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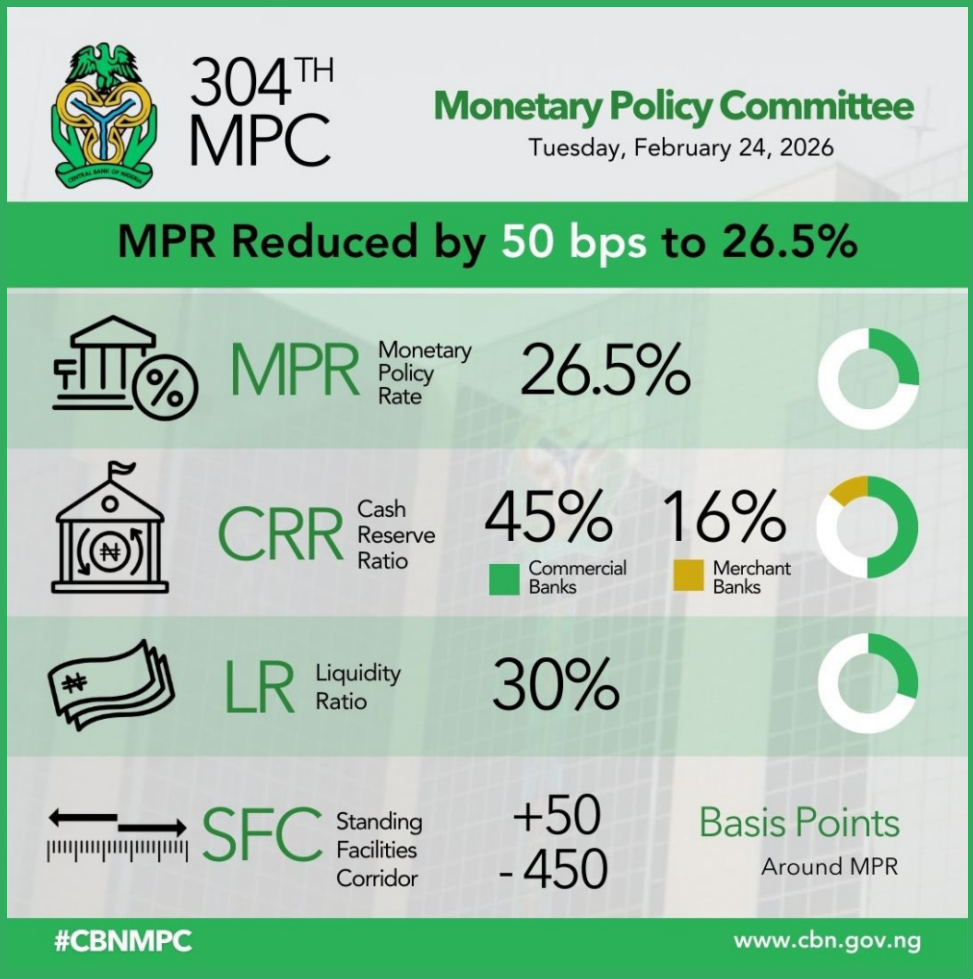

Reserves Rise, Inflation Falls as CBN Reduces Policy Rate

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- Cardoso Reaffirms CBN's Commitment to Integrity
- G-24: CBN Champions Unified Digital Payment System
- DG Bello Calls for Stronger Compliance, Service Excellence
- Consumer Expectations Survey Shows Sustained Optimism
- CBN, NCC Release Draft Rules on Failed Transactions

CBN UPDATE EDITORIAL CREW

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Editor
Ali Abubakar

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Desk Officers
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Staff Writers
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Chioma Udeogu
Blessing Uzoagbado
Khadeejah Bello

Contributing Editors
Olalekan Ajayi
Mohammed Haruna Ph.D

LETTERS TO THE EDITOR
We welcome your contributions and comments. Please forward them to the Editor via: alabubakar@ cbn.gov.ng

CBN SOCIAL MEDIA
@cenbank
cenbankng
@centralbankng
@cenbank

CBN CONTACT CENTRE
contactcbn@cbn.gov.ng
07002255226

CONTACT DETAILS
Corporate Communications Department,
CBN Head Office: 6th Floor Wing "B"
Plot 33, Abubakar Tafawa Balewa Way,
Central Business District,
P.M.B. 0187, Garki, Abuja.

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Editor's Note

The February edition of CBNUPDATE arrives at a significant juncture in the national economic journey, characterised by a transition from rigorous stabilisation measures to the first signs of measurable recovery. As the Central Bank of Nigeria (CBN) continues to navigate a complex global and domestic landscape, this edition highlights the strategic coherence between monetary policy, institutional integrity, and technological advancement.

At the heart of this month's focus is the decision by the Monetary Policy Committee (MPC) to reduce the policy rate. This move is supported by a consistent eleven-month deceleration in inflation and a notable improvement in food supply and exchange rate stability. These developments serve as a validation of the Bank's previous interventions, signalling that the difficult but necessary policies implemented over the past year are yielding the intended macroeconomic benefits.

Complementing these policy shifts is Governor Olayemi Cardoso's unwavering commitment to integrity, professionalism, and internal discipline. This vision extends beyond domestic borders, as seen in the Governor's advocacy within the G-24 for unified digital payment systems. This global leadership underscores the Bank's role in championing reforms that promote economic integration and financial inclusion for all emerging economies.

On the operational front, the Bank continues to prioritise service excellence through its extensive branch network. Deputy Governor, Operations, Dr. Bala Bello, has emphasised that branches remain the most critical touchpoints for the public.

As we present this edition, it is clear that the CBN remains proactive and resolute. By balancing sophisticated economic modelling with a human-centric approach to service delivery, the Bank is not only managing today's economy but also building a resilient financial ecosystem for the future.

Enjoy our February package.■

Hakama Sidi Ali (Mrs.)

Editor-in-Chief

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Opinions expressed herein do not necessarily reflect the views of the Bank's Management.

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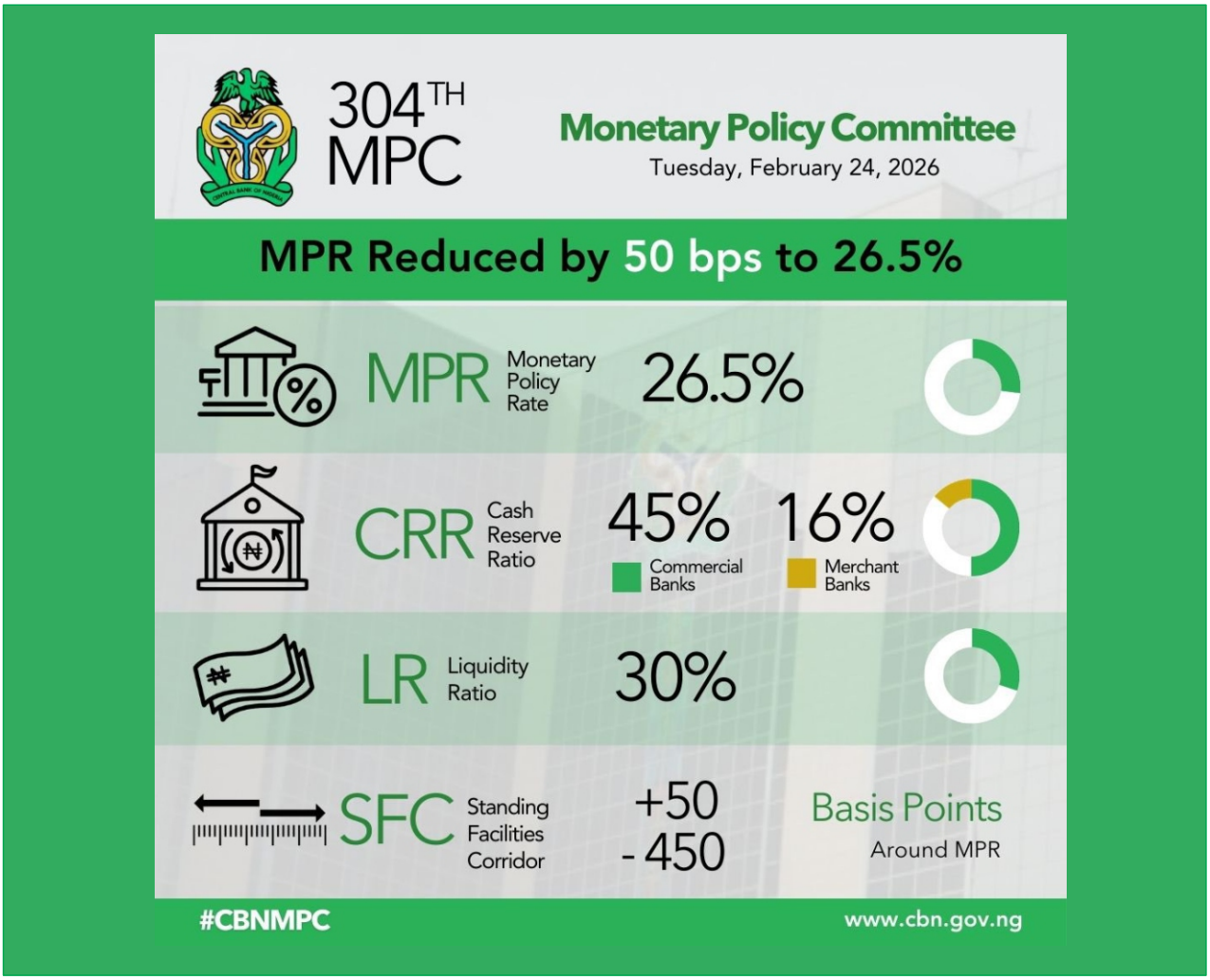
Reserves Rise, Inflation Falls as CBN Reduces Policy Rate

