

THE RELEVANCE OF CENTRAL BANK OF NIGERIA REFORMS ON BUILDING A SUSTAINABLE FINANCIAL SYSTEM IN NIGERIA

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Abstract

This study examined the relevance of Central Bank of Nigeria (CBN) reforms on building a sustainable financial system in Nigeria. The study adopted a descriptive design. Data were collected using 5 Likert-Scale questionnaire and analysed using Chi-square statistics. The study reveals that CBN's reform have significantly enhanced financial credit system in Nigeria, to a an extent impacted positively on financial information disclosure and to a reasonable extent protected the interested of the banking public by providing a safety net for depositors' funds. On the basis of the findings, study submits that the apex bank should pay attention to burning issues such as interests rates charged on the credits extended to bank customers as it is considered quite unacceptable and cannot support any reasonable economic development. It should also as a matter of expediency, consider the near zero interests which banks pay to the saving public as this discourages saving culture needed to build up savings. They should also map out deliberate strategies to adequately compensate those investors who lost their funds due to policy of acquisition of some banks by the Asset Management Corporation of Nigeria (AMCON). Finally, the CBN should ensure that all banks comply fully with requirements of the International Financial Reporting Standards to enhance financial information disclosure to the banking public.

Keywords: *Banking, CBN, Financial System, Information Disclosure, Depositors' Funds*

INTRODUCTION

The objectives of establishing Central Bank of Nigeria (CBN) were to serve as banker to the banking systems, to perform supervisory role over the commercial banks and issue currency thus regulating the supply of money in the country. It also acts as financial adviser to the government on monetary policy and implementing the policy on behalf of the government. Others include: issuing legal tender currency, maintaining the value of the domestic currency and enhancing mobilization of fund.

The Central Bank of Nigeria is government apex bank established to keep a country's financial system under control and supervision. It is expected particularly to promote economic growth by fostering the development of money market, banking habits and sound financial system (Sanusi, 2009). In order to facilitate economic development, CBN tends to engage in activities which extend beyond its traditional functions. In this regard, it played a unique role in the development of Nigeria economy, particularly in promoting agricultural and industrial development in general. Also, it has made greater efforts in the banking industry through recapitalization and consolidation. Its efforts in stabilizing the global economic melt down which affected Nigeria as a country cannot be overlooked.

The bubble that saw many banks declare fabulous profits which crashed in the face of the global melt down also got some banks tilting towards collapse while some could not brace up with the challenges and almost collapsed the storm. The CBN swiftly embarked on series of reforms aimed at not only checking eminent bubbles and bursts but that which should provide Nigeria business community a financial sector that could support sustainable economy. It is against this backdrop, that this paper reviews the relevance of the reforms to seeing its efficacy at achieving the above sought out objectives. The rest of this paper is categorized into four sections namely section two which reviews some extant literature, section three provides the study's methodology, section four presents the data collated and analyzes them and lastly, five provides a summary of the findings, conclude and proffer recommendations.

Statement of Problem

The governments of the Nigeria economy have over the years witnessed serious of macro-economic activities, low capacity utilization, increased unemployment rate, global financial crisis, illiquidity, wobbling exchange rates, depreciation of its currency against the dollar and increased interest rates. CBN intervention to ensure confidence in the financial systems was eminent as part of its core function. The Central Bank embarked on some transformation moves nicknamed 'reforms' to ensure that the financial system plays its key role of providing a platform that could support sustainable and virile economy for Nigerians. Against this backdrop, many

scholars have criticized some of these measures arguing that they provide a fire-brigade approach to the problems while others have lauded the efforts of the apex bank. It is in the light of this controversy that this study has set out to empirically probe further on the efficacy of CBN's reforms at providing Nigerian banking community a viable financial system that could engender sustainable economic development.

Objectives of the Study

The main objective of this study is to appraise the relevance of Central Bank of Nigeria Banking reforms on building a sustainable financial system in Nigeria. The study will however address the following specific objectives:

- i) Assess if CBN's reform policies have enhanced financial credit system in Nigeria.
- ii) Determine the extent to which CBN's reforms have affected financial information disclosure to the Nigerian banking public.
- iii) Examine the extent to which CBN's reforms impact the safety of depositors' funds.

Research Questions

The study has the following research questions as a guide:

- i) How have CBN's reform policies enhanced financial credit system in Nigeria?
- ii) To what extent have the reforms affected financial information disclosure to the Nigerian banking public?
- iii) How far have the CBN's reforms impacted the safety of depositors funds?

