

*Extraordinary*



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<i>S.I. No.</i>	<i>Short Title</i>	<i>Page</i>
14	Licencing of the Frontend Services of the National Identity Management Commission Regulations, 2017 .. .. .	B479-491

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**B 478**

**NATIONAL IDENTITY MANAGEMENT COMMISSION ACT, 2007**  
**LICENCING OF THE FRONTEND SERVICES OF THE NATIONAL**  
**IDENTITY MANAGEMENT COMMISSION, REGULATIONS, 2017**



ARRANGEMENT OF REGULATIONS

*Regulations :*

1. Objectives.
2. Services requiring licence.
3. Application for a licence.
4. Requirements for issuance of a licence.
5. Approval in Principle.
6. Grant of final licence.
7. Renewal of licence.
8. Suspension of licence.
9. Revocation of licence.
10. Surrender of licence.
11. Right of appeal.
12. Operations.
13. Examination and investigation.
14. Insurance.
15. Interpretations.
16. Citation.

**B 480**

S. I. No. 14 of 2017

**NATIONAL IDENTITY MANAGEMENT COMMISSION ACT, 2007**

**LICENCING OF THE FRONTEND SERVICES OF THE NATIONAL  
IDENTITY MANAGEMENT COMMISSION REGULATIONS, 2017**

[26th Day of October, 2017]

Commence-  
ment.

**In exercise of the powers conferred on it by sections 5 and 31 of the National Identity Management Commission Act 2007 and all other powers enabling it in that behalf, the National Identity Management Commission (“the Commission”) makes the following Regulations—**

**1.** The Objectives of these Regulations are to—

Objectives.

(a) make provisions for the licensing of service providers by the Commission ; and

(b) provide for the procedure for the issuance, renewal, surrender and revocation of licences.

**2.** The Commission may grant a licence to qualified service providers for the provision of the following services—

Services  
requiring  
licence.

(a) data collection and NIN issuance services ;

(b) card personalisation services ;

(c) card delivery and activation services ;

(d) authentication and verification service ;

(e) equipment vendor agents ;

(f) contact centre operation services ; and

(g) such other services the Commission may deem necessary for the realization of its functions.

**3.** A service provider who desires to provide any of the services specified in regulation 2 of these Regulations, shall apply to the Commission for a licence in such form, and pay such fees, as the Commission may, from time to time, prescribe.

Application  
for a licence.

**4.—(1)** An application for a licence shall not be granted unless the applicant—

Requirements  
for issuance  
of a licence.

(a) is a Government Agency or an entity incorporated under the Companies and Allied Matters Act Cap. C20, Laws of the Federation of Nigeria 2004, whose object is to provide any or all of the services listed in regulation 2 of these Regulations ;

(b) satisfies the Commission that it has the professional and technical capacity to provide the service ;

(c) undertakes in writing to comply with the terms and conditions of the licence ;

(d) submits with the application a detailed feasibility report on the proposed business which shall include—

- (i) a detailed and comprehensive business plan,
- (ii) a three year financial projection for the operation of the agency or company indicating its expected growth and profitability,
- (iii) details of the assumptions upon which the financial projections have been made,
- (iv) the composition of the Board of Directors and the *curriculum vitae* of each member, including information on positions held by them in other organizations,
- (v) list of key personnel, their job description and qualification of such personnel of those positions in the organization,
- (vi) proposed information management systems, internal controls and procedures including manuals of operations,
- (vii) a list of the promoters and shareholders showing their NIN, residential address, business or company address, amount invested and address of their bankers,
- (viii) names and profiles of technical partners, if any, together with a copy of the contract with the technical partner,
- (ix) details of the technology to be deployed in the provision of the service, and
- (x) location of proposed office building and ownership status of the building.

(e) submits with the application, a sworn declaration of the promoters and directors attesting to their willingness to adhere to a code of proper conduct and integrity to be issued from time to time by the Commission.

