

National Identity Management Commission (NIMC)

National Identity Management System Project

Enabling Cashless Nigeria Policy of CBN

25th June 2013



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1

Introduction

**The establishment of
National Identity
Management
Commission (NIMC)**

**Effective take over by the
Commission of the
assets and liabilities of
the former Department
for National Civil
Registration**

**Establish, operate and
manage the National
Identity Management
System (NIMS)**

The NIMS project is setup to deliver the following requirements based on the mandate of NIMC



Database which is secure and accessible



Enrolment centers nationwide for registration



National Identification Number



National ID card, with 13 applets, including **one for Payment**



Offline Authentication and Verification using MOC



Online Authentication and Verification using Web service



Integration with stakeholder agencies – INEC, FIRS, NHIS, Security, FRSC, others

The National Identity Card will provide the following applications to the registered populace



eID



Match on Card



ICAO



Banking



Transport



Health



ePKI



Insurance



Driving License



Pension



Voting



Tax



SIM

Overall Benefits of the NIMS



The overall benefits of the NIMS are beyond biometric identification...

Reduction in cost of governance via the integration of silo government databases

Enhancement of government service delivery by integrating & streamlining related government databases and services

Facilitation of common identity needs of the government and the private sector

Preservation of individual identity and privacy through enhanced security of identity information

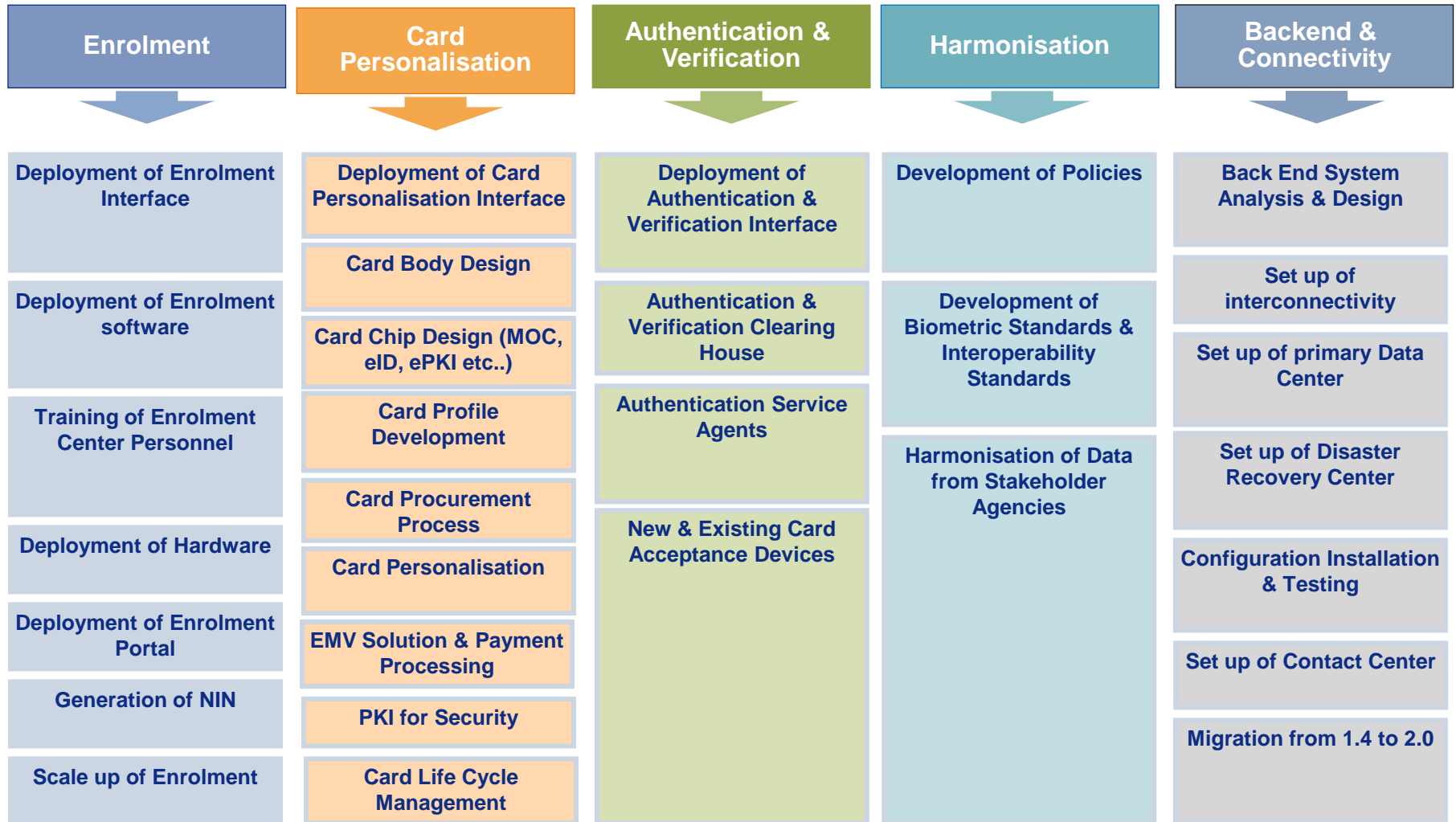
Reduced risk of credit/ debit card fraud through linking of identity and payment applications