By: Ali Abubakar



Between the Monetary Policy Committee (MPC) meeting in November 2025 and this recent one in February 2026, Nigeria's economy showed signs of improvement, and that influenced the decisions taken by the Central Bank of Nigeria (CBN). Prices are still high, but they have been rising more slowly for eleven straight months. Inflation dropped slightly in January, and food prices fell more noticeably as food supply improved and the exchange rate stabilised. This showed the Committee that the tough policies it introduced earlier were beginning to work.

Because of this progress, the MPC decided to reduce the main interest rate slightly from 27 per cent to 26.5 per cent. This small cut was meant to support businesses and economic growth while still keeping inflation under control. At the same time, the CBN kept other strict measures in place for commercial banks to prevent the money supply from expanding too quickly and pushing prices up again. In simple terms, the CBN eased its foot off the brake a little, but it did not remove it.

Another major development was the strong rise in Nigeria's foreign reserves, which reached about 50.4 billion dollars, the highest level in thirteen years. This increase came from higher export earnings, more remittances from Nigerians abroad, and improved investor confidence. With more reserves, the country is

in a stronger position to support the naira and pay for imports. The foreign exchange market also became more stable because the CBN removed obstacles, improved transparency, and maintained consistent policies.

The banking sector also strengthened during this period. Many banks raised new capital as required by the recapitalisation programme. Twenty banks have already met the new requirement, while others are close to meeting it. This means banks should be more stable and better able to support businesses and the wider economy.

Economic activity itself continued to grow, as shown by business activity indicators. Government actions also helped, especially a new order directing oil revenue into government accounts, which can improve public finances and support reserves.

The CBN also said it is working on new rules for digital finance companies and digital assets. There are now hundreds of these firms, and while they bring innovation and opportunities, they also carry risks. The Bank plans to guide and supervise them so they can grow safely and protect customers.

Even with these improvements, the Bank warned that risks remain. Global economic shocks, changes in oil prices, election spending, and government borrowing could still affect progress. For that reason, the CBN stressed that it will remain careful and disciplined in its decisions.

In simple terms, the period between the MPC meeting in November 2025 and the one in February 2026 showed steady improvement in key areas of the economy. Inflation slowed, foreign reserves increased, the currency stabilised, and banks became stronger. Because of this, the CBN felt confident enough to reduce interest rates, though slightly, while still keeping most safeguards in place to protect the economy.■

Cardoso Reaffirms CBN's Commitment to Integrity

By: Alhaji Auwalu



CBN Governor, Mr. Olayemi Cardoso reaffirming Central Bank of Nigeria's commitment to integrity, professionalism and discipline at an event organised by the Compliance Department, CBN, in Abuja.

The Governor of the Central Bank of Nigeria (CBN), Mr. Olayemi Cardoso, has restated the Bank's strong commitment to integrity, professionalism, and internal discipline, describing these traits as the foundations on which public trust and financial

system stability are built.

Speaking in a recorded message at an event organised by the Compliance Department, CBN, held recently in Abuja, the Governor commended the purposeful steps to strengthen compliance culture across the institution. He noted that a disciplined, ethical, and professionally grounded workforce is essential to sustaining confidence in the Bank's decisions and actions.

Mr. Cardoso emphasised that true leadership is demonstrated daily through sound judgement, respect for confidentiality, responsible decision-making, and adherence to high standards, qualities he described as central to effective compliance and institutional excellence.

The event, themed "Two Mandates: One Mission," brought together internal and external stakeholders in safeguarding the CBN's internal integrity and supporting confidence in the wider financial system through credible supervision and strong governance. ■

G-24: CBN Champions Unified Digital Payment System

By: Alhaji Auwalu



L-R: DG, EP, CBN, Dr. Muhammad Abdullahi Sani, CBN Governor, Mr. Olayemi Cardoso, Minister of Finance and Coordinating Minister of the Economy, Mr. Wale Edun, and other dignitaries at the G-24 programme.

The Governor of the Central Bank of Nigeria (CBN), Mr. Olayemi Cardoso, has called for coordinated global reforms to digital cross-border payments to promote inclusive growth, enhance financial stability, and strengthen economic integration across developing countries.

Speaking at the G-24 Technical Group Meetings (TGM) in Abuja, Mr. Cardoso stressed that efficient payment systems are critical for economic inclusion. He noted that high remittance fees, slow settlement timelines, fragmented payment channels, and heavy compliance requirements continue to restrict households and MSMEs from fully participating in international trade.

He observed that global remittance corridors still attract average transaction costs above 6 per cent, with settlement delays spanning several days, challenges that, he said, continue to exclude millions from the benefits of the modern digital economy.

While acknowledging the transformative potential of digital payments, Cardoso warned of emerging risks, including currency substitution, weakened monetary transmission, heightened FX volatility, capital-flow pressures, and regulatory inconsistencies across jurisdictions.

Highlighting Nigeria's domestic reforms, he stated: "We have strengthened our AML/CFT

frameworks in line with FATF guidelines, requiring strict dual-screening of cross-border transactions to mitigate risks. To deepen regional integration, the CBN introduced simplified KYC/AML requirements for low-value cross-border transactions, encouraging broader participation in PAPSS and enabling faster trade payments for Nigerian SMEs. We have also embraced fintech innovation through our Regulatory Sandbox, allowing payment-focused fintechs to test secure, instant cross-border solutions under close CBN supervision."

Governor Cardoso reaffirmed Nigeria's commitment to working with G-24 members, the IMF, the World Bank Group, and other partners to build a more inclusive, resilient, and development-oriented global financial system.

The G-24 TGM 2026, themed "Mobilising Finance for Sustainable, Inclusive, and Job-Rich Transformation," convened global financial leaders and experts to advance financial modernisation in support of emerging and developing economies.■

DG Bello Calls for Stronger Compliance, Service Excellence

By: Titilayo Oluwasina



DG, Operations, CBN, Dr. Bala Bello

Deputy Governor, Operations, CBN, Dr. Bala Bello, has reaffirmed the Bank's commitment to strengthening service excellence and strict compliance across its branch network. Delivering his message through his Special Assistant, Mr. Olufemi Owolabi, at the 45th Branch Controllers' Conference in Lagos, Dr. Bello described the Bank's Branches as its most visible touchpoints with the public.

He emphasised that operational resilience, sound governance, and excellent service must be delivered within a robust compliance culture to preserve institutional integrity and public trust.

