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Dr. Emomotimi Agama, DG of SEC

## SEC Moves To Close Fin-Tech Oversight Gaps With New Dialogue Platform

New SEC Clinic Bridges Fintech Innovation, Investor Protection In Nigeria

By Kingsley Ani

The Securities and Exchange Commission (SEC) has launched its first Regulator/FinTech Clinic, a structured engagement platform designed to deepen dialogue between the capital market regulator and Nigeria's expanding financial technology ecosystem.

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Barr. Festus Keyamo, Honourable Minister of Aviation and Aerospace Development

## Airport Gate Payment Reversal Reveals Digital Transition Challenges In Nigeria's Aviation Sector

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## Nigeria's Trade Surplus Persists As Export Weakness Highlights Structural Import Dependence

Surplus Holds, Structural Cracks Widen



Nigeria's external trade numbers appear reassuring at first glance. The country still maintains a surplus. Yet beneath that headline figure lies a quieter shift that raises difficult questions about the structure of the economy. Export momentum is weakening at the same time that demand for imported goods continues to expand across critical sectors. The latest figures from the National Bureau of Statistics (NBS) reveal a trade position that remains positive, but increasingly fragile, sustained by a narrow export base while import dependence quietly deepens. The numbers point to a story that is less about a surplus and more about the structural pressures shaping Nigeria's external trade. **Enam Obiosio** writes...

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## World Bank Backs Nigeria's Reforms, Targets Jobs, Food Security Through SPIN

\$500m SPIN Project To Boost Jobs, Irrigation, Food Security In Nigeria

By Hannah Yemisi

The World Bank Group has endorsed Nigeria's recent economic reforms and unveiled a strategic framework aimed at translating policy stabilisation into job creation, food security and long-term economic growth.

Matthew Verghis, Country Director of the World Bank Group in Nigeria, recently disclosed this during the launch of the Sustainable Power and Irrigation for Nigeria (SPIN) project in Abuja.

Verghis said the reforms undertaken in recent years have helped stabilise Nigeria's macroeconomic environment and created the foundation for a new growth trajectory. "Reforms implemented in recent



A cross section of stakeholders at the SPIN Project in Abuja.

years have created a strong foundation for economic transformation," Verghis said.

Saroj Kumar Jha, Global Director for Water at the World Bank Group, said the new irrigation initiative draws lessons from water management programmes implemented in countries such as India, Indonesia and Vietnam.

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# Nigeria's Trade Surplus Persists As Export Weakness Highlights Structural Import Dependence

## ■ Surplus Holds, Structural Cracks Widen

### CONT. FRM COVER

Nigeria recently posted a trade surplus of N1.71 trillion in the fourth quarter of 2025, but the figure conceals a deeper structural shift in the country's external trade position. Latest data from the National Bureau of Statistics (NBS) Foreign Trade Report shows that the surplus occurred despite a significant decline in exports, reflecting weaker crude oil earnings and rising import demand.

Total merchandise trade for the quarter stood at N36.21 trillion, slightly lower than N36.60 trillion recorded in the fourth quarter of 2024 and well below N39.77 trillion posted in the third quarter of 2025.

Exports amounted to N18.96 trillion, accounting for 52.36 percent of total trade, while imports climbed to N17.25 trillion.

The data shows a clear directional shift. Exports declined 5.25 percent year on year and 16.88 percent quarter on quarter, while imports increased 3.98 percent year on year and 1.73 percent quarter on quarter.

In effect, Nigeria maintained a surplus not because export performance improved, but because export receipts still marginally exceeded import expenditure.

### DECISION HIGHLIGHT

The figures underscore a continuing structural reality in Nigeria's external trade architecture, the country remains overwhelmingly dependent on crude oil exports for foreign earnings while simultaneously importing critical food items and industrial inputs.

The data shows that crude oil exports fell sharply to N9.70 trillion, representing a 29.60 percent decline year on year and 24.24 percent decline quarter on quarter.

At the same time, import demand remained firm, particularly for motor spirit ordinary (petrol), wheat, crude petroleum oils, refined sugar inputs and used diesel vehicles, suggesting that domestic production capacity continues to lag national consumption.

The persistence of a trade surplus therefore masks a widening imbalance between commodity-based export earnings and structurally embedded import dependence.

### DECISION MEMO

The fourth quarter trade numbers from the National Bureau of Statistics point to a fragile surplus sustained by legacy export structures rather than structural economic diversification.

Nigeria's external sector remains anchored on hydrocarbons. Crude oil, natural gas, kerosene-type jet fuel and other petroleum gases still dominate export baskets. When crude earnings weaken, the country's entire trade performance immediately deteriorates.

This pattern was evident in the fourth quarter of 2025. Crude oil export receipts declined sharply, pulling down overall export performance despite improvements in some secondary sectors.

Other oil product exports rose to N6.12 trillion, reflecting strong year-on-year growth, but this expansion could not offset the collapse in crude oil revenues.

Manufactured goods exports performed particularly poorly, falling to N423.43 billion, representing a 14.32 percent year-on-year decline and a steep 56.73 percent quarter-on-quarter drop. The contraction highlights Nigeria's continuing struggle to develop a competitive industrial export base.



Agricultural exports showed mixed signals. The sector generated N1.32 trillion, declining 14.11 percent year on year but rising 68.20 percent quarter on quarter, indicating seasonal volatility rather than structural expansion.

Solid mineral exports showed stronger momentum, reaching N116.84 billion, a 92.48 percent increase year on year, though the sector remains too small to materially influence overall trade balances.

On the import side, Nigeria's structural dependence became even more evident. Agricultural imports rose sharply to N1.44 trillion, growing 31.74 percent year on year and 30.24 percent quarter on quarter.

Raw material imports climbed to N2.35 trillion, increasing 11.50 percent year on year and 16.59 percent quarter on quarter.

These trends suggest that domestic manufacturing and agricultural systems continue to rely heavily on imported inputs, limiting the country's ability to translate trade surpluses into productive industrial growth.

China remained Nigeria's largest import partner, followed by the United States, the Netherlands, India and Brazil.

