

STEP-BY-STEP PROCESS FOR CERTIFICATION OF PAYMENT TERMINALS AND PAYMENT APPLICATIONS.

The below-mentioned steps represent the general flow of activities involved in the certification of Payment Devices and/or Payment Applications:

- 1. Formal Letter of Intent** – This is a formal request done to the MD, NIBSS specifically stating intent to have a Payment Device/Application certified as fit for the Nigerian market by NIBSS.

The Letter of Intent MUST also contain the following: Application Name, Application Version, Device name and specification (with pictures), Compliance Standards met, the manufacturer, unique features of the device, contact phone number/email of client and other necessary information.

As an addendum to the Letter of Intent, the client MUST attach the following:

- a) a photocopy of your license issued by the Central Bank of Nigeria (CBN) to operate as a Payment Terminal Service Provider (PTSP). If you do not have this, you can provide an Approval-In-Principle (AIP) issued by the CBN.
- b) a document capturing your Segment of Market Coverage and Evidence of Playing in the Payment Space.

NB. Please note that the above document requirements are pre-requisites for Point of Sale Terminal/Application Certification and must be submitted alongside the Formal Letter of Intent for pre-assessment.

- 2. Evaluation of Certification Request/Letter of Intent** – On receiving the management-approved request, the Certification Team provides the requesting party with the POS Certification process documents. The client is also required to provide the Items listed in specific sections of the documents for evaluation.

3. **Submission of Requirements** – The Company submits the documents as required, and NIBSS Legal Team performs a thorough examination of the documents provided. As part of this examination, Due Diligence Visits may be performed to assess the capability of the company in carrying on its business.
4. **Execution of NDA** - After Due Diligence Visit, there may be need to execute a Non-Disclosure Agreement with NIBSS (particularly for new Application Certification) to be followed by the provision of API (Interface Specification Document), POS Functional Specifications, and POS Certification Test Cases for the purpose of guiding Application Development.
5. **Letter of Commitment** – As part of the certification process, all OEMs (Payment Device Manufacturers) are required to provide a formal letter to NIBSS clearly expressing their partnership with and support of the company whose device is presented for certification. Also, Technical Support and other Maintenance/Replacement Commitments are required
6. **Provision of Specification Document and Test Details:** The Certification Team provides the requesting party with the POS Technical Specification documents and the POS Application Certification Test Case Document that will guide the client in the development and testing of Application. Upon successful development and test completion, client is expected to submit the Filled **POS Application Test Script** to NIBSS for evaluation and review.
7. **Handover of POS Terminal and Application** – After successful review of client’s filled Test Script, NIBSS Certification Team will schedule a **handover session** with client for proper handover of the device and necessary pass codes for the device/application. A brief demo is carried out on the application and basic checks on customer operations is done to ascertain if the application is ready for testing.

8. **Assessment of POS Terminal and/or Application** – After device handover, the Payment Device and/or Application gets subjected to rigorous checks and tests by the Certification Team, using the CBN defined requirements and other internationally recognized benchmarks for standardization of Payment Devices and Applications, as defined in the CBN Guidelines On Operations Of Electronic Payment Channels In Nigeria (April 2016).
9. **Issuance or Decline of Certificate** – After the assessment is conducted, the findings of the certification team is communicated to the Device/Application Owner. Where found to have been Compliant with all requirements, Certificate and Statement of Compliance is issued. Where not compliant, identified defects are communicated to the company, which must be corrected before certificate and statement of compliance are issued.
10. **Renewal of Certificate** – The documents carry a validity period of 24 months, after which it becomes obsolete. Both documents when received are to be consistently renewed 24 months from the Date of Approval mentioned on the documents.