Research Hypotheses (Null)

Ho: CBN's reform policies have not significantly enhanced the financial credit system in Nigeria.

Ho: CBN's reforms have not significantly affected financial information disclosure to the Nigerian banking public.

Ho: The safety of depositors' funds is not significantly enhanced by the Central Bank of Nigeria's reforms.

REVIEW OF RELATED LITERATURE

Central Bank Nigeria's Reforms (2004-2008)

Recapitalization of Banks

According to Soludo (2004), the call for capitalization in the banking industry has raised much argument among the bank regulators, promoters and depositors as if shoring up of bank's capital base is a new phenomenon in Nigeria. Recapitalization is an important component of

reforms in the banking industry, owing to the fact that a bank with a strong capital base has the ability to absorb losses arising from non-performing liabilities. Attaining capitalization requirement is achieved through consolidation, convergences as well as the capital market. Thus, banking reforms are primarily driven by the need to achieve the objectives of consolidation, competition and convergence, in the financial institution.

Reasons for Banks' Recapitalization

The major objective of the banking system is to ensure price stability and rapid economic development, Soludo (2004). He notes that the objectives have remained largely unattained in Nigeria as a result of some deficiencies and identified them to include:

- i. **Low Capital Base:** The average capital base of Nigeria banks was N2 billion, which was very low compared to that of banks in other developing countries. Similarly, the aggregate capitalization in the Nigeria banking system at N311 million (US \$204 million) was grossly low in relation to the size of the Nigeria economy and to the capital base of (US \$688 billion) for a single banking group in France and (US \$541 billion) for a bank in Germany.
 - ii. **Poor rating of number of banks:** Though the banking system in Nigeria was on the average rated satisfactory, a detailed analysis of the condition of individual banks as at December, 2004, showed that no bank was rated very sound.
 - iii. **Desire for growth:** A merger arrangement may be entered into by a bank with a view to harnessing the other bank to achieve the desired growth.
 - iv. **Technological drive:** A bank desirous of enhancing its operations but constrained by its inability to easily access the needed technology may be driven into merging with another which has the technological advantage over it.
 - v. **Increased market share:** Consolidation (merger and acquisition) may be compelled by the desired banks that have similar line of product to enlarge its market share after the merger.
- Soludo(2004) further identified Nigeria banking system suffers the following operational problems: Weak corporate governance, Inaccurate and no-compliance with regulatory requirement, over-dependence on public sector deposits, neglect of small and medium scale private savers, and poor asset quality.

The Vision and Agenda for Consolidation

According to Soludo (2004), the vision and agenda for consolidation are as follows:

- i. To view Nigeria as Africa's financial centre and CBN as one of the best in the world.
- ii. To facilitate the evolution of a strong and safe banking system.
- iii. To improve transparency and accountability in the sector.

- iv. To drive down the cost structure of banks and make them more competitive and development oriented.
- v. To have a new banking system that depositors can trust and investors can rely upon to usher in a new economy.
- vi. Capitalization of banks to N25 billion by December 31, 2005 to enhance: Stricter enforcement of corporate governance principles, Policy framework on Risk management system, Strengthening risk management systems in banks, Risk based supervision, Zero tolerance on misreporting and infarctions and, Payment system reforms.
- vii. Closer collaboration with the Economic and financial crimes commission (EFCC) in the establishment of the financial intelligence unit (FIU) and enforcement of anti-monetary laundering measures.
- viii. To create some element of reform, to strengthen universal banking.

Benefits of Banking Consolidation in Nigeria

The consolidation program has fundamentally changed the nature of competition in the banking industry in Nigeria. Through the new minimum capital requirement, the number of banks in the country reduced from eighty-nine (89) to twenty-five (25) and later twenty – four (24). According to Soludo(2006), there are many benefits attached to the consolidation of the Nigerian banking sector. The benefits are:

- i. Emergence of 24 banks through consolidation compared to 89 banks before consolidation and more effective supervision focus on fewer 24 banks rather than 89 mostly sick banks. No more wholly regional/ ethnically based banks.
- ii. Strong capital is a basic indication of solvency and it will take a while along with careless risk for any of the capitalized banks to walk its way into insolvency and the consolidation provides a vehicle for taking out the weak banks in the system in an orderly manner.
- iii. The consolidation has improved profitability and operational efficiency of banks and the expansion of the shareholding base of Nigeria banks, thus eliminating the phenomenon of family banks and the tendency for poor corporate governance.
- iv. The Nigeria economy was stronger and better capitalized to finance the long term development projects in different sphere of the economy and business. Banks will also invest in infrastructure development, good business enterprises and moreover, support entrepreneurship.
- v. Banks will invest heavily in training and development of manpower and enhanced liquidity and capitalization of stock market while aggregate capitalization of banks as a share capitalization rose from 24% to 38%.

