



# CBN New Currency Fact Sheet

## What are the issues?



**a. Significant hoarding of banknotes by members of the public.**

i. Statistics show that over 80% of cash in circulation is outside commercial banks' vaults.

**b. Banknotes remain outside banks for significantly extended periods.**

i. Risk of increased black/underground economic activities. (kidnapping for ransom, narcotics trade, etc.)

**c. The worsening shortage of clean and fit banknotes in circulation.**

i. The negative portrayal of the Bank and Nigeria

**d. High cost of cash management**

i. Expenditure of Production, Storage, Distribution, Processing & Disposal functions borne by CBN and the banking sector continue to rise.

**e. Several security reports evidence increasing risk and ease of counterfeiting.**

i. Increased risk to financial stability.

**f. The extended period since the introduction of the current series of banknotes.**

i. Global best practice suggests banknotes should be redesigned every 5-8 years to combat counterfeiting.

ii. N1000, N500, and N200 have been in circulation for 15, 19, and 20-plus years respectively.

## Benefits of Redesign Exercise



**a. Reduced cost of cash management**

i. Reduced volume of cash in circulation will translate directly to cost savings for CBN and the banking sector.

**b. Reduced volume of cash in circulation**

i. Disruption of black/underground economic activities (money laundering, kidnapping for ransom, etc.)

ii. Improved visibility and control of the money supply.

**c. Disrupt counterfeit activities**

i. Enhanced resilience of the financial system

ii. Enhanced confidence in the Naira

d. Enhance adoption of digital/electronic transacting channels

i. Enhanced financial inclusion

ii. Reduced cost of financial services

**d. Enhance adoption of digital/electronic transacting channels**

i. Enhanced financial inclusion

ii. Reduced cost of financial services



## Key Points To Note



- **New Designs are to be introduced on 15th December 2022.**  
The current series is being withdrawn from circulation. (Cease To Be Legal Tender After January 31, 2023)
- **General Public is advised to commence deposit of cash holdings in these denominations at their commercial banks.**
- **Public to disregard disinformation in the media**
  - i. No new denominations will be introduced (disregard videos of supposed N2000 and N5000)
  - ii. Inscriptions on banknotes will not be changed.
- **Do not expect to get cash exchange for deposits.**
- **The public has a variety of options for accessing financial services** (Internet banking, mobile apps, ATMs, cards/POS, etc). USSD code is also available for simpler future phones.
- **Account opening is easy. Citizens without bank accounts are encouraged to visit banks of their choice to open accounts.**
- **Cash processing facilities at banks and the CBN will be open from Monday to Saturday, to handle the volume of cash expected to be paid in.**