



09 - 46237401

Tel:.....

E-mail:fprd@cbn.gov.ng

FPR/DIR/PUB/CIR/001/023

CENTRAL BANK OF NIGERIA

Financial Policy and Regulation Department

Central Business District

P.M.B. 0187

Garki, Abuja.

October 25, 2021

CIRCULAR TO ALL STAKEHOLDERS

REGULATORY GUIDELINES ON THE eNAIRA

The Central Bank of Nigeria, under the Central Bank of Nigeria (CBN) Act 2007 and the Banks and Other Financial Institutions Act (BOFIA) 2020, is empowered to issue legal tender currency, ensure financial system stability and promote the development of electronic payments system. The Bank, in furtherance of these mandates, hereby issues the following Guidelines for the operation of the eNaira.

The eNaira is the digital form of the Fiat currency (Naira), issued by the CBN in line with Section 19 of the CBN Act. It is a direct liability of the CBN, a legal tender and will form part of the currency-in-circulation. The eNaira will complement cash as a less costly, more efficient, generally acceptable, safe and trusted means of payment and store of value. Additionally, it will improve monetary policy effectiveness, enhance government's capacity to deploy targeted social interventions, provide alternative less costly channel for collection of government revenue and boost remittances through formal channels.

The Guidelines seek to provide simplicity in the operation of the eNaira, encourage general acceptability and use, promote low cost of transactions, drive financial inclusion while minimizing inherent risks of disintermediation or any negative impact on the financial system.

The Regulatory Guidelines on the eNaira takes effect from **October 25, 2021**.

A handwritten signature in black ink, appearing to read 'Chibuzo A. Efofi', written over a horizontal line.

CHIBUZO A. EFOFI

DIRECTOR, FINANCIAL POLICY AND REGULATION DEPARTMENT



**REGULATORY GUIDELINES
ON
THE eNAIRA**



October 25, 2021

Table of Contents

Glossary of Terms	3
1.0 Introduction	4
2.0 Scope	4
3.0 The eNaira Platform	4
3.1 The Digital Currency Management System (DCMS).....	4
3.2 The Financial Institution Suite.....	4
3.3 The eNaira Wallets	4
3.3.1 eNaira Stock Wallets	4
3.3.2 eNaira Treasury Wallets.....	5
3.3.4 eNaira Merchant Speed Wallets	5
3.3.5 eNaira Speed Wallets.....	5
3.4 Security and Privacy	5
3.5 Technical Requirements	5
3.6 AML/CFT.....	5
4.0 Participants and Roles	5
4.1 Central Bank of Nigeria (CBN).....	5
4.2 Financial Institutions (FIs).....	6
4.3 Merchants	6
4.4 Ministries, Departments and Agencies (MDAs).....	6
4.5 Consumers.....	6
5.0 Onboarding and Transactional Processes	7
5.1 Financial Institutions (FIs).....	7
5.2 Merchants	7
5.3 MDAs.....	7
5.4 Consumers.....	7
6.0 Disclosure	8
7.0 Unique Identifier	8
8.0 Transaction Types	8
8.1 Consumer Transactions	8
8.2 Merchant Transactions.....	8
8.3 FI Transactions	8
8.4 MDA Transactions	9

9.0	<i>Charges and Cost Structure</i>	9
10.0	<i>AML/CFT Compliance</i>	9
10.1	Tier 0	9
10.2	Tier 1 - 3.....	9
10.3	Merchants	9
10.4	Transaction and Balance Limits.....	10
11.0	<i>Risk Management</i>	10
12.0	<i>eNaira Speed Wallet Recovery Process</i>	10
12.1	Roles and Responsibilities of the Stakeholders.....	10
12.2	Banks.....	11
12.3	eNaira Speed Wallet Users	11
13.0	<i>eNaira Speed Wallet Recovery</i>	11
13.1	Loss/Theft of Device.....	11
13.2	Compromise of eNaira Speed Wallet.....	12
14.0	<i>Financial and Regulatory Reporting</i>	12
15.0	<i>Dispute Resolution</i>	12
16.0	<i>Effective date</i>	12

APPROVED

Glossary of Terms

Acronym	Definition
AML/CFT	Anti-Money Laundering/Combating the Financing of Terrorism
BVN	Bank Verification Number
CBN	Central Bank of Nigeria
DCMS	The Digital Currency Management System
eNAIRA	Electronic Naira issued by the Central Bank of Nigeria as a legal tender
FIs	Financial Institutions such as Banks, Other Financial Institutions, Mobile Money Operators
KYC	Know Your Customer
MERCHANT	Duly accredited individuals and non-individual (corporates) authorized to conduct business in Nigeria
MDAs	Ministries, Departments and Agencies
NIN	National Identification Number
TIN	Taxpayer Identification Number

1.0 Introduction

The Central Bank of Nigeria, under the Central Bank of Nigeria (CBN) Act 2007 and the Banks and Other Financial Institutions Act (BOFIA) 2020, is empowered to issue legal tender currency, ensure financial system stability and promote the development of electronic payments system. The Bank, in furtherance of its mandate, hereby issues the following Guidelines for the operation of the eNaira.