On the export side, the Netherlands, India, Spain, France and Canada were the leading destinations for Nigerian products, largely driven by energy shipments.

### DATA BOX

Total Merchandise Trade (Q4 2025): N36.21 trillion  
 Trade Surplus: N1.71 trillion  
 Exports: N18.96 trillion  
 Imports: N17.25 trillion  
 Exports Share of Trade: 52.36%  
 Export Change:  
 • -5.25% year on year  
 • -16.88% quarter on quarter  
 Import Change:  
 • +3.98% year on year  
 • +1.73% quarter on quarter  
 Crude Oil Exports: N9.70 trillion  
 Other Oil Product Exports: N6.12 trillion  
 Manufactured Exports: N423.43 billion  
 Agricultural Imports: N1.44 trillion  
 Raw Material Imports: N2.35 trillion

### WHO WINS / WHO LOSES

#### Winners

Energy exporters, particularly crude and petro-

leum product traders, remain the dominant beneficiaries of Nigeria's external trade structure.

Import-dependent sectors such as food processors, wheat millers and downstream petroleum distributors also benefit from sustained access to imported commodities.

#### Losers

Domestic manufacturers remain structurally disadvantaged, as reflected in the continued contraction of manufactured exports.

Agricultural producers also lose ground as rising food imports reveal persistent productivity constraints within Nigeria's farming systems.

### POLICY SIGNALS

The data reinforces the urgency of export diversification policy, particularly in agriculture, manufacturing and solid minerals.

It also signals the continuing failure of import substitution strategies to significantly reduce dependence on foreign food and industrial inputs.

Without stronger domestic production capacity, Nigeria's trade surplus will remain vulnerable to fluctuations in global crude oil markets.

### INVESTOR SIGNAL

For investors, the data reinforces two realities.

First, the oil and gas sector remains the central driver of Nigeria's external earnings.

Second, import substitution sectors such as agro-processing, fertilizers, and industrial raw materials production present structural investment opportunities, given the persistent rise in import demand.

### RISK RADAR

Three structural risks remain visible.

First, continued volatility in crude oil export earnings, which directly affects the trade balance.

Second, rising food and industrial imports, reflecting persistent domestic supply gaps.

Third, weak manufactured export capacity, which limits Nigeria's ability to transition toward a diversified export economy.

Taken together, the fourth quarter 2025 trade figures reveal that Nigeria's trade surplus remains intact, but the underlying economic structure sustaining it remains fragile and heavily dependent on hydrocarbons.

# CBN Mandates AI Surveillance In Nigeria's Financial Crime Compliance Framework

## ■ AI Takes Charge As Nigeria Overhauls Financial Crime Monitoring

By Johnson Emmanuel

The Central Bank of Nigeria (CBN) has formally embedded artificial intelligence (AI) and machine learning technologies into Nigeria's anti money laundering regulatory framework, directing banks, financial technology firms and payment companies to deploy automated compliance monitoring systems.

The new standards require financial institutions to implement automated anti money laundering systems capable of identifying suspicious transactions, conducting risk-based customer due diligence and reporting financial crime indicators to regulators including the Nigerian Financial Intelligence Unit (NFIU).

In announcing the framework, the CBN said manual compliance controls can no longer adequately manage emerging financial crime risks in an increasingly digital financial system.

"As financial services become increasingly digitised and complex, manual AML/CFT/CPF controls are no longer sufficient to manage evolving risks," the regulator stated.

### DECISION HIGHLIGHT

The directive represents a structural shift in Nigeria's financial crime surveillance architecture, moving compliance away from manual monitoring toward technology driven detection models.

By mandating artificial intelligence supported compliance tools, the Central Bank of Nigeria is effectively redefining the operational baseline for risk management across banks, fintech platforms and payment institutions.

### DECISION MEMO

The CBN's decision to embed artificial intelligence within its anti-money laundering framework reflects a broader transformation underway across global financial regulation.

Nigeria's financial ecosystem has rapidly digitised over the past decade, driven by mobile banking adoption, financial technology platforms and real time payment infrastructure. While this transformation has expanded financial access, it has also created new channels for fraud, money laundering and illicit financial flows.

Traditional compliance systems built around manual transaction reviews are increasingly incapable of analysing the scale and complexity of modern financial data streams.

By requiring financial institutions to deploy automated anti money laundering technologies, the CBN is attempting to close this surveillance gap.

Under the new framework, banks and fintech companies must deploy integrated platforms capable of performing automated customer due diligence, sanctions and politically exposed persons screening, suspicious transaction monitoring and regulatory reporting.

Artificial intelligence driven tools such as behavioural pattern recognition, anomaly detection and automated risk scoring are now encouraged as core compliance technologies.

The regulator also emphasised that these systems must analyse transactions within the context of customer behaviour profiles rather than reviewing isolated transactions.

However, the framework also reflects regulatory caution around algorithmic decision making. Financial institutions deploying artificial intelligence models must conduct independent model validation at least once each year to ensure accuracy and



Mr. Olayemi Cardoso, Governor of CBN

prevent bias.

The systems must also provide explainable outputs that allow human investigators to understand why suspicious activity alerts are generated.

This governance requirement reflects growing international concerns about algorithmic transparency in financial compliance systems.

The directive also aligns Nigeria's regulatory framework with global anti money laundering standards established by the Financial Action Task Force (FATF).

Nigeria's compliance reforms have gained international attention in recent years. In 2025, the country exited the FATF grey list after strengthening transparency and anti-money laundering enforcement mechanisms.

The CBN's latest directive therefore represents the next phase of regulatory modernisation, pushing financial institutions toward integrated financial crime monitoring systems that combine fraud detection, identity verification and anti-money laundering surveillance.

The new framework also reflects the rising scale of financial crime within Nigeria's digital banking system. Data from the Financial Institutions Training Centre (FITC) shows fraud losses increased 603 percent to N3.29 billion in the first quarter of 2025, with more than 12,000 reported incidents.

Against this backdrop, the central bank is attempting to move the country's compliance architecture toward real time detection models capable of identifying suspicious financial behaviour across digital payment channels.

