



# Reports on Fraud and Forgeries in Nigerian Banks **Q1** **2025**

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# Reports on Fraud and Forgeries in Nigerian Banks

FIRST QUARTER, 2025

## Overview

Between January and March 2025, FITC received a total of 73 fraud and forgery submissions from 25 Deposit Money Institutions. A closer look at the monthly trend shows that 24 reports were filed in both January and February respectively, while March accounted for the highest volume with 25 submissions.

## Volume and Value of Fraud Cases

In Q1 2025, reported fraud cases totaled 12,347 – marking a significant drop of 33.8% compared to the 18,672 cases logged in the previous quarter. A deeper breakdown shows that the most frequently reported incidents were tied to Computer/Web platforms (7,361 cases), Mobile transactions (2,875 cases), and POS terminals (1,559 cases), a trend similar to that observed in Q3 and Q4 2024. For a comprehensive overview, see Appendices I and II detailing the full range of reported fraudulent activities.

Data analysis indicates a sharp rise in the financial impact of fraud in Q1 2025, with the total amount involved rising by 242.74% – from approximately 6.5 billion in Q4 2024 to 22.27 billion. Losses also surged during the same period, with the total amount lost increasing by 137.2%, moving from 1.39 billion to approximately 3.3 billion. Appendix I (A) provides a visual breakdown of this notable escalation in both the fraud sums and corresponding financial losses.

The first quarter of 2025 also saw a notable reduction in outsider participation in fraud, with reported cases falling by 33.04% – from 16,408 in Q4 2024 to 10,896. Staff-related incidents also declined, with 63 cases recorded in the quarter compared to 91 in the previous period – a 30.8% decrease. Meanwhile, 28 employees are currently under investigation, and 23 staff members had their appointments terminated – reflecting a 28.1% drop from the 32 terminations reported in Q4 2024.

Computer/Web-based fraud emerged as the most financially significant category in Q1 2025, accounting for N10.6 billion – approximately 47.7% of the total amount involved in reported fraud cases. This was followed by Miscellaneous and Other types of fraud, such as e-Naira scams, autopay fraud, cash suppression, and forged deposit tickets, collectively totaling N5.97 billion (26.8%). Mobile app. – related fraud ranked third, contributing N2.3 billion (10.3%) of the total amount

involved in fraud. Combined, these three categories represented 84.8% of the amount involved in fraud during the first quarter of 2025. A full breakdown is presented in Appendix II (A).

A closer review of Q1 2025 data reveals that Mobile app. fraud was the leading contributor to total losses, accounting for approximately 43% – or N1.4 billion – of all losses during the period. Forged cheque incidents followed suite, with losses totaling N837.7 million (25.4%), while fraudulent withdrawals came in third at N584.85 million, representing 17.8% of total losses. Visual summaries detailing the distribution of fraud amounts and corresponding losses across categories can be found in Appendices II (B) through II (F).

## Channels, Instruments and Personalities Involved in Perpetrating Fraud

Fraud in Q1 2025 occurred across multiple channels – including ATMs, online platforms (web and mobile banking), physical bank branches, and POS terminals. Notably, card-based fraud experienced a 29.4% dip, falling from 16,955 cases in Q4 2024 to 11,972 in the current quarter. Cash-related fraud also saw a 30% decline, with reported incidents reducing from 536 to 375.

However, cheque-related fraud bucked the downward trend, rising by 43.8% – from 32 cases in Q4 to 46 in Q1 2025. Appendix III (A) provides a comparative overview of fraud incidents across various payment channels between Q4 2024 and Q1 2025. The analysis reveals a general decline in fraudulent activity across most platforms, with the exception of ATM-related cases, which rose slightly by 6.6% – increasing from 166 cases in Q4 to 177 in Q1 2025. Fraud via computer/web channels dropped by 25.6%, from 9,890 to 7,361 cases. Incidents at bank branches (including over-the-counter fraud and forged cheque cases) declined by 32.3%, falling from 554 to 375. Mobile app. fraud saw the most significant drop at nearly 48%, decreasing from 5,515 to 2,875 cases, while POS-related fraud fell by 25.9%, with cases dropping from 2,103 to 1,559 during the same period. Appendix III (B) presents a comparative analysis of the amounts involved in fraud and corresponding losses across various transaction channels between Q4 2024 and Q1 2025. The data reveals a significant uptick in fraud activity across nearly all channels—except for ATM-related fraud, which

saw a decline. Fraud via computer/web channels experienced the most dramatic increase, surging by 362.3% from approximately N2.3 billion in Q4 2024 to N10.6 billion in Q1 2025. Similarly, fraud through mobile channels rose by 124.7%, climbing from approximately N1 billion to N2.3 billion.

Incidents via bank branches also spiked significantly, with the amount involved increasing by 311.5%, from N1.9 billion to nearly N8 billion. POS-related fraud saw a rise of 85.8%, growing from N742 million in Q4 to approximately N1.4 billion in Q1 2025. In contrast, ATM-related fraud decreased markedly by 59.8%, dropping from N61.3 million in Q4 2024 to just N24.7 million in Q1 2025.

An in-depth analysis of fraud losses across various payment channels in Q1 2025 reveals significant shifts. Losses associated with Computer/Web, Bank Branch, and Mobile fraud recorded sharp increases, while those linked to ATM and POS channels saw notable declines. Specifically, bank branch-related fraud losses rose by 112.3%, climbing from N786.7 million in Q4 2024 to approximately N1.7 billion in Q1 2025. Losses from computer/web fraud surged by 152.3%, increasing from N80.5 million to N203.2 million, while mobile fraud losses soared by 309.8%, rising from N343.7 million to nearly N1.4 billion over the same period. In contrast, POS-related fraud losses dropped sharply by approximately 93%, falling from N126.1 million in Q4 2024 to N10.1 million in Q1 2025. Similarly, ATM-related fraud losses declined by 95%, plummeting from N11.5 million to just N576,215.

Appendix IV (B) provides a detailed breakdown of the monetary value of fraud cases involving cash, cheques, and cards in Q1 2025. The data reveals a sharp surge across all three instruments. Notably, fraudulent cases involving forged cheques amounted to N1.1 billion in Q1 2025, representing a dramatic 196.8% increase from N338.1 million in Q4 2024. Card-related fraud also escalated significantly, with the amount involved rising by 306.2%—from N3.5 billion in Q4 to N14.3 billion in Q1. Likewise, cash-related fraud recorded a steep increase of 301.2%, jumping from N1.7 billion in Q4 to N6.8 billion in Q1.

