

Inclusion for all

NIN-SIM CALL RESTRICTIONS IMPACT SNAPSHOT:



How have vulnerable Nigerians been impacted by the restrictions imposed on SIMs that are not linked to NINs?

On April 4, 2022 - following more than 15 months of deadline extensions, the NCC directed that mobile operators should restrict outgoing voice calls for subscribers who had not linked their National Identity Number (NIN) to their SIM registration. Estimates suggest that this impacted up to 30 million mobile lines.

PPI Category vs Possession of National ID

FIGURE 1

PPI CUTOFF	PPI PROBABILITY CATEGORY	% OF RESPONDENTS WITH NAT. ID WITHIN PROBABILITY CATEGORY
ABOVE POVERTY LINE	0.00	84%
	3.50	75%
	7.10	70%
	19.10	65%
	32.10	64%
	44.90	58%
BELOW POVERTY LINE	49.20	53%
	63.00	51%
	75.50	45%
	78.50	44%
	87.50	44%
	92.50	44%
	96.50	44%
	97.50	38%
	100.00	32%

Total 49%

This table shows how the likelihood of ID ownership amongst respondents in the 2020 EFINA survey decreases for every percentile of the world bank's poverty probability index (PPI). The PPI percentile indicates the likelihood of a person falling below or above the poverty line with 0 (zero) indicating significantly above the poverty line and 100 (one-hundred) indicating significantly below the poverty line.



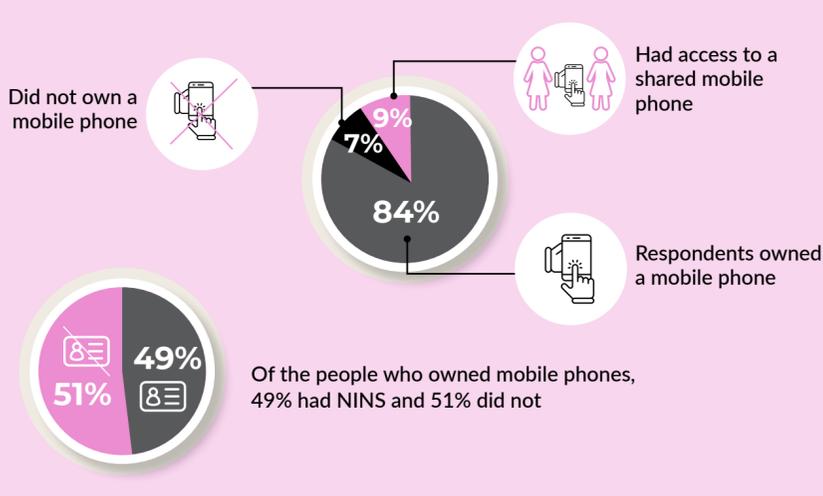
These people are more likely to be women and to live in rural areas with the gender gap widening as they get poorer. I4All and wider research¹ suggests that their exclusion is driven by a range of barriers including a lack of source document, and poor access to enrolment centres.² Given this, we were immediately concerned that while well-intentioned, the restrictions placed on outgoing calls for SIM lines not connected to NIN might inadvertently further disenfranchise already excluded populations.

To understand this, we revisited previous analysis³ on ID ownership amongst excluded and vulnerable populations to try and assess the proportion of excluded populations that might be affected by the ban.

1. <https://inclusion-for-all.org/knowledge-base/>
 2. <https://www.inclusion-for-all.org/knowledgebase>
 3. <https://www.inclusion-for-all.org/data-explorer>

WHAT THE DATA TELLS US

The 2020 Enhancing Financial Innovation & Access (EFInA) access to finance (A2F) survey, showed that:



PPI Category vs Possession of National ID Number (NIN) among Nigerian mobile phone owners