The Deputy Governor urged Branch Controllers to identify vulnerabilities in governance and service delivery, rethink operating models, and reinforce collaboration to embed compliance as a shared value across all Branches, and acknowledged the progress made in branch operations in driving improvements in efficiency, discipline, and stakeholder engagement. He stressed that Controllers play a pivotal role in translating policy into daily practice and sustaining confidence in the Bank's operations nationwide.

In their goodwill messages, Senior Executives, including the Special Adviser to the CBN Governor, Mr. Fatai Karim, and other Department Directors, commended the Bank's ongoing reforms and the increasing stability in the financial system. They highlighted the importance of strong leadership, teamwork, and digitalisation in improving branch operations.

The conference featured panel discussions and technical presentations focused on strengthening governance, deepening compliance culture, and enhancing operational resilience, reinforcing the Bank's continued commitment to excellence in central banking.■

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Consumer Expectations Survey Shows Sustained Optimism

By: Pearl Ogbonna



source:www.bing.com

The Central Bank of Nigeria (CBN) has released the Consumer Expectations Survey (CES) Report for January 2026, which indicates that consumer sentiment remains positive for the third consecutive month despite continued concerns over rising prices and household financial pressures. Findings from the Statistics Department under the Economic Policy Directorate, CBN show that the Overall Consumer Sentiment Index stood at 2.8 index points in January 2026, compared to 4.8 points in December 2025.

While optimism moderated, Nigerians continue to express confidence in the macroeconomic outlook. The Economic Condition Index remained firmly positive at 7.4 points, reflecting sustained optimism regarding national economic performance. Similarly, the Family Income Index recorded a robust 9.1 points, indicating that many households anticipate improved earnings in the near term. However, the Family Financial Situation Index fell to -8.2 points, highlighting ongoing pressure on household finances amid rising living costs.

Looking ahead, consumers remain hopeful. Expectations for February 2026 show a stronger outlook with an index of 9.2 points, and optimism continues to build over the medium term, rising to 13.8 points for the next three months and reaching 19.4 points for the six-month outlook. This trend is driven by anticipated improvements in family income and perceived enhancement in overall economic conditions.

Despite this optimism, consumer perceptions of price changes indicate persistent inflationary concerns. The Consumer Price Change Sentiment improved to 4.2 points in January 2026 from –1.4 points in December, suggesting that more respondents believe prices may

stabilise or remain moderate in the short term. However, pessimism reemerges over longer horizons, with expected price change indices falling to –0.5 points (three months) and –7.6 points (six months). Food and household items, in particular, registered a deeply negative perception of –31.7 points, reflecting widespread concern over continued high food prices.

The survey also highlighted strong prioritisation of essential consumption. Planned expenditure for January was dominated by Food & Other Household Items (62.7 points), followed by Education, Transportation, and Electricity. This pattern is expected to persist over the next six months, indicating continued pressure on household budgets. Conversely, buying intentions for big-ticket items such as houses, vehicles, appliances, and investments remained strongly negative across all timeframes, suggesting a subdued appetite for major purchases amid economic uncertainty.

On monetary policy attitudes, public concerns about inflation remain pronounced. A majority of respondents (66.6 per cent) believe the Nigerian economy would weaken if prices continued to rise faster. Sentiments on lending rates were mixed, with 44.4 per cent reporting that interest rates on bank loans had risen over the past three months, while 39.2 per cent expect rates to rise further in the next quarter. The public continues to show a preference for lower interest rates: 65.0 per cent of respondents believe reducing lending rates would be best for the economy, and 50.1 per cent would prefer lower rates even if it risks higher inflation.

The January 2026 survey sampled 1,665 households nationwide, maintaining a high response rate of over 99 per cent. As highlighted in the report, the findings reflect respondents' views and do not reflect the official position of the Central Bank of Nigeria.

The January 2026 Consumer Expectations Survey paints a picture of cautious optimism among Nigerian households. While challenges such as persistent inflation and rising living costs continue to weigh on family finances, the overall outlook remains positive, with many consumers expecting improvements in income and economic conditions over the coming months. ■

CBN, NCC Release Draft Rules on Failed Transactions

By: Tina John

Central Bank of Nigeria

source:www.bing.com

The Central Bank of Nigeria (CBN) and the Nigerian Communications Commission (NCC) have jointly released an exposure draft of a new framework to resolve failed airtime and data purchase transactions.

In a circular issued and signed by the Director, Consumer Protection and Financial Inclusion Department, CBN, Dr. Aisha Isa-Olatinwo, the draft mandates that all airtime and data transactions and refunds, where necessary, must be completed within 30 seconds, as regulators intensify efforts to address recurring

consumer complaints across the digital payments ecosystem.

According to the draft, mobile network operators, banks, and other payment stakeholders must ensure automatic, real-time refunds whenever customers are debited without receiving airtime or data. The framework calls for system-triggered reversals, standardised error codes, and end-to-end visibility to eliminate delays and reduce the need for repeated transaction attempts.

Banks are limited to two re-attempts per transaction and must provide instant notifications for pending, failed, or successful purchases. The document also clarifies that once a failure is recorded, it creates a binding settlement obligation among stakeholders, while unresolved disputes must be escalated to both regulators within 5 working days.

The exposure draft further outlines plans for a Central Monitoring Dashboard, a joint CBN–NCC platform to track reversals, service-level breaches, and customer complaints nationwide. To this, stakeholders and the public are invited to submit comments. In addition, the report stated that the final framework is expected to enhance accountability, rebuild consumer trust, and strengthen Nigeria's digital financial and telecommunications environment.■

SMPSC Pays Study Visit to CBN

By: Alhaji Auwalu



Director, Research Department, CBN, Ms. Aderinola Shonekan (right) receiving an award from the Leader of the Team and Executive Director of the Army Resource Centre, General David Okoro in Abuja.

The Central Bank of Nigeria (CBN) recently hosted participants of the Strategy Management and Policy Studies Course 8 (SMPSC 8) from the Army Resource Centre on a study visit to its Head Office in Abuja.

Welcoming the delegation, the Director, Research Department, CBN, Ms. Aderinola Shonekan, highlighted the Bank's commitment to supporting capacity-building and providing insights into its role in economic management.

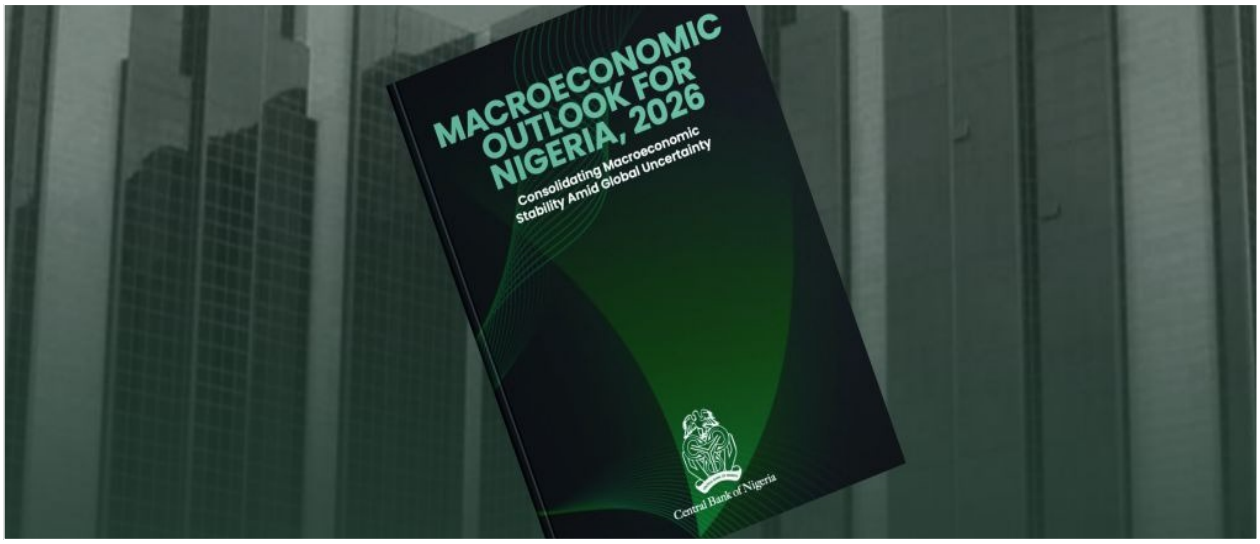
The Leader of the Team and Executive Director of the Army Resource Centre, Abuja, Major General David Okoro, described the CBN as a key national partner, saying the visit was aimed at deepening participants' understanding of policy formulation and implementation.
Presentations delivered by staff from key CBN Departments focused on major thematic areas,

including an overview of governance and economic policies, the formulation and implementation of monetary policy, economic data and policy insights, financial markets operations, and a session by the Trade and Exchange Department outlining the functions and processes of the Bank's various Departments.