Similarly, an analysis of fraud losses across various instruments in Q1 2025 reveals significant increases compared to Q4 2024. Losses from cash-related fraud rose by 16.2%, climbing from N716.5 million in Q4 to N832 million in Q1 2025. Card-related fraud losses surged by 211.9%, rising from N527.8 million to N1.6 billion. Notably, cheque-related fraud experienced an increase of 1,036.1%, soaring from N73.7 million in Q4 2024 to N837 million in Q1 2025.

In Q1 2025, deposit money institutions reported the termination of 23 employees for their involvement in fraudulent activities—a 28.1% decrease from the 32 terminations recorded in Q4 2024. Additionally, 28 staff members are currently under investigation for alleged involvement in fraud during the first quarter.

## Summary and Conclusion

In summary, Q1 2025 recorded 12,347 reported fraud cases—a 33.8% decline from the 18,672 cases reported in Q4 2024. However, the total amount involved in fraud rose sharply to N22.27 billion, up from N6.5 billion in the previous quarter. A similar trend was observed in actual losses, which increased by 137.2%, from N1.4 billion in Q4 2024 to N3.3 billion in Q1 2025.

## Recommendations

In summary, Q1 2025 recorded 12,347 reported fraud cases—a 33.8% decline from the 18,672 cases reported in Q4 2024. However, the total amount involved in fraud rose sharply to N22.27 billion, up from N6.5 billion in the previous quarter. A similar trend was observed in actual losses, which increased by 137.2%, from N1.4 billion in Q4 2024 to N3.3 billion in Q1 2025.

### 1. Prioritize Intelligence-Driven Prevention Over Volume-Based Monitoring

The 242.7% increase in total fraud value—despite a 33.9% drop in reported cases—shows fraudsters are now targeting fewer but higher-value transactions. Financial institutions must shift from flagging volume anomalies to building intelligence-led detection systems. This includes:

- Integrating fraud models that weigh transaction context, behavioral history, and device fingerprints.
- Flagging sudden shifts in transaction patterns, especially for business accounts and high-net-worth individuals.

### 2. Strengthen Controls Around Forged Cheques and Branch-Level Operations

Losses from cheque-related fraud rose by a staggering 1,036.1%, despite a relatively low number of cases. This indicates that physical instruments remain a critical weak point. Banks should:

- Mandate enhanced cheque design (QR verification, watermarks, microtext).
- Digitize cheque validation processes and verify deposit authenticity before clearing.
- Audit branch-level approvals for manual overrides, forged deposit slips, and cash suppression.

### 3. Expand Risk Detection for Computer/Web and Mobile Channels

Computer/web platforms accounted for 10.6 billion in fraud, while mobile fraud led to the highest losses ( 1.4 billion). Financial institutions should:

- Use AI-enhanced fraud orchestration tools to unify monitoring across mobile/web platforms.
- Enable dynamic transaction scoring to assess each activity in context (location, time, device history).
- Automate temporary freezes and real-time prompts for high-risk mobile logins and transactions.

### 4. Revisit Employee Risk Management – Especially for Transaction-Linked Roles

While staff-involved cases declined, 28 employees are still under investigation. To reduce internal fraud risk:

- Deploy role-based access management, ensuring limited data/system visibility per role.
- Introduce monthly digital footprints and outlier audits for staff handling high-risk operations.
- Regularize integrity tests and enforce mandatory leave rotation for fraud-sensitive roles.

### 5. Launch Targeted Customer Awareness Around Emerging Fraud Patterns

POS-related losses dropped, yet users remain vulnerable to mobile scams, forged cheques, and impersonation tactics. Financial institutions should:

- Design channel-specific alerts (e.g., mobile app banners on phishing, cheque fraud explainer videos).
- Run preventive nudges within banking apps before completing certain high-risk transactions.
- Translate materials into local languages for grassroots impact and broader engagement.

### 6. Partner on Cross-Institutional Fraud Pattern Intelligence

The rise in miscellaneous frauds like e-Naira scams and cash suppression shows how fast new threats emerge. To stay ahead:

- Create a shared intelligence dashboard among banks for suspicious entity patterns and compromised accounts.
- Collaborate with telcos and fintechs to track fraudulent SIM swap activity, often tied to mobile banking fraud.

### 7. Mandate Real-Time Redress and Escalation Pipelines

High financial losses erode trust, especially when customer redress is delayed. Institutions should:

- Create in-app fraud report buttons with escalation paths for instant blocking and investigations.

- Commit to 72-hour resolution timelines for digital fraud claims with provisional refunds for verified cases.
- Use chatbots for first-level fraud support while routing complex cases to specialists.

In conclusion, Q1 2025 clearly signals a pivot in fraud tactics—from frequent small-value hits to targeted, high-impact operations. To match this sophistication, financial institutions must adopt a layered, adaptive, and intelligence-first approach, supported by interbank collaboration, staff accountability, and informed customer behavior. Fraud is no longer a volume issue—it's a value game. And staying ahead means thinking proactively and innovatively.

*The appendices below show summaries of the cases of Fraud and forgeries covered in this report. A comparison was done between the fourth quarter of 2024 and the first quarter of 2025, as well as between the first quarters of 2024 and 2025 on selected parameters.*

Notes:

Note 1: Commercial, Merchant, and non-interest banks

### Appendix I(A)

#### A Comparison of Fraud Activities between Fourth Quarter 2024 and First Quarter 2025

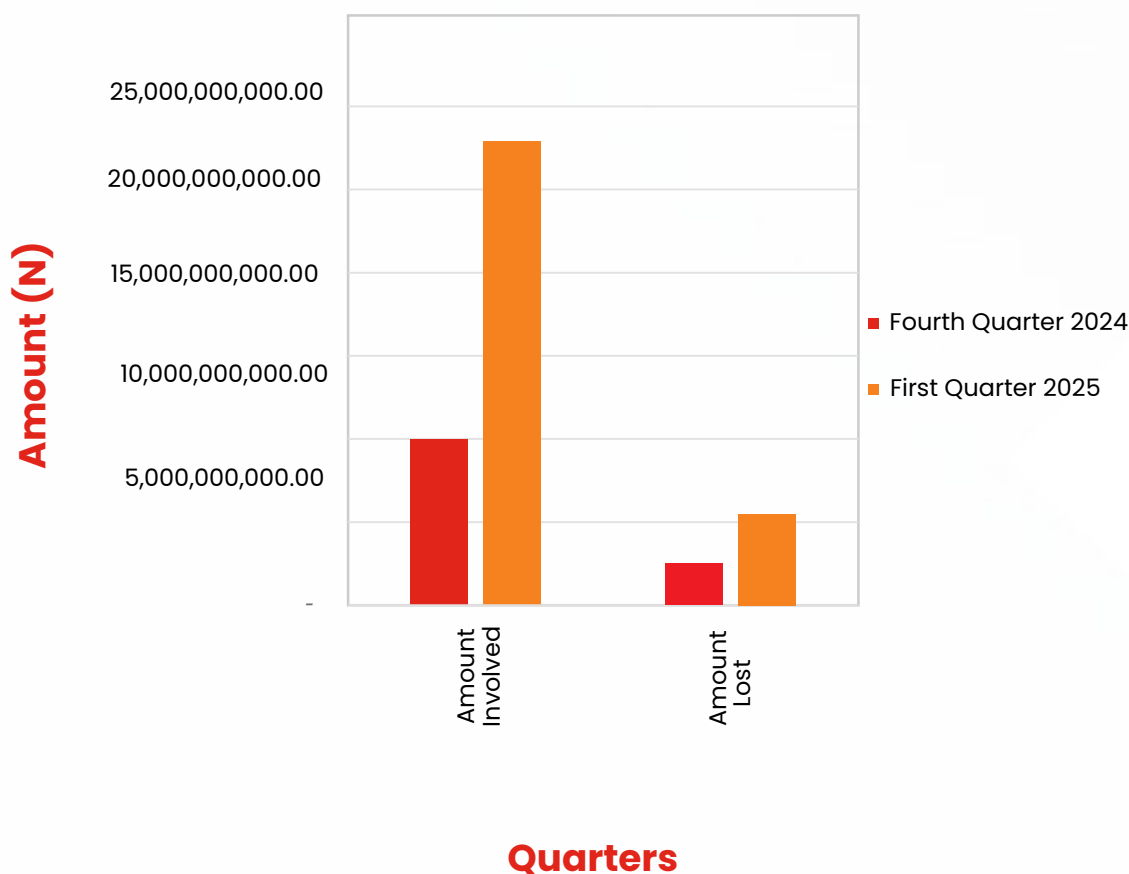
S/N	Variables	Fourth Quarter 2024	First Quarter 2025	Percentage(%) Change
1.	Total Cases Reported	18,672	12,347	(33.8)
2.	Total Amount Involved	N6,498,601,475.04	N22,273,324,899.78	242.7
3.	Total Amount Lost	N1,388,477,621.37	N3,292,884,178.80	137.2
4.	Outsider Involvement	16,408	10,896	(33.04)
5.	Insider (Staff) Involvement	91	63	(30.8)
6.	Appointments Terminated	32	23	(28.1)

Note: All figures in parenthesis ( ) indicate decrease in percentage

### Appendix I(B)

#### A Comparison of Amount Involved and Amount Lost to Frauds Between Fourth Quarter 2024 and First Quarter 2025

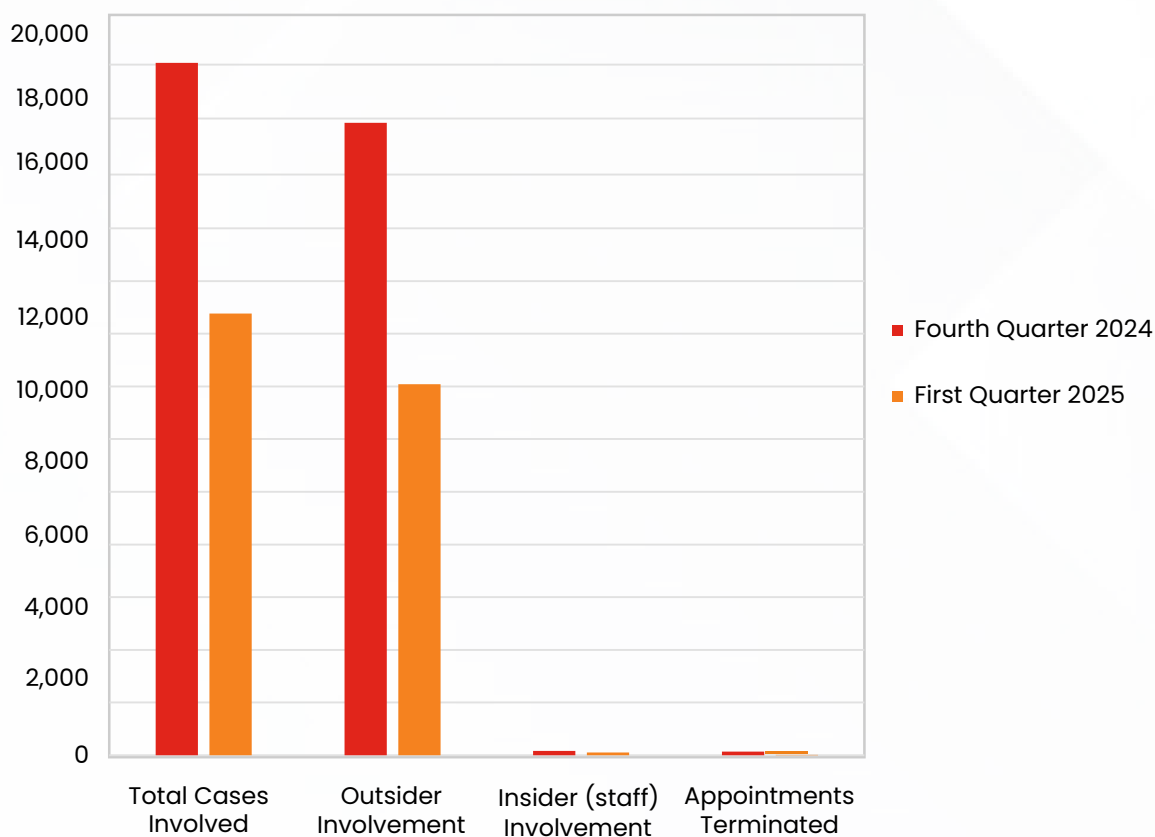
Frauds and Forgeries in the Nigerian Banking Industry:  
A Comparison between Fourth Quarter 2024 and First Quarter, 2025



## Appendix I(C)

### A Comparison of Fraud Activities between Fourth Quarter 2024 and First Quarter 2025

Frauds and Forgeries in the Nigerian Banking Industry:  
A Comparison between Fourth Quarter, 2024 and First Quarter, 2025



### Quarters

**Note:** the figures for insider involvement & appointments terminated are very small when compared to the figures for total cases reported and outsider involvement.