(2) In addition to the conditions specified in sub-regulation (1) of this regulation, entities incorporated under the Companies and Allied Matters Act shall—

- (a) have a minimum paid up share capital as may be prescribed, from time to time, by the Commission for any of the services ;
- (b) satisfy the Commission that none of its promoters or directors is—
  - (i) an undischarged bankrupt,
  - (ii) has been convicted of any offence involving fraud, dishonesty, official corruption or moral turpitude, or
  - (iii) is disqualified under section 254 of the Companies and Allied Matters Act to act as a director of a company ;
- (c) satisfy the Commission that none of its promoters or directors is a staff of the Commission ; and

(d) satisfy the Commission that none of its shareholders or any person or company that has direct interest in or controls of such applicant is a foreigner.

(3) The Commission may stipulate additional requirements or conditions from time to time.

(4) The Commission may, if satisfied that an applicant meets the requirements set out in sub-regulation (1) of this regulation, issue a licence to the applicant to provide a service referred to in regulation 2 of these Regulations, subject to such terms and conditions as the Commission may consider necessary in the circumstance.

**5.**—(1) Where the Commission is satisfied with the application of an applicant, it shall issue an Approval in Principle (AIP) to the applicant, which shall stipulate the—

Approval in Principle.

(a) conditions for granting of a final licence ;

(b) term of the licence ; and

(c) period and condition for renewal of the licence, which shall be based on evaluation of performance.

(2) An AIP granted to an applicant shall be for a period of one hundred and eighty days within which the applicant shall undertake test services amongst other processes required by the Commission.

(3) If the applicant fails to comply with all the conditions specified in the AIP within the one hundred and eighty days period, the Commission may withdraw the AIP or extend it for a further period of not more than ninety days on such additional conditions as it deems fit.

**6.**—(1) The Commission may grant final licence to an applicant subject to the following—

Grant of final licence.

(a) the applicant has satisfied all conditions specified in the AIP ;

(b) satisfactory performance during the on-site verification of the applicant's operation process conducted by the Commission to ascertain its readiness to commence operations ; and

(c) the applicant has established a system of internal controls that will prevent the misuse of Registered information or access to the National Identity Database (NIDB).

(2) A licensee shall not assign, sub-licence or transfer to any other party a licence granted to it without the prior written approval of the Commission.

(3) A licensee shall at all times comply with the terms and conditions of its licence and the provisions of the Act, these Regulations and other relevant Regulations issued from time to time by the Commission.

**B 484**

Renewal of licence.

**7.—(1)** A licensee may apply for the renewal of its licence not later than six months prior to the expiration of the licence.

(2) The application for renewal of a licence shall be—

(a) in the prescribed form ; and

(b) supported by evidence of payment of the application fee.

(3) On the approval of an application for renewal of a licence, the licensee shall pay the prescribed renewal fee.

(4) The Commission may refuse an application for the renewal of a licence, where—

(a) a licensee has breached any of the terms and conditions of the licence ;

(b) a licensee has failed to comply with the provisions of the Act or Regulations made under it ; or

(c) it is in public interest to do so.

(5) Where the Commission refuses an application for renewal of a licence, it shall notify the licensee in writing, not later than three months from the date of receipt of the application for renewal.

(6) A licensee whose licence has expired shall be entitled to continue providing services upon proof that its application for renewal is pending before the Commission.

(7) A licensee shall be entitled to a period of not more than 30 days within which to wind-up its affairs where—

(a) the licence has expired ;

(b) its application for renewal has been refused ; and

(c) an appeal against the decision of the Commission under regulation 11 has been refused.

Suspension of licence.

