



CENTRAL BANK OF NIGERIA

Press Release

Renewed Vigilance to Prohibit Illicit Financial Flows in Nigeria's Banking System

The Central Bank of Nigeria (CBN) notes with concern a recent report by the Global Financial Integrity group, which ranks Nigeria as one of the 10 largest countries for illicit financial flows in the world. Although we do not have an independent confirmation of this assertion, the report estimates that about US\$15.7 billion of illicit funds go through our system annually.

In the light of this avoidably negative commentary, we wish to draw the public's attention to several protocols on illicit fund flows, money laundering, and terrorism financing both in Nigeria and around the world, and warn that the CBN will increase its vigilance to ensure that Nigerian banks are not used as conduits for illicit fund flows, especially in foreign currencies.

We note and applaud that in line with global best practice, Nigerian banks have started to curtail the acceptance of foreign currency cash deposits, much the same way as customers in other countries cannot just walk into banks and make foreign currency cash deposits without proper documentation.

We wish to assure all citizens seeking foreign currencies for legitimate personal and/or business interests that there remains ample opportunity to do so within the law. The CBN's Foreign Exchange Rules have many

windows for accessing foreign exchange for legitimate business as well as for personal commitments including payment of medical bills, school fees, mortgages, demand notes and other bills. Also, Bureaux de Change (BDC) services to small-scale users remain valid as long as this is to meet genuine needs, and BDCs' documentations to the CBN include the customer's Bank Verification Number (BVN).

The CBN will continue to support the Federal Government's fight against money laundering, corruption, and terrorism financing and will block any and every avenue that may be used for these purposes. We will also ensure that persons who venture into currency speculation and currency substitution find it unattractive and dangerous. In these efforts, therefore, we seek the continued cooperation of all Nigerians to make this work for the enhancement of our shared progress, rather than the prosperity of a greedy few amongst us.



Ibrahim Mu'azu,
Director, Corporate Communications