applied by the international acquirer will be passed to the customer.

▪ **What is the difference between on-site and off-site ATMs?**

- On-site ATMs are located within or directly affiliated with a bank branch. In other words, the ATMs are on the bank premises.
- Off-site ATMs are outside a bank's premises, such as shopping malls, fuel stations, or other public areas.

▪ **It was stated that Not-On-Us Transactions (withdrawals at another bank's ATM) attract a base fee of ₦100 per ₦20,000. What happens if I withdraw less than ₦20,000 – will the ₦100 fee apply?**

Yes, the fee of ₦100 will apply if you withdraw less than ₦20,000 from another bank (a bank other than the one that issued your payment card). The reason for applying the fee for every ₦20,000 withdrawal is to prevent customers from being compelled to break their withdrawals to less than ₦20,000 per withdrawal.

In other words, ATM transactions will incur a base fee of ₦100 per transaction. It is also important to note that a tiered fee structure will apply for transactions exceeding ₦20,000, with an additional ₦100 charged for each subsequent withdrawal of ₦20,000 or portion thereof.

▪ **Will the three free monthly withdrawals for Remote-On-Us customers still apply?**

No. The three free monthly withdrawals allowed for Remote-On-Us customers (those withdrawing from another bank's ATM) will no longer apply under the new review.

▪ **It seems the terms "Not-on-us" and "Remote-on-us" are being used interchangeably. Is this the case?**

Yes, these terms are used to describe transactions at an ATM that does not belong to the bank that issued the payment card used.

▪ **How will I know the surcharge amount for an off-site ATM withdrawal?**

The surcharge (up to ₦500 per ₦20,000) will be displayed at the point of withdrawal, allowing customers to make an informed decision before proceeding with the transaction.

▪ **How will this impact consumers who frequently withdraw from other banks' ATMs?**

From the effective date of the circular, consumers who frequently withdraw from other banks' ATMs will pay for each withdrawal. Also, they may be surcharged if they withdraw from Off-site ATMs.

- **Can banks charge more than the stated fees?**

No. The charges and surcharges are capped. Thus, banks and other financial institutions are not allowed to charge more than the fees prescribed in the circular. Note also that though the surcharge per transaction is capped, there is flexibility for a bank to charge a lower amount depending on its cost structure and business development drive.

- **How can I avoid ATM transaction fees?**

You should withdraw money from your bank's ATM (On-Us transaction) to avoid the transaction fees. Additionally, limiting your use of Off-site ATMs is advisable to minimise the surcharge.

Further, consumers can explore other payment channels such as mobile apps, POS devices for payments, etc.

- **How much will I be charged for international ATM withdrawals?**

For withdrawals outside Nigeria, banks will apply a cost recovery fee, meaning the exact charge imposed by the international ATM acquirer will be passed on to the customer.

- **What if a bank fails to allow customers to withdraw up to ₦20,000 per transaction?**

The fees are based on banks allowing customers to withdraw up to ₦20,000 per transaction. Any bank that compels a customer with sufficient funds in her account to withdraw less than ₦20,000 per transaction against the customer's desire for a higher sumc, would be contravening this regulation's spirit and sanctioned appropriately.

- **How will customers report contraventions of this regulation by banks?**

Consumers denied the right to withdraw up to ₦20,000 per transaction are encouraged to file a complaint with the CBN using cpd@cbn.gov.ng.