

FOREIGN EXCHANGE (CONTROL AND MONITORING) BILL, 2016

ARRANGEMENT OF SECTIONS

Section:

PART I - OBJECTIVE

1. Objectives
2. Scope and application

PART II - ESTABLISHMENT OF THE FOREIGN EXCHANGE MARKET

3. Establishment and regulations of the Foreign Exchange Market
4. Basic Exchange Rates
5. Instruments of transaction in the market

6. Non-disclosure of sources of imported foreign currency

7. Sources of foreign currency in the Market

PART III - GRANT OF LICENCE TO DEAL WITH FOREIGN EXCHANGE

9. Requirement of licence to deal in Foreign Exchange

10. Application for a licence

11. Grant of licence

12. Refusal of licence

13. Conditions of licence

14. Suspension or revocation of licence

15. Notice of suspension, revocation or variation of licence

16. Review and appeal

PART IV- APPOINTMENT OF AUTHORISED DEALER AND AUTHORISED BUYER

16. Appointment of Authorised Dealer or Authorised Buyer

17. Revocation of the Appointment of Authorised Dealer or Authorised Buyer

PART V. MODE OF TRANSACTION AND MARKET OPERATIONS

18. Mode of transaction

19. Market Operations

20. Market rate

21. Transactions permitted in the market

22. Importation and Exportation of foreign Currencies

23. Repatriation of Funds

24. Importation and Exportation of the Naira

PART VI - OPERATION OF FOREIGN CURRENCY DOMICILIARY ACCOUNTS

25. Domiciliary Account

26. Rate of Interest

27. Exporters to open export proceeds domiciliary Account

28. Regulation, Monitoring and Supervision

29. Operation of Domiciliary Account

30. Payment for certain goods

31. Special Surveillance of Certain transactions

32. Preservation of records

33. Duty to report international transfer of funds

PART VII- INVESTMENT IN FOREIGN CURRENCIES

34. Investment in Foreign Currencies and Capital in enterprises or securities in Nigeria

35. Authorised Dealers to submit returns

PART VIII- DEALING IN SECURITIES

36. Dealing in Securities

PART IX- EXPORT OF GOODS AND SERVICES

37. Export of goods and services

PART X- COLLECTION OF DEBTS

38. Duty to collect debts

PART XI- OFFENCES AND PENALTIES

39. Forgery, mutilation, alteration or defacing of foreign currency, etc

40. Withdrawal and selling of foreign currency to an unauthorised dealer.

41. Offences by Bodies Corporate

42. Power of the Bank to compound offences

PART XII- MISCELLANEOUS

43. Blocked accounts

44. Directives by the Central Bank

45. Jurisdiction

46. Repeal

47. Savings

48. Regulations

49. Interpretation

50. Short title

A BILL

FOR

AN ACT TO REPEAL THE FOREIGN EXCHANGE (MONITORING AND MISCELLANEOUS PROVISIONS) ACT, CHAPTER F34, LAWS OF THE FEDERATION OF NIGERIA. 2004 ESTABLISH A FOREIGN EXCHANGE MARKET AND TO PROVIDE FOR THE CONTROL, MONITORING AND SUPERVISION OF THE TRANSACTIONS CONDUCTED IN THE FOREIGN EXCHANGE MARKET AND FOR RELATED MATTERS

Sponsored by Senator John Owan Enoh

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ENACTED by the National Assembly of the Federal Republic of Nigeria as follows-

PART I

OBJECTIVE

1. Objectives

The objective of this Act includes to-

- (a) establish a foreign exchange market;
- (b) provide for the regulation, monitoring and supervision of the transactions conducted in the market and for related matters;
- (c) contribute to the sound development of the national economy by striving to facilitate foreign transactions;
- (d) maintain an equilibrium of balance of international payments; and
- (e) stabilize the value of currency by ensuring the liberalization of foreign exchange transactions and of other foreign transactions, and by revitalizing market functionality.

2. Scope and application

The provisions of this Act shall apply to-

- (a) foreign exchange transactions performed in the Federal Republic of Nigeria or other related acts;
- (b) transactions, payment or receipts between Nigeria and a foreign country, or other related acts (including those which are performed in a foreign country and which have an effect in Nigeria); and
- (c) transactions by a private person having domicile or residence in a foreign country and a juristic person having a main office in a foreign country, which are denominated in the currency of Nigeria or in which payment is to be made in such currency, or other related acts.

