

DEPOSITORS' REIMBURSEMENT TO RECEIVE MAJOR BOOST AS NDIC, NIBSS SET TO SIGN MOU



NDIC's deposit registers and electronic records to allow for swift verification of eligible accounts during bank resolution; expansion of disbursement channels for depositor claims to include Mobile Money Operators (MMOs) and possible NDIC-branded mobile interface; and investment in Single Customer View (SCV) and interoperability infrastructure for instant validation in the event of

The Nigeria Deposit Insurance Corporation (NDIC) and the Nigeria Inter-Bank Settlement System (NIBSS) Plc. are set to sign a Memorandum of Understanding (MoU) aimed at ensuring a more efficient process of reimbursement of depositors in the event of bank failure. This development was disclosed by the Managing Director/Chief Executive of the NDIC, Mr. Thompson Oludare Sunday, during a courtesy visit to the Corporation's Head Office in Abuja by the NIBSS Executive Management team led by its Managing Director/Chief Executive, Mr. Premier Oiwoh. Mr. Sunday commended NIBSS for its longstanding partnership and invaluable contributions to strengthening the Corporation's mandate of protecting depositors and enhancing public confidence in the banking system. He highlighted the pivotal role played by the NIBSS in driving digital verification processes, particularly through the deployment of the Bank Verification Number (BVN) platform, which enabled seamless payment to the alternate bank accounts of depositors of failed Heritage Bank Limited. "You have been a reliable partner and NDIC remains committed to that partnership. Without NIBSS's support, it would have been difficult to achieve the milestone we attained with the closure of failed Heritage Bank despite the impromptu nature of the arrangement. That is why it is important for us to concretize our partnership through this MoU", the NDIC MD/CE stressed. Mr. Sunday highlighted key areas to be covered by the MoU such as real-time synchronization of

bank failure.

The NDIC Boss commended NIBSS for reforming the payments system in Nigeria and putting it ahead of its peers in most part of the world, adding that efforts of the NIBSS platform in mitigating frauds in the financial system is laudable. In his response, the NIBSS MD/CE, Mr. Premier Oiwoh, expressed appreciation to the NDIC leadership for the sustained partnership that is geared towards a safer and smooth payment system in Nigeria over the years. He reaffirmed NIBSS's full commitment to supporting the Corporation in the delivery of its mandate of depositor protection, emphasizing that NIBSS exists to serve Nigerians and stands ready to provide the technological backbone required to enhance financial system stability. Mr. Oiwoh emphasized the critical importance of prompt and efficient reimbursement during bank failures, noting that the NDIC's efforts in this regard directly contribute to public trust and financial inclusion. He assured that his organization is working closely with law-enforcement agencies to proactively reinforce the safety of the nation's payment system, as well as strengthen its infrastructure to lower the cost of transactions on its platforms. The MoU between both institutions is expected to usher in a new era of digitized, responsive, and technology-driven depositor reimbursement process, ultimately reinforcing confidence in Nigeria's financial safety-net framework.