

# SECURITIES AND EXCHANGE COMMISSION, NIGERIA



**MARY UDUK, FCIB**  
**Ag. Director General**

AN ADDRESS DELIVERED AT THE PRESS BRIEFING OF THE FIRST CAPITAL  
MARKET COMMITTEE (CMC) MEETING IN 2018

SEC LAGOS ZONAL OFFICE

*Friday, April 20, 2018*

1. Welcome, distinguished guests, ladies and gentlemen of the press to the First Capital Market Committee (CMC) Press Briefing of 2018.
2. My name is Mary Uduk, the Ag. Director General and with me are the Executive Management of the Commission. Messrs. Isiaku Bala Tilde, Ag. Executive Commissioner, Operations; Henry Adekunle Rowlands, Ag. Executive Commissioner Corporate Services; Reginald Karawusa, Ag. Executive Commissioner, Legal, and Enforcement.
3. Together with your support and other stakeholders we shall be taking the Commission, and by extension, the Nigerian Capital Market to the next level.
4. We held the capital market committee meeting yesterday, and as usual, we have come to brief the press on the resolutions that were arrived at during the meeting.
5. This Press Briefing, therefore, provides us an opportunity to engage with you and present the highlights of the meeting that held yesterday.
6. Over the past 18 years, the CMC has proven to be an important platform that brings together stakeholders of the capital market to discuss issues germane to the development and orderly conduct of the market.
7. We solicited the support of all stakeholders and acknowledged the enormous challenges before us and expressed our commitment to ensuring that we deliver on the mission and vision of the Commission.
8. During the meeting, the issue of increase in de-listings by public companies was highlighted. This poses a threat to the growth and development of the market in view of the fact that quite a number of them are highly capitalized companies. We are expecting the committee on listings would come up with strategies to attract new listings.
9. The Commission has updated its database for registration of CMOs. The SEC website now has a list of all CMOs and their functions.

10. The Commission has issued a new set of Registration Certificates to operators without expiry dates. They are available at our head office and Lagos Zonal Office.
11. The CMC noted that the distribution of electronic annual accounts of public companies has commenced. However, we also received feedback on concerns from some Shareholders Associations. The market will deliberate further on the matter while the pilot period of one year would be allowed to go on.
12. The Commission is working with the National Educational Research and Development Council (NERDC) to institute a stand-alone capital market curriculum for basic and senior secondary education in Nigeria. To this end, Trade Groups made commitments at the meeting to support this initiative.
13. On multiple subscriptions and forbearance for shareholders with multiple accounts, the forbearance window has now been extended to September 2018. Registrars have acknowledged that investors have started coming forward but there are challenges in the process. The CMC deliberated and recommended the appropriate Technical Committee to seek input and come up with recommendations to address the challenges. Therefore, we encourage all affected investors to come forward and take advantage of the window before the new deadline.
14. The Technical Committee working on developing a vibrant commodities market for Nigeria presented its report at the meeting. The report will be exposed to the public to elicit comments and inputs from all stakeholders.
15. The Technical Committee on Non-Interest capital market reported that the first sovereign Sukuk was issued in 2017 and about 1,600 retail investors invested N5 billion on the instrument. The next level of engagements is to work with supra-national entities (such as IFC, AfDB), state governments, institutions (such as Federal Mortgage Bank, NMRC) to include Sukuk options in their capital investment plans.

16. The Technical Committee on E-dividend registration reported that the total approved mandates currently is about 2.5 million translating into 466,000 unique investor accounts.
17. The deadline for the free E-dividend registration was 31 March 2018 and that has not changed. The new direction of the industry is that bank managers along with registrars will charge a token sum of N150 per mandate.
18. Globally, capital markets are moving towards Electronic IPOs (e-IPO) and the Nigerian Capital Market is working to adopt this trend. A committee was set up yesterday comprising the Securities and Exchange Commission (SEC), Nigeria Stock Exchange (NSE), Association of Issuing Houses of Nigeria (AIHN), Association of Stock Brokers (ASHON), Central Securities and Clearing System(CSCS), Institute of Capital Market Registrars (ICMR), Capital market Solicitor Association(CMSA), Fund Managers Association of Nigeria (FMAN), and NIBSS.]
19. On Direct Cash Settlement (DCS), CSCS noted that out of 5.1 million accounts with them only 1,191 have Direct Cash Settlement (DCS) subscriptions and only 15 out of 18 settlement banks have contributed to the DCS initiative. Considering the fact that DCS will instill confidence in the market, there is a need for all parties involved in the process to work harder to achieve a 100% migration.
20. As part of our investor protection mandate, the Commission wishes to alert the public to exercise extreme caution with regards to cryptocurrencies as a vehicle of investments, especially as none of the persons, companies or entities promoting cryptocurrencies has been recognized or authorized by SEC or by other regulatory agencies in Nigeria to receive deposit from the public or to provide any investment or other financial services within or outside Nigeria.

21. The Commission solicited the cooperation of stakeholders in our data collection efforts on impact evaluation of the electronic dividend mandate System (e-DMMS), corporate governance and capital flows and ownership structure. The outcome of these studies will be made public.
22. We continue to seek the support of the media and continuous collaboration in order to develop the capital market to the benefit of investors and the Nation at large.

Thank you, ladies and gentlemen.

**Mary Uduk, FCIB**

Ag. Director General

Securities and Exchange Commission, Nigeria