

**CENTRAL BANK OF NIGERIA (AMENDMENT)  
ACT 1998**

**Act No. 37**

[22nd December 1998]

**THE FEDERAL MILITARY GOVERNMENT** hereby  
decrees as follows:-

1. The Central Bank of Nigeria Act 1991 (in this Act referred to as "the principal Act") as amended, is hereby further amended as set out in this Act.

2. Section 6 of the principal Act is amended by substituting therefor the for following new section, that is -

6.-(1) There shall be for the Bank a Board of Directors (hereinafter in this Act referred to as "the Board") which shall be responsible for the policy and general administration of the affairs and business of the Bank.

(2) The Board shall consist of -

- (a) a Governor who shall be the Chairman;
- (b) four Deputy Governors;
- (c) the Permanent Secretary, Federal Ministry of Finance; and
- (d) five Directors.

(3) The Board constituted under subsection (2) of this section shall be responsible for-

- (a) the consideration of the annual budget of the Bank

commencement.

Amendment of  
1991 No. 24  
1993 No. 79  
1997 No. 3.

Amendment of  
section 6.

"Membership,  
etc. of the Board  
of Directors of  
Bank.

*Central Bank Of Nigeria (Amendment) Act 1998*

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prior to its transmission to the Head of State, Commander-in-Chief of the Armed Forces for his approval;

(b) the approval of the audited and management accounts and the consideration of the management letter from the external auditors;

(c) the formulation of the Monetary and Credit Policy for Nigeria;

(d) devising suitable mechanism to determine rates of exchange at which the Bank shall buy and sell foreign currencies;

(e) the appointment of auditors in accordance with section 43 of this Act, the provision of the necessary facilities and the rates of remuneration;

(f) the establishment and closing of Zonal Offices, Branches and Currency Centres;

(g) carrying out of such other activities as are necessary and expedient for the purposes of achieving the objectives of the Bank.

(4) It shall be the duty of the Board to approve the detailed responsibilities of each of the Deputy Governors on the recommendation of the Governor.

(5) Without prejudice to subsection (4) of this section, the Board may, on the recommendation of the Governor, assign or re-assign the Deputy Governors, from time to time, as may be expedient for the performance of the Bank's functions under or pursuant to this Act."

3. Section 9 of the principal Act is amended by inserting immediately after subsection (3) the following new subsection, that is -

"(4) The Governor shall -

- (a) from time to time, keep the Head of State, Commander-in-Chief of the Armed Forces informed of the affairs of the Bank; and
- (b) at the end of every period of six months make a formal report of the affairs of the Bank to the Provisional Ruling Council."

4. Section 14 of the principal Act is amended in subsection (1) by substituting therefor the following new subsection, that is -

"(1) Appointment of employees of the Bank shall only be in respect of positions created by the Bank and on such terms and conditions as may be laid down by the Board:

Provided that the appointment and removal of staff of the grade of Assistant Director and above shall be with the approval of the Board."

5. Immediately after the existing section 38 of the principal Act there shall be inserted the following new sections, that is -

38A.-(1) There is hereby established for the purpose of coordinating the supervision of financial institutions, a Financial Services Regulation Coordinating Committee (hereafter in this Act referred to as "the Committee").

(2) The Committee shall consist of -

*Central Bank Of Nigeria (Amendment) Act 1998*

Regulation  
coordinating  
committee.

- (a) the Governor of the Bank who shall be the Chairman;
- (b) the Director-General, Securities and Exchange Commission;
- (c) the Commissioner for Insurance;
- (d) the Registrar-General, Corporate Affairs Commission;
- (e) a representative of the Federal Ministry of Finance not below the rank of a Director.

38B. The objectives of the Committee shall be to -

- (a) coordinate the supervision of financial institutions especially conglomerates;
- (b) cause reduction of arbitrage opportunities usually created by differing regulations and supervision standards amongst supervisory authorities in the economy;
- (c) deliberate on problems experienced by any member in its relationship with any financial institution;
- (d) eliminate any information gap encountered by any regulatory agency in its relationship with any group of financial institutions;
- (e) articulate the strategies for the promotion of safe, sound and efficient practices by financial intermediaries; and
- (f) deliberate on such other issues as may be specified

Objectives of  
the Committee

from time to time.

6. Section 45 of the principal Act is amended in subsection (1) by substituting therefore the following new subsection, that is:-

(1) There shall be for the Board a Secretary who shall be:-

- (a) appointed by the Board; and
- (b) be responsible to the Board through the Governor

(2) The Secretary shall be responsible for:-

- (a) convening on the authority of the Chairman, meetings of the Board;
- (b) recording the minutes of all meetings of the Board and such other meetings as the Board may direct;
- (c) acting as Secretary to any committee of the Board;
- (d) maintaining and keeping minute books and a register of the Directors of the Bank;
- (e) keeping safe custody of the common seal of the Bank;
- (f) keeping in safe custody all title documents relating to the Bank's properties;
- (g) keeping in safe custody all agreements entered into by the Bank and any third party;
- (h) carrying out such other duties and responsibilities as may be assigned to him from time to time, by the Governor"

7. The Central Bank of Nigeria (Amendment) Act 1997 is hereby repealed.

8. This Act may be cited as the Central Bank of Nigeria (Amendment) Act 1998.

Repeal of  
1997 No. 3

Citation

MADE at Abuja this 22<sup>nd</sup> day of December 1998

**GENERAL A. A ABUBAKAR**  
*Head of State, Commander-in-Chief  
of the Armed Forces  
Federal Republic of Nigeria.*

**EXPLANATORY NOTE**

*(this note does not form part of the above Act but is intended to explain its purport)*

The Act amends the Central Bank of Nigeria Act 1991, as amended, to provide among other things, for the reconstitution of the Board of the Directors of the Bank.

## Act No. 41

{10<sup>th</sup> May 1999}

Commencement.

THE FEDERAL MILITARY GOVERNMENT  
hereby decrees as follows: -

1. The Central Bank of Nigeria Act 1991 (in this Act referred to as "the principal Act"), as amended, is hereby further amended as set out in this Act. Amendment of 1991 No. 24. 1997 No. 3. 1998 No. 37.
2. Section 6 of the principal Act is amended in subsection (3) (a) by substituting therefor the following new paragraph, that is - Amendment of section 6.

"(a) the consideration and approval of the annual budget of the Bank;"
3. Section 8 of the principal Act is hereby deleted. Deletion of section 8.
4. Section 9 of the principal Act is amended in subsection (2) by substituting for the word "five" appearing in the proviso thereto the word "four". Amendment of section 9
5. Section 46 of the principal Act is hereby amended by - Amendment of section 46.
  - (a) deleting subsection (1) thereof; and
  - (b) renumbering subsection (2) as "section 46".
5. This Act may be cited as the Central Bank of Nigeria (Amendment) Act 1999. Citation

MADE at Abuja this 10<sup>th</sup> day of May 1999.

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**GENERAL ABDULSALAMI ALHAJI ABUBAKAR,**  
*Head of State, Commander-in-Chief*  
*Of the Armed Forces,*  
*Federal Republic of Nigeria.*

**EXPLANATORY NOTE**

*(This note does not form part of the above Act but is  
intended to explain its purport)*

The Act amends the Central Bank of Nigeria 1991, as amended, to give the Board of Directors full responsibilities over the consideration and approval of the annual budget of the Bank.