## Appendix I(D)

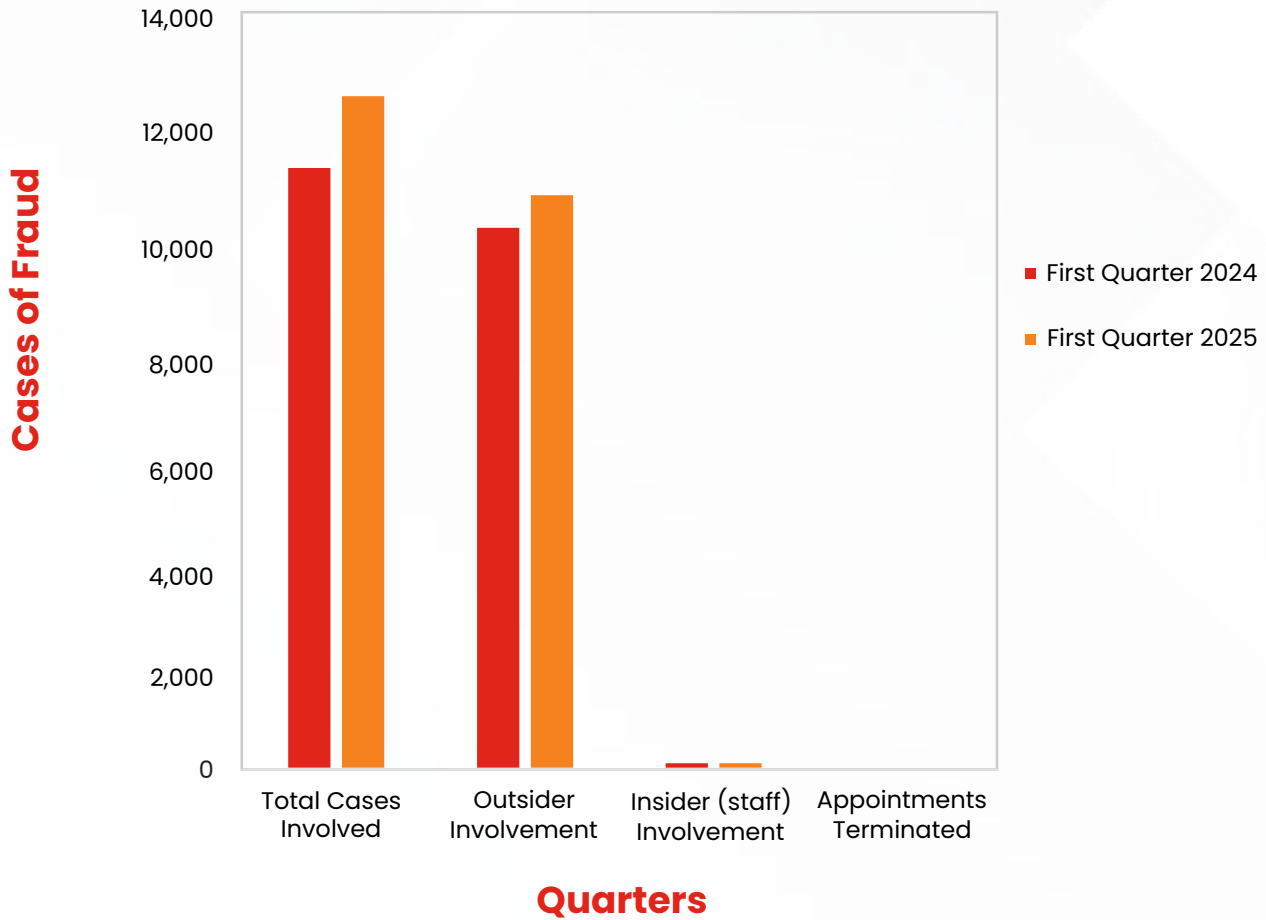
### A Comparison of Fraud Activities between First Quarter 2024 and First Quarter 2025

S/N	Variables	First Quarter 2024	First Quarter 2025	Percentage(%) Change
1.	Total Cases Reported	11,472	12,347	7.7%
2.	Total Amount Involved	2,988,105,767.93	22, 273,324,898.78	645.4%
3.	Total Amount Lost	468,418,100.96	3,292,884,178.80	603%
4.	Outsider Involvement	10,397	10,896	4.8%
5.	Insider (Staff) Involvement	47	63	34%
6.	Appointments Terminated	35	23	(34.3%)

## Appendix I(E)

### A Comparison of Fraud Activities between First Quarter 2024 and First Quarter 2025

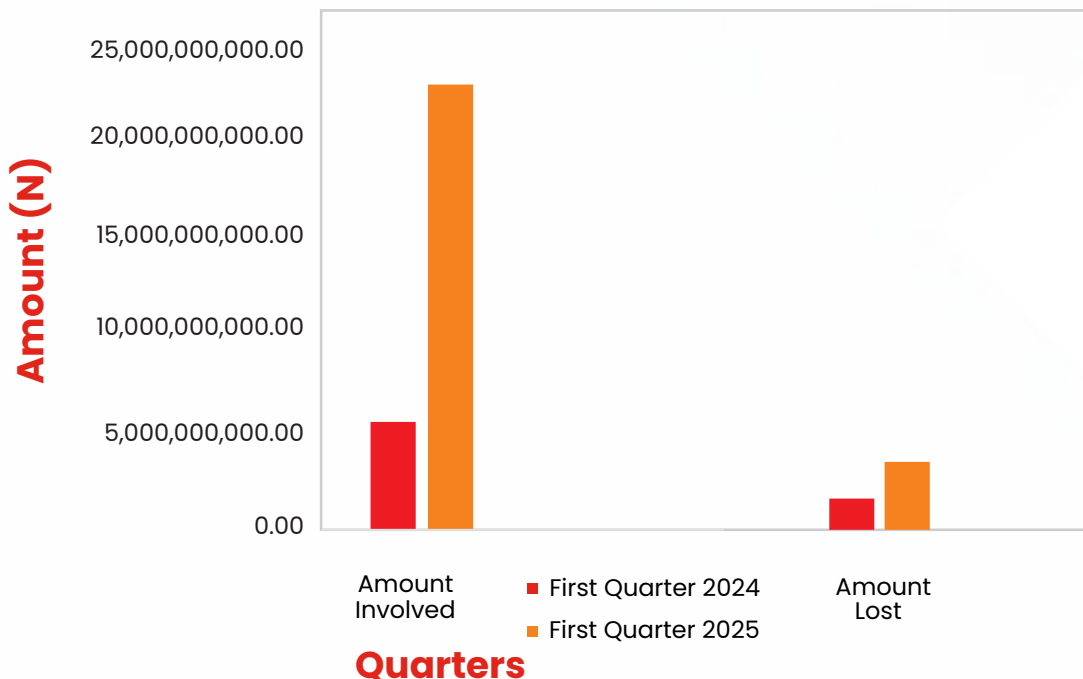
Frauds and Forgeries in the Nigerian Banking Industry:  
A Comparison between FIRST Quarter 2024 and FIRST Quarter 2025



**Note:** The figures for insider involvement & appointments terminated are very small when compared to the figures for total cases reported and outsider involvement.