The eNaira is the digital form of the Naira, issued by the CBN in line with Section 19 of the CBN Act. It is a direct liability of the Bank, a legal tender and will form part of the currency-in-circulation and will be at par with the physical Naira (that is 1:1). The eNaira shall complement traditional Naira as a less costly, more efficient, generally acceptable, safe and trusted means of payment. In addition, it will improve monetary policy effectiveness, enhance government's capacity to deploy targeted social interventions and boost remittances through formal channels.

The eNaira wallet is required to access, use and hold eNaira. The eNaira will be exchangeable for other Central Bank Digital Currencies (CBDC).

2.0 Scope

The provisions of these Guidelines shall apply to all financial institutions and users of the eNaira.

3.0 The eNaira Platform

This section gives an overview of the key components of the eNaira platform.

3.1 The Digital Currency Management System (DCMS)

The eNaira shall be administered by the CBN through the Digital Currency Management System (DCMS) to mint and issue eNaira.

Financial institutions shall maintain a treasury eNaira wallet for holding and managing eNaira on the DCMS.

3.2 The Financial Institution Suite

The FI Suite is the primary application used by the FIs to manage their digital currency holdings, requests, and redemption with the CBN.

3.3 The eNaira Wallets

The eNaira platform shall host eNaira wallets for different stakeholders.

3.3.1 eNaira Stock Wallets

The eNaira stock wallet belongs solely to the CBN and it shall warehouse all minted eNaira.

3.3.2 eNaira Treasury Wallets

A financial institution (FI) shall maintain one treasury eNaira wallet to warehouse eNaira received from the CBN eNaira stock wallet. FIs may create eNaira sub-treasury wallets for branches tied to it and fund them from its single eNaira treasury wallet with the CBN.

3.3.3 eNaira Branch Wallets

An FI may create eNaira branch sub-wallets for its branches. The eNaira branch sub-wallet shall be funded from the treasury eNaira wallet.

3.3.4 eNaira Merchant Speed Wallets

eNaira Merchant speed wallets shall be used solely for receiving and making eNaira payments for goods and services.

3.3.5 eNaira Speed Wallets

eNaira speed wallets shall be available for end users to transact on the eNaira platform.

3.4 Security and Privacy

The two-factor authentication and other measures shall be adopted to ensure the security of eNaira wallet.

3.5 Technical Requirements

FIs shall integrate their backend systems to the DCMS for efficient transfer of eNaira between bank accounts and eNaira wallets.

3.6 AML/CFT

AML/CFT checks for fraud prevention and detection shall apply on the eNaira platform.

4.0 Participants and Roles

4.1 Central Bank of Nigeria (CBN)

The CBN shall exclusively perform the following roles:

- a) Mint, issue, distribute, redeem and destroy the eNaira;
- b) Determine the technical, regulatory and operational standards for the eNaira;
- c) Manage unresolved eNaira issues and complaints escalated from the FIs and disputes arising between FIs;
- d) Monitor compliance with applicable regulations; and
- e) Issue directives and review Guidelines on eNaira periodically as may be required.

4.2 Financial Institutions (FIs)

The Financial Institutions are intermediaries between the CBN and customers. Their roles within the eNaira ecosystem shall include:

- a) Facilitating eNaira speed wallet onboarding for bank customers (merchants and individuals) including sensitizing them on the need to familiarize themselves with details of their BVN particulars, especially email address. This is a major requirement for the self-service enrollment process into the eNaira Speed App.
- b) Integrating the eNaira speed wallet feature into their electronic banking channels;
- c) Requesting eNaira from CBN for self and on behalf of its customers;
- d) Managing eNaira across its branches;
- e) Developing and/or updating reports and internal frameworks to ensure compliance with KYC and AML/CFT requirements;
- f) Receiving and resolving customers' complaints on eNaira (including prompt update of customers' BVN particulars in NIBSS); and
- g) Ensuring that eNaira enquiries and complaints are included in the periodic reports to CBN.

4.3 Merchants

Merchants' roles include:

- a) Providing customers with alternative channels for making transactions using eNaira;
- b) Providing cashback services for customers;
- c) Publicising the option of eNaira payment for transactions at merchant locations; and
- d) Protecting their eNaira speed wallet credentials against fraudulent access.