Enhancement of security of the Nigerian public and enforcement of law and order

Facilitation of effective government planning with regards to budget, population, etc.

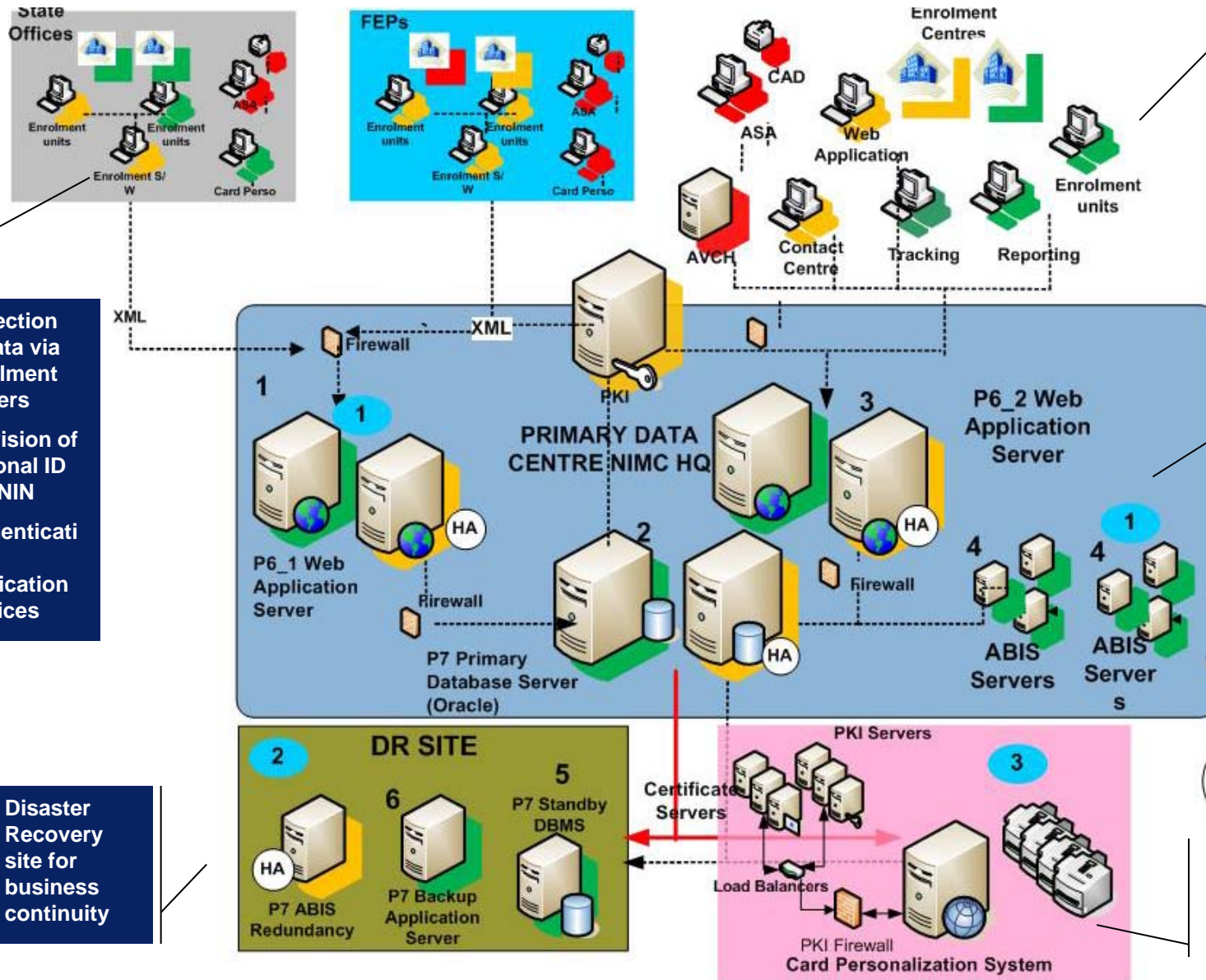
Enablement of various multiple VAS and contribution to the overall growth of the Nigerian economy