### DATA BOX

Fraud Losses (Q1 2025): N3.29 billion  
 Fraud Cases Reported: 12,347  
 Fraud Growth Rate: 603 percent increase  
 Regulatory Implementation Timeline:  
 Deposit Money Banks compliance deadline: 18 months  
 Other financial institutions: 24 months  
 Implementation Roadmap Submission: 3 months  
 Primary Supervisory Bodies:  
 Central Bank of Nigeria  
 Nigerian Financial Intelligence Unit

### WHO WINS / WHO LOSES

#### Winners

Financial institutions with advanced compliance technology infrastructure gain operational advantages as regulatory standards move toward automated monitoring systems.

Technology providers offering anti money laundering software, fraud analytics platforms and artificial intelligence compliance tools may experience increased demand.

Regulators benefit from improved financial intelligence visibility across the banking system.

#### Losers

Smaller financial institutions and emerging fintech operators may face higher compliance costs as they upgrade technology infrastructure.

Institutions dependent on manual compliance processes may encounter operational disruption during the transition period.

### POLICY SIGNALS

The directive signals the CBN's intention to align Nigeria's financial compliance framework with international anti money laundering standards.

It also indicates a broader regulatory shift toward technology driven financial supervision, particularly in response to the growth of digital banking and real time payments.

The move reinforces Nigeria's post grey list strategy of strengthening transparency within the financial system.

### INVESTOR SIGNAL

For investors, the directive highlights growing opportunities within the regulatory technology and financial crime compliance market.

Demand for artificial intelligence-based fraud detection, identity verification platforms and transaction monitoring systems are likely to expand across the country's banking and fintech ecosystem.

Financial institutions that successfully implement advanced compliance infrastructure may also gain credibility in international financial markets.

### RISK RADAR

Three operational risks remain prominent.

First is technology implementation risk, particularly for institutions with limited digital infrastructure.

Second is algorithmic governance risk, where artificial intelligence models must remain transparent, explainable and free from bias.

Third is compliance cost pressure, as financial institutions invest heavily in upgrading risk monitoring systems.

The apex bank's decision ultimately signals a structural transition in financial crime enforcement, one in which automated intelligence systems increasingly define the frontline of regulatory oversight across Nigeria's financial sector.

## Smuggling Is Killing Nigeria's Rice Industry While Authorities Look Away

We are watching, almost casually, the slow suffocation of Nigeria's rice industry. Nearly 90 rice mills have shut down across the country. Those still standing are operating far below capacity. And the reason is neither mysterious nor complicated. It is smuggling.

For years, Nigeria has talked about agricultural self-sufficiency, food security, and economic diversification. Yet today, one of the most important agricultural value chains in the country is being crippled by an activity that thrives in plain sight. Illegal imports of foreign rice continue to flood Nigerian markets, undercutting local producers and pushing domestic mills toward collapse. This is not simply a market distortion. It is a policy failure.

When the federal government recently met with the Rice Processors Association of Nigeria in Abuja, the alarm bells were already ringing loudly. The minister responsible for industry, trade and investment acknowledged that smuggled rice, sold far cheaper than locally processed rice, has severely weakened the domestic industry.

We must confront a simple truth. If nearly ninety mills have closed and the rest are struggling to survive, then the policy environment meant to protect domestic production has clearly broken down.

Nigeria has invested heavily in rice production over the past decade. Billions of naira have been poured into agricultural programmes designed to encourage local cultivation and processing. Farmers expanded acreage. Millers built new facilities. Investors entered the sector believing that government policy would protect domestic production. Now those expectations are collapsing.

When smuggled rice enters the market at prices local producers cannot match, it destroys the economic logic of local production. Farmers lose buyers. Millers lose customers. Investors lose confidence. What remains is a shrinking industry and rising dependence on imports.

The scale of the damage should worry anyone concerned about Nigeria's economic future. The rice sector alone supports more than ten million farmers across the country and generates over one hundred

thousand direct jobs in milling and processing.

Every rice mill that shuts down represents not just lost production but lost livelihoods.

We cannot pretend this crisis is inevitable. It is not. Smuggling thrives only when enforcement collapses.

Nigeria has some of the strictest rice import restrictions in the region. Yet the country's markets remain saturated with foreign rice. The contradiction is glaring. Either the policy is ineffective or enforcement is nonexistent. Both scenarios demand urgent action.

The Director-General of the Rice Processors Association of Nigeria has described how illegal imports have created an uneven playing field for local millers. Smuggled rice, he said, is sold at prices domestic producers cannot possibly match.

That statement exposes the heart of the problem. Nigerian producers operate under the full weight of domestic costs: expensive energy, poor infrastructure, high transportation costs, insecurity in farming communities, and limited access to financing. Smugglers face none of these burdens.

When smuggled rice enters Nigeria's markets unchecked, it effectively punishes legitimate producers for following the rules.

We must ask ourselves a difficult question. What message does this send to investors in agriculture?

If billions of naira invested in rice mills can be wiped out by uncontrolled smuggling, then no serious investor will commit long-term capital to Nigeria's agricultural sector.

Agriculture requires patience. Processing plants require years of investment before returns materialise. No investor will take that risk if government policy cannot protect the domestic market.

The current situation also exposes a deeper economic contradiction. Nigeria is constantly searching for ways to create jobs and diversify away from oil. Agriculture remains one of the most promising sectors capable of achieving both goals.

Yet while policymakers talk about diversification, the very industries that could deliver it are being undermined by weak enforcement. The rice industry should be a national

success story. Instead, it is becoming a warning.

What makes the situation even more troubling is that many mills still operating are functioning at only thirty to seventy percent of their installed capacity. That means Nigeria already has the infrastructure needed to produce more rice locally. The capacity exists. The farmers exist. The mills exist. What is missing is a functioning system that protects legitimate production.

Government officials have promised to introduce measures to stabilise the sector. That commitment is welcome, but promises alone will not save the industry. What the rice sector needs now is decisive enforcement.

Borders must be monitored. Smuggling networks must be dismantled. Illegal imports must face real consequences. Anything less will only delay the collapse of the domestic industry.

We must also recognise that smuggling does not exist in isolation. It thrives where corruption, weak border controls, and economic incentives intersect.