**8.—(1)** The Commission may suspend a licence where the—

(a) licensee fails to pay or remit prescribed fees and charges within the stipulated time ;

(b) licensee has failed to pay any penalty or fine required by or imposed under the Act or Regulations made under it ;

(c) licensee commits persistent and un-remedied breaches of the provisions of the Act or Regulations made under it ;

(d) licensee has failed to comply with any directive or instrument issued by the Commission ;

(e) licensee has failed to establish a system of internal control that will prevent the misuse of registered information or access to the NIDB ; and,



(f) licensee—

(i) becomes insolvent or enters into receivership or liquidation, or

(ii) takes any action for its voluntary winding-up or dissolution or enters into any scheme of arrangement, other than for the purpose of reconstruction or amalgamation upon terms and within such period as may previously have been approved in writing by the Commission, or if any order is made by a competent court or tribunal for its compulsory winding-up or dissolution ; or

(g) suspension is in public interest.

(2) Notwithstanding any contrary provision in these Regulations, a licence may be suspended only after—

(a) the Commission has by written notice informed the licensee of its breach and demanded that the breach be rectified within thirty days from the date of the notice where the breach is capable of rectification ; and

(b) the licensee has failed to rectify the breach within the time-frame specified in paragraph (a) of this sub regulation.

(3) In the event of the suspension of a licence, the Commission shall—

(a) determine and communicate to the licensee the duration of the suspension and any other penalties that may be imposed on the licensee ; and

(b) take into consideration, amongst other factors, the gravity of the breach that necessitated the suspension and any relevant mitigating circumstances in determining the duration of the suspension and any other penalties to be imposed on the licensee.

9.—(1) The Commission may revoke a licence where—

Revocation  
of licence.

(a) a licensee, by written notice, surrenders its licence to the Commission at any time or in accordance with the requirements set out from time to time by the Commission ;

(b) a licensee whose licence has been suspended fails to remedy the breach that led to such suspension to the satisfaction of the Commission ;

(c) within twelve months of the effective date of the licence, the licensee has not commenced full operations to the satisfaction of the Commission ;

(d) the licensee made any statement of a material nature in the course of applying for a licence which statement is subsequently established to be false or misleading ; and

(e) the licensee—

(i) becomes insolvent or enters into receivership or liquidation, or

(ii) takes any action for its voluntary winding-up or dissolution or enters into any scheme of arrangement, other than for the purpose of

reconstruction or amalgamation upon terms and within such period as may previously have been approved in writing by the Commission, or if any order is made by a competent Court or Tribunal for its compulsory winding-up or dissolution ; or

(f) the revocation is in the public interest.

(2) A licence shall be revoked only after the Commission has—

(a) issued a notice of its intention to revoke the licence, disclosing the ground for revocation and the ground is not remedied to the Commission's reasonable satisfaction ; or

(b) relevant representations are not made by the licensee in respect of the notice referred to in paragraph (a) of this sub-regulation to the satisfaction of the Commission, within the notice period.

(3) Where a notice of intention to revoke a licence has been issued by the Commission in accordance with sub-regulation (2) of this regulation, the licence of the relevant licensee shall be deemed to have been suspended.

(4) Notwithstanding the provisions of sub-regulation (2) of this regulation, the Commission shall be entitled, in case of revocation under sub-regulation (1)(a), (c) and (d) of this regulation, to issue a revocation notice to the licensee without first issuing a notice of intention to revoke licence, provided that—

(a) in case of revocation under sub-regulation (1)(d) and (e) of this regulation, the Commission shall have conducted relevant investigations into the affairs of the licensee to establish a justifiable ground for revocation of licence ; and

(b) the licensee shall be entitled to fair hearing and the Commission shall give due consideration to the licensee's submissions.

(5) Where the Commission decides to revoke a licence—

(a) it shall issue a revocation notice to the licensee within fourteen days of the expiration of the notice of intention to revoke licence ;

(b) the revocation notice shall be published in two national newspapers circulating in the locality where the licensee operates, within fourteen days of service of the revocation notice on the licensee ; and

(c) the revocation shall be effective on the date of receipt of the revocation notice, provided that, it is received by the licensee within three days of the issuance of the notice.

(6) A licensee shall be entitled to a period of not more than 30 days within which to wind-up its affairs where—

(a) the licence has been revoked ; and

(b) an appeal against the decision of the Commission under regulation 11 has been refused.

