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Central Bank of Nigeria to  
deliver the highest standards of  
Information Security



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## Background

The Central Bank of Nigeria occupies a central position in the economic and social development of Nigeria. The mandate of the Central Bank of Nigeria (CBN) is derived from the 1958 Act of Parliament, as amended in 1991, 1993, 1997, 1998, 1999 and 2007. The CBN Act of 2007 of the Federal Republic of Nigeria charges the Bank with the overall control and administration of the monetary and financial sector policies of the Federal Government.

The objects of the CBN are as follows:

- ensure monetary and price stability;
- issue legal tender currency in Nigeria;
- maintain external reserves to safeguard the international value of the legal tender currency;
- promote a sound financial system in Nigeria; and
- act as Banker and provide economic and financial advice to the Federal Government.

Consequently, the Bank is charged with the responsibility of administering the Banks and Other Financial Institutions (BOFI) Act (1991) as amended, with the sole aim of ensuring high standards of banking practice and financial stability through its surveillance activities, as well as the promotion of an efficient payment system.

In addition to its core functions, CBN has over the years performed some major developmental functions, focused on all the key sectors of the Nigerian economy (financial, agricultural and industrial sectors). Overall, these mandates are carried out by the Bank through its various departments.

There are currently 2,379 employees in the Head Office Building; however the Bank has a total of 6,996 employees across 37 branches nationwide.

Its services include issuing legal tender currency; maintaining external reserves; safeguarding the international value of the legal tender currency; promoting monetary stability and a sound financial system in Nigeria; and acting as banker and financial adviser to the federal government. CBN was founded in 1959 and is headquartered in Abuja, Nigeria.

### Aims of the ISMS

- Improved security, protecting clients' assets, resources and people
- An assurance framework aligned with global best practice
- Enforcing compliance with Information Security standards and policies within the organization
- Greater information security awareness

### Benefits of the ISMS

- Demonstrate leadership in compliance with information security standards
- Provide systematic safeguards for CBN's information assets
- Improved security and a reduction in risk through better understanding
- Enhanced CBN's reputation not just at the national level but at the international level

Central Bank of Nigeria aims to:

- Become the model Central Bank
- Deliver price stability conducive to economic growth
- Achieve safe, stable, and sound financial system
- Deliver credible, reliable & efficient payment system

By  
2015



## Why adopt ISO 27001?

The Central Bank of Nigeria (CBN) is charged with the responsibility of governing the Banks and Other Financial Institutions (BOFI) Act (1991) as amended, with the sole aim of ensuring high standards of banking practice and financial stability through its surveillance activities, as well as the promotion of an efficient payment system. As regulator of the Nigerian financial industry and banker of the Federal Government, the Central Bank of Nigeria (CBN) is the custodian of information of national and international relevance alongside other critical information.

It is therefore necessary, in line with international best practice, to have an appropriate and systematic management framework to adequately protect this information (information systems) to ensure continuous confidentiality, availability and integrity. It is equally imperative that CBN protect its information systems from unauthorized access, use, disclosure, disruption, modification, perusal, inspection, recording or destruction.

The motivation to implement the ISO27001 Standard emerged from the need for CBN to take the lead in compliance with information security best practices in line with its status as the regulator of the Financial Services Industry in Nigeria by complying with an appropriate and systematic management framework to adequately protect the Bank's information assets. Also, to leverage on the opportunity for continuous operational excellence that will yield positive result on investment.

The CBN in conjunction with the Bankers' Committee is working on the Financial Services Industry Infrastructure Programme (IITP), in order to stimulate improvements in IT services, operations and management. The ISO27001 Standard was identified as one of the IT standards within the Financial Services IITP. The process was initiated by engaging a consultant, Global InfoSwift Limited (GIS), to carry out an Information Security Gap Analysis on the Bank's entire infrastructure and applications. The outcome of the gap analysis gave a roadmap where the Bank needed to move in terms of its Information Security Management System.

**"We are indeed very proud to be part of the Central Bank of Nigeria's success story. This is an affirmation that CBN has adopted and complied with one of the most reputable international Information Security Management System standards in the world."** Afolabi Oke (Project Director, GIS)

When the Bank decided to pursue the ISO 27001 certification, we further engaged Global InfoSwift Limited (GIS) based on their pedigree and experience, having led First Bank of Nigeria to achieving the certification. We also held consultations with First Bank of Nigeria consequent to the successful implementation of the ISO27001 standard in its organisation. Their recommendations were duly considered alongside the results of gap analysis that was performed. Subsequently, GIS assumed the responsibility of determining who they will partner with to carry out the project. Based on their experience and success in other organisations, they recommended British Standards Institution (BSI) as the appropriate solution provider.