If enforcement agencies are unwilling or unable to stop illegal imports, then no agricultural policy will succeed.

Nigeria cannot build a self-sufficient agricultural sector while allowing smuggled products to dominate its markets. The stakes extend beyond rice.

If the rice industry collapses, the signal to other agricultural sectors will be unmistakable. Domestic production is vulnerable. Government protection is uncertain. Investments are risky.

That is a dangerous message for any economy trying to reduce its reliance on imports.

We believe the government still has time to reverse this trajectory. But that window is closing. Every additional mill that shuts down represents lost jobs, lost production, and lost confidence. Nigeria's rice industry should not be allowed to die from neglect.

If the country truly wants food security and economic diversification, then protecting local producers must move from rhetoric to action. Otherwise, the shutdown of 90 mills may only be the beginning.

## EDITOR'S NOTES

### Why StakeBridge Exists

Nigeria does not suffer from a lack of information. It suffers from a lack of clarity.

Every reform cycle produces volumes of data, statements, and commentary, yet ordinary readers, investors, and decision-makers are often left asking the same questions, what actually changed, who gained, who lost, and what happens next.

StakeBridge Media exists to answer those questions without noise.

We are not economists writing for economists. We are journalists who believe that policy, markets, and corporate decisions should be explained in plain language, anchored in evidence, and framed around consequences. Our reporting begins where traditional coverage often stops, at the decision point.

That is why we practise Decision Memo Journalism.

Each story asks a simple set of questions. What decision was made. Why it mattered. Who benefited. Who bore the cost. What signal readers should watch next. This structure is not a style choice. It is a discipline.

Nigeria's economy is too important for vague optimism or abstract critique. Citizens deserve reporting that respects facts without hiding behind jargon. Investors deserve context without hype. Policymakers deserve scrutiny without hostility.

StakeBridge is a bridge between data and meaning. We did not chase headlines. We traced outcomes. We showed how inflation slowed but food prices stayed high. How FX calmed but confidence remained conditional. How reforms stabilised the system but jobs lagged behind.

This is the work we will continue to do.

Not to predict the future, but to clarify the choices shaping it.

Enam Obiosio

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0912 255 5556  
0803 224 4244

**Marketing**  
Akamai Bello

S11 B, 2nd Floor, Alibro Atruim Plaza,  
32, Ekuinam Street, Utako,  
FCT, Abuja, Nigeria.

# Tinubu Pushes Rapid CNG Conversion As Fuel Price Shock Forces Energy Pivot

■ 100,000 CNG Kits To Roll Out In Weeks As FG Realigns Its Transport Energy Strategy



Engr. Ismaeel Ahmed, Executive Chairman of Pi-CNG

By Kingsley Ani

President Bola Ahmed Tinubu directed the immediate deployment of 100,000 Compressed Natural Gas (CNG) conversion kits within the next two to three weeks as part of efforts to reduce transportation costs following rising global petroleum prices.

The recent directive was disclosed by Ismaeel Ahmed, Executive Chairman of the Presidential Initiative on Compressed Natural Gas (Pi-CNG), after a meeting with the President at the State House in Abuja.

Ahmed said the instruction was influenced by rising petrol and diesel prices linked to geopolitical tensions in the Middle East and the resulting pressure on transportation costs in Nigeria.

“The President has given a direct mandate that we should immediately deploy about 100,000 kits,” Ahmed said.

He added that the government is working with multiple stakeholders to accelerate vehicle conversions and expand access to natural gas as a cheaper alternative fuel.

## DECISION HIGHLIGHT

The directive signals an attempt by the federal government to accelerate the transition toward gas-based transportation as a buffer against global oil price volatility.

The rapid deployment target suggests that the government intends to convert policy ambition into immediate operational outcomes, particularly within the urban transport sector.

## DECISION MEMO

The presidential directive reflects the economic pressures that followed the removal of fuel subsidies and the continued exposure of Nigeria’s domestic fuel market to global crude oil price shocks.

With petrol and diesel prices rising, transportation costs have become a major driver of inflation. The government’s response has increasingly focused on compressed natural gas as a lower-cost alternative fuel.

The order to deploy 100,000 conversion kits

within weeks indicates a strategy aimed at quickly scaling adoption of gas-powered mobility. Ahmed stated that conversion centres across the country are expected to begin large-scale vehicle conversions as soon as the kits are distributed.

According to Ahmed, the government is also accelerating the development of refuelling infrastructure. Currently, 77 gas refilling stations are at different stages of development nationwide.

The northern transport corridor has been prioritised for infrastructure rollout. Ahmed said refuelling units will be positioned along a strategic route stretching from Lokoja through Abuja, Kaduna, Zaria, Kano and Maiduguri.

The infrastructure expansion also includes hybrid mobility systems. Ahmed said the initiative plans to introduce vehicles and tricycles capable of operating on bi-fuel compressed natural gas and electric mobility systems.

The government is also exploring local manufacturing opportunities as part of the programme. Ahmed disclosed that discussions are ongoing with both domestic and international manufacturers interested in establishing vehicle assembly operations in Nigeria.

Ahmed noted that the initiative is partnering with the Rural Electrification Agency (REA) to deploy solar-powered charging infrastructure to support electric mobility adoption.

The broader objective is to build an alternative energy transport ecosystem capable of reducing dependence on petrol and diesel.

Tinubu launched the Pi-CNG in 2023 following the removal of fuel subsidies. The programme targets the conversion of one million vehicles to compressed natural gas while expanding nationwide refuelling infrastructure.

The accelerated deployment order suggests that the government now sees compressed natural gas not only as a long-term energy transition strategy but also as an immediate economic stabilisation tool.

## DATA BOX

**CNG Conversion Kits Ordered:** 100,000

**Deployment Timeline:** 2–3 weeks

**Current CNG Refilling Stations Under Development:** 77

National Vehicle Conversion Target: 1 million vehicles

**Estimated Cost Advantage:**

CNG equivalent fuel costs 60–70 percent less than petrol

**Key Transport Corridor Deployment:**

Lokoja – Abuja – Kaduna – Zaria – Kano – Maiduguri

**Energy Infrastructure Partners:**

Presidential Initiative on Compressed Natural Gas  
Rural Electrification Agency

## WHO WINS / WHO LOSES

### Winners

Transport operators, ride-hailing drivers and logistics firms stand to benefit from lower operating costs if compressed natural gas adoption expands.