(7) Without prejudice to the provisions of sub-regulation (6) of this regulation, the Commission may authorize a licensee, whose licence has been revoked, in writing to continue with the provision of service for such duration as the Commission may specify in the authorization for the purpose of—

- (a) winding up the licensee's affairs ;
- (b) relocating the licensee's consumers to some other licensee as the Commission may determine and on such terms and conditions as the Commission may specify ;
- (c) making or effecting such other arrangements as the Commission may specify for the continued provision of services to the licensee's customers ; and
- (d) carrying out such other activities as the Commission may consider necessary.

(8) Subject to the provisions of sub-regulations (6) and (7) of this regulation, any licensee who continues to provide service after the effective date of a revocation notice is liable under the terms and conditions of its licence.

(9) The Commission shall issue guidelines from time to time specifying the timeline and other relevant issues pertaining to the winding up of the affairs of a licensee whose licence has expired or has been revoked.

**10.—(1)** A licensee may surrender its licence by delivering the original licence together with a written notice confirming the surrender of the licence to the Commission.

Surrender  
of licence.

- (2) Where a licensee surrenders its licence, the—
  - (a) surrender shall take effect on the date the Commission receives the licence and the notice of surrender from the licensee ;
  - (b) surrender of the licence shall be irrevocable upon receipt by the Commission of the licence ; and
  - (c) licensee shall cease operations immediately from the effective date of the surrender.

**11.—(1)** A licensee who is aggrieved or whose interest is adversely affected by any decision of the Commission shall have a right of appeal exercisable in the manner provided in this regulation.

Right of  
appeal.

(2) Where the Commission takes any decision in the exercise of its powers under these Regulations, it shall provide the parties involved with a written statement of the reasons for the decision and any relevant information taken into account in making the decision.

(3) Any person whose interest is adversely affected by any decision of the Commission made pursuant to the exercise of its powers under these

Regulations, shall be entitled, upon establishing its interest to the reasonable satisfaction of the Commission and payment of a prescribed fee, to a written statement of the reasons for the decision and any relevant information taken into account in making the decision.

(4) The Commission shall not publish or disclose to the aggrieved person, a statement of reasons or a part of a statement of reasons if the publication or disclosure would—

(a) disclose a matter that is, in the opinion of the Commission, of a confidential character ;

(b) be likely to prejudice the fair trial of a person ; or

(c) involve the unreasonable disclosure of personal information about any individual including a deceased person.

(5) A licensee aggrieved by the decision of the Commission, may at any time within thirty days of receipt of the Commission’s statement of reasons, request the Commission in writing for a review of the Commission’s decision and specify the reasons for its request.

(6) The Commission shall, not later than sixty days from the date of receipt of the aggrieved licensee’s written submissions, notify the aggrieved licensee in writing of its final decision and the reasons for the decision.

(7) For the purpose of this regulation, the term “decision” includes actions, orders, reports and directions made by the Commission.

Operations.

**12.**—(1) A licensee shall take the necessary security and control measures in order to avoid unauthorized, improper use or mismanagement of its access to the NIDB.

(2) The Board of directors of the licensee shall be responsible for establishing measures to safeguard the integrity of its access details.

Examination  
and  
investigation.

**13.**—(1) Every licensee shall submit to the Commission on a quarterly basis a report containing details of its activities in a quarter as specified by the Commission not later than ten working days into the following quarter.

(2) Where a licensee fails to comply with sub-regulation (1) of this regulation, the licensee and each of its directors and secretary shall be liable to pay a penalty of not less than ₦20,000.00 for each day of default.

(3) The Commission shall at least once in each year authorize an inspection, examination or investigation of licensees, to determine whether or not the provisions of the Act or any Regulations made under it or the conditions of the licence are complied with.

(4) Without prejudice to the provisions of sub-regulation (3) of this regulation, the Commission may, at any time, authorise one or more of its

officers or agent to inspect, examine or investigate any aspect of the activities of a licensee in relation to compliance with the provisions of the Act or any Regulations made under it or the conditions of the licence.