Components of the NIMS Programme Implementation



The NIMS Architecture

In order to implement the components of the NIMS, NIMC has deployed a robust and scalable architecture. The chart below provides an overview of the NIMS Architecture



- Collection of data via enrolment centers
- Authentication & verification services – via web service and CADs

- Secure National Identity Database
- De-duplication

ABIS upgrade to 100M

- Preparation of National Identity cards

- Collection of data via enrolment centers
- Provision of National ID and NIN
- Authentication & verification services

- Disaster Recovery site for business continuity

Below is an outline of the current coverage of the ongoing enrolment being carried out Nationwide

Enrolment is ongoing in nine designation centers in the FCT, including NIMC HQ, CBN, NASS, Aso Villa, SGF, NIMC VIP, Federal Secretariat and CBN HQ

Enrolment is currently on going in 39 enrolment centers nationwide – in 30 states and the FCT

Average number of daily enrolment is 4,000. Efforts are ongoing to increase this number to 250,000 a day nationwide

A total of about 420,000 National Identity Numbers (NIN) have been successfully generated and issued

A pre-enrolment portal has been successfully launched and is in use

Identification of enrolment centers in Local Government Area locations is ongoing

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NIMS Value Proposition to the Financial Services Industry

1 Issues in maturity and growth of electronic payment business in Nigeria due to lack of security and fraud in payment transactions

