

FREQUENTLY ASKED QUESTIONS

Since Nigeria operates an e-dividend process, how will an investor in another jurisdiction who does not operate bank account in Nigeria receive his/her dividend?

Dividends in Nominee Accounts will be paid into such accounts. The process of transferring dividends accruing to individuals will be worked out by the Working Committee.

How will custodians settle the accounts of their foreign clients?

Since the Clearing Bank is the same bank that has branches in all the Regions, settlement of accounts is a matter of entries. Fixed income securities are traded on GSE and BVRM as well as the NSE.

Can investors access market data?

Each local market will sell its own data. However, international market data vendors can integrate data and sell data to subscribers. Exchanges will continue to disseminate data through its local market.

Can countries that do not have local capital markets have access to the integrated market?

You have to have a local capital market in order to access the integrated international market.

What efforts are being made to fully dematerialize share certificates by 2015?

The working committee of WACMIC which is made up of representatives from different regulatory bodies who are working towards full dematerialization in 2015.

Can a stockbroker with a branch in another country use the branch as its sponsor broker in that country?

Yes, so far as that branch is a registered dealing member in that other country.

What is the benefit of the sponsorship to the sponsor broker since it has been said that no access fee should be charged.

The two brokers will be able to share commission accruing from such transaction. No new fees will be charged by the sponsor in order not to increase the cost of transaction in the market.

Is there any plan to require qualifications for participants in the integrated market?

Yes, there is minimum qualification for market operators during the phase 2 and 3; but in phase 1, every stockbroker is registered and regulated by the local regulator.

Can a stockbroker in Nigeria, walk into GSE and consummate trades?

No, you cannot trade on another jurisdiction during phase 1, except through a sponsor, during phase 2, however a common passport will be introduced to give such access.

Will the accounts be prepared in the local currency of the reporting entity or translated to an agreed common currency?

The reporting currency will be that of the trading market.

Are there plans to ensure that listing fees are the same across West Africa since there will not be dual listing?

Issuers are encouraged to only list in one market and that should suffice. But if the issuer wants to list in more than one market they may do so, but WACMIC cannot guarantee the price protection across exchanges. The listing fee can be negotiated.

Do you have any intention to ensure there is a single currency across West Africa?

Yes, currency harmonization is in progress but the Capital market integration process cannot wait until the common currency issue is perfected. Virtual currency is also being considered.

Trade guarantee funds are not the same across West African Capital Market; is there any effort to harmonize them?

Participants will have to comply with the trade guarantee fund provision in their local market.

Is there going to be a common harmonized website for the integration project?

Harmonized website is being looked into; however, all member exchanges have dedicated portions on their website on WACMIC activities. It is a big project to have a common website because such website has to be regularly updated, populated and kept fresh.

Is there a clear statement as to whether the dispute resolution committee's decisions will be final without further recourse to the law court?

Participants are encouraged to explore the processes of mediation and arbitration as against using the court of law to resolve disputes, however WACMIC cannot prevent people from exercising their rights to go to court.



Is there going to be harmonized listing fees?

Listing fees in all jurisdictions will prevail but WACMIC will introduce a minimum listing fee to avoid crashing of fees to attract listings.

Is there a harmonized Market Making rules?

Only the NSE has Market Making at the moment. Minimum requirement will be introduced as soon as other jurisdictions introduce Market Making.