## Appendix I(F)

### A Comparison of Amount Involved and Amount lost to frauds between First Quarter 2024 and First Quarter 2025



## Appendix II(A)

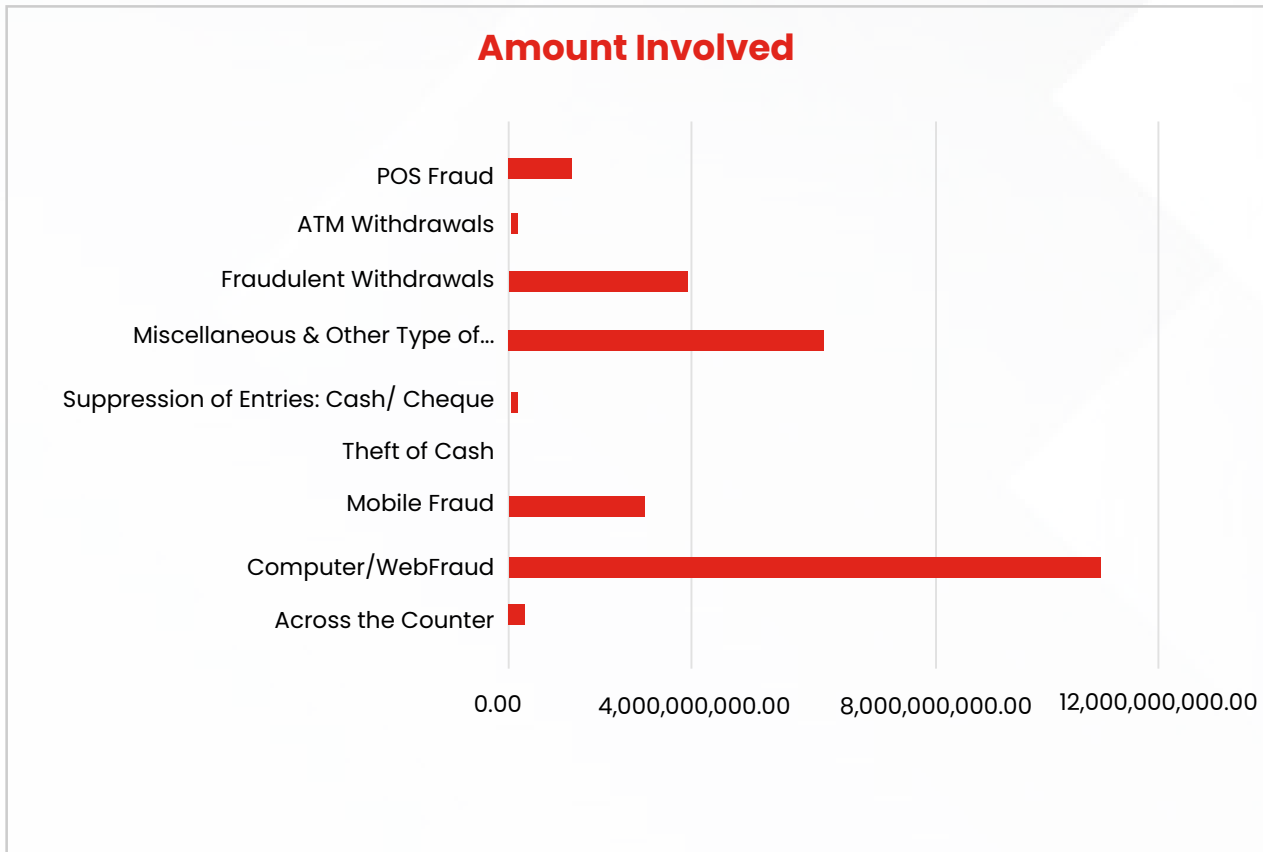
### Frauds and Forgeries Activities in the First Quarter 2025

Types of Fraud	Total of cases Reported	Involving Bank Staff Only	Involving Outside Persons Only	Collusion	Not Specified	Amount Involved (₱)	Actual/ Expected Loss (₱)	Expected Loss/ Amount Involved (%)
<b>Across the Counter</b>	23	13	18	0	0	161,988,027.00	159,185,887.00	98.3
<b>% of Fraud</b>	0	0	0	0	0	0.73	4.83	0
<b>Forged Cheques with Forged Signature</b>	46	5	49	2	0	1,151,914,505	837,716,00	0
<b>% of Fraud</b>	0	0	0	0	0	5.17	25.44	0
<b>Computer/ Web Fraud</b>	7361	2	6573	0	30	10, 622,307,621.54	203,218,478.24	1.9
<b>% of Fraud</b>	0	0	0	0	0	47.69	6.17	0
<b>Mobile Fraud</b>	2875	10	2571	0	19	2,303,560,740.60	1,408,800,797.01	61.2
<b>% of Fraud</b>	0	0	0	0	0	10.77	42.78	0
<b>Suppression of Entries: Cash/Cheques</b>	12	3	4	0	0	48,703,011.00	24,151,200.00	49.6
<b>% of Fraud</b>	0	0	0	0	0	0.22	0.73	0

Types of Fraud	Total of cases Reported	Involving Bank Staff Only	Involving Outside Persons Only	Collusion	Not Specified	Amount Involved (₦)	Actual/Expected Loss (₦)	Expected Loss/Amount Involved (%)
<b>Miscellaneous and other types of Fraud</b>	288	24	252	0	5	5,971,318,303.74	64,256,701.51	1.1
<b>% of Fraud</b>	0	0	0	0	0	26.81	1.95	0
<b>Fraudulent Withdrawals</b>	6	5	1	0	0	611,828,000.00	584,852,650.00	95.6
<b>% of Fraud</b>	0	0	0	0	0	2.75	17.76	0
<b>ATM Withdrawals</b>	177	0	159	0	18	24,665,927.31	576,215.04	2.3
<b>% of Fraud</b>	0	0	0	0	0	0.11	0.02	0
<b>PoS Fraud</b>	1559	1	1269	0	289	1,377,038,762.6	10,126,250.17	0.7
<b>% of Fraud</b>	0	0	0	0	0	6.18	0.31	0
<b>Total</b>	<b>12,347</b>	<b>63</b>	<b>10,896</b>	<b>0</b>	<b>350</b>	<b>22,273,324,899</b>	<b>3,292,884,178</b>	<b>100</b>