The visit concluded with an interactive session in which participants engaged CBN officials to clarify key policy and operational issues. ■

Public Sentiment Improves - IES

By: Pearl Ogbonna



source:www.bing.com

The Central Bank of Nigeria (CBN), through its Statistics Department under the Economic Policy Directorate, has released the Inflation Expectations Survey (IES) Report for January 2026. The latest findings reveal a slight but notable improvement in public sentiment toward inflation as the overall inflation perception index declined to 41.4 points, down from 41.7 points recorded in December 2025.

According to the report, the proportion of respondents who perceived inflation as high also moderated from 50.2 per cent in December 2025 to 49.5 per cent in January 2026. The improvement was largely driven by declining concerns about inflation among businesses, whose perception index fell from 48.3 per cent to 45.2 per cent over the same period.

A further breakdown of business responses showed that microbusinesses (51.2 per cent) reported the highest perception of high inflation, followed by large (49.8 per cent), medium (42.2 per cent), and small businesses (40.8 per cent) and in terms of settlement type, rural households (55.0 per cent) continued to report higher inflation perception than urban households (53.9 per cent). Income analysis revealed that respondents earning N150,001 to N200,000 monthly had the highest perception of high inflation at 61.2 per cent.

The major drivers of inflation perception for both businesses and households remain consistent with previous survey rounds. Energy costs, including PMS, diesel, and electricity, ranked as the top driver, scoring 83.5 per cent among businesses and 82.8 per cent among households. Other prominent drivers include transportation costs, exchange rate pressures, insecurity, and interest rates. Natural disasters, middlemen activities, and infrastructural challenges were ranked the least significant contributors.

Regarding expectations, most respondents anticipate inflation remaining largely stable over the next one, three, and six months. For the next month, 59.3 per cent of respondents expect inflation to remain the same, while expectations

for a decrease improved marginally. Both businesses and households expressed similar expectations of stability across the reviewed periods.

The report also includes insights into expenditure outlook. Households reported a higher rise in expenditure (52.8 per cent) compared to businesses (39.7 per cent) for the month. However, business respondents predominantly believe future expenditure will remain stable across the next one to six months. Public engagement with CBN communication remained exceptionally strong in January 2026. The survey shows that 99.1 per cent of respondents follow CBN communications on inflation and interest rates, while 92.9 per cent believe the Bank communicates transparently. Notably, 86.0 per cent of respondents agree that CBN announcements significantly influence inflation expectations. A substantial proportion (59.7 per cent) also expressed a preference for a reduction in interest rates.

The IES sampled 3,402 respondents, consisting of 1,653 firms and 1,749 households, drawn from the National Bureau of Statistics' establishment frame and the National Population Commission's Enumeration Areas. As noted in the report, the findings reflect respondents' views and do not represent CBN's official position.■

CBN Outlines Vision for Innovation, Inclusion in Fintech Landscape

By: Ogochukwu Ikeagwuonu



The Central Bank of Nigeria (CBN) has published its 2025 Fintech Policy Insight Report: Shaping the Future of Fintech in Nigeria: Innovation, Inclusion and Integrity, a comprehensive assessment of Nigeria's rapidly expanding digital finance ecosystem.

The report positions Nigeria as one of Africa's most dynamic fintech markets, noting that the country's real-time payments infrastructure, now processing nearly 11 billion annual transactions, places it among the global leaders in digital payments adoption.

Despite this progress, the CBN acknowledges that Nigeria's fintech landscape faces persistent structural challenges that must be addressed to sustain innovation and strengthen global



source:www.bing.com

credibility.

The report highlights critical insights from stakeholders across the ecosystem, including rising compliance costs, delays in regulatory approvals, and the need for stronger digital public infrastructure. According to survey findings, 87.5 per cent of fintech operators report that compliance costs significantly constrain innovation, while 62.5 per cent cite lengthy regulatory timelines as a major barrier to bringing new products to market.

The report also underscores the dual opportunity and risk presented by Nigeria's growing role in cross-border fintech activity. More than half of operators plan to expand into other African markets, prompting widespread support for a regulatory passporting framework that would enable smoother regional operations. At the same time, the CBN stresses the importance of strengthening financial integrity, especially as Nigeria continues efforts to rebuild its international reputation following its successful exit from the FATF grey list.

Artificial intelligence is emerging as a foundational tool within Nigeria's fintech sector, with 87.5 per cent of firms already deploying AI for fraud detection and risk management. However, operators note significant constraints, including limited access to high-quality data, technical talent shortages, and the need for clearer regulatory direction on responsible AI use.

The report underscores that Financial Inclusion remains central to CBN's strategic priorities. It emphasises the need to expand digital identity verification, improve interoperability across payments and credit systems, and strengthen USSD and mobile-based channels to reach underserved populations, particularly in Nigeria's rural and northern regions, where financial exclusion remains high.

To address these challenges, the CBN outlines several policy pathways, including the establishment of a permanent CBN–Fintech Engagement Forum, the creation of a Single Regulatory Window to streamline compliance, the expansion of digital banking licences to support inclusive lending, and the launch of a Fintech Credit Guarantee Window to unlock financing for MSMEs. The report also calls for accelerated implementation of open banking, enhanced access to digital identity APIs, and stronger data-sharing frameworks to promote innovation and reduce costs across the ecosystem.

Consequently, the CBN concludes that Nigeria stands at a pivotal moment with the right reforms, collaborative structures, and infrastructure investments, the nation can transition from being a fast-growing fintech market to a global standard-setter. However, achieving this will require disciplined execution, sustained engagement with industry, and a commitment to reinforcing trust, transparency, and system integrity.■

STRATEGIC ENGAGEMENTS



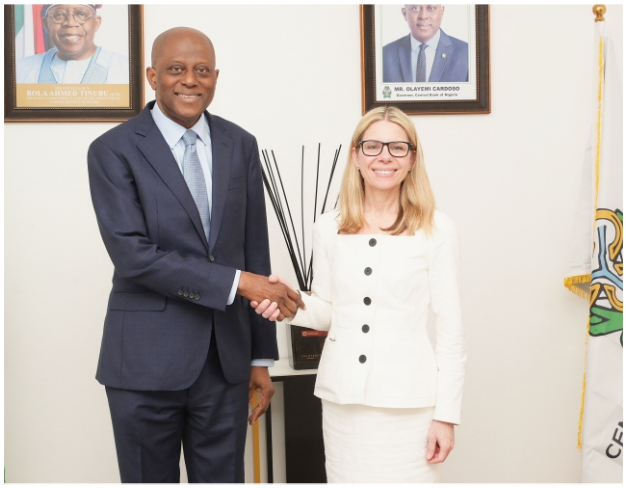
CBN Governor, Mr. Olayemi Cardoso, in a round table discussion with the Minister of State for Finance, Dr. Doris Nkiruka Uzoka-Anite, and the Group Managing Director of the Nigerian National Petroleum Company (NNPC) Limited, Engr. Bashir Bayo Ojulari, along with senior executives from the Federal Minisry of Finance and NNPC Ltd., at the CBN Head Office in Abuja.