(5) The Commission shall, upon the completion of the examination or investigation, forward a copy of its report to the licensee for consideration.

(6) The licensee shall, within thirty days of receiving the report submit its reactions and proposals for implementing any recommendations to the Commission.

(7) The Commission shall have power to—

(a) inspect, examine or investigate under conditions of confidentiality, the books, activities and affairs of a licensee, its shareholders, directors or affiliates ;

(b) gain access at all times during working hours to the books, accounts, documents and vouchers of any licensee or its shareholders, directors or affiliates ; and

(c) request from any director, manager or officer of any licensee any information or explanation as the Commission may deem necessary in each case to enable it determine whether or not the provisions of the Act or any Regulations made under it, or the conditions of the licence are complied with.

**14.—**(1) A licensee shall maintain adequate insurance covering its liability under these Regulations, including its liability towards compensation for disclosure of registered information in contravention of the Act.

Insurance.

(2) Where a licensee fails to maintain an insurance cover under this Regulation, the Commission may suspend or refuse to grant a licence.

(3) A licensee shall make annual returns to the Commission disclosing the maintenance of insurance policies in compliance with its obligations under sub-regulation (1) of this regulation and the fulfilment of all conditions necessary to create an obligation on the insurer to provide indemnity in the event of the occurrence of the insured risk.

(4) Where a licensee fails to file annual returns in accordance with sub-regulation (3) of this regulation, the licensee and each of its directors and secretary shall be liable to pay a penalty of not less than ₦20,000.00 for each day of default.

**15. In these Regulations—**

“*Act*” means the National Identity Management Commission Act, 2007 ;

“*Commission*” means the National Identity Management Commission ;

Interpretations.

“*Days*” means each of the twenty four hours period into which a week, month or year is divided ;

“*Enrolment*” or “*Registration*” means presentation and recording of relevant information about a registrable person for the purpose of entering same in the National Identity Database, established under the Act and the terms “*Enroll*”, “*Enrolled*”, “*Register*” and “*Registered*” shall be construed accordingly ;

“*Foreigner*” means a person who, under the provisions of Chapter III of the Constitution of the Federal Republic of Nigeria 1999 (as amended), is not a citizen of Nigeria ;

“*GMPC*” means the Multipurpose Identity Card issued to a registered individual under section 18 of the Act ;

“*Identity Verification*” means the process approved by the Commission, of confirming or denying a claimed identity to be correct by comparing the information on an identity token or collected on a verification platform of (or matching the sample biometric taken from) a person requesting the confirmation with those previously proven and stored in the National Identity Database which are associated with the identity being claimed ;

“*Identity Verification Service*” means provision of identity verification in accordance with the provisions of these Regulations ;

“*Identity Verification Service Provider*” means a person duly licensed by the Commission in accordance with these Regulations for the provision of identity verification services ;

“*Licensee*” means a company granted a licence to provide any of the services under these Regulations ;

“*NIDB*” means the National Identity Database ;

“*NIN*” means National Identification Number ;

“*Notice of intention to revoke licence*” means a notice issued by the Commission pursuant to Regulation 9(2) of these Regulations ;

“*Registrable person*” means any person that is required to be registered under the Act ;

“*Registered individual*” shall have the same meaning as stated in the Act ;

“*Registered information*” shall have the same meaning as stated in the Act ;

“*Revocation notice*” means notice issued by the Commission pursuant to Regulation 9(2) of these Regulations revoking a licensee’s licence ;

“*Service provider*” includes a government agency, private person, organization or entity licensed by the Commission to provide services under these Regulations ; and

“*Slip*” means acknowledgement slip containing the NIN of the applicant.

**16.** These Regulations may be cited as the Licensing of the Frontend Services of the National Identity Management Commission Regulations, 2017. Citation.

MADE at Abuja this 26th day of October, 2017.

ENGR. ALIYU A. AZIZ  
*Director-General/CEO*  
*National Identity Management Commission*