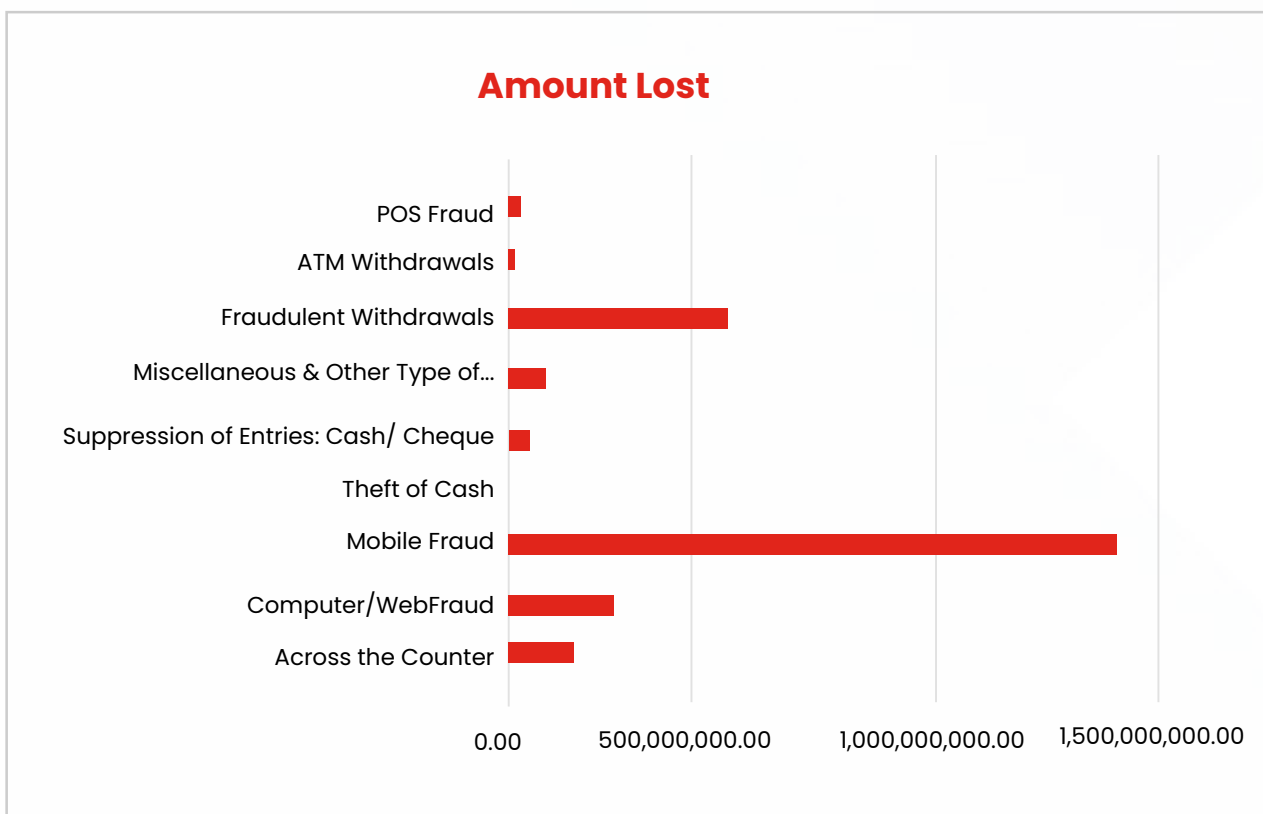
## Appendix II(B)