R-L: DG, Operations, CBN, Dr. Bala Bello; GMD, Nigerian National Petroleum Company (NNPC) Limited, Engr. Bashir Bayo Ojulari; Minister of State for Finance, Dr. Doris Uzoka-Anite; CBN Governor, Mr. Olayemi Cardoso, and others, in a group photo during a strategic meeting at the CBN Head Office, Abuja.



Governor, Central Bank of Nigeria, Mr. Olayemi Cardoso and the Group Managing Director of the Nigerian National Petroleum Company (NNPC) Limited, Engr. Bashir Bayo Ojulari, in a warm handshake.



CBN Governor, Mr. Olayemi Cardoso (left) and MD, Operations, World Bank, Anna Bjerde, when the latter led a delegation of the World Bank to a strategic meeting at the CBN Head Office, Abuja.



Group picture of Branch Controllers at the Branch Controllers' Conference 2026.



DG, Economic Policy Directorate, CBN, Dr. Muhammad Abdullahi Sani, during a panel discussion at the International Finance Corporation (IFC) dialogue, in Cairo, Egypt.

STRATEGIC ENGAGEMENTS



Governor, Central Bank of Nigeria, Mr. Olayemi Cardoso in Cairo at the International Finance Corporation (IFC) to advance dialogue under Egypt's 30by30 programme.



R-L: CBN Governor, Mr. Olayemi Cardoso, Governor of the Central Bank of Egypt, Dr. Hassan Abdalla, and the representative of the International Finance Corporation (IFC), during the advance dialogue under Egypt's 30by30 programme.



DG, Corporate Services, CBN , Ms. Emem Usoro, speaking at the Human Resources Management Department's retreat held at the Nigeria Army Conference Centre and Suites, Abuja.



CBN Governor, Mr. Olayemi Cardoso, the Deputy Governors and MPC Committee members at the 304th Monetary Policy Committee meeting.



Governor, Central Bank of Nigeria, Mr. Olayemi Cardoso, in a group picture with other dignitaries at the G-24 programme.



Some dignitaries at the Sun Newspaper Awards, held at Eko Hotel & Suites, Lagos.

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CBN Governor Outlines Roadmap for Stability, Warns Risks Remain

By: Kerma Mshelia



Governor, Central Bank of Nigeria, Mr. Olayemi Cardoso at the Second National Economic Council Conference in Abuja.

The Governor of the Central Bank of Nigeria (CBN), Mr. Olayemi Cardoso, has presented a comprehensive roadmap for macroeconomic stability and sustainable growth at the second National Economic Council (NEC) Conference.

While giving the presentation recently in Abuja, Mr. Cardoso noted that the reforms had stabilised the economy and strengthened the Naira and the banking sector, but warned of the risks of excess liquidity in the upcoming election cycle.

The CBN Governor said the CBN Roadmap for 2026–2030 focuses on leveraging macroeconomic stability to enhance productivity and growth. He said that macroeconomic stability remains the most effective enabler of investment and increased output across agriculture, manufacturing, and service value chains. According to him, without stability, there can be no growth, noting that the positive outcome of effort put in is that stability has now been restored.

He said that the roadmap includes anchoring disinflation, normalising the FX market, and strengthening financial system resilience. This means the Bank will stay the course and continue doing what it has been doing, while the roadmap for enabling growth and development includes price stability through a transition to inflation targeting, strengthening external reserves, and safeguarding the value of the naira, he added. According to him, the CBN's strategy rested on three mutually reinforcing pillars designed to restore stability and catalyse sustainable economic growth.

He identified the first pillar as a decisive monetary policy reset, noting that the monetary policy rate was increased by 875 basis points to decisively tackle inflation. He said that the Bank returned to orthodox monetary policy and phased out all quasi-fiscal development finance interventions to focus on price stability, adding that without price stability, there can be no investment and no sustainable growth.

The second pillar was engineering a market-driven foreign exchange regime, he stated, noting that this informed unification, price discovery, clearing the FX backlog, and institutionalising transparency.

The third pillar, according to him, was fiscal coordination and systemic resilience. This involved enhanced fiscal coordination, adherence to statutory limits on deficit financing through Ways and Means advances, and a sharp decline in such financing - from 2.65 per cent in 2023 to 0.69 per cent in 2024. ■

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Boosting Data Quality: CBN, Dangote Industries Deepen Collaboration

By: Media Relations Office



DG, Economic Policy, CBN, Dr. Muhammad Sani Abdullahi and Alhaji Aliko Dangote, during a strategic engagement at the Dangote Industrial Complex, Lagos.

The Central Bank of Nigeria (CBN) has intensified its drive to strengthen the nation's Balance of Payments (BoP) and International Investment Position (IIP) data through a strategic high-level engagement with Dangote Industries Limited (DIL). The meeting, led by the Deputy Governor, Economic Policy, CBN, Dr. Muhammad Sani Abdullahi, was part of ongoing efforts to deepen the accuracy, coverage, and transparency of Nigeria's external sector statistics.

Dr. Abdullahi highlighted the importance of reliable data from major corporates, noting that high-quality information is essential for effective monetary policy, macroeconomic analysis, and overall economic planning. He emphasised that enhanced cooperation with key private institutions strengthens Nigeria's ability to monitor external flows and maintain macroeconomic stability.

The CBN delegation included the Director, Research Department, Ms. Aderinola Shonekan; Director, Statistics Department, Dr. Usman Okpanachi; and the Director, Trade and Exchange Department, Dr. Musa Nakorji. Their presence highlighted the Bank's integrated approach to strengthening national data architecture.

On its part, the Dangote Industries team was led by the Group President and Chief Executive Officer, Aliko Dangote, accompanied by senior executives of the conglomerate. Discussions focused on data reporting frameworks, sector-specific information needs, and the growing role of large corporates in supporting more accurate measurement of cross-border transactions, foreign direct investment, and export earnings.

During the visit, the delegation toured the Dangote industrial complex, gaining firsthand insight into operations with significant implications for trade flows, investment, and external reserves. In addition, Dangote Industries reaffirmed its commitment to

supporting credible national statistics and collaborating closely with the CBN to enhance data integrity and strengthen Nigeria's economic management framework.

The engagement reflects the CBN's sustained efforts to work closely with key private sector stakeholders to promote transparency, data integrity, and sound economic management.■

CBN Approves Licensed BDC Participation In FX Market

By: Blessing Uzoagbado



Central Bank of Nigeria Headquarters, Abuja.

The Central Bank of Nigeria (CBN) has announced new measures to improve liquidity and strengthen transparency in the retail segment of the Nigerian Foreign Exchange Market (NFEM). In a recent circular by the Trade & Exchange Department, CBN, the Bank confirmed that all duly licensed Bureau De Change (BDC) operators are now permitted to access foreign exchange through any Authorised Dealer of their choice, at prevailing market rates.

According to the circular signed by the Director, Trade & Exchange Department, Dr. Musa Narkoji, the policy is designed to ensure adequate FX supply for legitimate end-user needs while reinforcing adherence to regulatory requirements. The Bank noted that Authorised Dealers must conduct a complete Know-Your-Customer (KYC) and due diligence checks on BDC clients, in line with existing regulations and internal risk-management frameworks.

Upon completion of the compliance checks, licensed BDCs may purchase up to USD150,000 per week in accordance with existing guidelines governing BDC operations. The circular also reminded operators of the requirement to submit timely, accurate electronic returns to the CBN.

To deepen transparency and reduce risk, the Bank emphasised that any unutilised foreign exchange purchased from the NFEM must be returned to the market within 24 hours, as BDCs are not permitted to retain such balances. All settlements, whether between BDCs and Authorised Dealers or between BDCs and end users, must be conducted exclusively through accounts with licensed financial institutions. Third-party transactions are strictly prohibited, while cash settlement is limited to 25 per cent of each transaction amount. These conditions apply across all BDC-related foreign exchange activities.