PART II - ESTABLISHMENT OF FOREIGN EXCHANGE MARKET

3. Establishment and regulations of Foreign Exchange Market

-(1) There is established a Foreign Exchange Market (in this Act referred to as "the Market") where transactions in foreign exchange shall be conducted in accordance with the provisions of this Act.

(2) Subject to this Act, the Central Bank (in this Act referred to as "the Bank") shall, from time to time, issue guidelines to regulate procedures and transactions in the Market and such other matters as may be deemed appropriate for effective operation of the Market.

(3) Subject to the provisions of this Act and to such directions or instructions as the Minister may give in writing to the Bank, the Bank shall have and exercise or discharge all functions, powers and duties relating to the administration, control and management of all dealings and transactions in relation to foreign exchange matters.

(4) The Bank shall endeavour to create a foundation for stable supply and demand of foreign exchange and to stabilize the foreign exchange market, and shall devise policies therefor.

(5) The Bank may require a person who is resident or who conducts business in the country to -

(a) furnish the Bank with details of part or the whole of that person's foreign exchange transactions; or

(b) provide returns in a form prescribed by the Bank accompanied with details of that person's foreign exchange transactions

4. Basic Exchange Rates

-(1) The Bank may determine the basic exchange rate, rate of purchase and sale of foreign exchange, and arbitrated exchange rate (in this Act referred to as the "basic exchange rate, etc.") in foreign exchange transactions, if it is necessary to do so for harmonious and orderly foreign exchange transactions in Nigeria.

(2) Where the Bank determines the basic exchange rate pursuant to subsection (1) of this section, residents and non-residents shall perform transactions in conformity with such basic exchange rate

5. Instruments of transaction in the market

-(1) Transactions in the Market shall be conducted in any convertible foreign currency.

(2) Without prejudice to the generality of the provisions of subsection (1) of this section, transactions in the Market may be conducted through the foreign exchange market instruments, including -

(a) foreign bank notes;

(b) foreign coins;

(c) travellers' cheques;

- (d) bank drafts;
- (e) mail, electronic or telegraphic transfers; and
- (f) such other money market instruments as the Bank may, from time to time, determine.

6. Non-disclosure of sources of imported foreign currency

(1) Except as required under any enactment or law, a person executing a transaction in the Market shall not be required and if required, shall not be obliged, to disclose the source of any foreign currency to be sold in the Market.

(2) Notwithstanding the provisions of subsection (1) of this section, Authorized Dealers shall continue to render returns to the Bank which must contain information on sources of foreign exchange of more than US\$1 0,000 and utilization of same.

(3) No foreign currency imported pursuant to this Act shall be liable to seizure or forfeiture or to suffer any form of expropriation by the Federal or a State Government except as provided under this Act.

(4) Notwithstanding the provisions of subsection (3) of this section, Authorized Dealers seeking to import foreign currency notes shall obtain prior approval of the Bank to do so.

(5) The application for such approval shall state the amount and purpose of the importation.

7. Sources of foreign currency in the Market for the avoidance of doubt, foreign currency from the following sources may be sold in the Market-

- (a) foreign currency domiciliary accounts maintained in authorised banks in Nigeria;
- (b) foreign currency held or imported by-
 - (i) Nigerian citizens returning home from any other place outside Nigeria;
 - (ii) foreign nationals resident in Nigeria;
- (c) agency commissions, professional fees and other forms of invisible earnings;
- (d) export proceeds earned by exporters of Nigerian commodities;
- (e) foreign currency held by Nigerian citizens resident in Nigeria;
- (f) foreign currency imported by foreign nationals to purchase goods in Nigeria;
- (g) foreign currency imported or held by foreign embassies, high commissions and international organisations from external sources;
- (h) foreign currency held in external accounts by individuals, bodies corporate and unincorporated, commission agents, professional bodies, insurance companies and other similar bodies;
- (i) foreign currency imported by tourists into Nigeria;
- (j) foreign currency provided by the Bank;
- (k) foreign currency imported for direct investment in Nigeria; and
- (l) foreign currency from such other sources as the Bank may, from time to time, specify by order published in the Gazette.