Other Policies of the Central Bank of Nigeria aimed at Stabilizing the Economy

Onyido (2009) noted that in CBN's efforts to contain the challenges of the global financial crises on the Nigerian banking sector, and allow it perform its functions as an investment vehicle, a number of policy measures were taken by the CBN. Some of the measures are as follows:

- i. To increase the flow of credit into the market, a range of measures were taken by the CBN to inject liquidity into the banking system at various meetings of the monetary Policy Committee (MPC). These measures included: Systematic reduction of the monetary policy rate (MPR) from 10.25 percent to 6.00 percent between September 2008 and May 2009.
- ii. Maintain an interest rate corridor of +/- 200 basis points around the MPR; for accessing the CBN standing lending / deposit facility. Deposit facility was later put at 400 and later 500 basis points below the MPR.
- iii. Reduction of the liquidity ratio from 40.0 percent of total deposit liabilities to 25.0 percent, between September 2008 and April 2009.
- iv. Reduction of the cash reserve requirement of the DMBs from 4.0 percent to 1.0 percent between September, 2008 and April, 2009.
- v. Introduction of the expanded discount window (EDW), which involves extending the tenor of liquidity provided through the discount window from overnight to maturities of up to 360 days.
- vi. Limiting deposit rates to 15.0 percent and lending rates to 22.0 percent, to ensure that the real sector of the economy were able to access loans from the DMBs.
- vii. Setting up of a N200.0 billion special Agricultural fund (SAF) for commercial agricultural production.
- viii. In order to ensure that the banking system did not go into distress, the CBN introduced the resident bank examiners to monitor the day-to-day developments and transactions of the DMBs. Thus enabling the injection of more liquidity into the banking system, setting up supervisory measures to guard against distress as well as preserving and guarding Nigeria's external reserves.

Central Bank of Nigeria 'S Reforms (2008-2013)

Objectives of the Reforms

On assumption of Mallam Sanusi Lamido Sanusi into office on June 4, 2009 as CBN governor, a review in the activities of Expanded Discount Window was conducted. The regime detected that the total amount outstanding for banks in the EDW was N256.571 billion most of which was owed by five banks, (Sanusi, 2009). The review also depicts that these banks had been almost

permanently locked in as borrowers and were clearly unable to repay their obligations to depositors and creditors.

In line with this, the CBN commissioned a forensic audit of ten (10) money deposit banks, a joint effort of Nigerian Deposit Insurance Corporation (NDIC). The 10 banks were namely: Diamond Bank Plc, First Bank of Nigeria Plc, United Bank for Africa Plc, Guaranty Trust Bank Plc, Sterling Bank Plc, Intercontinental Bank Plc, Union Bank of Nigeria Plc, Oceanic International Bank Plc, Finbank Plc and Afribank Plc. Sequel to the audit, which was made public on August 14, 2009 the CBN found five (5) banks in a 'grave situation,' namely: Afribank Plc, Intercontinental Bank Plc, Union Bank of Nigeria Plc, Oceanic International Bank Plc and Finbank Plc. The banks were said to have lent out loans without securities thereby misappropriating depositors and stakeholders fund. He termed this situation illiquidity and capital erosion. The banks were subsequently penalized as their boards were abruptly dissolved. The CBN subsequently injected N620 billion in the form capital to the five banks to enable them continue as going concern. However, the funds were to be managed by the Assets Management Corporation of Nigeria (AMCON).

The CBN also organized and had the remaining 14 banks audited by its, namely: Bank PHB Plc, Equatorial Trust Bank Plc, Spring Bank Plc, Wema Bank Plc, Access Bank Plc, Citibank Nigeria Limited, Ecobank Nigeria Plc, Fidelity Bank Plc, First City Monument Bank Plc, Skye Bank Plc, Stanbic IBTC Bank Plc, Standard Chartered Bank Limited, Zenith Bank Plc, Unity Bank Plc.