Domestic gas producers and infrastructure developers also gain from increased demand for natural gas in the transportation sector.

Vehicle conversion centres and mobility technology providers may experience rapid market expansion.

### Losers

Petrol distribution networks could face gradual demand pressure if compressed natural gas adoption accelerates.

Motorists unable to afford conversion costs may remain exposed to rising petrol prices in the short term.

## POLICY SIGNALS

The directive signals a shift in Nigeria’s energy policy toward gas-driven mobility and alternative transport fuels.

It also indicates that the government intends to use compressed natural gas as a central component of post-subsidy economic management.

The focus on infrastructure development suggests a recognition that fuel transition policies require physical supply networks to succeed.

## INVESTOR SIGNAL

The initiative highlights emerging investment opportunities across the gas infrastructure value chain, including refuelling stations, vehicle conversion technology and compressed natural gas logistics.

Investors in energy infrastructure and mobility technologies may find opportunities in the expanding compressed natural gas ecosystem.

Local manufacturing ambitions could also attract industrial investment into vehicle assembly and conversion component production.

## RISK RADAR

Three operational risks remain significant.

First, infrastructure rollout risk, particularly delays in completing refuelling stations across the national transport network.

Second, conversion affordability risk, as vehicle owners may face upfront costs in converting engines to compressed natural gas systems.

Third, policy execution risk, where rapid deployment targets may face logistical bottlenecks across supply chains and technical capacity.

While the directive demonstrates policy urgency, the effectiveness of the compressed natural gas transition will ultimately depend on the speed at which infrastructure, vehicle conversions and supply networks can scale across Nigeria’s transport economy.

# Private Sector Activity Expands As PMI Indicates Broad Economic Momentum

## ■ Nigeria's PMI Hits 56.4, Signaling Sustained Economic Drive

By Olumide Johnson

The Central Bank of Nigeria (CBN) has reported continued expansion in private sector economic activity, with the Purchasing Managers' Index (PMI) rising to 56.4 points in February 2026, indicating sustained growth across the economy.

The index shows that business activity expanded for the fifteenth consecutive month, reflecting improvements across the industry, services and agriculture sectors.

According to the survey, the industry sector PMI stood at 56.8 points, the services sector at 55.3 points, while the agriculture sector recorded 56.5 points, all indicating expansionary conditions above the 50-point growth threshold.

The CBN noted that expansion occurred across most segments of the economy, with 30 of the 36 subsectors surveyed reporting increased activity during the review period.

### DECISION HIGHLIGHT

The Purchasing Managers' Index data suggests that Nigeria's real economy is experiencing broad-based operational expansion, despite persistent macroeconomic pressures.

The index reflects improved production output, stronger new orders and moderate employment growth across the three major sectors of the economy.

### DECISION MEMO

The February 2026 PMI published by the CBN offers one of the clearest real-time indicators of private sector momentum in the Nigerian economy.

Unlike conventional macroeconomic statistics that often lag economic activity, the PMI captures operational changes within businesses by surveying procurement executives responsible for supply chains, production planning and inventory management.

In February 2026, the composite index rose to 56.4 points, comfortably above the 50-point threshold that signals expansion in business activity.

The sustained expansion marks the fifteenth consecutive month of growth, suggesting that private sector firms continue to expand operations despite inflationary pressures, exchange rate volatility and structural infrastructure challenges.

The industry sector, with a PMI of 56.8 points, recorded the strongest expansion among the three sectors. Improvements were observed in production output, new orders and employment levels, indicating rising industrial activity and stronger demand conditions.

Similarly, the services sector PMI of 55.3 points extended its expansion streak to 13 consecutive months, reflecting increased business activity across service-based industries.

... the composite index rose to 56.4 points, comfortably above the 50-point threshold that signals expansion in business activity



Within the services segment, most subsectors recorded growth, with only Professional, Scientific and Technical Services reporting contraction during the review period.

The agriculture sector, often viewed as a stabilising component of Nigeria's economic structure, also maintained expansionary momentum. The sector recorded a PMI of 56.5 points, marking 19 consecutive months of growth.

Agricultural activity was driven primarily by stronger general farming operations, new orders and inventory levels, while forestry activities recorded contraction.

Beyond sectoral expansion, the report also reveals underlying cost pressures. Input prices across the three sectors increased at a faster pace than output prices, indicating that businesses continue to face rising production costs.

This divergence between input and output price indices suggests that firms may still be absorbing part of the cost increases rather than fully passing them to consumers.

The PMI therefore presents a mixed picture. Operational activity is expanding across most industries, yet underlying cost dynamics remain elevated.

### DATA BOX

**Composite Purchasing Managers' Index (February 2026):** 56.4

**Industry Sector PMI:** 56.8

**Services Sector PMI:** 55.3

**Agriculture Sector PMI:** 56.5

**Subsectors Covered:** 36

**Subsectors Reporting Expansion:** 30

**Growth Threshold:**

Index above 50 points indicates expansion in business activity.

### WHO WINS / WHO LOSES

#### Winners

Industrial producers and agricultural operators benefit from stronger production activity and increasing new orders.

Service sector businesses also gain from sustained growth in demand for operational and com-

mercial services.

#### Losers

Subsectors experiencing contraction, particularly primary metals and forestry, face weaker demand or operational constraints.

Businesses operating with thin margins may also struggle with rising input costs.

#### POLICY SIGNALS

The PMI suggests that Nigeria's economic reforms and macroeconomic adjustments may be gradually stabilising private sector activity.

However, the continued rise in input prices signals that inflationary pressures remain embedded within supply chains.

Policy attention may therefore remain focused on improving supply logistics, stabilising exchange rates and reducing production costs.

#### INVESTOR SIGNAL

For investors, the PMI data provides evidence that economic activity is expanding across multiple sectors, particularly industry and agriculture.

