



Regulating Foreign Direct Investments: the role of Central Banks

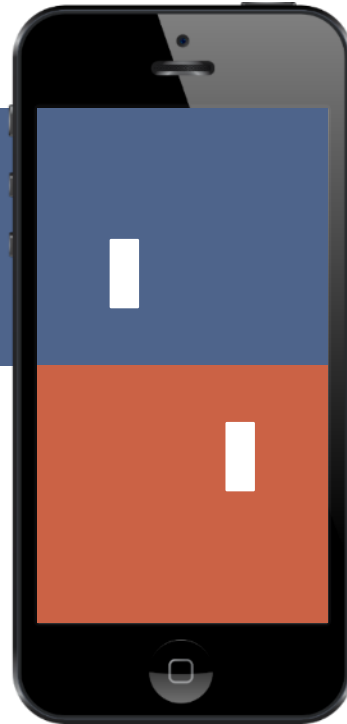
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Outline

The FDI Ecosystem from a Regulator's Spectacle

An outline and review of the FDI value-chain, developments in the sector, the functions, activities and stakeholders of the value chain.

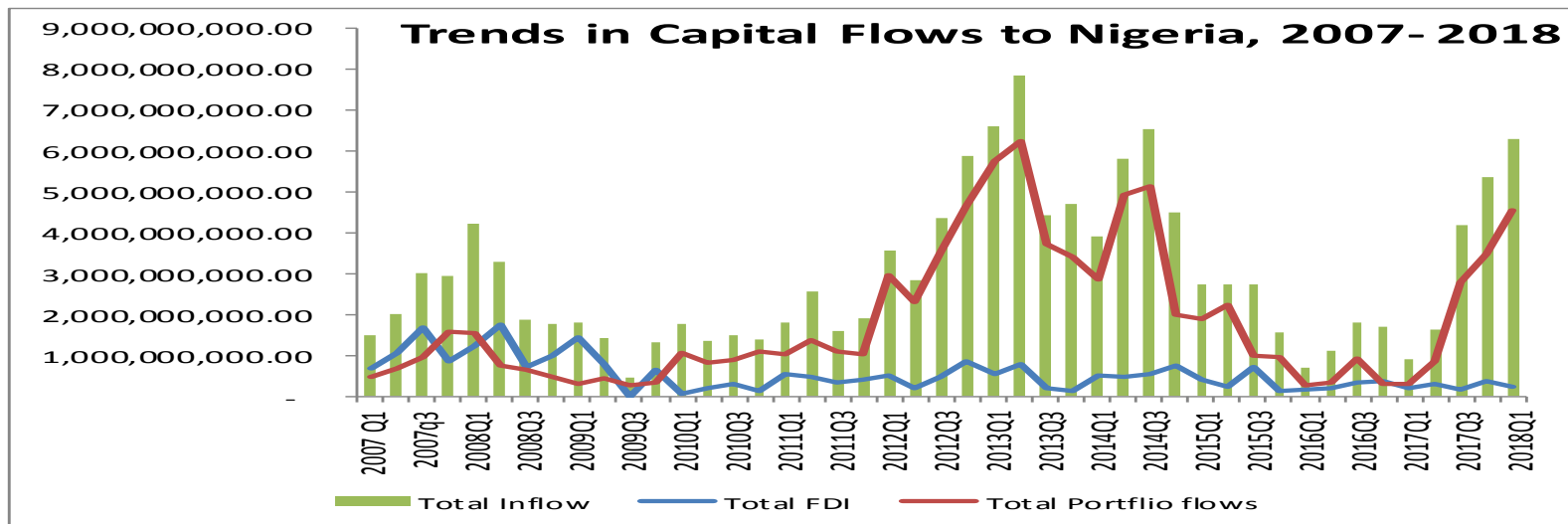
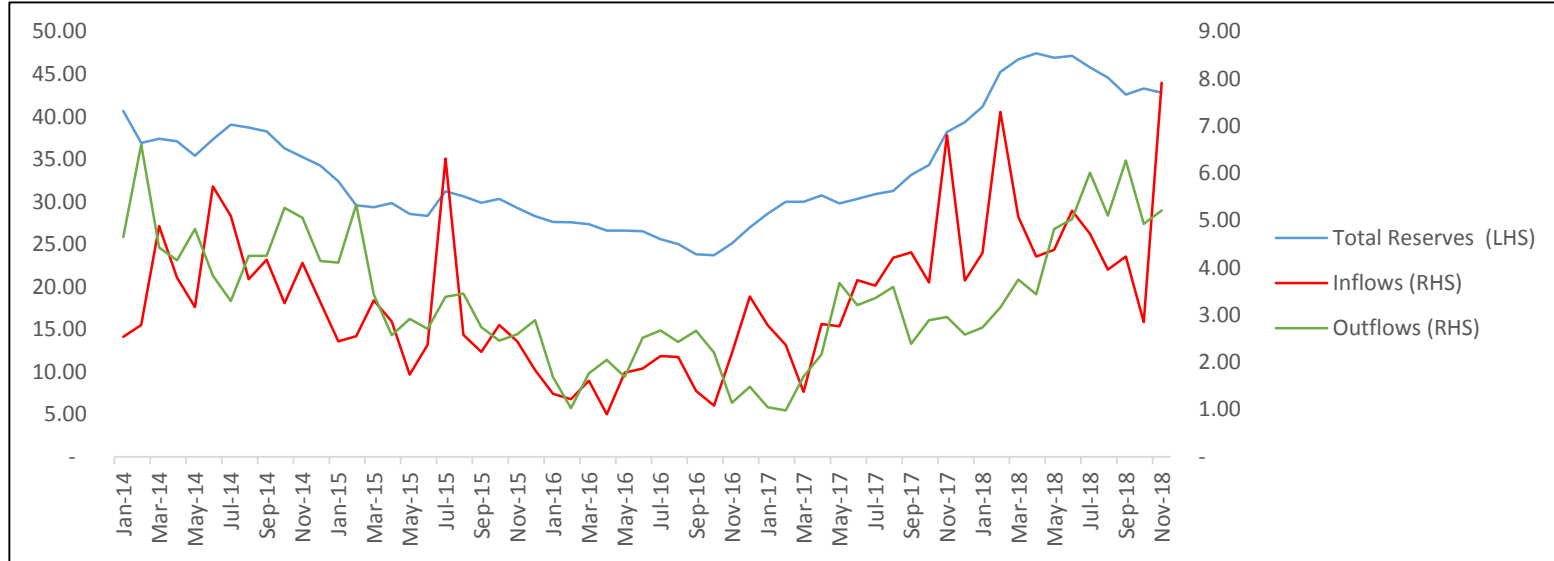