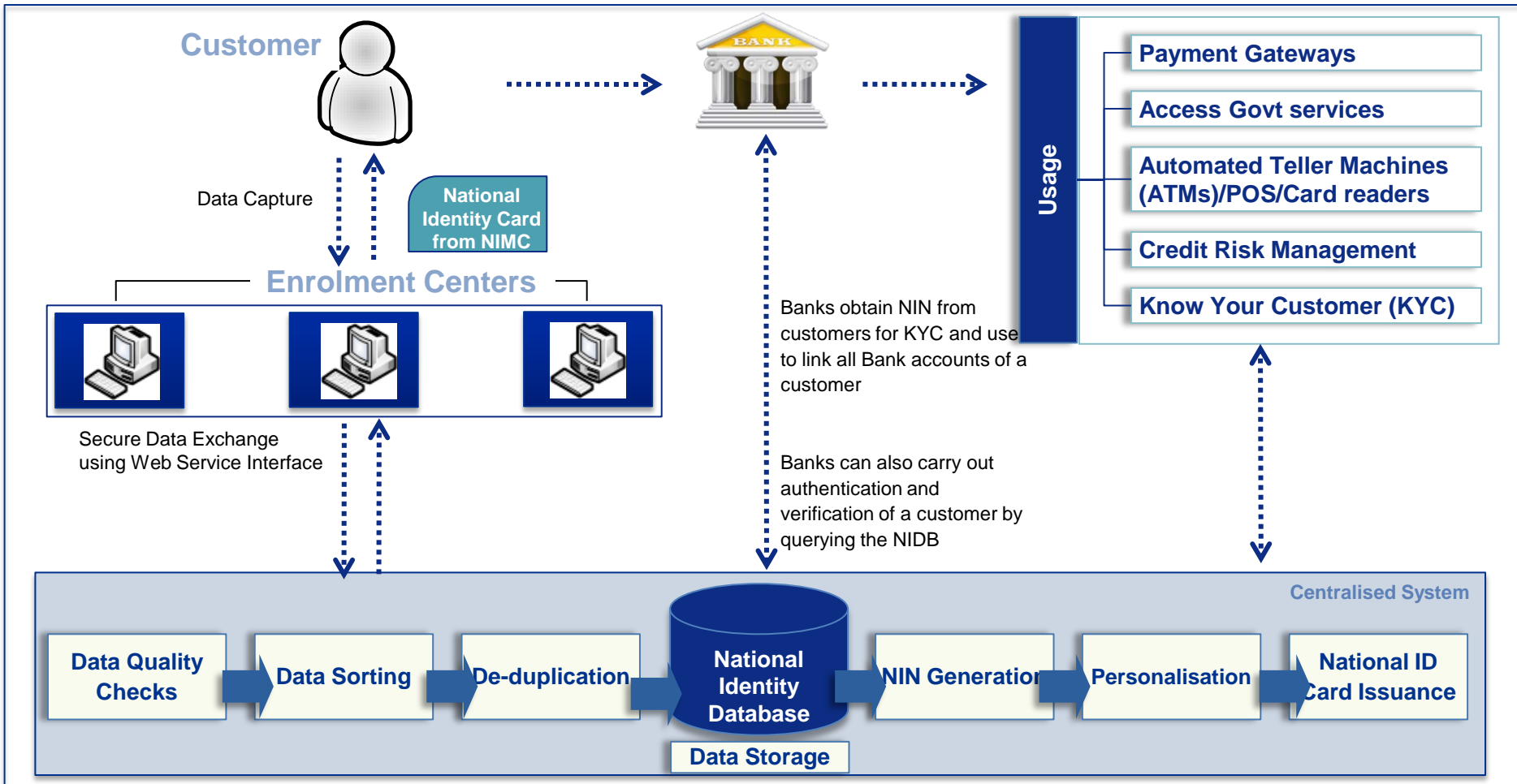
2 Absence of enabling infrastructure for payment transactions

3 Limited concerted effort by Financial Institutions to implement electronic payments prior to present cashless Nigeria Policy