The special examination primarily focused on assessing the health of the banks with particular focus on issues such as Liquidity, Capital adequacy and Corporate governance. After a review of the findings of the special examination report in aspect of the 14 banks, the CBN announced on October 2, 2009 that nine (9) banks had adequate capital and liquidity to support the level of their current operations and future growth. There were: Access Bank plc, Citibank Nigeria Limited, Ecobank Nigeria Plc, Fidelity Bank Plc, First City Monument Bank Plc, Skye Bank Plc, Stanbic IBTC Bank Plc, Standard Chartered Bank Limited, and Zenith Bank Plc. The 10th bank which is Unity Bank, was adjudged to have insufficient capital but not in a grave situation because it had a healthy liquidity position.

However, four (4) banks were found to be in a 'grave situation', namely: Bank PHB Plc, Equatorial Trust Bank Plc, Spring Bank plc, and Wema Bank Plc. CBN sacked and replaced the executive management of three banks, leaving Wema Bank Plc. The banking watches dog also injected N200 billion as liquidity support and long term loans for the four banks to enable them continued normal business, while pursuing capitalization option. Also it ordered Unity Bank and Wema Bank to recapitalize not later than June 30, 2010.

Other issues discovered by the CBN in many of the banks include: Weak risk management and serious liquidity shortages, sub-standard corporate governance, Insolvency, weak business sector lending, Lack of expertise, Exposure to high risk situation, Mismanagement of depositors fund, and Inefficient monitoring of subsidiaries.

Key Achievements of the Reforms

Sanusi (2010) notes that in stabilizing the banking industry, CBN in the past one year has taken measures in areas such as corporate governance, risk management and capacity building. On corporate governance, the CBN has achieved: Transparency (full disclosure of financial statements especially the Balance sheet) in banks.

- i. Accountability (to stakeholders and the CBN) in banks.
- ii. Role of stakeholders
- iii. Report lines
- iv. Tenure issues (CEOs 10 year mandated by CBN)
- v. Appointment of CEOs, directors and auditors by the CBN.

Risk Management Issues: The CBN has taken measures in:

- vi. Common year end (For all banks to 31st Dec. 2009).
- vii. New prudential guidelines
- viii. New rules on margin trading which is limited to 10 percent of total loan portfolio.

On capacity building, the CBN stressed a need for getting appropriate personnel with the right capacity on the part of the regulators as well as issues of appropriate banking model. Sanusi(2010) also highlighted other achievements to include: invalidation of universal banking in Nigeria and categorization of banks into: International, national, regional and specialized banks which would aid the springing up of smaller banks in the country. In this regard, banks are expected to develop in accordance with their core competences. Also inflation rate of about 15 percent as at May, 2009 has declined to 11.8 percent as at March, 2010.

The Naira which was trading at 189/190 early last year in the market has come down to about N150/152 in exchange for \$1 now. Inter-bank rates were at 22 percent before and have now been down to about 2 percent for a long time. The stock market has gone up to 30 percent since January, 2010. As a result of the state of the economy now, foreign investors are coming into Nigeria says Sanusi. Lending rates are moderated. Nigeria has also recorded a steady growth in GDP recently. Banks have embraced international reporting standards and their profitability margins are moderated. Olajide(2010) submits that financial analysts commended the CBN for restoring confidence in the banking sector.

RESEARCH METHODOLOGY

Research Design

This study adopted the survey and descriptive research approach.

Population and Sample Size determination

This study is centered on the Nigeria banking sector and has all the banks as its population. The target population is the banking public in Enugu State. The study comprises bank staff and other stakeholders. A sample size of Eighty (80) respondents were chosen using Stratified Random Sampling Technique.

Description of Research Variables

Independent variable: The independent variable here is described by the proxy of Banking Reform (recapitalization of N25 billion).

Dependent variable: The dependent variables are described by disclosure of financial information, safety of depositors funds, financial credit system (availability of credit facilities).

Data Collection Tool

Data for the study analysis were basically primary data sourced using 5-Scaled Likert structured questionnaire.

Data Analysis

Data was first subject to descriptive statistics. The Chi-square Statistics was used to test the hypotheses.

ANALYSIS AND FINDINGS

Eighty 80 questionnaires were administered while 49 were returned as this represents a 61.25% return rate. Table 1 shows that out of 80 questionnaires representing 100%, 49 or 220.5 or 61.25 were returned, while 31 or 139.5 or 38.75% were not returned.