PART III - GRANT OF LICENCE TO DEAL WITH FOREIGN EXCHANGE

8. Requirement of licence to deal in Foreign Exchange

(1) A person shall not carry on the business of dealing in foreign exchange without a licence issued by the Bank under this Act.

(2) The Bank shall prescribe any person or any corporate entity that it considers competent to engage in the business of dealing in foreign exchange.

(3) The Bank shall issue or renew a licence to engage in the business of dealing in foreign exchange, subject to conditions that it shall determine, from time to time.

9. Application for a licence

An application for a licence to engage in the business of dealing in foreign exchange shall be made to the Bank in the form prescribed by the Bank and accompanied with information that may be specified by the Bank from time to time.

10. Grant of licence

(1) The Bank shall grant a licence to the applicant, within sixty days after the receipt of the application, with complete documentation, if it is satisfied that the applicant has-

- (a) fulfilled the conditions required for a licence, and
- (b) paid the prescribed fees.

(2) The licence shall be used by the applicant to engage in the business of-

- (a) buying and selling bank notes, coins and traveller's cheques in foreign currency,
- (b) electronic settlement of transactions in the Market, and
- (c) any other activity that may be determined by the Bank from time to time.

(3) The Bank shall, from time to time, cause to be published in the Gazette and any other news media of national circulation, the name of licencees and the foreign exchange business, which have been granted licences.

(4) A licence shall be valid for one year from the date of issue subject to a renewal for a similar period.

11. Refusal of licence

Where the Bank refuses to grant a licence to an applicant, the Bank shall inform the applicant, in writing, of its decision and the reasons for the decision, within three months, after the receipt of the application.

12. Conditions of licence

(1) A licence to engage in the business of dealing in foreign exchange shall be subject to the conditions specified in the licence.

(2) Without limiting the power to suspend

13. Suspension or revocation of licence

(1) The Bank may suspend or revoke a licence issued under this Act where the licensee-

- (a) fails to utilize the licence within ninety days after the date of issue of the licence;
- (b) fails to disclose in the application for the grant, extension or renewal of a licence, material information known to the licensee or reasonably expected to have been known to the licensee;
- (c) has provided material information for an application for a licence which is false in a material particular;
- (d) has not complied with a directive issued under this Act or pursuant to a regulation;
- (e) has, since the issue of the licence, ceased to qualify for the grant of licence;
- (f) is found by the Bank to have engaged in malpractice or irregularity in the management of the business of dealing in foreign exchange;
- (g) is placed under liquidation, receivership or is adjudged bankrupt;
- (h) has contravened the provisions of this Act or Regulations made under it ; or
- (i) is in breach of such other conditions as the CBN may prescribe from time to time.

(2) The Bank may-

- (a) suspend a licence for a specific period, or
- (b) determine conditions or restrictions for the licence instead of revoking the licence entirely.

14. Notice of suspension, revocation or variation of licence

- (1) Where the Bank intends to suspend, revoke or vary a licence, the conditions or restrictions of the licence, the Bank shall give the licensee
- (a) fourteen days' notice prior to the suspension, revocation or imposition of conditions or restrictions,
 - (b) reasons for the intention of the Bank to suspend, revoke or vary a licence, and
 - (c) an opportunity to make an oral or written representation to oppose the intended action of the Bank.
- (2) A licensee who receives a notice may make the representation within fourteen working days from the date of receipt of the notice.
- (3) The Bank shall within thirty days after the representation take a decision on the representation and inform the licensee.

15. Review and appeal

- (1) A person aggrieved by a variation of a licence, a rejection or refusal of the Bank to-renew that person's licence or a suspension or revocation of a licence, may submit a petition to the Bank for a review of its decision.
- (2) The Bank shall after receipt of the petition review its decision and respond to the petition within thirty days.
- (3) A person who is dissatisfied with the decision of the Bank or with the failure of the Bank to make a decision within thirty days, may, appeal to the Court.

PART IV - APPOINTMENT OF AUTHORISED DEALER AND AUTHORISED BUYER

16. Appointment of Authorised Dealer or Authorised Buyer

- (1) The Bank may, appoint as an Authorised Dealer or Authorised Buyer of foreign currency, any bank or non-banking corporate organisation which shows evidence of adequate resources and capacity to operate in accordance with the provisions of this Act.
- (2) An Authorised Dealer or Authorised Buyer appointed pursuant to the provisions of subsection (1) of this section shall operate in the Market subject to such terms and conditions as the Bank may specify in the letter of appointment.