The CBN noted that these measures are aimed at promoting transparency, improving access to legitimate foreign exchange, and strengthening confidence in the Nigerian foreign exchange system.■

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CBN Advances Leadership Transformation through ECTP

By: Adetola Adeleke



DG, Economic Policy, CBN, Dr. Muhammad Sani Abdullahi delivering keynote address at the Executive Culture Transformation Programme

The Central Bank of Nigeria (CBN) has commenced Module One of the Executive Culture Transformation Programme (ECTP), a strategic initiative aimed at enhancing leadership behaviour, deepening cultural alignment, and strengthening institutional effectiveness. The two-day programme held recently brought together members of the Committee of Governors and departmental directors.

Delivering the keynote address, the Governor of the Central Bank of Nigeria, Mr. Olayemi Cardoso, described the ECTP as a critical leadership intervention designed to drive the Bank's transformation agenda. He noted that sustained institutional excellence depends on the behaviours senior leaders model and reinforce daily.

Mr. Cardoso highlighted recent progress in governance, institutional independence, financial system stability, and internal engagement, adding that maintaining these achievements requires collective accountability and strong leadership.

In his remarks, the Deputy Governor, Economic Policy, CBN, Dr. Muhammad Abdullahi, described the ECTP as a timely and practical leadership intervention aligned with the realities of today's complex policy environment. He explained that the programme integrates workshops, simulations, action learning, and executive coaching to address real leadership challenges and translate strategy into measurable outcomes.

Through interactive sessions and practical exercises, participants engaged in diagnostic reviews and practical exercises designed to improve decision-making, leadership alignment, and organisational culture, reinforcing the CBN's commitment to operational excellence and high professional standards. ■

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Cardoso Pushes Continental Shift Toward Climate-Smart Finance

By: Ogochukwu Ikeagwuonu



Governor, Central Bank of Nigeria, Mr. Olayemi Cardoso.

The Governor, Central Bank of Nigeria (CBN), Mr. Olayemi Cardoso, recently participated in high-level deliberations in Cairo, Egypt, alongside the Governor of the Central Bank of Egypt, Dr. Hassan Abdalla, and the International Finance Corporation (IFC), advancing collaboration under Egypt's 30by30 programme.

The meeting highlighted a shared continental priority: building a financial system that is both stable and sustainably positioned for long-term growth. Governor Cardoso noted that Nigeria's ongoing economic reforms, anchored on transparency, discipline, and credibility, are reinforcing macroeconomic stability and strengthening confidence in the financial sector.

He, however, stressed that macroeconomic stability must be matched with climate readiness. "Climate risk is financial risk," he emphasised, underscoring the growing impact of climate dynamics on sovereign ratings, food security, and financial system resilience across Africa. Integrating climate considerations into regulation, supervision, and investment decisions, he noted, is now essential.

The engagement reaffirmed the CBN's commitment to deeper cooperation with the Central Bank of Egypt and the World Bank Group to develop a resilient, risk-aware financial architecture. Priority areas include advancing green finance, enhancing cross-border collaboration, and supporting policies that position African economies to withstand and thrive amid global shocks.

The Deputy Governor, Economic Policy, CBN, Dr. Muhammad Sani Abdullahi, who accompanied Governor Cardoso, also featured on a panel that discussed the evolving regulatory frameworks for climate risk management in emerging markets. ■

Cardoso Honoured as The Sun Man of The Year

By: Kenechukwu Afolabi



The Sun Man of The Year Award received on behalf of Mr. Cardoso by Director Statistics, CBN, Dr. Usman Okpanachi in Lagos.

The Governor, Central Bank of Nigeria (CBN), Mr. Olayemi Cardoso, has been named the 2025 Sun Man of the Year, in recognition of his reform-focused leadership and contributions to stabilising the Nigerian economy. The Director, Statistics Department, Dr. Usman Moses Okpanachi, received the award on behalf of Mr. Cardoso at an Awards night held recently in Lagos.

According to the award citation, Mr. Cardoso was honoured for spearheading reforms that strengthened the Naira, eased inflationary pressures, and boosted investor confidence. The citation further highlighted increased transparency under his leadership, the discontinuation of arbitrary interventions, growth of foreign reserves to about $41.046 million, and the restoration of international transaction capability on Nigerian bank cards.

In her remarks, Chairman and Publisher of The Sun Publishing Limited, Ms. Neya Kalu, praised the awardees for demonstrating excellence and leadership despite challenging national circumstances. Founder of The Sun Publishing Limited, Senator Orji Uzor Kalu, described Mr. Cardoso as a seasoned technocrat whose reforms at the CBN are delivering measurable results.

The Chairman of the occasion and CEO of Air Peace, Dr. Allen Onyema, commended the credibility of The Sun Awards, noting that the calibre of honourees reflected merit-based recognition. Earlier, The Sun's Managing Director and Editor-in-Chief, Mr. Onuoha Ukeh, celebrated the winners as "Uncommon Achievers" who had overcome challenges and demonstrated resilience, innovation, and exceptional commitment to national development.■

CBN Approves BOI's Non-Interest Banking Window

By: Chioma Udeogu

The Central Bank of Nigeria (CBN) has approved the Bank of Industry (BOI) to launch a Non-Interest Banking (NIB) Window. This step is an important part of BOI's growth and demonstrates CBN's support for new, inclusive financial solutions that align with

Nigeria's economic goals.

The Bank's plan follows global standards. With this new approval, BOI can offer Non-Interest Banking services, providing ethical financing for sectors and businesses that need it most. These services will help fund assets and materials, support growth, attract new funding, and help the economy and society.

CBN's approval demonstrates its trust in BOI's responsible lending practices. It allows the bank to grow, test new ideas, and provide greater support to Micro, Small, and Medium Enterprises (MSMEs), which are key to Nigeria's economic growth.

Managing Director and Chief Executive Officer of BOI, Dr. Olasupo Olusi, celebrated the milestone and noted that "this licence marks an important moment in the Bank's journey of transforming Nigeria's industrial sector. With this licence, we can reach a new category of borrowers who, before now, could not be served."

With this move, BOI will offer ethical funding to businesses that avoid regular interest-based loans for faith or ethical reasons. This helps these businesses grow within the formal financial system while staying true to their values.

BOI started in 1959 as the Investment Company of Nigeria (ICON). In 1964, it became the Nigerian Industrial Development Bank (NIDB) with help from the World Bank. In 2001, it merged with other banks to become what it is today. Now, BOI supports industrial growth by funding projects of all sizes.■

DG, FSS Advocates More Innovative, Resilient Payments Ecosystem

By: Titilayo Oluwasina



DG, Financial System Stability (FSS), CBN, Mr. Philip Ikeazor

The Deputy Governor, Financial System Stability Directorate, CBN, Mr. Philip Ikeazor, has reaffirmed the Central Bank of Nigeria's commitment to building a more resilient, innovative, and well-supervised payments ecosystem. Speaking at an event organised by the Payments System Supervision Department (PaSSD), CBN, in Abuja, he emphasised that a robust payments system is essential to Nigeria's economic stability and global competitiveness. He highlighted supervisory excellence, resilience, and innovation as the key pillars for strengthening the ecosystem, noting the Bank's investments in technology, capacity building, and data-driven oversight.

Mr. Ikeazor underscored the need for secure, adaptable, and efficient systems capable of withstanding external shocks while also encouraging innovation that expands financial inclusion, particularly through Nigeria's growing fintech sector. He called on the Department to deepen efforts toward an interoperable, scalable, and inclusive payments environment.

Earlier, the Director, PaSSD, CBN, Dr. Rakiya Opemi Yusuf, stressed the urgency of addressing emerging risks such as cyber threats and operational vulnerabilities arising from the rapid expansion of the payments landscape. The retreat provided a platform for identifying policy enhancements, strengthening infrastructure, and advancing supervisory excellence.

Industry leaders from the fintech and banking sectors contributed insights on global trends and opportunities, as the event concluded with a renewed commitment to strengthening Nigeria's payments ecosystem. ■

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CBN Updates Cheque Sanctions

By: Pearl Ogbonna

Central Bank of Nigeria

In its commitment to increase the efficiency and safety of the Nigeria clearing system, the Central Bank of Nigeria (CBN) has issued a significant update to the sanctions regime governing violations of the Nigeria Cheque Standard (NCS) and the Nigeria Cheque Printers' Accreditation Scheme (NICPAS) 2.0. The revised sanctions, published in a circular dated February 10, 2026, apply to Deposit Money Banks (DMBs), accredited cheque printers, personalisers, and other stakeholders involved in cheque production and processing.
According to the circular signed by the Director, Banking Services Department, CBN, Mr. Hamisu Abdullahi, the review became necessary to address evolving challenges in the Nigeria Clearing System and to align industry operations with current realities in cheque security, quality assurance, and regulatory compliance. The revision replaces the 2019 sanctions framework.

