

CBN's RT200 Non-Oil Export Proceeds Repatriation Rebate Scheme



On 25th February 2022, the Central Bank of Nigeria (CBN), in a concerted effort to reduce exposure to volatile sources of Foreign Exchange (FX) and to earn more stable and sustainable inflows introduced the RT200 Programme. According to the Regulator, the Programme is a rebate scheme aimed at raising 200 billion Dollars in FX earnings from non-oil proceeds over the next five years. The CBN noted that the essence of the scheme is to provide incentive for non-oil exporters to encourage repatriation and sale of export proceeds in the FX Market to achieve more stable and sustainable inflows of FX, in order to insulate the Nigerian economy from FX shocks and shortages.



Objectives of the Scheme

According to the Guidelines, the Rebate Scheme is aimed at enhancing FX inflow, diversifying the source of FX inflow, increasing the level of contribution of non-oil exports, ensuring stability and sustainability of FX inflows and supporting export-oriented companies to expand their export operations and capabilities.

What are the Incentives Under the Scheme?

The beneficiaries shall be paid:

- a. N65 for every US\$1 repatriated and sold at the I & E Window to Authorized Dealer Banks for other third-party use; and
- b. N35 for every US\$1 repatriated and sold at the I & E Window for own use on eligible transactions only. The spread, however, would not be more than 10 Kobo.

Payments under this Scheme is to be made on a quarterly basis to deserving exporters.

Who is eligible under the Scheme?

Only exporters of semi-finished and finished goods are eligible. Exporters can only be deemed to have qualified for the rebate incentive under the Scheme where repatriated export proceeds are sold at the Investors' and Exporters' (I&E) Window.

What transactions qualify for the Incentives under the Scheme?

The following transactions shall qualify for the rebate incentive under this Scheme:

- a. Export of finished and semi-finished goods wholly or partly processed or manufactured in Nigeria; and
- b. Export of goods and services (I.T. and Creative Businesses) that are permissible and excluded under the existing export prohibition list.

To benefit from the incentive, an exporter who carries on the business outlined above must also ensure that it is registered with the Corporate Affairs Commission (CAC) and the National Export Promotion Council (NEPC) and must also ensure that the sale of repatriated export proceeds is conducted at the I&E Window.

Application Procedure

Each application for the incentives must be made to an Authorized Dealer Bank, who shall authenticate all documents submitted for rebates. Each application must be accompanied by:

- a. A written request from the exporter;
- b. Completed application form;
- c. Documents required for exports as stipulated under the FX Manual;
- d. Evidence of repatriation and sale of export proceeds at the I & E Window; and
- e. Any other documents that may be required by the CBN.

The Authorized Dealer Bank shall forward the documents to the CBN's Trade & Exchange Department for approval.

Sanctions: Any exporter that presents fraudulent documents shall be banned from assessing the scheme for 24 months and its accounts shall be placed on Post-No-Debit (PND) order for the same period. The sanctions applies to any bank who circumvents the Scheme.