How is FDI regulated in Nigeria? What policies currently dominate the operational space and what interactions and interfaces exist between the regulator and the operators?

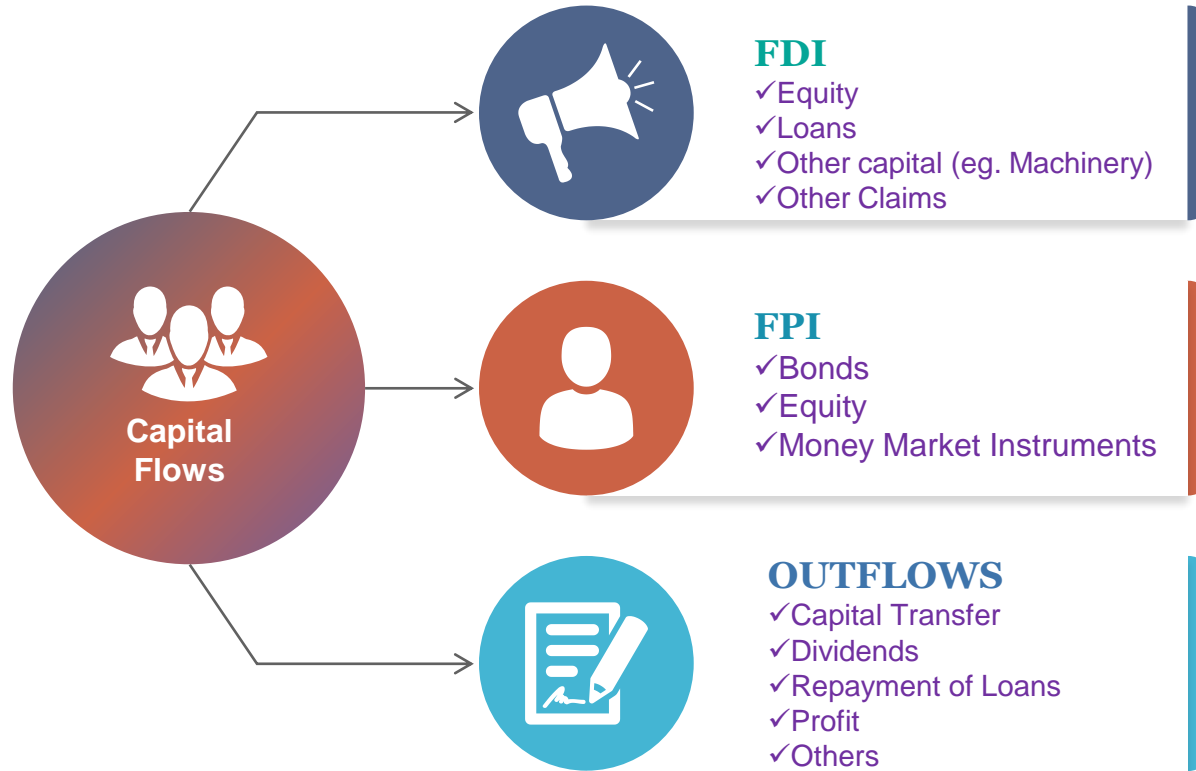
The Rules of the Game: an overview of the policy and regulatory framework