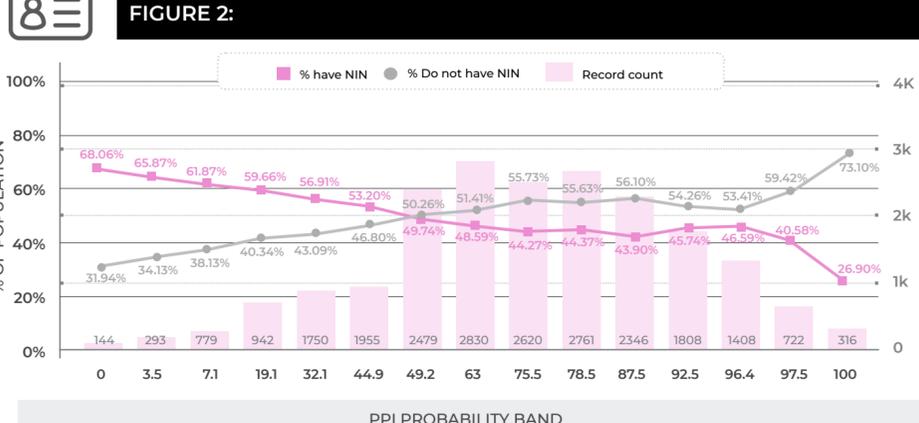


Figure 2 above: This chart plots poverty probability categories against NIN ownership of respondents with mobile phones from the EFInA 2020 survey of more than 29,000 Nigerian households.

73.1% of the poorest segment of the population (those with a 100% probability of living below the poverty line) that have mobile phones said in the 2020 survey that they did not have a NIN. Thus suggesting that these are the groups more likely to be disproportionately impacted by the NIN-SIM cut-off.

What is the Poverty Probability Index?

The Poverty Probability Index is a poverty measurement tool that uses a set of ten country-specific questions that act as indicators of a household's poverty. Once you have the poverty score, you can then use a country-specific table to look up the probability that the household is below a particular poverty line. The higher this percentage, the more likely it is that the household falls below the poverty line - this is the PPI category; which I4All uses to assess poverty rather than the PPI score itself.

For example: A Nigerian household is surveyed, and the points assigned to their ten answers totals 23. This PPI score is then converted into a poverty likelihood using the Nigerian PPI Table - designed by Innovation for Poverty Action. On this table, a score of 23 correlates to a 75.9% likelihood that the household falls below the national poverty line.



Financial Inclusion and the NIN-SIM cut-off

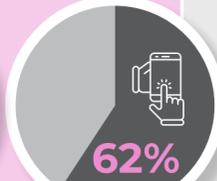
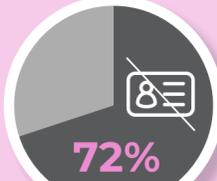


From the same 2020 A2F survey data we know that: **73% OF NIGERIA'S UNBANKED ADULTS DID NOT HAVE THE DOCUMENTATION REQUIRED TO OPEN A TIER 3 BANK ACCOUNT.**

This amounts to **42 million people**

72% of them did not have a NIN

62% owned a mobile phone



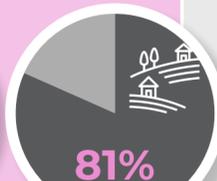
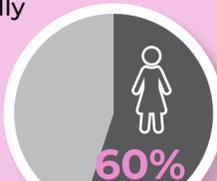
Of those who owned a mobile phone, 76% of them only had a basic phone that could make phone calls and send messages. Unlike smartphones, which give users access to the internet to make voice calls using another platform, those with basic phones rely entirely on calls to stay connected.

The gender and rural/urban divide is much wider for the financially excluded:

60% of them were women

81% lived in rural areas

In terms of income source, the majority (93%) were dependents, farmers and traders



CONCLUSION

These insights support our hypothesis by strongly suggesting that:

- Poor populations are likely to own a phone, which is likely to be a basic feature phone.
- The poorer they are, the less likely they are to have a NIN.
- A significant majority of the poor population that owned mobile phones, did not have a NIN.

While some of these people will undoubtedly have been able to register for NIN during more recent enrolment drives, we believe that these findings clearly indicate that these populations are likely to have been disproportionately impacted by the imposition of the restrictions, potentially impacting their ability to connect with customers or relatives for income.

RECOMMENDATIONS

We believe that these findings create an urgent imperative to:

- Establish a strong and sustainable data collection mechanism that allows NIMC to accurately assess the impact of the restrictions on vulnerable populations.
- Accelerate the development of critical enrolment processes, including an introducer model, that will remove the barriers facing vulnerable populations.
- Implement an accelerated programme of targeted enrolment for vulnerable populations - prioritising their inclusion.