17. Revocation of the Appointment of Authorised Dealer or Authorised Buyer

- (1) The Bank may revoke the appointment of an Authorised Dealer or Authorised Buyer, if it has reason to believe that it is not in the national interest that the person appointed Authorised Dealer or Authorised Buyer shall continue to operate as an Authorised Dealer or Authorised Buyer under this Act.
- (2) Where the Bank proposes to revoke the license of an Authorised Dealer or Authorised Buyer pursuant to subsection (1) of this section, the Bank may give notice of its intention to revoke the appointment to the Authorised Dealer or Authorised Buyer and the Authorised Dealer or Authorised Buyer may within 28 days, make a representation to the Bank in respect thereof.

PART V – MODE OF TRANSACTION AND MARKET OPERATIONS

18. Mode of transaction

- (1) Transactions in the Market shall be between-
- (a) the public and Authorised Dealers;
 - (b) the public and Authorised Buyers; or
 - (c) the Authorised Dealers and Authorised Buyers appointed under this Act.
- (2) Transactions in the Market shall be as prescribed, from time to time, by the Bank.

19. Market Operations

(1) The Bank shall supervise and monitor the operation of the Market to ensure the efficient performance of the Market.

(2) The Bank may, from time to time, make rules and regulations, and issue such directives or circulars for the efficient operation of the Market.

20. Market rate

The determination of the rate at which the transaction would be executed, where funds are purchased from the Bank, may be subject to rules and regulations as may be prescribed by the Bank.

21. Transactions permitted in the market

Except where a transaction is prohibited by law, any transaction adequately supported by appropriate documentation shall, for the purposes of this Act, be an eligible transaction for the purchase of foreign exchange in the Market; provided always that the Bank shall have power to determine transactions for which foreign exchange may be sourced from the Bank.

22. Importation and Exportation of foreign Currencies

(1) A person shall be required to declare at the port of entry into or exit from Nigeria, any foreign currency in excess of US\$1 0,000 or its equivalent.

(2) Foreign currency in excess of US \$5,000 or its equivalent, whether being imported into or exported out of Nigeria, shall be declared on the prescribed form.

23. Repatriation of Funds

Any foreign currency purchased from the Market for the purposes of eligible transactions, may be repatriated from Nigeria and shall not be subject to any further approval.

24. Importation and Exportation of the Naira

The Bank may, by notice, make rules to impose restrictions on the importation or exportation from Nigeria of-

(a) bank notes,

(b) bank coins,

(c) travellers cheques,

(d) electronic units of payment, and

(e) securities in the denomination of local currency or the currency of another country.

PART VI - OPERATION OF FOREIGN CURRENCY DOMICILIARY ACCOUNTS

25. Domiciliary Account

(1) A person may open, maintain and operate a domiciliary account designated in foreign currency with an Authorised Dealer.

(2) The foreign currency in which a domiciliary account may be opened, maintained and operated shall be any internationally convertible currency.

(3) Except as provided under any other enactment or law, a person making an application to open a domiciliary account under this Act, shall not be obliged to disclose the source of the foreign currency sought to be deposited in the account.

(4) A person may open more than one domiciliary account under this Act, at the same or in different banks and designated in the same or different foreign currencies.

(5) Money imported in accordance with the provisions of this Act shall not be liable to seizure or forfeiture or suffer any form of expropriation by the Federal or a State Government.

26. Rate of Interest

-(1) A bank shall pay, to the credit of a domiciliary account, interest at such rate as the Bank may, from time to time, prescribe.

(2) The Bank may authorise a bank to transact banking business in any foreign currency deposited with the Bank, pursuant to this Act.

27. Exporters to open export proceeds domiciliary Account

-(1) An exporter of any goods, including petroleum products, shall open and maintain an exports proceeds domiciliary account into which, foreign currency corresponding to the entire proceeds of the export concerned, may be retained.

(2) An exporter of any goods, including petroleum products, shall repatriate the proceeds of the goods exported into the export proceeds domiciliary account within such period and under such conditions as the Bank may, by regulation, prescribe from time to time.