Nigeria's Foreign Investment Outlook

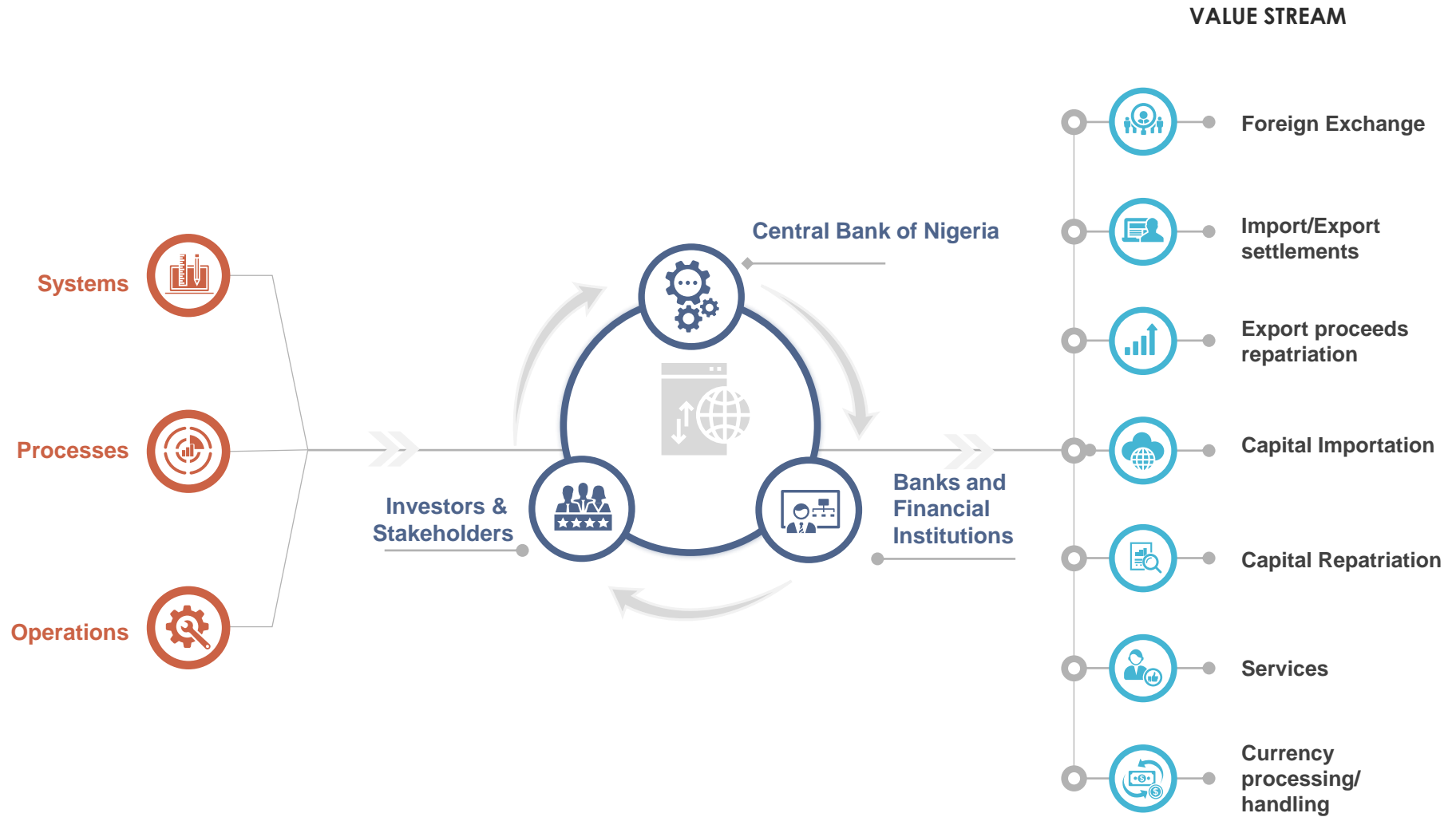
Capital flows in relation to Reserve levels