4 High rate of illiteracy and knowledge of electronic payments for financial transactions

5 Long gestation period for implementation of financial solutions

6 Limited financial inclusion for Nigerian populace



...Bank Accounts will be linked to the customers' NIN

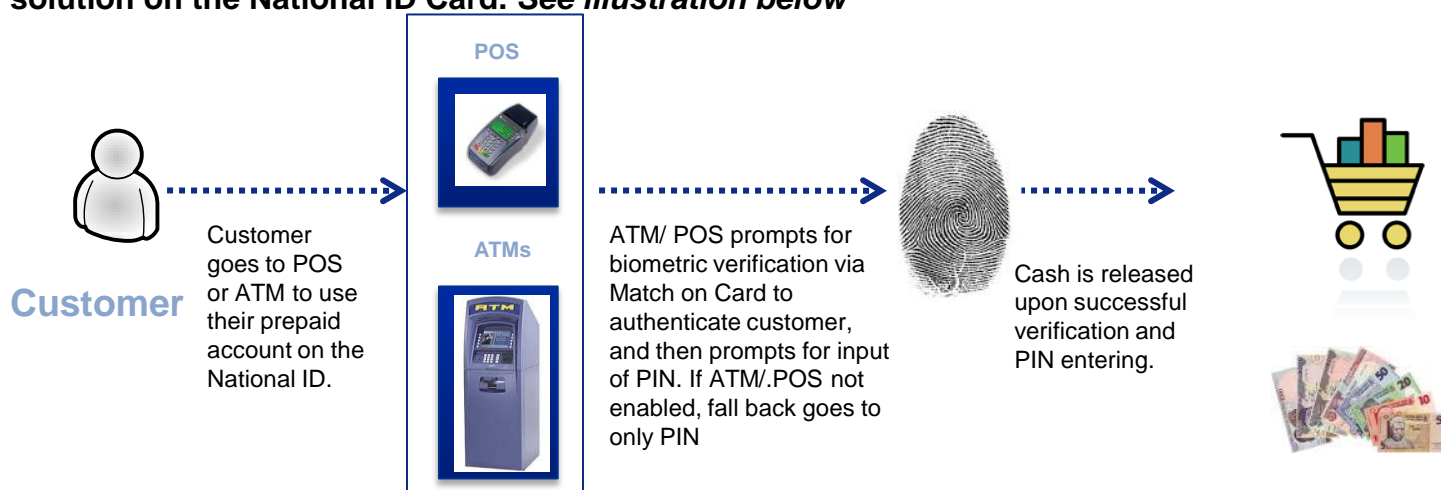
NIMC and MasterCard has collaborated to provide benefits of electronic payments to Nigerian citizen securely. Solutions include:

Solution 1.A

Payment applet on the National ID Card – including chip and PIN issuance, Pre-paid card, Loading done online, and withdrawal on MasterCard certified ATMs, POS and merchant locations globally.

Solution 1.B

Enable biometric access (using Match on Card), as well as PIN and Chip for the payment solution on the National ID Card. *See illustration below*



