

# Link between Poverty and NIN Ownership

February 2024

**29% of Nigerians still do not have NIN:**

**111,306,095**  
**32,270,668**

The **2023 Access to Finance survey** revealed that out of 111,306,095 Nigerians, 32,270,668 (29%) do not have NINs. From the survey, we know that those without NINs are predominantly marginalised groups. This includes women (particularly in the rural setting), rural communities, and the poor.

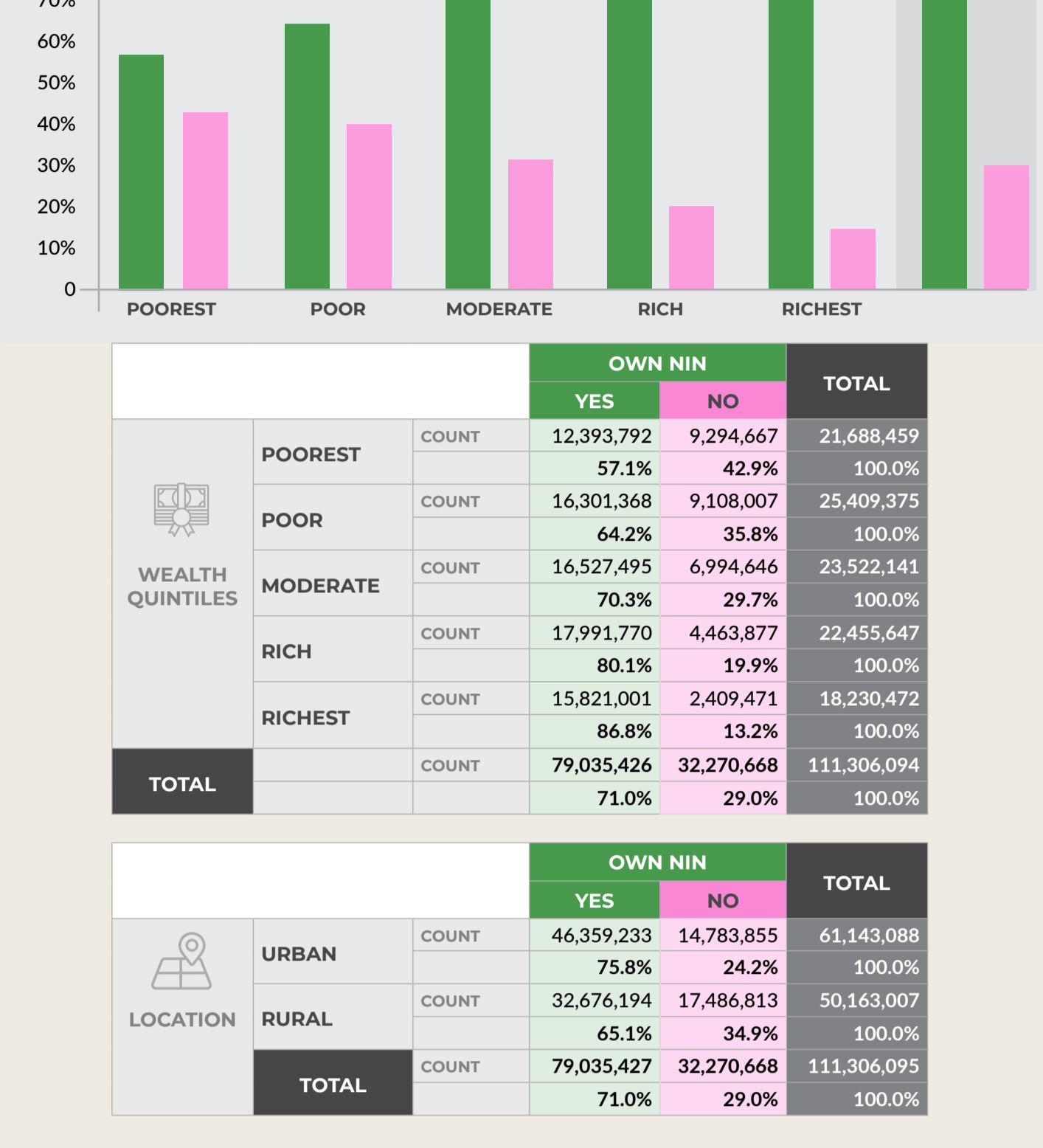
**The poorer you are the less likely you are to have a NIN:**

The **2020 A2F data analysed by I4ALL** showed that NIN ownership is directly correlated to wealth. The 2023 A2F survey reveals that while NIN ownership is growing across all wealth segments, the wealth gap is widening as enrolment grows faster for the richest, highlighting an urgent need to address this inequity.

**As depicted below, a staggering gap emerges between the rich and poor when it comes to NIN ownership.**

A 29.7% difference exists, with 86.8% of the richest having NINs compared to only 57.1% of the poorest.