(3) Any exporter, who contravenes the provisions of subsection (2) of this section, is liable on conviction to a fine of 25% of the FOB value of the export, payable by the exporter or its directors, where the exporter is a company" ,

(4) The Bank may impose administrative fine of not less than 10% of the FOB value of the export referred to in subsection (2) of this section on the bank that processed the export transaction

28. Regulation, Monitoring and Supervision

The Bank shall regulate, monitor and supervise the general operations of this Act

29. Operation of Domiciliary Account

The operations of domiciliary accounts shall be as prescribed by the Bank, from time to time.

30. Payments for certain goods

-(1) Notwithstanding anything to the contrary contained in any enactment or law and except as provided in subsection (2) of this section, a person shall not make or accept cash payment in Nigeria, whether denominated in foreign currency or not, for the purchase or acquisition of the following-

(a) landed properties;

(b) securities, including stocks, shares, debentures and all forms of negotiable instruments; and

(c) motor cars, including other vehicles of any description whatsoever.

(2) Payments for the items specified in subsection (1) of this section shall, as from the commencement of this Act, be made by means of bank transfers (including electronic transfers) or cheques drawn on banks in Nigeria only.

(1) Except as otherwise prescribed by the Bank, foreign currency shall not be paid or accepted for the Payment of goods and services in Nigeria.

31. Special surveillance of certain transactions

Notwithstanding anything to the contrary in any enactment or law, the Bank shall have access, at all reasonable times, to the offices, registers, books of accounts and documents relating to accounts maintained with an Authorised Dealer to confirm compliance with the provisions of this Act.

32. Preservation of records

An Authorised Dealer and Authorised Buyer shall-

(a) maintain at all times the register and other books of account mentioned in section 31 of this Act, for the purpose of recording details of all transactions carried out by them under the provisions of this Act; and

(b) preserve the register and other books of account mentioned in section 31 of this Act, for a period of at least 7 years after the last transaction recorded in the register.

33. Duty to report international transfer of funds

For the purpose of determining and monitoring the flow of foreign currencies into Nigeria, an Authorised Dealer shall, notwithstanding any other requirement contained in any enactment or law, notify the Bank of any cash transfer to or from a foreign country of a sum greater than US \$10,000 or its equivalent.

PART VII - INVESTMENT IN FOREIGN CURRENCIES

34. Investment in Foreign Currencies and Capital in enterprises or securities in Nigeria

(1) Any person may invest in any enterprise or security, with foreign currency or capital imported into Nigeria through an Authorised Dealer either by telegraphic or electronic transfer, cheques or other negotiable instruments and converted into the naira in the Market in accordance with the provisions of this Act.

(2) The Authorised Dealer through which the foreign currency or capital for the investment referred to in subsection (1) of this section is imported, shall, within 48 hours of the importation, issue Certificate of Capital Importation to the investor and shall, within 72 hours thereafter, make returns to the Bank giving such information as the Bank may require, from time to time.

(3) The Bank shall furnish to the Minister, on a quarterly basis, reports on the returns furnished to the Bank under subsection (2) of this section for information and statistical purposes only.

(4) Foreign currency imported into Nigeria and invested in any enterprise pursuant to subsection (1) of this section, shall be guaranteed repatriation of proceeds and capital through an Authorised Dealer in a freely convertible currency, relating to-

- (a) dividends or profits (net of taxes) attributable to the investment;
- (b) payments in respect of loan servicing where a foreign loan has been obtained; and
- (c) the remittance of proceeds (net of all taxes) and other obligations in the event of sale or liquidation of the enterprise or any interest attributable to the investment.

(5) The repatriation referred to in subsection (4) of this section shall be communicated by an Authorised Dealer to the Bank, within fourteen days of the repatriation.

35. Authorised Dealers to submit returns

(1) An Authorised Dealer and Authorised Buyer appointed under this Act shall submit to the Bank, at such intervals as the Bank may prescribe, returns of activities in the Market and the returns shall be in such form as the Bank may, from time to time, by circulars and guidelines direct.

(2) The Bank shall, on request, furnish to the Minister reports on the returns submitted to it under subsection (1) of this section.