**"It was definitely a challenging process however, due to top management commitment and support, staff cooperation and participation, and of course the unrelenting effort of the ISMS Secretariat, the Bank stood as one entity and overcame this challenging task."** Taiwo Longe (Chief Information Security Officer, CBN)

## Getting started

Prior to commencing implementation of the ISO27001 ISMS within CBN, an information security gap analysis was conducted by Global InfoSwift Ltd and the results used as a baseline for determining the ISMS project approach. Subsequently, top management commitment was imperative from project inception which was evidenced by involvement of the Governors at the ISMS Project kick-off meeting and constitution of various committees at management level. Various departments such as Risk Management, Security Services, Human Resources, Finance, and Legal Services Depart-

ments etc. were formally engaged as stakeholders with their level of involvement and responsibilities specified.

The scope and boundaries of the project were clearly defined with all exclusions duly stated. Relevant ISMS staff were appropriately trained in preparation for the implementation and certification process.

The Implementation project was staged into six phases: Charter, Plan, Do, Check, Act & Certify. The whole implementation journey has been quite challenging for the entire team. This was overcome by few initiatives:

- Continuous information security awareness training
- Performing Risk assessments by identifying risks to information assets per department and determining the appropriate risk treatment
- Establishing a Risk Assessment Report for each of the 27 departments in the Bank
- Implementing the Abriska Risk Management tool, which is tailored to satisfy compliance with the ISO27001 standard
- Ensuring relevant staff were appropriately trained in the use and management of the Abriska tool
- Establishing ISO Change Champions in all the departments to coordinate the activities of the project in their various departments
- Conducting various Risk Assessment/Treatment workshops
- Implementing all the necessary controls identified as quick wins
- Addressing all the nonconformities as a result of the two audits carried out
- Establishing a Business Continuity Plan for the Bank
- Adopting all the recommendations made during the audit exercises

CBN has a total of twenty seven (27) departments; Groups called the Information Security Forum (ISF) and ISO Champions were constituted, consisting of at least three members from each of the 27 departments. As each department was duly represented, the members of the ISF were tasked with ensuring that each member of their respective departments was adequately informed about the project. Furthermore, top-management (including the Governors) was completely devoted to the success of the project; this was actively communicated to all members of staff. Consequently, the level of employee participation through the awareness campaign and sessions conducted across the Bank amounted to 100%. There were few internal resources required to implement the system:

- **People**

It was necessary to ensure that the ISO27001 awareness campaign reached every member of staff of the Head Office, detailing what their roles and responsibilities are.

Awareness sessions were held for top management and Directors of the 27 departments.

- **Processes**

It was crucial to guarantee that all documents within the Bank were duly controlled, including inserting the metadata page

- **Technology**

During the process, CBN utilized technology by driving awareness campaigns through the use of:

- The Bank's Intranet – Banknet
- The ISMS portal
- Deployment of a series of Information Security screen savers
- Announcements via the Public Address System by Corporate Communications Department

## BSI's role

The Central Bank of Nigeria decided to work with BSI on the recommendation of GIS. As authors of the original standard for information security (BS 7799) it was felt that BSI was best positioned to provide certification.

The BSI helped provide a clear understanding of what the Bank's responsibilities were and how taking ownership of the process was to be approached. They equally offered guidance on unclear areas and provided necessary information that duly equipped us for preparedness for the process.

BSI also provided capacity building for members of staff across the 27 departments by providing the Lead Auditor, Lead Implementer and Internal Auditor trainings.

## Conclusion

**John Ayoh**, Director Information Technology Department, CBN explains: *"For this phase of the Information Security Program, we will definitely say that we have achieved our immediate objective of establishing the Information Security Management System. However, we do recognise that the onus is on us to ensure a continuous improvement process; the effort is still on-going to guarantee that the ISMS is adequately maintained and sustained."*

Implementing ISO 27001 helped CBN establish a leadership position as financial regulators not just at the national level but at the international level. It also gives CBN's stakeholders a level of assurance in knowing that controls have been implemented in ensuring the safety and security of their information assets.

The initial risk assessments that the CBN carried out as part of its implementation of the management system have ensured that risks to the organization's information are now understood at a much more granular level and are being properly managed.

**Folakemi Fatogbe**, Director of Risk Management Department, CBN commented: *"We took a pro-active approach to Risk Assessment and Management through the use of Risk Management tools, leading to a more structured Risk Treatment Plan."*

The CBN's implementation of ISO/IEC 27001 ensures that the strategic objective of the bank, i.e. to be the model Central Bank delivering Price and Financial System Stability and promoting sustainable economic development, becomes more easily achievable.



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