Capital Flow Categories



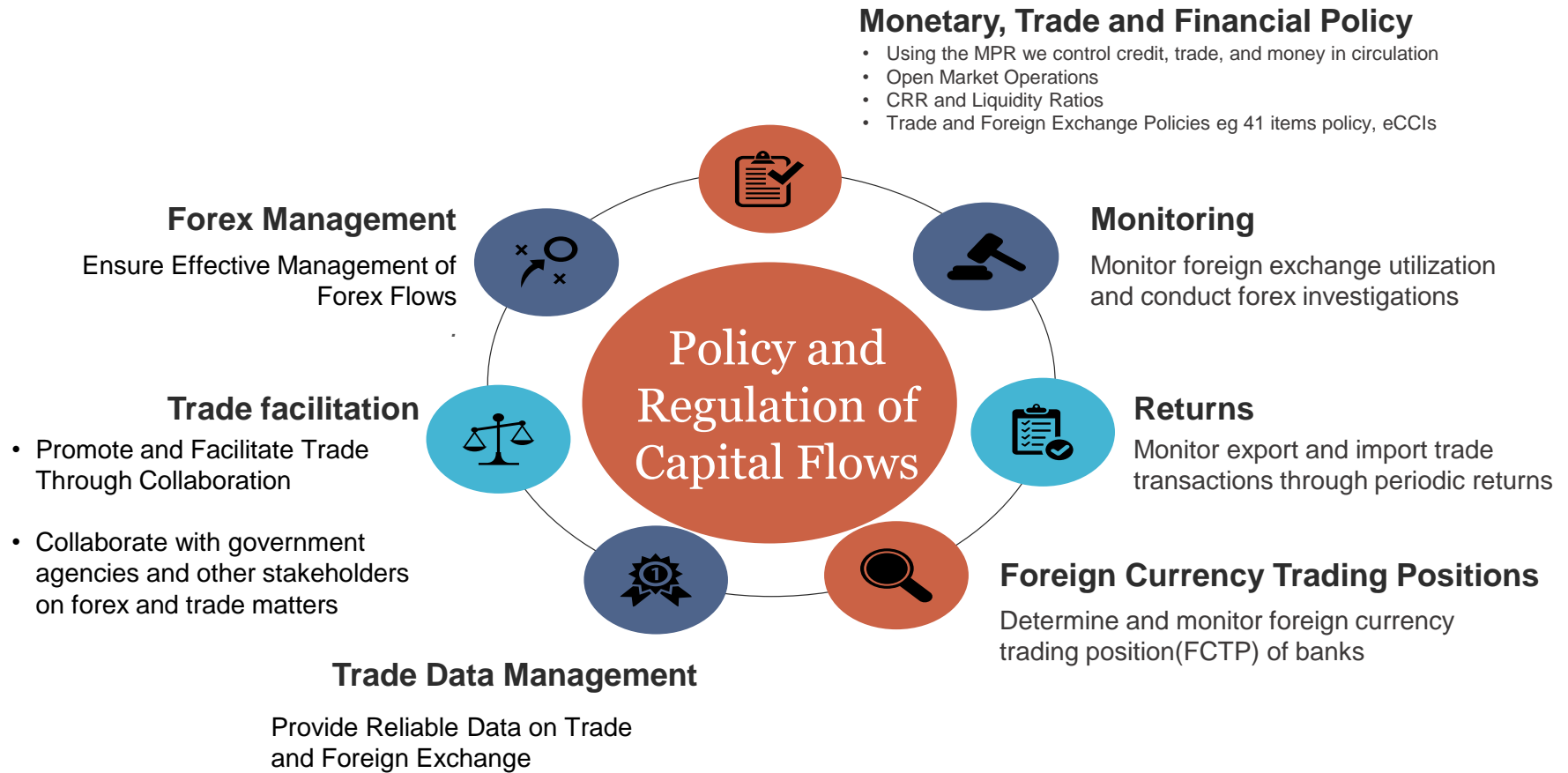
Foreign Investment Value Chain



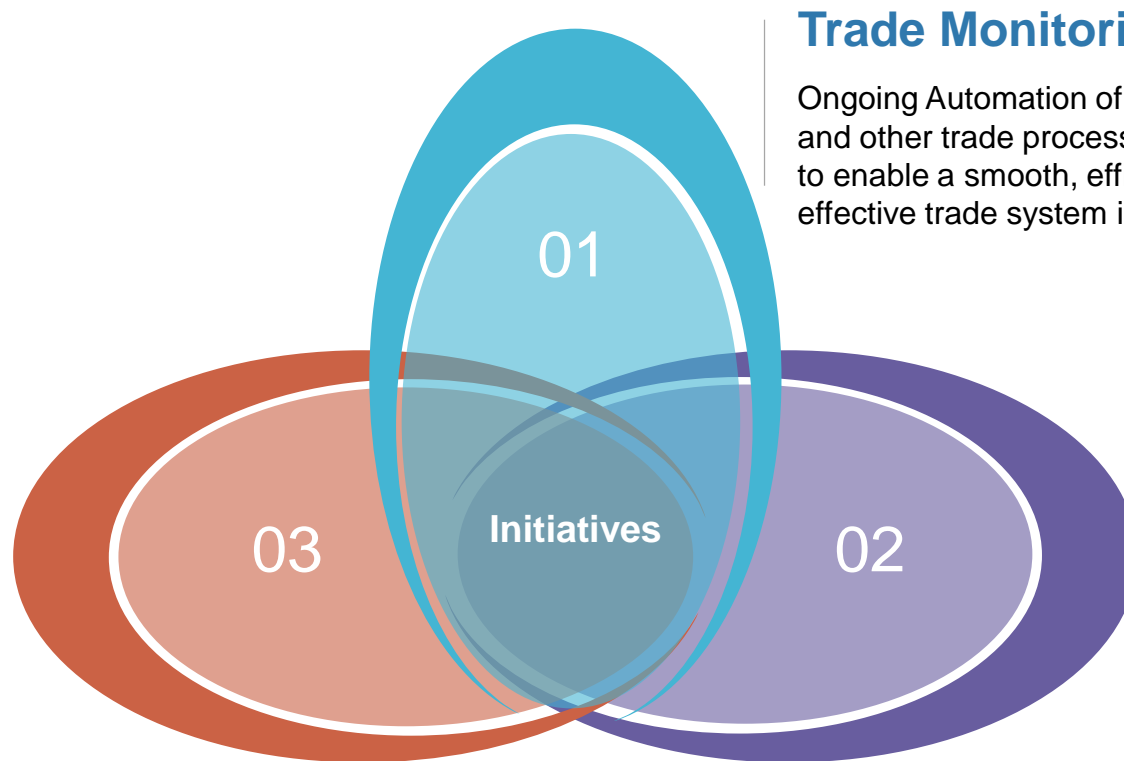


The Rules of the Game: Policy and Regulatory framework

Regulating Capital Flows



Our initiatives to ensure a world-class trade system in Nigeria....



Trade Monitoring System

Ongoing Automation of forms M, NXP, A and other trade processes and functions to enable a smooth, efficient and cost-effective trade system in Nigeria

Updated Monetary Policy Communication Strategy

- Formulate, issue and communicate trade and forex policies to stakeholders for effective implementation
- Coordinate and manage stakeholders in the trade value chain
- Communicate monetary policies with regard to trade and forex

Early Warning Signal Framework

- Analyse forex inflow and outflow data to identify and manage signals for policy decisions
- Identify and manage signals from BDC segment for policy inputs
- Provide overall trade data to management for policy decisions to forestall instability

Recent Developments in the Policy Scene



Trade



Foreign Exchange

Policy Developments

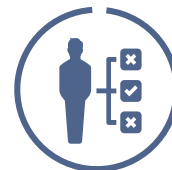
Forex Manual Review

Reviewed the Forex Manual in line with recent developments in the trade value chain



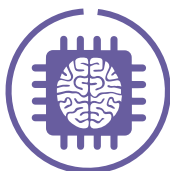
eCCIs

Deployment of e-Certificate of Capital Importation system to track foreign investments in the economy on real-time basis and manage the impact of capital flows



Review of Documentation Requirements

Review of initial validity period of Form "M" from 180 days to 360 days (for general merchandise) and 720 days (plant, machinery and equipment).



Reduction of documentation requirements for import and Export from 14 to 8 and 10 to 7, respectively. In addition, the timeline for processing Form NXP was reduced to 48 hours



Investors and Exporters Window

Establishment of the Investors and Exporters Window to facilitate price discovery and provide liquidity for the market

IMTOs

Introduction of international money transfers to formalize diaspora remittances and enhance ability to track financial flows





Thank You

