



**CENTRAL BANK OF NIGERIA**  
Central Business District,  
Cadastral Zone AO  
P.M.B. 0187, Garki  
Abuja.

**PAYMENTS SYSTEM MANAGEMENT DEPARTMENT**  
Tel: 09 462 38300, 09 462 38346  
e-mail: [psmd@cbn.gov.ng](mailto:psmd@cbn.gov.ng)  
website: [www.cbn.gov.ng](http://www.cbn.gov.ng)

PSM/DIR/GEN/CIR/01/019

December 30, 2019

**To: Merchant Acquirers, Deposit Money Banks (Issuers), Payment Service Providers and Card Schemes**

**CIRCULAR ON PRE-AUTHORISATION OF CARDS IN NIGERIA**

As part of its commitment to facilitate the development of the Nigerian payments system and deepen the adoption of various electronic payment options available to users, the Central Bank of Nigeria (CBN) has identified the predominant use of single messaging format for POS transactions as an obstacle to the use of pre-authorisation as a mode of payment in Nigeria.

In order to enable pre-authorisation and sales-completion of card transactions, the CBN hereby directs as follow:

- a. All merchant acquirers are required to obtain Acquirer Device Validation certification or the applicable testing completion notification from CBN licensed card schemes.
- b. By this directive, all POS Terminals must have the capability for transaction pre-authorisation and sales completion.
- c. PTSA (NIBSS) to ensure that only banks that have conducted and obtained PoS Terminal Validation Certificate for pre-authorisation and sales-completion from the relevant card schemes, have their PoS Terminals registered on the Central Terminal Management System.
- d. All card issuers are required to build the capability and enable the processes for pre-authorisation and sales-completion of transactions.
- e. Card Schemes are also required to provide online simulators for acquirers and issuers to test their systems, when necessary.

This circular takes immediate effect, but with a deadline of July 31, 2020 for full compliance, after which appropriate sanctions would be imposed for contraventions and non-compliance.

  
Musa I. Jimoh

Director, Payments System Management Department