(3) An Authorised Dealer or Authorised Buyer who contravenes the provisions of subsection (1) of this section, by failing, neglecting or refusing to submit the returns, is guilty of an offence and liable on conviction to the terms provided in the Bank of Nigeria Act and Banks and Other Financial Institutions Act, as if it had contravened the provisions of those Acts relating to the submission of returns.

PART VIII – DEALING IN SECURITIES

(b) with intent to defraud, forges, mutilates, utters or defaces any passbook maintained pursuant to this Act; commits an offence under this Act.

(2) A person who being a bank converts the proceeds of any domiciliary account maintained in Bank to a use for which it was not intended; commits an offence under this Act.

(3) A person who being a depositor, negotiates any draft, foreign bank note or negotiable instrument otherwise than through the Banking system; commits an offence under this Act.

(4) A person who being an Authorised Dealer, permits or facilitates, in any way, the withdrawal by a depositor of foreign currencies contrary to provisions of this Act; commits an offence under this Act.

(5) A person convicted of an offence under subsections (1), (2), (3) and (4) of this section is liable-

(a) in the case of an individual, to imprisonment for a term not exceeding 2 years;

(b) in the case of an officer at the port of entry or a bank official, to imprisonment for a term not exceeding 5 years;

(c) in the case of a body corporate, to a fine of ten times the amount of foreign currency involved; and

(d) in the case of officials of the body corporate, to imprisonment for a term of 5 years or to a fine of five times the amount of foreign currency involved.

(6) In addition to the penalty imposed under this section-

(a) the foreign currency involved, shall be forfeited to the Federal Government;

(b) where an offence under this section is committed by a body corporate the court may order that the body corporate shall thereupon and without any further assurance, be wound up and all the assets and properties of the body corporate shall be forfeited to the Federal Government; and

(c) where an offence under this section is committed by an Authorised Dealer, the court may, in addition to the penalty prescribed in paragraph (b) of this subsection, order that the license of the Authorised Dealer be revoked.

41. Offences by Bodies Corporate

Where an offence under this Act has been committed by a body corporate, every person who, at the time of the commission of the offence was a proprietor, director, manager, secretary or other similar officer of the body corporate, who was purporting to act in such capacity, shall be deemed to have committed an offence and liable to be punished as specified in this Act, unless he proves that the offence was committed without his consent or connivance and that he had exercised all such diligence as he ought to have exercised having regard to the nature of his functions in that capacity.

42. Power of the Bank to compound offences

Subject to the other provisions of this section, the Bank may if he is satisfied that any person has committed an offence under this Act, compound such offence by accepting from such person a sum of money and ordering the forfeiture to the Government of the specified foreign currency or other property in respect of which the offence was committed.

PART XII - MISCELLANEOUS

43. Blocked accounts

(1) Where there is a seizure of foreign currency for any reason connected with the contravention of this Act, the foreign currency shall be lodged in a blocked account with the Bank.

(2) Where the foreign currency remains in the blocked account for a period of more than 3 years and in the absence of any action by the person from whom the foreign currency was seized to retrieve the foreign currency within the period, the Bank shall transfer the foreign currency into the Consolidated Revenue Fund and notify the Minister accordingly.

(4) Notwithstanding any of the provisions of this Act, the Bank may -

- (a) revoke or suspend the appointment of Authorised Dealer or Authorised Buyer, or
- (b) impose a penalty not exceeding N50 million or not exceeding ten times the amount of the foreign currency involved in the infraction, for the Authorised Dealer's or Authorised Buyer's failure to comply with the provisions of this Act, or any rules, regulations, guidelines or administrative directives made or issued by the Bank under this Act.

44. Directives by the Central Bank

-(1) The persons specified in subsection (2) of this section shall comply with such directions as may be given to them, respectively, by the Bank, being-

- (a) in the case of any such persons, directives as respects the exercise of any functions exercisable by them by virtue of anything done under any provision of this Act; and
- (b) in the case of Authorised Dealers and Authorised Buyers, directives-
 - (i) as to the terms on which they are to accept foreign currency; or
 - (ii) requiring them to offer their specified currency to the Bank on such terms as may be specified in the directives.