Sustained growth in new orders and production output suggests improving business confidence and operational expansion in the first quarter of 2026.

However, cost pressures remain a factor that could influence corporate profitability.

#### RISK RADAR

Three structural risks remain visible.

First is cost inflation risk, as input prices continue to rise faster than output prices.

Second is sectoral imbalance risk, where certain subsectors continue to experience contraction despite overall expansion.

Third is supply chain vulnerability, particularly in industries dependent on imported raw materials.

The PMI ultimately signals that Nigeria's economy is expanding at the operational level, but the sustainability of that momentum will depend on how effectively businesses and policymakers manage underlying cost pressures and structural constraints.

# NNPC Revenue Drop Exposes Persistent Volatility In Nigeria's Oil Earnings

By Jeremiah Obeche

The Nigerian National Petroleum Company Limited (NNPC) reported revenue of N2.57 trillion in January 2026, marking a sharp 46.7 percent decline from N4.82 trillion recorded in December 2025, according to the company's Monthly Report Summary for January 2026.

The drop occurred despite improvements in operational indicators across Nigeria's upstream petroleum sector.

Crude oil and condensate production averaged 1.64 million barrels per day, slightly higher than the 1.60 million barrels per day recorded in December. Oil sales volumes also rose to 24.75 million barrels, representing an 8.6 percent increase month-on-month.

Natural gas production climbed to 7,283 million standard cubic feet per day, while gas sales rose to 4,978 million standard cubic feet per day.

The data therefore revealed a striking divergence between operational performance and revenue outcomes.

## DECISION HIGHLIGHT

The revenue contraction highlights the volatility that continues to define Nigeria's petroleum earnings, even as production and sales volumes improve.

The operational data contained in the report suggest that factors outside core production activities, including pricing dynamics, payment flows, or contractual structures, may have influenced the sharp revenue decline.

At the same time, the company reported N385 billion profit after tax for January and N726 billion statutory payments to the federation, indicating continued fiscal contributions despite the revenue contraction.

## DECISION MEMO

The January performance of the NNPC offers a revealing snapshot of the structural fragility underlying Nigeria's oil-dependent revenue model.

At first glance, operational metrics appear stable. Production levels improved modestly, hydrocarbon sales volumes increased, and critical infrastructure availability remained high. Yet revenue declined sharply.

This divergence raises broader questions about the resilience of Nigeria's petroleum earnings and the degree to which operational improvements translate into fiscal outcomes.

Production averaged 1.64 million barrels per day, with crude oil contributing 1.39 million barrels per day and condensate accounting for 0.25 million barrels per day.

While the increase represents a 2.5 percent rise from December, it remains broadly within the narrow production range observed throughout the past year, fluctuating between 1.60 million and 1.69 million barrels per day.

The data suggests that Nigeria has achieved a degree of stability after years of disruptions linked to pipeline vandalism and crude oil theft. However, stability has not yet translated into meaningful production expansion.

For a country whose fiscal structure remains heavily dependent on petroleum revenues, this plateau presents a structural constraint.

Sales volumes improved during the month. Oil sales rose to 24.75 million barrels, up from 22.79 million barrels in December, representing a clear rebound in export activity.

Gas operations also showed positive momentum. Production increased to 7,283 million standard cubic feet per day,



Engr. Bashir Bayo Ojulari, GCEO of NNPC

while sales climbed to 4,978 million standard cubic feet per day, matching peak levels earlier recorded in mid-2025.

The operational data therefore indicates that the petroleum system itself is functioning with relative stability.

Infrastructure availability remained high across key pipelines. Upstream pipeline networks recorded 96 percent availability, while the Obiafu-Obrikom-Oben gas pipeline also maintained 96 percent availability.

The Ajaokuta-Kaduna-Kano gas pipeline recorded 92 percent availability, reflecting steady progress in Nigeria's expanding gas transmission infrastructure.

Construction progress on the project itself has reportedly reached 92 percent completion, while the Obiafu-Obrikom-Oben pipeline River Niger crossing has reached 96 percent completion.

These figures suggest that Nigeria's gas infrastructure expansion is advancing, potentially strengthening the long-term role of natural gas within the country's energy transition strategy.

Nevertheless, the January revenue decline illustrates how vulnerable Nigeria's fiscal framework remains to fluctuations in petroleum earnings.

Even with improved sales volumes and stable production levels, revenue volatility persists.

The January figures also reveal the continued importance of petroleum revenues to Nigeria's fiscal system.

Statutory payments made by the company during the month reached N726 billion, representing approximately 28.3 percent of total revenue transferred to the federation.

These transfers remain critical to government finances.

At the same time, the company reported N385 billion profit after tax, compared to N351 billion in December and N502 billion in November, suggesting moderate profitability despite the revenue decline.

Beyond core commercial activities, the report also highlighted several social initiatives undertaken through the NNPC Foundation.

One programme involved a financial literacy training session for 2026 Batch 'A' Stream 1 National Youth Service Corps members, which reportedly attracted 79,657 participants across Nigeria's 36 states and the Federal Capital Territory.

While such initiatives demonstrate the company's broader social engagement, the central issue remains the volatility of petroleum revenue flows.

Nigeria's petroleum sector remains the backbone of gov-

ernment finances.

Yet the January data suggests that improvements in operational metrics alone may not guarantee stable fiscal outcomes.

## DATA BOX

Revenue January 2026: N2.57 trillion  
 Revenue December 2025: N4.82 trillion  
 Revenue decline: 46.7%  
 Profit After Tax January: N385 billion  
 Statutory Payments to Federation: N726 billion  
 Crude Oil & Condensate Production: 1.64 million barrels per day  
 Crude Contribution: 1.39 million barrels per day  
 Condensate Contribution: 0.25 million barrels per day  
 Oil Sales January: 24.75 million barrels  
 Gas Production: 7,283 million standard cubic feet per day  
 Gas Sales: 4,978 million standard cubic feet per day  
 Pipeline Availability:  
 Upstream pipelines: 96%  
 Obiafu-Obrikom-Oben pipeline: 96%  
 Ajaokuta-Kaduna-Kano pipeline: 92%  
 AKK Pipeline Construction Progress: 92%  
 Obiafu-Obrikom-Oben Niger Crossing: 96% completion  
 Financial Literacy Programme Participants: 79,657

## WHO WINS / WHO LOSES

### Winners

The federation benefits from continued statutory transfers from the petroleum sector despite revenue volatility.

