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**BANKING AND PAYMENTS SYSTEM DEPARTMENT**  
**BPS/DIR/GEN/CIR/01/011**

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To: All Banks

**CIRCULAR ON THE REVIEW OF OPERATIONS OF THE NIBSS INSTANT PAYMENT (NIP) SYSTEM AND OTHER ELECTRONIC PAYMENTS OPTIONS WITH SIMILAR FEATURES**

In order to further strengthen the risk aversion measures put in place for the operations of the NIBSS Instant Payment (NIP) system, and other electronic payments options with similar features, the Central Bank of Nigeria hereby issues the following directives:

1. A categorization of online funds transfer from **low security** to **highly secured transfer**, with limits as specified below.

S/N	Category	Required Control	Daily Limit for Instant Value	Daily Limit for Next Working Day Value
i.	Highly Secured Online Fund Transfer (WEF-Jan 15, 2015)	<ul style="list-style-type: none"><li>■ Hardware Token / Token</li><li>■ Behavioural Monitoring</li><li>■ SMS/Email Trans Alert</li><li>■ User Name/Password</li><li>■ Anti-phishing Solution</li></ul>	Individual: ₦1m Corporate: ₦10M	Individual: ₦10m Corporate: ₦100m
ii.	Moderately Secure Online Fund Transfer (WEF-Jul 30, 2014)	<ul style="list-style-type: none"><li>■ Hardware/Soft Token</li><li>■ User ID and Password</li><li>■ SMS/Email Trans Alert</li><li>■ Anti-phishing Solution</li></ul>	Individual: ₦500k Corporate: ₦5m	Individual: ₦1m Corporate: ₦10m
iii.	Basic Security (WEF-Jul 30, 2014)	<ul style="list-style-type: none"><li>■ OTP (One-Time-Password).</li><li>■ User ID and Password</li><li>■ SMS /Email Trans Alert</li></ul>	Individual: ₦200k	Individual: ₦1m
iv.	Low Security (WEF-Jul 30, 2014)	<ul style="list-style-type: none"><li>■ User ID and Password</li><li>■ SMS/Email Trans Alert</li></ul>	Individual: ₦20k	Individual: ₦100k

2. Banks are expected to achieve "Highly Secured Online Funds Transfer" status within six (6) months, i.e. with a deadline Of 31<sup>st</sup> December 2014.
3. Limits of ₦1million (Instant value) and ₦10million (Next day value) shall be applied for NIP and NEFT respectively, and other electronic payments options with similar features, initiated by individuals, with effect from 1<sup>st</sup> September, 2014. There shall be no limit on the amount that can be received into a customer's bank account from the platform.
4. For same day value (NIP), the maximum amount that can be transferred by an individual (cumulative) is N5 million.

5. A customer shall issue a written indemnity to the bank, where they chooses to initiate transactions above the limits specified in item 1 above, subject to maximums of ₦5 million and ₦100 million for individual and corporate customers respectively
6. Banks are to establish internal procedures/policies for variants of the ₦5 million limits. Transactions above the N1 million limit could be delayed by the receiving bank for not more than one (1) hour (as opposed to the current 2 minutes), before applying credit.
7. Limits of ₦10 million (Instant value) and ₦100 million (Next day value) shall be applied for NIP and NEFT, respectively, and other electronic payments options with similar features, initiated by corporates with effect from 1<sup>st</sup> September 2014.
8. Transfers above ₦100 million shall be effected through the Real Time Gross-Settlement System (RTGS)
9. Banks are expected to return unapplied funds within 10 minutes, where their fraud/risk management systems flag such as suspicious or fraudulent.
10. Banks are also expected to communicate the aforementioned policies clearly to their customers and give adequate notice, before implementation
11. Banks should encourage customers to pre-register beneficiaries of online transfers
12. Banks are encouraged to confirm all email transfer requests via the accounts officers

Best Regards,



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