



## **Central Bank of Nigeria**

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**TO: ALL AUTHORISED DEALERS AND  
GENERAL PUBLIC**

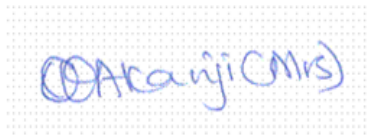
### **GLOBAL DEPOSITORY RECEIPTS (GDRS) AND CERTIFICATE OF CAPITAL IMPORTATION (CCI) ISSUANCE**

Following the successful completion of the first phase of the Reforms in the banking sector, Authorised Dealers, have of recent, resorted to the issuance of Global Depository Receipts (GDRs) with the principal aim of, among others, raising capital, visibility and selling shares internationally to attract new investors. In order to align the new development with the requirements of CCI issuance to foreign investors and also build confidence in the minds of investors who may want to invest in the GDRs, Authorised Dealers are advised as follows:

- (i) Certificate of Capital Importation shall continue to be issued in respect of foreign exchange inflow for loans, investment purposes and or capital, subject to existing guidelines as specified in the Foreign Exchange Manual.
- (ii) Where the foreign exchange inflow is in respect of GDR, a master CCI should be issued in favour of the Depository bank (DB) to the tune of the foreign exchange inflow;
- (iii) Upon issuance of the master CCI, the receiving bank/Authorised Dealer should furnish the CBN with a copy with the details of the beneficial investors to the GDR endorsed at the back of the master CCI.
- (iv) Where any portion of the GDR is cancelled offshore by the investor, the DB, shall inform the Custodian/sub-custodian of the cancellation and provide the latter with the necessary documentary evidence of same.
- (v) The Depository's nominee custodian shall have valid CCI covering the number of shares withdrawn from the GDR and also effect a "markdown" of the CCI from the master CCI.
- (vi) With the valid CCI covering the number of shares withdrawn from the GDR, the direct non-resident equity investor can trade with the underlying shares in the local market. The investor shall also be entitled to repatriate funds outside Nigeria.

- (vii) Repatriation of funds outside Nigeria shall be through Authorised Dealers subject to the following:
- a) The guidelines on utilization of CCI in the Fx Manual and/or relevant circulars on same;
  - b) Duly completed Form A;
  - c) Letter or evidence of conversion from GDRs to shares and confirmed by the Depository and the nominee custodian;
  - d) Documentary evidence of cancellation of the GDR from the depository;
  - e) Letter from the direct non-resident equity investor, stating relevant details to the Authorised Dealer via his broker, requesting for repatriation of sales proceeds;
  - f) Photocopy of the original CCI; and
  - g) Sale contract Note or evidence of sale of shares from a Nigerian broker.
- (viii) The Authorised Dealer responsible for the repatriation of proceeds of sale on behalf of the GDR holder is required to perform book-keeping and paper trail procedures evidencing
- (a) proof of sale of the GDR
  - (b) identity of GDR holder;
  - (c) proof of CCI; and
  - (d) “mark down” of the original CCI

Authorized Dealers are therefore enjoined to ensure compliance with the provisions of this circular, while those with subsisting approvals should also be guided accordingly. However, where in doubt, clarification should be obtained from the Director, Trade and Exchange Department, Central Bank of Nigeria.



**O. O. AKANJI (MRS)**  
**DIRECTOR,**  
**TRADE AND EXCHANGE DEPARTMENT**