Table 1. Analysis of Questionnaire Administered

<i>Return</i>	<i>Frequency</i>	<i>Degree</i>	<i>Percentage</i>
No. Distributed	80	-	-
No. Returned	49	220.5	61.25
No. Not Returned	31	139.5	38.75
Total	80	360	100

Descriptive Statistics

An analysis of the questionnaires shows that the nine (9) questions raised represents the problems, objectives and statements designed for investigation.

Table 2. Question 1: The Reforms has significantly enhanced financial credit system in Nigeria.

<i>Response</i>	<i>Frequency</i>	<i>Degree</i>
Strongly agree	40	82
Agree	9	18
Undecided	-	0
Disagree	-	0
Strongly disagree	-	0
Total	49	100

The result shows that 40 or 82% and 9 or 18% responded very highly and highly agreed respectively while others are nil.

Table 3. Question 2: The CBN's reform has significantly impacted financial information disclosure.

<i>Response</i>	<i>Frequency</i>	<i>Degree</i>
Strongly agree	40	294
Agree	7	51
Undecided	2	15
Disagree	0	0
Strongly disagree	0	0
Total	49	360°

Table 3 presented an analysis that none responded strongly disagree and disagree respectively, 2 or 15° were undecided, while 7 or 51° and 40 or 294° agree and strongly agree respectively.

Table 4. Question 3: The CBN's reform has significantly ensured the safety of depositors' funds

<i>Response</i>	<i>Frequency</i>	<i>Degree</i>
Strongly disagree	28	57
Disagree	15	31
Undecided	0	0
Agree	5	10
Strongly agree	1	2
Total	49	100%

As in the above table, it is observed that 28 or 57% and 15 or 31% responded very proper and proper respectively, 5 or 10% and 1 or 2% responded improper and very improper respectively while none for indifferent.

Test of Hypotheses

For the purpose of this research work, the researcher had employed Chi-square (X^2) approach to test the entire hypothesis.

$$\text{Chi-square } X^2 = \sum (O_i - E_i)^2$$

O_i = Observed frequency

E_i = Expected frequency

Determination of Degree of Freedom; D.O.F = $(R - 1) (C - 1)$

Where

R = Row

C = Column

Level of significance = 5%

Decision Rule; Reject null hypothesis (H_0) if calculated value is higher than table value.

Hypothesis One: The CBN's reforms and financial credit system.

Table 5. Testing of Hypothesis one

Respondents	O_i	E_i	$O_i - E_i$	$(O_i - E_i)^2$	$\frac{(O_i - E_i)^2}{E_i}$
Strongly agree	40	9.8	30.2	912.04	93.07
Agree	9	9.8	-0.8	0.64	0.07
Undecided	0	9.8	-9.8	96.04	9.80
Disagree	0	9.8	-9.8	96.04	9.80
Strongly disagree	0	9.8	-9.8	96.04	9.80
Total	49	49		1200.8	122.54

$$Df = (R - 1) (C - 1) = (2 - 1) (5 - 1) = 4$$

Table value of $X^2_{0.05} = 9.488$

Calculated value of $X^2 = 122.54$.

Decision: Given that the calculated value is greater than the table value that is $122.54 > 9.488$, the null hypothesis is rejected. Hence Central Bank of Nigeria through its reform has significantly enhanced the financial credit system in Nigeria.

Hypothesis Two: CBN's reforms and financial information disclosure.

Table 6. Testing of Hypothesis two

Respondents	O_i	E_i	$O_i - E_i$	$(O_i - E_i)^2$	$\frac{(O_i - E_i)^2}{E_i}$
Strongly agree	40	12.25	27.75	770.06	62.86
Agree	7	12.25	-4.25	18.06	1.47
Undecided	0	0	0	0	0
Disagree	2	12.25	-11.25	126.56	10.33
Strongly Disagree	0	12.25	-12.25	150.06	12.25
Total	49	49		1064.74	86.91

Calculated value of $X^2 = 86.91$.

Table value of $X^2 = 7.815$

But $Df = (R - 1)(C - 1) = (2 - 1)(4 - 1) = 3$

Decision: Reject null hypothesis since calculated value is greater than table value i.e $86.91 > 7.815$. Thus CBN's reforms have enabled financial information disclosure.

Hypothesis Three: CBN reform and safety of depositors funds.

Table 7. Hypothesis Testing Three

Respondents	O_i	E_i	$O_i - E_i$	$(O_i - E_i)^2$	$\frac{(O_i - E_i)^2}{E_i}$
Strongly agree	28	9.8	18.2	331.24	33.8
Agree	4	9.8	-5.8	33.64	3.43
Undecided	1	9.8	-8.8	77.44	7.90
Disagree	15	9.8	5.2	27.04	2.76
Strongly disagree	1	9.8	-8.8	77.44	7.90
Total	49	49		546.80	55.79

Calculated value of $X^2 = 55.79$.

