COVID-19 BENEFIT AND RELIEF MEASURES IN NIGERIA

ISSUE 01
NAICOM adjusts rules of Insurers Operations

The National Insurance Commission says it has given regulatory forbearance to insurance companies as part of business continuity measures to ensure availability of insurance services and protection of policyholders during the COVID-19 movement restriction.

**Responsible Authority:** National Insurance Commission (NAICOM)

**Responsible Institution:** Insurance Companies in Nigeria

**Eligible Beneficiaries:** Companies affected during the Covid-19 Crises i.e Importers and exporters

**Special Conditions:** The commission stated that while all insurance and reinsurance placements must be done in accordance with other relevant extant laws, all submissions to the commission including hard copies sequel to the above forbearance must be done not later than seven days from the end of COVID-19 movement restrictions.

**Website:** [Click Here](#)

New Moratorium on Mortgage Obligations of Nigerians

This is targeted at individuals that have existing Mortgages under the National Housing Fund.

**Responsible authority:** House of Assembly

**Responsible Institution:** National Housing Fund

**Eligibility Beneficiaries:** Nigerian Citizen

**How to apply:**
- Registration via NHF 1 (employer) and NHF 2 (employee) forms.
- Deducted monthly contributions remitted to FMBN promptly (At least 6 months contributions should be made)
- Passbook to be updated by the employer and is transferable from one employment to the other.
- Yearly statement of cumulative contributions plus accrued interest
- Apply through any accredited Primary Mortgage Bank (PMB)
- Applicant must provide satisfactory evidence of regular income.

**Benefits:**
- Housing loan of up to 90% of the cost of the house.
- Interest on loans remains fixed throughout the life of the mortgage at 6% p.a.
- Long period of repayment of up to 30 years.
- Contributions can serve as additional old age security.
- Up to N15 million can be borrowed.
- Refunds with 2% interest on retirement.
- Loan repayment is about the same as a typical monthly rent.

Every contributor has a lifetime registration number, a passbook for personal recording of contributions and the account statement.

**Website:** [Click here](#)
Undisrupted Financial Services During COVID-19 Lockdown

The Minister of Finance, Budget and Planning and the Governor of the Central Bank of Nigeria obtained Presidential approval to permit critical financial services to function during this period. Consequently, relevant security agencies have been requested to grant passage to critical staff of these institutions to enable essential and strategic financial transactions to go undisrupted during the period of the lockdown. These institutions include:

- The Central Bank of Nigeria (CBN)
- Deposit Money Banks (DMBs)
- The Nigeria Interbank Settlement System (NIBSS) Plc
- Switching companies
- Mobile money operators
- Payment solution service providers

Given the ongoing restrictions and to check further spread of the coronavirus disease, the CBN hereby urges the general public to limit their use of cash and avail themselves of the use of alternative payment channels such as mobile banking, Internet banking, Mobile money, Point of Sale, and USSD.

**Responsible Authority:** Federal Government and CBN  
**Responsible Institution:** Banking Sectors  
**Eligibility Beneficiaries:** Nigerian Citizen  
**Website:** Click Here

CBN Issue Guidelines for N100bn Pharmaceutical Fund

CBN introduced a N100 billion credit support intervention for the healthcare industry to strengthen the sector's capacity to meet the potential increase in demand for healthcare products and services.

**Responsible Authority:** Central Bank of Nigeria (CBN)  
**Responsible Institution:** Health Sector  
**Eligible Beneficiaries:** Companies will be eligible to take loans amounting to 20% of the average of three year's turnover e.g. Pharmaceuticals/Medical Companies  
**Special Conditions:** 10 years with a maximum of a one-year moratorium on repayment.  
**Website:** Click Here

N1bn Fundraising Campaign to Support Health Workers

Companies and individuals have offered support in various forms as a means of showing their support towards the fight against coronavirus such as cash donation, material support as well as the provision of infrastructure but none is speaking to the need of the health workers. This initiative seeks to do just that. Tagged Health Workers Fund, this initiative is sourcing from the public a sum of One Billion Naira (N1, 000, 000, 000). The fund will be disbursed to frontline medical workers as Hazard Allowance. The health workers have needs and earn only N5, 000 a month as Hazard Allowance.

