



CLARIFICATION ON THE MONETARY, CREDIT, FOREIGN TRADE, AND EXCHANGE POLICY GUIDELINES FOR FISCAL YEARS 2024 – 2025 (MONETARY POLICY CIRCULAR NO. 45)

The attention of the Central Bank of Nigeria (CBN) has been drawn to certain instances of misinterpretation or misrepresentation of its biennial publication on Monetary, Credit, Foreign Trade, and Exchange Policy Guidelines published on September 17, 2024. In response, the CBN has temporarily withdrawn the document to minimize risk of any further misrepresentation.

As is stated explicitly in the document to guide stakeholders, the CBN reiterates that the publication is a compilation of previously issued policies and guidelines issued by the Bank up to a cut-off date, typically December 31 of the relevant year.

As in all previous editions, the current document is intended to achieve the following objectives:

1. A single reference source for the ease and convenience of stakeholders.
2. A valid compilation of policies, directives, and guidelines for adjudication in conflict situations involving stakeholders.
3. Additional clarification of policies and guidelines.

As a compendium of previously issued policies and guidelines, the provisions are applicable only to the extent that there have been no updates or revisions to the guidelines and policies contained therein. This is stated explicitly in the document to guide stakeholders.

In line with prior editions, the most recent publication (January 2024) contains policies and guidelines issued by the Bank up to 31st December 2023, some of which will remain relevant during the period 2024 – 2025. **However, several others may cease to apply owing to revisions or updates that become applicable in the aftermath of its publication.**

This is clearly stated in the document as follows:

“The Guidelines may be adjusted by the CBN without prior notice, to address new developments in the domestic and global economies in the period. However, such amendments shall be communicated to the relevant institutions/ stakeholders in supplementary circulars” (Page 8, Paragraph 1).

The publication further provides the public with avenues for obtaining clarifications on the whole or any part of the document on pages 147 and 148.

In the light of these clarifications, we ask stakeholders to note the following:

1. Some recent media publications referencing aspects of the Guidelines refer to policy positions of the Bank issued prior to 31st December 2023, which have changed in the light of revisions and updates in 2024. One example is the Cyber Security Levy, which was suspended in May 2024, superseding the circular reported in the Guidelines.
2. Certain technical aspects of the Guidelines have been widely misreported and misrepresented. For example, reports have mistakenly sought to link the fuel subsidy removal to external reserves. Such reports essentially missed the analytical basis for the original statement, which was intended to observe a potential risk that was to be mitigated by policy. More recently, policies of the Bank around the Naira exchange rate and those of the fiscal authorities have positively altered the outlook of the subject in question.

In summary, the Guidelines must primarily be viewed as a record of policies, circulars and directives issued by the Bank up to the end of 2023. They are not new directives and should not be reported as such.

The Bank will continue to provide clear monetary policy direction and advice for the overall good of the Economy. We urge all stakeholders to seek clarification of information about the Bank before publishing.