The updated Sanction Grid introduces stricter penalties for infractions, reflecting the CBN's commitment to improving the safety, reliability, and efficiency of cheque-based transactions. Under the new regime, accredited cheque personalisers face fines of up to ₦5 million for failing to submit cheque samples for testing, while banks engaging unaccredited printers may face fines of up to ₦20 million and the withdrawal of printed cheques from circulation.
The circular also outlines penalties for quality and security breaches. These include minimum charges of ₦10,000.00 per instrument for improperly encoded cheques, ₦10 million per unapproved security feature, and suspension of accreditation for subcontracting significant portions of printing work to unapproved third parties. Repeat offences attract even stiffer consequences, including withdrawal of accreditation.

In addition, DMBs are now required to strictly validate MICR data at the point of truncation to avoid penalties, while cheque printers must ensure the timely submission of quality assurance reports and adherence to standards on watermarked paper. Failure to comply may result in fines of up to ₦20 million or revocation of accreditation for repeat offences.

The updated sanctions also emphasise operational discipline. Accredited printers and personalisers must provide mandated notices before operational changes, maintain effective Business Continuity/Disaster Recovery Plans (BCM/DRP), and respond promptly to regulatory queries. Delayed responses arising from infractions beyond the seven-day grace period now attract a daily fine of ₦1 million, with the possibility of suspension for prolonged default.

The CBN's revised sanctions framework signals a determined stance towards upholding the integrity and reliability of Nigeria's cheque and payments system. By introducing tougher penalties and reinforcing compliance requirements, the Bank aims to foster greater accountability among industry operators. Stakeholders are therefore advised to align swiftly with the new standards, as adherence will be critical in mitigating risks, maintaining public trust, and ensuring the smooth functioning of financial transactions nationwide. ■

PMI January 2026 Reflects Continued Expansion

By: Khadeejah Bello



Nigeria's economic activity continued to strengthen in January 2026, extending its growth streak to over a year. The latest Purchasing Managers' Index (PMI) from the Statistics Department of the Central Bank of Nigeria (CBN), placed the composite PMI at 55.7 points, marking the fourteenth consecutive month of expansion.

Growth remained broad-based, with 31 of the 36 subsectors surveyed recording improvements. The Industry Sector led this momentum with a PMI of 56.0 points, as 14 of its 17 subsectors expanded. Notably, the Nonmetallic Mineral Product subsector recorded the strongest performance, while Transportation Equipment experienced the sharpest decline, reflecting mixed outcomes within the sector.

The Services Sector also sustained its upward trajectory, posting a PMI of 54.5 points, its twelfth consecutive month of expansion. Twelve of its fourteen subsectors recorded growth, with the Motion Pictures, Cinema, Sound Recording and Music Production subsector emerging as the strongest performer not only within Services but across the entire PMI survey. Meanwhile, the Agriculture Sector remained firmly in expansion territory for the eighteenth straight month, achieving a PMI of 54.2 points. All five agricultural subsectors reported growth, driven largely by heightened general farming activities and seasonal production increases.

Key economic indicators further underscored the positive outlook. The Output Index rose to 56.5 points, while New Orders climbed to 54.5 points, signalling strong demand and production activity. The Employment Index improved to 53.7 points as businesses expanded their workforce to meet rising demand. Supply chain efficiency strengthened, with suppliers' delivery times improving to 60.4 points, indicating faster, more reliable logistics. Additionally, both input and output prices moderated during the month, with output prices declining more significantly across the Composite, Services and Agriculture sectors.

This easing in price pressures suggests improved cost conditions for producers and a potentially more stable pricing environment for consumers, reinforcing an optimistic economic outlook for the months ahead.■

CBN Pushes for Deeper Monetary Integration with African Central Banks

By: Mukhtar Maigamo

The Governor of the Central Bank of Nigeria (CBN), Mr. Olayemi Cardoso, has reaffirmed the Bank's commitment to strengthening cooperation with African monetary authorities, as part of broader efforts to enhance financial stability, regional integration, and sustainable economic growth across the continent.

Speaking at the recently concluded African Union Summit, Governor Cardoso emphasised the importance of deeper collaboration among African central banks to address shared macroeconomic challenges, including inflationary pressures, exchange rate volatility,

capital flow dynamics, and evolving risks in the global financial system.

The Governor noted that Africa's economic resilience increasingly depends on coordinated policy responses, knowledge sharing, and institutional partnerships. He highlighted the need for stronger regional platforms for dialogue, enhanced cross-border regulatory cooperation, and greater alignment in monetary and financial sector reforms.

According to him, African central banks must move beyond episodic engagement to structured, sustained collaboration that promotes price stability, safeguards financial systems, and supports inclusive growth. He underscored Nigeria's readiness to play a constructive role in advancing continental monetary cooperation, given its strategic position as Africa's largest economy.

Governor Cardoso also pointed to emerging opportunities in digital finance, payment system interoperability, and local currency settlement frameworks, stressing that collective action would help reduce vulnerabilities associated with external shocks and strengthen intra-African trade under the African Continental Free Trade Area (AfCFTA).

"We will continue collaborating with the African Union Commission, the Association of African Central Banks, Member States, and development partners to establish a solid foundation for the African Central Bank and the future African Single Currency," he said. ■

Nigeria Ranked Among Global Leaders in Central Banking Innovation — Adedipe

By: Ali Abubakar

Nigeria's reputation as a leader in financial innovation received strong validation at an event organised by the Strategy and Innovation Management Department, Central Bank of Nigeria (CBN), where an economist and strategy consultant, Professor Biodun Adedipe, presented new evidence positioning the country among the world's top performers in modern central banking.

Delivering a keynote address titled "Mastering and Dominating Turbulence: Institutional Excellence in a VUCA World," Adedipe described the global economy as one defined by volatility, uncertainty, complexity, and ambiguity, conditions that have further evolved into what he termed brittle, anxious, nonlinear, and incomprehensible. In such an environment, he said, innovation has become an indispensable tool for resilience, competitiveness, and institutional relevance.

According to him, the speed at which global disruptions from geopolitical tensions to rapid technological shifts affect domestic economies means policymakers must track international developments more closely than ever before. The institutions that thrive, he argued, are those able to anticipate change and respond decisively.

Adedipe identified institutional excellence as the key differentiator for organisations seeking global relevance, describing it as a product of measurable performance, quality service delivery, disciplined execution, and continuous improvement. Excellence, he emphasised, requires alignment among strategy, systems, and people.

Presenting findings from independent research and analytical reviews conducted ahead of the retreat, the Professor said Nigeria's standing in global central banking innovation is far stronger than many assume. His comparative review of innovative central banks showed that the CBN consistently appears among top-ranked institutions worldwide in areas of financial technology and payments modernisation.

He highlighted rankings that feature Nigeria prominently in digital currency and payment innovation, noting the country's Central Bank Digital Currency (CBDC) initiative as one of the most referenced globally. Nigeria's real-time

payment system, the NIBSS Instant Payment (NIP) platform, was also listed alongside leading infrastructure in countries such as India and the United Kingdom.

Further analysis showed that Nigeria's regulatory frameworks for financial technology, including the regulatory sandbox, were widely recognised as models of innovation. Other initiatives cited included the Bank Verification Number (BVN) system, the expansion of electronic payment channels, the adoption of Open Banking, and sustained policies promoting a cashless economy.

According to Adedipe, the compiled data places Nigeria as Africa's leading innovator in central banking, ahead of many regional peers in digital currency development, payment infrastructure, financial inclusion, and fintech regulation. He stressed that these conclusions were evidence-based and not personal opinions.