Gas infrastructure development continues to advance, strengthening long-term energy diversification.

### Losers

Nigeria's fiscal stability remains vulnerable to petroleum revenue fluctuations.

Investors seeking predictable earnings from the national oil sector may remain cautious.

## POLICY SIGNALS

The January performance highlights the structural risks of an economy heavily dependent on oil revenues.

While operational indicators are improving, the volatility of earnings underscores the urgency of broader economic diversification and stronger revenue stabilisation mechanisms.

## INVESTOR SIGNAL

The divergence between operational performance and revenue outcomes suggests that investors must look beyond production data when evaluating Nigeria's petroleum sector.

Pricing dynamics, contractual arrangements, and payment structures remain critical variables affecting earnings stability.

## RISK RADAR

Three risks remain visible.

First is revenue volatility, which continues to shape Nigeria's fiscal outlook.

Second is production stagnation, as output remains trapped within a narrow range without meaningful expansion.

Third is fiscal dependence risk, given the central role petroleum earnings continue to play in government finances.

The January report therefore illustrates a central paradox within Nigeria's petroleum economy. Operational stability has improved, yet fiscal outcomes remain fragile.

# World Bank Backs Nigeria's Reforms, Targets Jobs, Food Security ...

## CONT. FRM COVER

Joseph Terlumun Utsev, Minister of Water Resources and Sanitation, said that the project supports the administration's development priorities.

Utsev also said that the initiative aligns with the Renewed Hope Agenda and aims to strengthen irrigation, dam safety and hydropower generation.

## DECISION HIGHLIGHT

The World Bank Group is preparing a new Country Partnership Framework for Nigeria covering 2026 to 2032, shifting its development engagement toward job creation, water security, food security and energy infrastructure.

The strategy emphasises stronger collaboration with state governments and increased mobilisation of private sector investment to complement limited public financing.

## DECISION MEMO

The World Bank Group's new strategic positioning in Nigeria reflects a broader recalibration of development financing priorities.

After a period focused largely on macroeconomic stabilisation and fiscal reforms, international development partners are now signalling that Nigeria's next policy challenge lies in translating reforms into measurable economic outcomes.

Verghis noted that recent reforms have stabilised key economic fundamentals, but the real test will be whether these gains produce employment opportunities and inclusive growth.

According to Verghis, the new Country Partnership Framework currently under preparation will guide the World Bank Group's engagement with Nigeria between 2026 and 2032, with a strong emphasis on job creation.

Verghis said water security, food production and energy infrastructure will form the core pillars of the new strategy.

The launch of the Sustainable Power and Irrigation for Nigeria project illustrates how the development institution

intends to operationalise this approach.

The initiative builds on the Transforming Irrigation Management in Nigeria (TRIMING) Project, which is expected to reach more than 1.7 million beneficiaries and expand irrigation across 14,000 hectares of farmland.

Verghis explained that the new project will deepen irrigation investments while integrating agricultural value chains in order to attract private sector participation.

Jha emphasised that Nigeria's water infrastructure remains underutilised despite the presence of hundreds of dams across the country.

The institution is also signalling that future development programmes will increasingly depend on mobilising private capital, given the fiscal constraints facing the Nigerian government.

## POLICY SIGNALS

The World Bank Group's strategy signals international confidence in Nigeria's ongoing economic reforms while emphasising the need for tangible development outcomes.



For assistance on matters concerning **Tax Identification Number (TIN)** and other tax-related enquiries. **Taxpayers** are hereby informed to reach out to us via:

 [helpdesk@nrs.gov.ng](mailto:helpdesk@nrs.gov.ng)

 0209 460 2700



# Oversubscribed Lekki Gardens Commercial Paper Proves Liquidity Appetite In Nigeria's Property Market

By Kingsley Ani

Lekki Gardens Estate Limited successfully raised N11.45 billion through an oversubscribed Series 2 Commercial Paper issuance under its N25 billion Commercial Paper Programme, approved by the Securities and Exchange Commission (SEC) in November 2025.

The issuance, initially structured at N10 billion, attracted strong demand from institutional and corporate investors and was subsequently upsized to N11.45 billion.

Pathway Advisors Limited acted as Lead Issuing House, Financial Adviser and Transaction Sponsor, coordinating the capital market transaction.

Founder and Chief Executive Officer of Pathway Advisors Limited, Adekunle Alade, stated that the oversubscription reflects the firm's ability to mobilise capital across institutional and high net worth investor networks.

"The oversubscription underscores Pathway's strong ability to mobilize capital from both institutional investors and high-net-worth individuals," Alade said.

Richard Nyong, Managing Director of Lekki Gardens Estate Limited, said that investor demand reflects confidence in the company's governance and project delivery capacity.

"The strong investor participation and oversubscription recorded in this issuance reflect the market's confidence in Lekki Gardens' business model and governance standards," Nyong said.

Emily Atebe, Director of Lekki Gardens Estate Limited, added that proceeds will support the completion of ongoing projects and enable the company to expand its development pipeline.

**DECISION HIGHLIGHT**

Lekki Gardens Estate Limited's decision to raise capital through the commercial paper market reflects a broader shift among Nigerian real estate developers toward short-term debt instruments to finance project execution and working capital requirements.

The transaction also signals sustained investor appetite for real estate-backed corporate debt, particularly when issuers demonstrate strong governance structures and credible project pipelines.

**DECISION MEMO**

The oversubscription of Lekki Gardens Estate Limited's commercial paper issuance highlights a recurring pattern within Nigeria's capital market. Investors continue to deploy liquidity into structured corporate debt instruments, particularly those linked to asset-backed sectors such as real estate.

Commercial paper remains one of the fastest mechanisms for corporates to access short-term financing outside the banking system. For developers operating in Nigeria's capital-intensive property sector, such instruments help bridge funding gaps created by slow mortgage markets and high bank lending costs.