**Responsible Authority:** Giving.ng: companies & Individual  
**Responsible Institution:** Health Sector  
**Eligible Beneficiaries:** Health workers as a form of hazard allowance. The fund will be disbursed to frontline medical workers as Hazard Allowance  
**Website:** Click Here
Interest rate

Interest rate for all CBN Intervention facilities has been reduced from 9% to 5% and the monetary value has been retained at 13.5%. The cash reserve ratio (CRR) and Liquidity ratio remain unchanged at 27.5% to 30% respectively. Interest rates on all applicable CBN intervention facilities are hereby reduced from 9 to 5 per cent per annum for 1 year effective March 1, 2020.

Responsible authority: Central Bank of Nigeria (CBN)
Responsible Institution: Qualified Micro Finance Banks
Eligibility Beneficiaries: Nigerian SME's
Website: Click Here

Loan and Intervention Funds

The CBN has embarked on N1 trillions in loans to boost local manufacturing and production in critical sectors (e.g. Pharmaceuticals), 50 Billion credit facility for affected households and SME's.
The CBN hereby establishes a facility through the NIRSAL Microfinance Bank for households and small- and medium-sized enterprises (SMEs) that have been particularly hard hit by Covid-19, including but not limited to hoteliers, airline service providers, health care merchants, etc.

Responsible authority: Central Bank of Nigeria (CBN)
Responsible Institution: NIRSAL Micro Finance Banks
Eligibility Beneficiaries: Nigerian SME's
Website: Click Here

Credit Relief

All CBN intervention facilities are hereby granted a further moratorium of one year on all principal repayments, effective March 1, 2020. This means that any intervention loan currently under moratorium is hereby granted an additional period of one year. Accordingly, participating financial institutions are hereby directed to provide new amortization schedules for all beneficiaries. The CBN has included an additional one-year moratorium for all CBN intervention Facilities.

Responsible authority: Central Bank of Nigeria (CBN)
Responsible Institution: Qualified Micro Finance Banks
Eligibility Beneficiaries: Nigerian SME's
Website: Click Here

50% income tax rebate on the total amount due on a pay as you earn (PAYE) tax

This is targeted on Nigerians who retain all their employees from March 1, 2020, to 31 December 2020 and is aimed at protecting employees from loss of jobs as a result of the Pandemic.

Responsible authority: Federal & State Government
Responsible Institution: Federal Inland Revenue Service (FIRS) & Lagos Inland Revenue Service (LIRS)
Eligibility Beneficiaries: Worker's and Businesses
Website: Click Here
Waiver of Import duties

Suspension on import duties on Medical equipment, Medicines and personnel protective equipment required for the treatment and management of Convid-19 for three months, effective 1 March 2020.

**Responsible authority:** Nigeria Customs Service  
**Responsible Institution:** Nigeria Customs Service  
**Eligibility Beneficiaries:** Importer’s and Exporter’s  
**Website:** [Click Here](#)

Credit Support for Healthcare Industry

To meet the potential increase in demand for healthcare services and products, the CBN hereby opens for its intervention facilities, loans to pharmaceutical companies intending to expand/open their drug manufacturing plants in Nigeria, as well as to Hospital and Healthcare practitioners who intend to expand/build the Health facilities to first-class centres. This is in addition to growing the size of existing interventions to the Agricultural and Manufacturing sectors in Nigeria.

**Responsible Authority:** Central Bank of Nigeria (CBN)  
**Responsible Institution:** Health Sector  
**Eligible Beneficiaries:** Health workers  
**Website:** [Click Here](#)

Strengthening Of The CBN LDR Policy

Given the success of the LDR Policy in growing credit to the economy and reducing interest rates, the CBN would further support industry funding levels to maintain DMBs’ capacity to direct credit to individuals, households, and businesses. We will also consider additional incentives to encourage the extension of longer-tenured credit facilities. DMBs are encouraged to continue to build capital buffers to improve the resilience of the sector.

**Responsible Authority:** Central Bank of Nigeria (CBN)  
**Responsible Institution:** Deposit Money Banks (DMBs)  
**Eligible Beneficiaries:** Individuals, Households, and Businesses  
**Website:** [Click Here](#)