**86.8%** (Richest) vs **57.1%** (Poorest) = **29.7% DIFFERENCE**



## Tracking NIMC's\* Progress since 2020

A comparison between the **2020** and **2023 A2F data analysed by I4ALL** reveals encouraging strides in NIN ownership among marginalised groups. Despite this positive movement, gaps persist, requiring further action to fully unlock financial inclusion. It is also imperative to note that the 2023 survey had a larger sample size compared to 2020, which may potentially impact the direct comparability of results between the years.

**ECONOMIC STATUS**

In 2020, 45.6% of the poorest respondents had NINs, which increased by 11.5% by 2023. For the wealthiest group, there was a 15.2% rise in NIN ownership during the same period. The larger increase among the richest indicates a wealth gap, although the overall rise across all groups suggests effective measures by NIMC to improve enrolment.

**POOREST: 45.6% (2020) to 57.1% (2023) (+11.5%)**

**WEALTHIEST: 71.6% (2020) to 86.8% (2023) (+15.2%)**

**BANKED STATUS**

In 2023, 52.3% of the unbanked respondents had NINs - a 7% increase since 2020 (45.3%). For the banked respondents, 2023 saw an increase of 13.3%, up from 74.7% in 2020 to 88%. While there is a positive trend in NIN ownership for both banked and unbanked individuals between 2020 and 2023, the increase is more significant for banked individuals compared to the unbanked. The larger increase for the banked may reflect easier access due to existing ID processes or higher awareness within the banked population.

**UNBANKED: 45.3% (2020) to 52.3% (2023) (+7%)**

**BANKED: 74.7% (2020) to 88% (2023) (+13.3%)**

**GENDER**

For women, NIN ownership increased by 11% over the last 3 years, with 63.9% of female respondents owning a NIN in 2023 in comparison with 52.9% ownership in 2020. Amongst male respondents, a 10% increase (78.3% in 2023 and 68.3% in 2020) occurred during the same period, reflecting that there has been an improvement in NIN ownership amongst women but more can be done to bridge the existing gap.

**WOMEN: 52.9% (2020) to 63.9% (2023) (+11%)**

**MEN: 68.3% (2020) to 78.3% (2023) (+10%)**

**LOCATION**

In 2020, 53.8% of rural inhabitants owned an NIN. This increased by 11.3% to 65.1% by 2023. For urban inhabitants, there was a 10.8% increase from 65% to 75.8% within the same period. Despite the higher rate of increase, rural areas still have a lower overall NIN ownership rate compared to urban areas, indicating that there is still work to be done to bridge the gap between rural and urban areas.

**RURAL: 53.8% (2020) to 65.1% (2023) (+11.3%)**

**URBAN: 65% (2020) to 75.8% (2023) (+10.8%)**

\* National Identity Management Commission

## NIN Enrolment/ Revalidation Challenges

NIMC has made concrete efforts to improve the NIN enrolment process. During a policy dialogue hosted by I4ALL in July 2023, NIMC disclosed that within the last 10 years, the Commission has worked to improve and simplify the NIN enrolment process by:

- Opening up front-end enrolment partners (FEPs) in densely populated locations like universities
- Introducing enrolment buses for traders in markets, especially women
- Leveraging public and private partnerships for faster nationwide expansion
- Developing an Android app for mobile enrolment in remote, hard-to-reach areas
- Licensing relevant CSOs and licensed SMEs equipped with enrolment devices to reach vulnerable groups in their communities

However, according to NIMC, the ability to enrol is based on three main dependencies:

- Availability of NIMC backend
- Availability of network for data transmission
- Availability of power for the enrolment system

For individuals seeking to obtain their NINs before the deadline, these variables could pose several challenges. Additionally, while NIMC has made some progress in creating more FEPs enrolment locations, especially in remote areas, there is a shortage of FEPs due to their ongoing revalidation with NIMC.

For those seeking to revalidate their NINs, while NIMC has simplified the process through mobile apps, only a limited number of individuals have the necessary feature phone or smartphone access. Even for this group, technical glitches continue to cause delays and complications. Additionally, the lack of clarity regarding the alternative revalidation process could leave many unable to revalidate their NINs, leading to potential mobile line disconnection.

## CONCLUSION

- Recent data reinforces the direct correlation between income level and NIN ownership, with the poorest segments facing the highest barriers. As such policies aimed at strengthening ID systems need to have targeted approaches to ensuring the poor are not left behind and risk growing the formal economy.
- The NCC's (Nigeria Communication Commission) February 2024 target of a full network deactivation for subscribers yet to link their NINs to their mobile lines would disproportionately affect low-income individuals who own basic/feature phones, preventing them from using mobile phone services including mobile wallet transactions.
- No phone means no access to essential communication, financial and digital services, thereby exacerbating existing inequalities.
- The CBN's (Central Bank of Nigeria) mandatory requirement of NINs for Tier-1 accounts is an added layer of hardship for these individuals.