### Amount involved in Frauds and Forgeries Activities (First Quarter 2025)



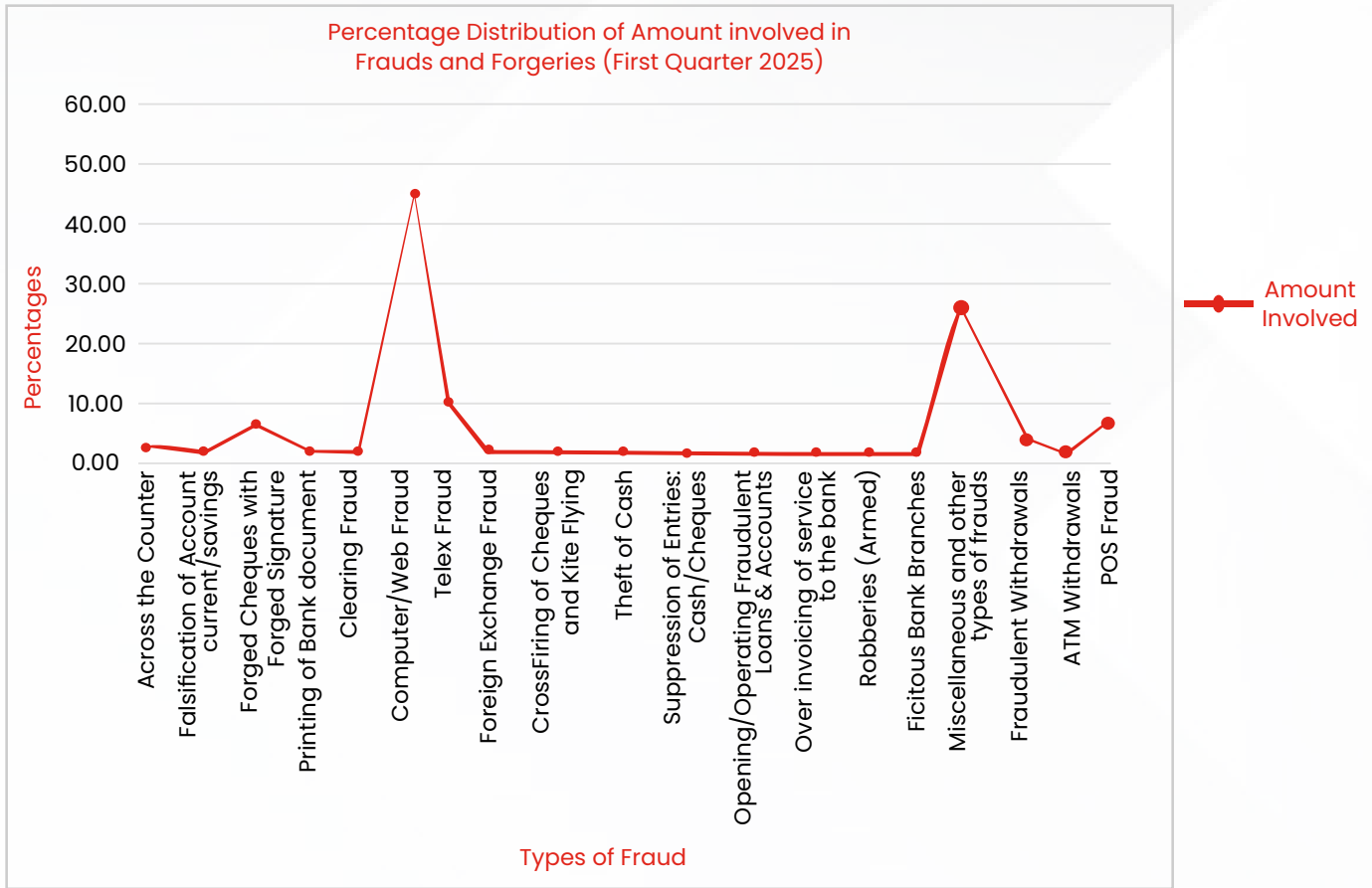
## Appendix II ©

### Amount lost to Frauds and Forgeries Activities (First Quarter 2025)



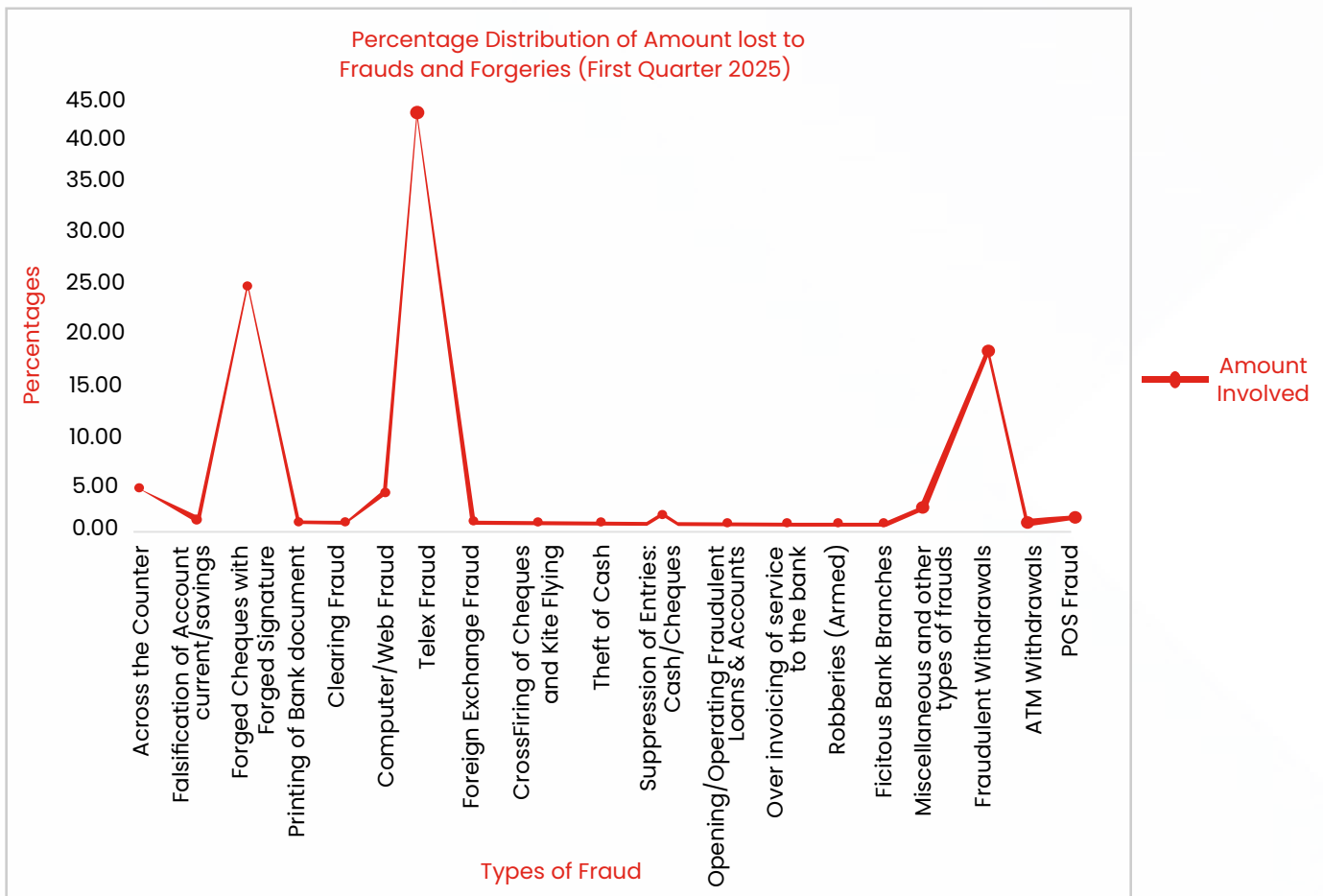
## Appendix II(D)