(2) The persons referred to in subsection (1) of this section are as follows, that is-

- (a) bankers and Authorised Dealers or Authorised Buyers;
- (b) persons to whom any power of the Bank under this Act has been delegated;
- (c) Government agencies authorised to accept the custody of securities and documents of title to securities; and
- (d) persons entrusted with the payment of capital moneys, dividends or interest in Nigeria.

45. Jurisdiction

The Federal High Court shall have jurisdiction to try all offences under this Act.

46. Repeal

The Foreign Exchange (Monitoring and Miscellaneous Provisions) Act, Chapter F34, Laws of the Federation of Nigeria, 2004, is repealed.

47. Savings

-(1) Without limiting the provisions of the Interpretation Act, the repeal of the Act referred to in section 46 of this Act, shall not affect any document made or anything whatsoever done under the repealed enactment

(2) Every order, requirement, certificate, notice, direction, decision, authorisation, consent, application, request or thing made, issued, given or done under the enactment repealed by this Act, shall continue in force and have effect as if made, issued, given or done under the corresponding provision of this Act.

48. Regulations

The Bank may make regulations, rules, orders, or directions, as the case maybe, as may be required for carrying into effect the intendment of this Act including regulations, rules, orders, or directions relating to-

- (a) currency, securities and transactions relating to them;

(b) any foreign exchange transactions other than transactions referred to in paragraph (a) of this section; or

(c) imports into and exports from Nigeria including the transfer or settlement of payments, or transactions in relation to debts;

49. Interpretation

In this Act, unless the context otherwise requires-

"Authorised Buyer" means any bureau de change, hotel or other corporate body appointed as such by the Bank under the provisions of this Act;

"Authorised Dealer" any bank or specialized bank licensed under the Banks and Other Financial Institutions Act, and such other body corporate licensed by the Bank and issued with the licence to deal in foreign exchange;

"Bank" means the Central Bank of Nigeria;

"Bureau de Change" means a business enterprise licenced by the Bank to carry on the business of buying and selling specified foreign currency;

"capital" means all cash contributions, plant, machinery, equipment, building, spare parts, raw material and other business assets, other than goodwill;

"Certificate of Title" in relation to a security, means any document whereby a person recognises the title of another to a security issued or to be issued by the first-mentioned person;

"commodities" mean any articles of trade or commerce;

"coupon" means a dividend or interest in a security;

"Court" means the Federal High Court of Nigeria;

"domiciliary account" means a foreign currency account opened, maintained and operated with a bank in Nigeria under this Act;

"foreign capital" means convertible currency, plant, machinery, equipment, spare parts, raw materials and other business assets, other than goodwill, brought into Nigeria with no initial disbursement of Nigerian foreign exchange and intended for the production of goods and services related to an enterprise, as applicable;

"foreign currency" means any currency, other than Nigerian currency, and includes any note which is or has at any time been legal tender in any territory outside Nigeria, and where reference is made to foreign currency, the reference includes the right to receive foreign currency in respect of any credit or balance at a bank;

"foreign exchange market" a market in which the Authorised Dealers, Authorised Buyers, foreign exchange end-users and the Central Bank are participants and may include any other participant that the Central Bank may, from time to time recognize "inter-bank foreign exchange market" means foreign exchange market where Authorised Dealers trade amongst themselves,

"Minister" means the Minister charged with responsibility for matters relating to finance; and

"Ministry" shall be construed accordingly.

"security" means shares, stocks, bonds, notes (other than promissory notes), debentures, debentures stock, units under a unit trust scheme, share in any royalty, any letter of rights, any warrant conferring an option to acquire a security, any deposit certificate in respect of securities, and any other document, other than a bill of exchange or a promissory note, whereby a person recognises the title of another person to securities issued or to be issued by the first-mentioned person;

50. Short title

This Act may be cited as the Foreign Exchange (Control and Monitoring) Act, 2016

EXPLANATORY MEMORANDUM

(This memorandum does not form part of this Act but it is intended to explain its purport).

This Act seeks to repeal the Foreign Exchange (Monitoring and Miscellaneous Provisions) Act, Chapter F34, Laws of the Federation of Nigeria, 2004 and enact the Foreign Exchange (Control and Monitoring) Act, 2015 to establish a Foreign Exchange Market in Nigeria and to provide for the control, monitoring and supervision of transactions conducted in the Foreign Exchange Market and for related matters.