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    graph LR
      Customer[Customer] -.-> POS_ATM[POS or ATMs]
      POS_ATM -.-> Biometric[Match on Card biometric verification]
      Biometric -.-> PIN[Input of PIN]
      PIN -.-> Merchant[Merchant/Cash Release]
  
```

Customer goes to POS or ATM to use their prepaid account on the National ID.

ATM/ POS prompts for biometric verification via Match on Card to authenticate customer, and then prompts for input of PIN. If ATM/.POS not enabled, fall back goes to only PIN

Cash is released upon successful verification and PIN entering.

Benefits of the NIMS Solution

To the banking sector	To the government	To the general public
Growth in electronic Payment transactions	<ul style="list-style-type: none"> Drive financial inclusion by delivering a secure payment application Promote cashless policy 	<ul style="list-style-type: none"> Promote financial inclusion Reduced risk of fraud

In Summary, Benefits of the NIMS to the Financial Industry



Use of NIN is expected to provide multiple benefits to the financial institutions and banking customers


 Asserts the identity of the bankable customer and provide a **single view of the customer**

 Provides a **trusted mechanism of authentication and verification** through the use of biometrics thereby providing an impetus for electronic payments

 Provides a **simplified payment solution structure** for customers as a result of a harmonised National identity card and payment card

 Provides a database at each bank level with **linkage between all accounts of a customer** that can be **used/accessed by credit bureau and rating agencies**

 **Reduces costs and multiple data capture by banks** for every customer, enabled through a single electronic 'Know your customer' (KYC) exercise

 Results in **improved visibility of the earning population**, individual net worth and **reduction of tax evasion**

 Provides electronic audit trail for the banks; serves as an instrument in **dealing with related financial crimes**

 Promotes the ease of delivery of inter-bank related services in the financial sector
Promotes the **inclusion of the rural population** and the introduction of micro ATMs

3

Next Steps

The key next steps for NIMC in establishing the payment solution is as follows:

1

Finalize biometric access (using Match on Card) for the prepaid account (using chip and pin) on POS machines and ATMs

2

EMV data preparation for the payment application on the card

3

Commence issuance of the National Identity Card which will consist of several active applets, including the payment applet

4

Finalize relevant discussions with the Central Bank of Nigeria on policies, regulatory requirements and applicable waivers

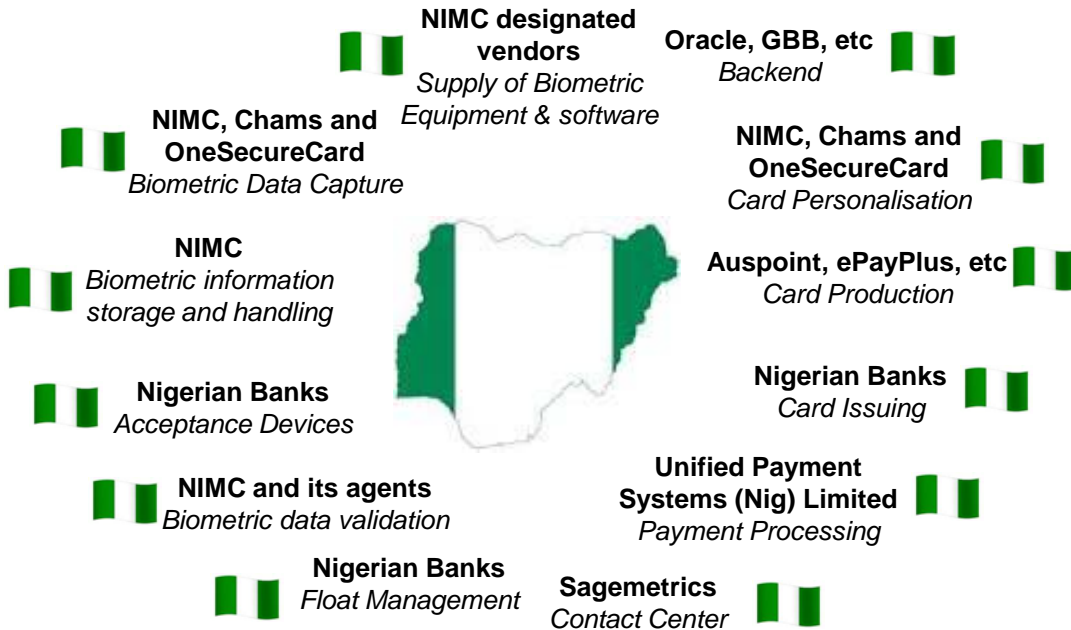
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Finalize definition of use cases from all stakeholder agencies (that manage databases) for facilitation of database harmonization

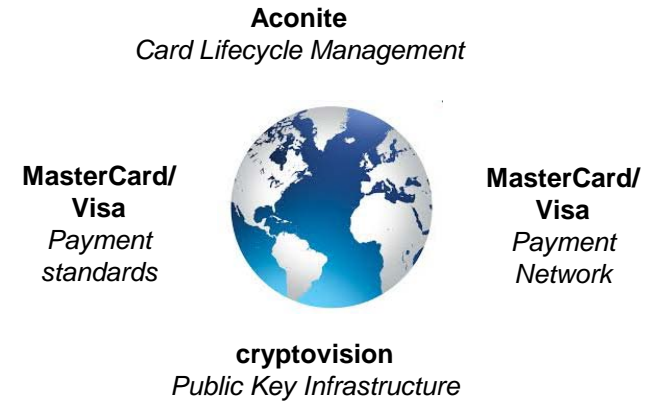
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Get buy-in and commitment from the financial services industry (both public and private sectors)

Local Content...



Global Solutions...



Thank You