### Percentage Distribution of Amount involved in Frauds and Forgeries (First Quarter 2025)



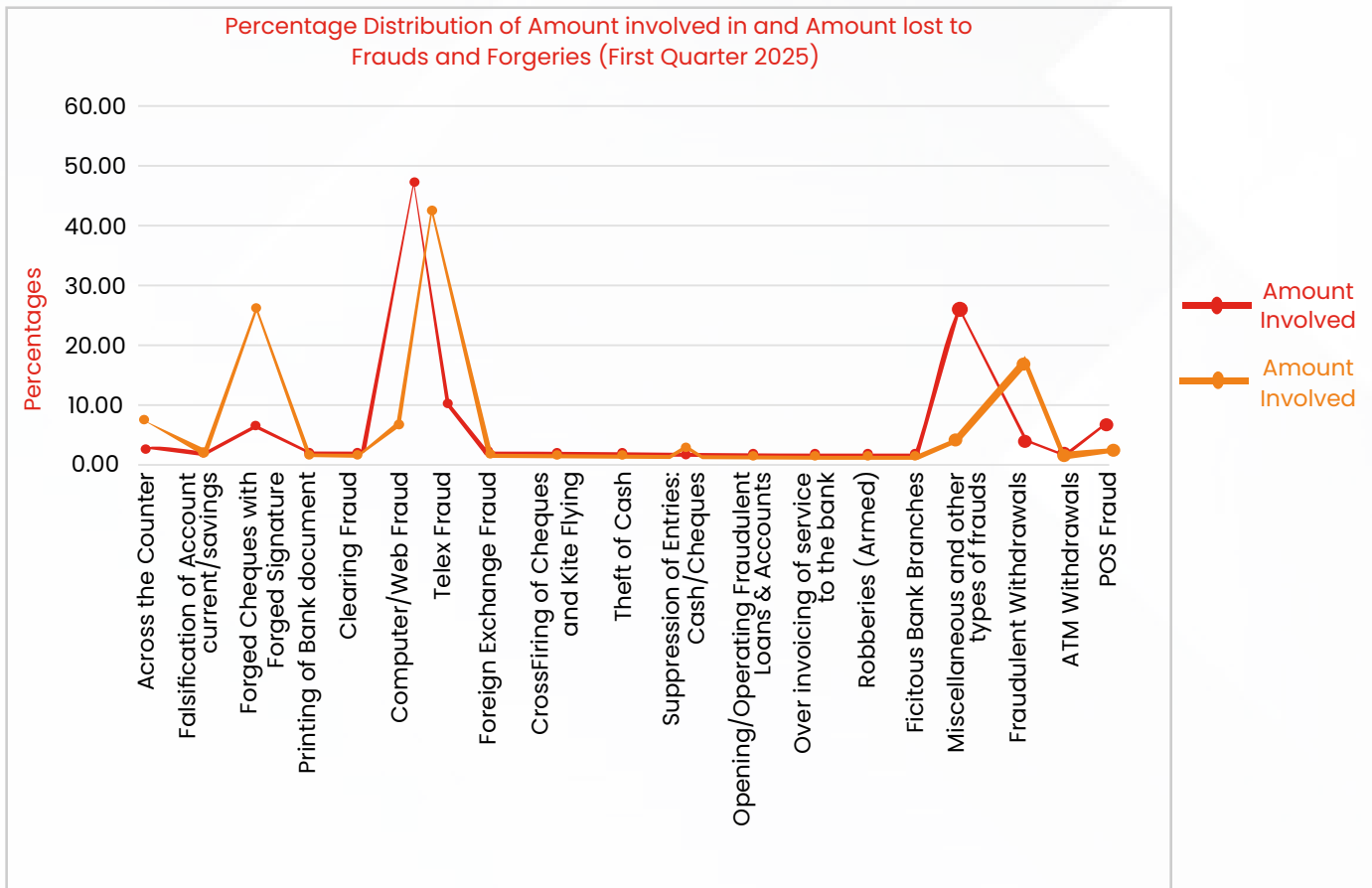
## Appendix II(E)

### Percentage Distribution of Amount lost to Frauds and Forgeries (First Quarter 2025)



## Appendix II (F)

### Percentage Distribution of Amount involved in and Amount lost to Frauds and Forgeries (First Quarter 2025)



## Appendix III (A)

### Frauds and Forgeries through various Payment Channels: A Comparison of Fourth Quarter 2024 and First Quarter 2025

S/N	Channels	Cases: Fourth Quarter, 2024	Cases: First Quarter, 2025	Percentage (%) Change
1.	Web	9890	7361	(25.6)
2.	ATM	166	177	6.6
3.	Bank Branch	554	375	(32.3)
4.	Mobile	5515	2875	(48)
5.	POS	2103	1559	(25.8)

Note: All figures in parenthesis ( ) indicate decrease in percentage

## Appendix III(B)

### Amount Involved and Amount Lost to Fraud through various Payment Channels: A Comparison between Fourth Quarter 2024 and First Quarter 2025

S/N	Channels	Amount Involved, Fourth Quarter, 2024 (N)	Amount Involved, First Quarter, 2025(N)	Percentage(%) Change	Amount Loss, Fourth Quarter, 2024 (N)	Amount Loss, First Quarter, 2025 (N)	Percentage(%) Change
1	Web	2,297,604,865.54	10,622,307,621.17	362.3	80,550,629.50	203,218,478.24	152.3
2	ATM	61,282,662.37	24,665,927.85	(59.8)	576,215.04	576,215.04	(95)
3	Bank Branch	1,933,426,799.48	7,945,751,846.74	311.5	786,723,333.36	1,670,162,438.51	113.5
4	Mobile	1,024,633,383.50	2,303,560,740.60	124.7	343,749,040.44	1,408,800,797.01	309.8
5	POS	742,087,186.41	1,377,038,762.42	85.8	126,010,371.17	10,126,250.00	(92.9)
	<b>Total</b>	<b>6,059,034,897.30</b>	<b>22,273,342,898.78</b>	<b>(242.7)</b>	<b>1,348,486,274.47</b>	<b>3,292,884,178.80</b>	<b>(144.1)</b>

Note: All figures in parenthesis ( ) indicate decrease in percentage

## Appendix IV(A)

### Frauds and Forgeries through various instruments: A Comparison between Fourth Quarter 2024 and First Quarter 2025

S/N	Channels	Cases: Fourth Quarter, 2024	Cases: First Quarter, 2025	Percentage (%) Change
1.	Cash	536	375	(30.4)
2.	Cheques	32	46	43.8
3.	Cards	16,955	11,972	(29.4)

Note: All figures in parenthesis ( ) indicate decrease in percentage

## Appendix IV(B)

### Amount Involved and Amount Lost to Fraud through various Instruments of Transaction: A Comparison between Fourth Quarter 2024 and First Quarter 2025

S/N	Channels	Amount Involved, Fourth Quarter, 2024 (N)	Amount Involved, First Quarter, 2025 (N)	Percentage(%) Change	Amount Loss, Fourth Quarter, 2024 (N)	Amount Loss, First Quarter, 2025 (N)	Percentage(%) Change
1	Cash	1,738,099,351	6,793,837,342	309.4	716,491,771.57	832,446,438.51	16.2
2	Cheques	388,112,567	1,151,914,505	196.8	73,684,212	837,716,000	1036.1
3	Cards	3,518,545,947.24	14,327,573,052	306.2	527,825,797	1,646,329,238	211.9
	<b>Total</b>	<b>5,594,757,866</b>	<b>22,273,324,898</b>	<b>303.3</b>	<b>1,318,001,780.47</b>	<b>3,292,884,178.80</b>	<b>149.8</b>

Note: All figures in parenthesis ( ) indicate decrease in percentage

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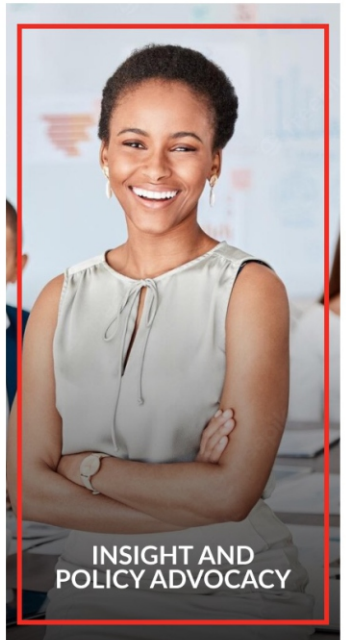
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