4.4 Ministries, Departments and Agencies (MDAs)

MDAs may:

- a) Receive revenue in eNaira; and
- b) Make payments in eNaira.

4.5 Consumers

Consumers are the end users of the eNaira and their roles are specified below:

- a) Creating eNaira speed wallets and funding it;
- b) Utilising eNaira as an alternative payment option for legitimate transactions;
- c) Protecting their eNaira speed wallet access credentials; and
- d) Notifying financial institutions in the event of fraud/complaints/disputes.

5.0 Onboarding and Transactional Processes

This section describes the process of onboarding participants on the eNaira platform. The onboarding process shall vary based on the role of each participant.

5.1 Financial Institutions (FIs)

The onboarding of FIs shall be done automatically by the CBN.

5.2 Merchants

Merchants shall be onboarded by the FIs upon downloading the “**eNaira Speed Merchant App**” from the app stores and fulfillment of the following requirements:

- a) Provision of all mandatory information;
- b) Acceptance of the Terms and Conditions of eNaira speed app;
- c) Acceptance of the Privacy Policy of eNaira speed wallet; and
- d) Validation and activation by their preferred FI.

5.3 MDAs

MDAs shall be onboarded by the CBN upon receipt of the appropriate mandate.

5.4 Consumers

Consumer onboarding shall be self-service upon downloading of the “**eNaira Speed App**” from the app stores and fulfillment of the following requirements:

- a) Provision of all mandatory requirements;
- b) Acceptance of the Terms and Conditions of eNaira speed app; and
- c) Acceptance of the Privacy Policy of eNaira speed app.

NOTE: For a successful self-service enrollment on the eNaira Speed App, the mandatory requirements for some BVN details **must** match similar details attached to the consumer’s profile at the BVN database. Consequently, there is need for consumers to familiarize themselves with details of their BVN profile to identify and rectify gaps or stale information (especially email address) through their banks. The relevant information for a successful BVN validation check are:

- a) First Name;
- b) Last Name;
- c) Date of Birth (DD/MM/YYYY);
- d) State of Origin;
- e) Email; and
- f) Phone Number.

6.0 Disclosure

During the onboarding process, users shall have option to disclose whether the eNaira speed wallet being created will be operated for self or as trustees.

7.0 Unique Identifier

The TIN, NIN and/or BVN shall be used as unique identifiers:

- a) TIN shall be for corporate entities;
- b) NIN and/or BVN shall be for individuals; and
- c) BVN shall be for merchants that are not corporate entities.

8.0 Transaction Types

This section describes the various transaction types.

8.1 Consumer Transactions

The following services shall be available to individual consumers on the eNaira platform:

- a) Person to Person (P2P);
- b) Person to Business (P2B) / Business to Person (B2P);
- c) Person to Government (P2G) / Government to Person (G2P);
- d) Cash or Bank account to eNaira speed wallet;
- e) eNaira speed wallet to cash or bank account; and
- f) Any other services as may be approved by the CBN from time to time.

8.2 Merchant Transactions

The following services shall be available to merchants on the eNaira platform:

- a) Merchant/Business to bank account;
- b) Merchant/Business to Person (M/B2P); and
- c) Cash or bank account to eNaira speed wallet.

Merchants shall sweep their till balance(s) into their FIs accounts on a daily basis.

8.3 FI Transactions

The following services shall be available to FIs on the eNaira platform;

- a) FIs to CBN / CBN to FI;
- b) FI to Government / Government to FI;
- c) FI to Business / Business to FI; and
- d) FI to Customer / Customer to FI.

8.4 MDA Transactions

Upon onboarding by the CBN, the following services shall be available to MDAs on the eNaira platform:

- a) MDAs to Person / Person to MDAs;
- b) MDAs to MDAs;
- c) MDAs to FIs / FIs to MDAs;
- d) MDAs to CBN / CBN to MDAs; and
- e) MDAs to Businesses / Businesses to MDAs.

9.0 Charges and Cost Structure

The charges for transactions that originate from the eNaira platform shall be free for the first 90 days commencing from October 25, 2021 and then revert to applicable charges as outlined in the ***Guide to Charges by Banks, Other Financial and Non-bank Financial Institutions***.

10.0 AML/CFT Compliance

Financial Institutions are required to comply with the **Money Laundering (Prohibition) Act 2011 (as amended)**, the **Terrorism (Prevention) Act 2011 (as amended)** and **all subsisting anti-money laundering laws and regulations** as may be issued by the CBN from time to time.