Table value of $X^2 = 9.488$

Decision: The decision to reject null hypothesis should be upheld since the calculated value is greater than the table value. Thus $55.79 > 9.488$, therefore CBN's reform has significantly enhanced the safety of depositors' funds.

SUMMARY FINDINGS

The following findings ensued from the research:

- i. The Central Bank of Nigeria reforms efforts has significantly enhanced the financial credit system in Nigeria as banks now seek customers who would take up credit facilities from them though the interest rates are still considered quite high.
- ii. Financial Information disclosure has been enhanced as is evident in Nigeria adoption of International Financial Reporting Standards and even the adoption of a uniform reporting date. Findings also reveal that some of the banks have not fully complied to IFRS as they may be lacking adequate manpower or infrastructure to effect the migration.
- iii. The reforms have also to a reasonable extent cushioned the incessant collapse of banks which usually lead to loss of depositors' funds. However, a huge sum of invested and investible funds have been lost through the capital market as research reveal as per those banks that were absorbed by AMCON, little or nothing to done to compensate those who invested in the share capital of those banks.
- iv. Our findings also show that CBN may have in some instances adopted the fire- brigade approach because it has not devised a sustainable strategy that could avert bank failure.
- v. The study also reveals that the reforms has not positively impacted on the interests paid paid by banks on the deposits of customers while customers are made to pay very high interest charges on bank loans and advances. Again, bank customers are subjected to myriads of charges on their accounts most time unknown to the unsuspecting banking public. This most times has discouraged the people from even assessing the bank credits.
- vi. The real sector still lacks the needed financial support from the banks for sustainable economic development. Often bank credits are given in the form of short term loans that would not enable long term production.

CONCLUSION

This work has dealt on the relevance of Central Bank of Nigeria banking reforms on building a sustainable financial system in Nigeria. The study covered a ten year period that is 2002- 2013. The research revealed that CBN has embarked on series of reforms, achieved a number of the objectives but is still with some issues like establishing a moderate interest rate that could

support the real sector which is the engine of the economy. Again, some of the policies of the apex body are still gasping with issues such as the ATM infrastructure and the cashless economy which is being faced with myriads of challenges.

RECOMMENDATIONS

Sequel to the findings of this study, the following recommendations are made:

- (i) The CBN reforms should tackle heads on the issues of interest charges payable by bank customers. The reforms should also be extended to the benefit of banks' customers. The CBN should make provision for banks to increase deposit interest rates as incentive for people to leave their monies in their banks and also to shore up liquidity in the general system.
- (ii) The real sector should be encouraged by providing them with soft loan which should be long term in nature to support technological incubation, research and development.
- (iii) In the issue of tenure of the banks' CEO, the CBN should basically look at the way and manner boards of directors are appointed in various banks. If a particular CEO does well, then it is left for shareholders to decide his/her tenure rather than the CBN being rigid on the number of years used by the CEO.
- (iv) There should be creation of awareness on the reform measures used by the CBN to the grassroots so that individually, one can detect between good and bad as regards banking industry.
- (v) The CBN should also build a stronger regulatory body made up of experts to checkmate the activities of the existing banks regularly to ensure that every one of them complies with the new policies.
- (vi) The CBN should also mandate the banks to get their staff to be IFRS compliant and employ professionals to do this on an on-going basis to enable their financial reporting processes concur to global standards.

CONTRIBUTION TO KNOWLEDGE

This study has contributed to the existing literature on reforms in Nigeria and by extension the developing economies of the world. More importantly is that it has empirically reviewed the impact of the programme some variables which are considered key to economic development such as availability of credit facilities to the banking populace, financial information disclosure and safety of depositors funds. This research has therefore opened up debates for continuous probe into the activities of the apex bank as it concerns reform and the sustainable banking culture.

SUGGESTIONS FOR FURTHER STUDIES

Study is suggesting that further studies shall be done on:

- The Relevance of Central Bank of Nigeria Reforms on Foreign Exchange Rate
- The Relevance of Central Bank of Nigeria Reforms on Gross Domestic Product
- The Relevance of Central Bank of Nigeria Reforms on External Reserve
- The Relevance of Central Bank of Nigeria Reforms on Employment Rate

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