Despite these achievements, the economist cautioned that being a continental leader should be viewed only as a starting point. Institutions that aspire to global influence, he said, must continuously raise their standards and benchmark themselves against the best performers worldwide.

Adedipe also observed that innovation priorities vary across economies: while advanced countries emphasise efficiency, stability, and sophistication, developing nations focus on deepening access, driving inclusion, and building resilient systems. Nigeria, he argued, must simultaneously pursue both tracks to sustain its progress and compete internationally.

He concluded by describing innovation as the engine that sustains effective strategy execution and urged institutions to embed it within their organisational culture through strong governance structures, measurable frameworks, and broad collaboration with stakeholders across sectors. ■

GLOBAL TIT BITS

Nigeria Among Top 10 Contributors to Global GDP in 2026 – IMF

By: Ogochukwu Ikeagwuonu

source:www.bing.com

Nigeria has been ranked among the top ten contributors to global GDP growth in 2026, according to projections by the International Monetary Fund (IMF). Data compiled by the World of Statistics shows that Nigeria is expected to contribute 1.5 per cent to global real GDP growth, placing it ahead of major economies such as Germany and Brazil. This projection highlights the country's expanding economic influence and reinforces its position as one of Africa's fastest-growing economies.

The IMF forecast ranks China as the leading contributor globally at 26.6 per cent, followed by India at 17 per cent and the United States at 9.9 per cent. Indonesia, Turkey, and Nigeria occupy the next positions. Nigeria's inclusion in the top 10 is viewed as a major boost to its global economic standing. A post shared by the National Orientation Agency (NOA) added further context, noting that the projection reflects the impact of Nigeria's expanding market size, favourable demographics, and economic reforms currently underway. According to the agency, the IMF forecast underscores the country's increasing importance and offers a positive outlook for its future economic trajectory.

Overall, the projections signal an encouraging outlook for Nigeria as it continues to implement reforms aimed at stabilising the macroeconomic environment, attracting investment, and strengthening growth fundamentals. ■

FAQS ON REVISED CASH-RELATED POLICIES

1. When will the revised cash-related policies take effect? Who does it apply to?

The policies become effective nationwide on January 1, 2026, and apply to all deposit-taking financial institutions in Nigeria.

2. What is the purpose of the revised policies?

Over the years, the Bank has issued several policies in response to differing market conditions. With time, the different policies inadvertently created confusion in the minds of operators regarding which applies and which does not. It became necessary, therefore, to streamline the policies to provide clarity.

3. The circular was addressed to banks, Other Financial Institutions, and the public. Why was the public included?

When you look at the policies, you will discover that most of the matters raised affect customers and potential customers of banks and other financial institutions, who are members of the public. It was, therefore, necessary to draw the attention of the public to the policies, as the citizenry will be affected by them.

4. Do these policies apply to all banks?

Yes, they apply to all banks and other financial institutions that accept deposits from customers – commercial, merchant, non-interest, payment service, primary mortgage, and microfinance banks.

5. Do banks need to report large deposits?

Yes, banks need to report on cash deposits, not just large deposits.

6. Are electronic deposits affected?

No, electronic deposits are exempt from these limits and fees.

7. Is there a limit on cash deposits?

No, there is no limit on cash deposits. Also, there is no processing fee for cash deposits.

8. What is the weekly withdrawal limit for individuals?

Individuals can withdraw up to ₦500,000 in cash per week across all channels. What this means is that banks and other financial institutions will aggregate cash withdrawals from different channels and will apply a fee when the total for the week exceeds ₦500,000.

9. What is the weekly withdrawal limit for corporates?

Corporate entities can withdraw up to ₦5 million in cash per week across all channels. This implies that banks and OFIs will aggregate cash withdrawals by corporates from all channels and apply the set fee when the total for the week exceeds ₦5 million.

10. What happens if withdrawals exceed the limit?

Excess withdrawals attract a fee of 3% for individuals and 5% for corporates on the excess amount only.

11. Are these limits cumulative?

Yes, limits are cumulative across all accounts and channels for each customer in a bank or OFI.

12. Do these limits apply to ATM withdrawals?

Yes, ATM withdrawals count toward the weekly limit. In addition, there is a daily withdrawal limit of ₦100,000 from ATMs.

13. I have money in my Mobile Money Operators (MMO) wallet. Can I withdraw this money at the MMO's office counter?

No, MMOs ordinarily are not allowed to pay cash across the counter.

14. Can customers request higher limits?

No, customers need not apply for higher limits. The limits are standardised for all customers, depending on whether they are individuals or corporates.

15. What is the daily ATM/PoS withdrawal limit?

The daily ATM withdrawal limit is ₦100,000 per card/account.

16. Can an individual withdraw more than ₦100,000 from a bank/OFI?

Yes, an individual can withdraw more than ₦100,000 across the bank's counter per day.

17. Can a customer withdraw more than ₦100,000 from an ATM/PoS?

No, banks and OFIs have been directed to implement a limit of N100,000 on their ATM/PoS withdrawal transactions.

18. Are ATM/PoS withdrawals included in the weekly limit?

Yes, ATM/PoS withdrawals count toward the weekly withdrawal limit.

19. Do these limits apply to foreign currency withdrawals?

No, the limits do not apply to foreign currency withdrawals. However, the limit applies to local currency (Naira) withdrawal using a foreign card.

20. How are excess withdrawal fees calculated?

Fees are calculated as a percentage of the excess over the prescribed limit. For instance, if an individual withdraws a total of ₦700,000 in a week, the person has exceeded the weekly limit of ₦500,000 by ₦200,000. With a processing fee of 3%, the individual will be charged ₦6,000 only.

21. Are withdrawal fees refundable?

No, excess withdrawal fees are non-refundable.

22. Are there fees for ATM withdrawals?

Yes, standard ATM transaction charges apply, in line with the CBN Circular on the Review of ATM Transaction Fees dated 10 February 2025, reference FPRD/DIR/GEN/CIR/001/002.

23. Do customers need to provide additional documentation for transactions exceeding the limits?

No, customers are not required to submit any documentation or justification when carrying out transactions that exceed the prescribed limits; however, the applicable excess withdrawal charges will apply.

24. Is there a limit on cheque encashment?

Yes, cheque encashment is subject to the same daily and weekly withdrawal limits.

25. Can cheques be cashed over the counter?

Yes, but amounts above the limit attract excess withdrawal fees.

DID YOU KNOW

- The primary objectives of Monetary Policy include maintaining financial stability, reducing unemployment, controlling inflation, maintaining currency exchange rates and fostering economic growth.
- There are two main types of Monetary Policy: Expansionary Monetary Policy and Contractionary Monetary Policy.
- Expansionary Monetary Policy is the increase in the total money supply or reduction in the cost of credit (i.e. interest rate) within an economy to stimulate economic activities.
- Contractionary Monetary Policy is the decrease in total money supply or increase in the cost of credit (i.e. interest rate) to moderate inflation and prevent the economy from overheating.
- Central Banks use various tools to implement monetary policies. The widely utilised tools include: Monetary Policy Rate (MPR), Cash Reserve Ratio (CRR), Open Market Operations (OMO) and Liquidity Ratio (LR).
- Monetary Policy Rate (MPR) is the benchmark interest rate set to influence economic activity, especially inflation, growth, and liquidity. Also, it is the rate at which central bank lends to commercial banks as a reference point for all other interest rates in the economy.
- Cash Reserve Ratio (CRR) is the percentage of a commercial bank's total deposits that must be kept as cash reserves with the central bank.
- Open Market Operations (OMO) refer to the buying and selling of government securities (like bonds) by central banks.
- Liquidity Ratio (LR) is the requirement whereby banks must hold an amount of high-quality liquid assets that is enough to fund cash outflows for 30 days.
- Price Stability in an economy means the general price level does not change much over time. Prices neither go up nor down.
- Fiscal Policy is the use of government revenue collection and expenditure to influence a country's economy.
- Discount Window is an instrument of monetary policy that allows eligible institutions to borrow money from the central bank, usually on a short-term basis.

Central Bank of Nigeria

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