Users of eNaira shall be subjected to a tiered structure with transaction and balance limits as follows:

10.1 Tier 0

Documentation requirements for Tier 0 users are:

- a) Passport Photograph;
- b) Personal Information (Name, Place & Date of Birth, Gender & Address); and
- c) Telephone Number (NIN issued but not linked to phone number).

10.2 Tier 1 - 3

Documentation requirements for Tiers 1 to 3 are as stipulated in **CBN Circular on Tiered Know Your Customer (T-KYC)**.

10.3 Merchants

Merchants are expected to have existing bank accounts with FIs. Further requirements at point of onboarding are:

- a) TIN;
- b) BVN of MD/CEO;
- c) Email address; and

d) Business Category.

FI's Compliance Officers at the Merchant's bank shall carry out final verifications and activation of their eNaira Merchant Speed Wallet.

10.4 Transaction and Balance Limits

The transaction and balance limits for individual and merchant eNaira wallets are shown below:

Category	Daily Transaction Limit	Balance/eNaira Speed Wallet Limit
Tier 0 (Phone number without verified NIN)	N20,000.00	N120,000.00
Tier 1 (Phone number with verified NIN)	N50,000.00	N300,000.00
Tier 2	N200,000.00	N500,000.00
Tier 3	N1,000,000.00	N5,000,000.00
Merchant	No Limit	No Limit

11.0 Risk Management

Financial Institutions shall put in place appropriate measures to ensure sound risk management practices to address potential threats to their operations.

These shall include:

- a) An Enterprise risk management framework;
- b) Appropriate governance structures;
- c) Documented and approved policies; and
- d) Secured information technology infrastructure.

Financial Institutions shall be required to implement additional risk management measures as may be prescribed by CBN guidelines from time to time.

12.0 eNaira Speed Wallet Recovery Process

12.1 Roles and Responsibilities of the Stakeholders

The roles and responsibilities of the different stakeholders with respect to ensuring the prevention or minimisation of loss following loss / theft of a user's device or compromise of user eNaira speed wallet are stipulated as follows:

12.2 Banks

Banks shall provide the following services:

- a) Ensure that eNaira users have access to an array of channels to report loss/theft of device or compromise of user eNaira speed wallet. At a minimum, banks shall ensure that customers are able to report via:
 - i. USSD channels;
 - ii. Internet banking platforms;
 - iii. Customer care phone lines; and
 - iv. In-branch customer care.
- b) Develop a system to validate the identity of complainants;
- c) Facilitate prompt placement of restriction on eNaira speed wallets where a valid report of loss/theft of device or compromise of user eNaira speed wallet is made; and
- d) Make reports to the CBN on number of reports received and actions taken thereon including timelines.

12.3 eNaira Speed Wallet Users

eNaira speed wallet users shall have the following responsibilities:

- a) Ensure the protection of eNaira speed wallet login credentials and devices to prevent disclosure to third parties; and
- b) Promptly report to Financial Institutions or eNaira Helpdesk where there has been a loss/theft of device or compromise of user eNaira speed wallet.

13.0 eNaira Speed Wallet Recovery

This section outlines the process for eNaira speed wallet recovery.

13.1 Loss/Theft of Device

To recover eNaira speed wallets in the event of a loss/theft of device, users shall:

1.
 - a) Download a new “**eNaira Speed Wallet App**” from the app stores;
 - b) Accept the Terms and Conditions of usage of the **eNaira Speed Wallet**;
 - c) Accept the Privacy Policy of the eNaira Speed Wallet; and
 - d) Input username and password.or
2. Contact FIs for assistance.

13.2 Compromise of eNaira Speed Wallet

In the event of a compromise of eNaira speed wallet, existing users shall:

1. a) Request for a change of password using the *Forgot Password* functionality in the eNaira Speed App; and
b) Input username and the new password.
or
2. Contact FIs for assistance.

14.0 Financial and Regulatory Reporting

FIs shall render returns to the CBN in line with the provisions of the Banks and Other Financial Institutions Act (BOFIA) 2020 and as may be specified from time to time.

15.0 Dispute Resolution

Consumer Complaints in relation to the usage of the eNaira shall be referred to Helpdesk of users' preferred FI Helpdesk. If unresolved by the FI Helpdesk, it shall be escalated to the eNaira Helpdesk via **0800myeNaira (0800 6936 2472) or helpdesk@enaira.gov.ng** for resolution.

Complaints from Financial Institutions as well as disputes arising between Financial Institutions shall be reported to the eNaira Helpdesk Team and resolved within two (2) working days.

For disputes where one or both parties are unsatisfied with the resolution, the issue shall be referred to an arbitration panel as provided under the extant Arbitration and Conciliation Act or as may be defined by the Central Bank from time to time.

16.0 Effective date

The effective date of these Guidelines is **October 25, 2021**.