



# PAPSS

Pan-African Payment  
& Settlement System

Supported by



AfCFTA  
Secretariat

28<sup>th</sup> July 2023

## **PAPSS SCHEME ANNOUNCEMENT: GUIDELINES ON PAPSS TRANSACTIONS SETTLED USING THE CENTRAL BANK OF NIGERIA FOREIGN EXCHANGE**

Following the publication of the circular dated July 25, 2023 and referenced TED/FEM/PUB/FPC/01/005, the Central Bank of Nigeria provided additional clarifications on PAPSS transactions originated from Nigeria and settled using CBN foreign exchange:

S/N	Item	Guidelines
1	<b>Eligible transactions on PAPSS settled using CBN foreign exchange</b>	Trade transactions only
2	<b>Eligible payment mode</b>	Bills for Collection
3	<b>Limits</b>	<b>Authorised Dealer Bank (ADB):</b> US\$200,000.00 (Two Hundred Thousand US dollars) per quarter
		<b>Customer:</b> US\$20,000.00 (Twenty Thousand US dollars) per quarter. Multiple applications through different ADBs is not allowed.
4	<b>Approval process of PAPSS transactions settled by CBN</b>	Authorised Dealer Banks shall obtain the approval of CBN for USD cover, before initiating payments on PAPSS. The request for approval shall be submitted online on <a href="https://svp.tradesystem.gov.ng/">https://svp.tradesystem.gov.ng/</a>

The PAPSS Management Team is working closely with the Central Bank of Nigeria to monitor the transactions trends to gradually reassess these guidelines upwards. However, CBN has allowed the Authorized Dealer Banks to maintain a USD settlement account with PAPSS settlement bank (Afreximbank), to settle PAPSS transactions for which CBN would not provide foreign exchange.

**For ineligible transactions or eligible transactions above the limit set by CBN, ADBs can use their own settlement funds with PAPSS settlement bank (Afreximbank), and still benefit from instant payments in local currency and multilateral net settlement.**

For any question or clarification, please contact us by email on this address: [info@papss.com](mailto:info@papss.com).

Yours faithfully,

Mike OGBALU III  
Chief Executive Officer,  
Pan-African Payment and Settlement System (PAPSS)



## CENTRAL BANK OF NIGERIA

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**TED/FEM/PUB/FPC/01/005**

July 25, 2023

TO: ALL AUTHORIZED DEALERS

**RE: INTRODUCTION OF THE PAN AFRICAN PAYMENTS AND SETTLEMENT SYSTEM (PAPSS)**

Further to the circular dated October 11, 2021 and referenced TED/FEM/PUB/FPC/01/007 on the above subject, the Central Bank of Nigeria wishes to provide the following additional clarifications, for PAPSS transactions to be settled using CBN foreign exchange:

- I. That PAPSS transactions remain trade backed;
- II. That eligible payment mode shall be **Bills for Collection**.
- III. That the limit per customer shall be **US\$20,000.00** (Twenty Thousand US dollars) **per quarter**.
- IV. That the limit per Authorised Dealer Bank (ADB) shall be **US\$200,000.00** (Two Hundred Thousand US dollars) **per quarter**;
- V. That multiple applications through different ADBs is **not** allowed.
- VI. For settlement of PAPSS transactions **by CBN**, Authorised Dealers shall obtain the approval of CBN for USD cover, before initiating payments on PAPSS. The request for approval shall be submitted online on <https://svp.tradesystem.gov.ng>

Please note that Authorized Dealer Banks are allowed to maintain a USD settlement account with the PAPSS settlement bank, to settle PAPSS transactions, for which CBN would not provide foreign exchange.

Please ensure compliance.

**DR O.S. NNAJI**  
**DIRECTOR**  
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