The Lekki Gardens issuance demonstrates how mid to large scale developers are increasingly leveraging capital market instruments rather than relying exclusively on bank loans.

Alade noted that the transaction reflects Pathway Advisors Limited's ability to structure capital solutions

within Nigeria's regulatory environment. According to him, the firm remains focused on supporting credible issuers seeking access to capital market financing.

Nyong said the successful issuance strengthens the company's ability to accelerate the completion of ongoing developments and pursue expansion opportunities.

Atebe emphasised that investor response reflects confidence in the company's development pipeline and governance discipline.

Beyond the transaction itself, the capital raise illustrates a deeper structural trend. Nigeria's real estate sector increasingly depends on capital market funding to sustain project delivery, especially in a macro-economic environment characterised by high interest rates, construction cost pressures and limited long-term housing finance.

**CONT. ON PG 13**



L- R: Ukandu E. Ukandu, Managing Director, FirstCap Limited; Mrs. Emily Atebe, Executive Director, Lekki Gardens Limited; Mrs. Olusola Nyong, Non-Executive Director, Lekki Gardens Limited, and Adekunle Alade, Founder/CEO Pathway Advisors Limited, at the N25 billion Commercial Paper Signing Ceremony for Lekki Gardens Estate Limited.

## SEC Moves To Close FinTech Oversight Gaps ...

**CONT. FRM COVER**

The initiative is intended to help align financial innovation with regulatory compliance while strengthening investor protection within the digital investment environment.

Emomotimi Agama, Director-General (DG) of the SEC, said that the initiative reflects the commission's effort to engage a sector that has become a major driver of financial innovation in Nigeria.

"Responsible innovation requires regulatory frameworks that are both protective and adaptable," Agama said.

Bola Ajomale, Executive Commissioner for Operations at the SEC, noted that digital financial products are increasingly attracting younger investors.

"Among young people, digital assets have caught their imagination. The future is great," Ajomale said.

**DECISION HIGHLIGHT**

The launch of the Regulator/FinTech Clinic signals a strategic shift toward structured regulatory engagement with fintech innovators, as Nigeria's capital market regulator attempts to close oversight gaps created by rapid technological innovation.

The platform also reflects regulatory recognition that fintech driven financial products are evolving faster than traditional rulemaking processes.

**DECISION MEMO**

The SEC's new engagement platform represents a policy response to the accelerating transformation of Nigeria's financial ecosystem.

Over the past decade, fintech companies have expanded rapidly across payments, digital investments, crowdfunding and crypto related products. This growth has broadened financial access and introduced new investment channels, particularly among younger Nigerians.

However, technological innovation has also outpaced regulatory clarity in several areas of the capital market.

The Regulator/FinTech Clinic therefore represents an attempt by the SEC to bridge the gap between innovation and regulation before regulatory friction escalates.

Agama said the initiative forms part of the commission's broader strategy to keep regulatory rules aligned with evolving market realities.

According to Agama, the commission's statutory mandate of protecting investors, maintaining fair and

transparent markets and facilitating capital formation remains compatible with technological innovation.

Agama noted that Nigeria has developed a reputation as a technology innovation hub within Africa, driven largely by fintech entrepreneurs building digital financial solutions.

Yet the regulator is increasingly concerned about emerging risks associated with digital investment platforms.

Ajomale warned that the expansion of digital assets and online investment services must be accompanied by stronger compliance discipline across the financial ecosystem.

Ajomale also cautioned that the proliferation of unregistered investment platforms could expose investors to significant financial losses.

The SEC has already taken several steps to strengthen fintech oversight in recent years. The commission established a dedicated fintech department in 2018, introduced innovation facilitators to support emerging firms and developed specialised regulatory frameworks for digital financial services.

More recently, the Investments and Securities Act 2025 expanded the regulator's authority to supervise emerging digital financial products and technology driven investment platforms.

**CONT. ON PG 10**

# Airport Gate Payment Reversal Reveals Digital Transition Challenges In Nigeria's Aviation Sector

By Ayo Susan

The Federal Airports Authority of Nigeria (FAAN) will introduce a hybrid payment arrangement at airport access gates nationwide beginning March 13, 2026, allowing motorists to pay either in cash or through electronic channels.

The recent decision follows the suspension of the earlier fully cashless access gate payment system after the policy triggered traffic congestion at several airports.

President Bola Ahmed Tinubu directed the suspension of the cashless system following operational disruptions.

The Honourable Minister of Aviation and Aerospace Development, Barr. Festus Keyamo, subsequently instructed the FAAN to temporarily revert to the previous payment structure while reviewing implementation challenges.

According to Tunde Moshood, Special Adviser on Media and Communications to the Minister of Aviation and Aerospace Development, the ministry is working toward a long-term digital solution.

"The ministry has resolved to engage concessionaires in order to introduce a fully automated or electronic system at access gates at the airport," Moshood said.

**DECISION HIGHLIGHT**

The hybrid payment decision represents a temporary operational compromise between the government's push for digital revenue collection and the logistical realities of airport traffic management.

While the policy signals continued commitment to eventual automation, the immediate reversal underscores the risks associated with rapid digital transitions without adequate infrastructure readiness.

**DECISION MEMO**

The FAAN's shift to a hybrid payment structure illustrates the practical constraints that often accompany public sector digital reforms.

The earlier attempt to enforce a fully cashless access gate payment system was designed to improve transparency, reduce cash handling and strengthen revenue accountability within the airport environment.

However, the policy's initial rollout revealed operational weaknesses that disrupted airport traffic flows.

Motorists experienced congestion at airport entry points as users struggled with payment processing delays and unfamiliar electronic payment procedures.

The resulting gridlock prompted presidential intervention, with Tinubu ordering the immediate suspension of the cashless system pending operational review.

Following the directive, Keyamo convened a meeting with officials of the Federal Airports Authority of Nigeria

and senior ministry staff to assess the first phase of implementation.

Keyamo subsequently authorised the restoration of a hybrid payment structure allowing both cash and electronic payment options.

Moshood explained that motorists who already possess the FAAN Go Cashless Card can continue to use the system, while other electronic channels such as point of sale terminals will remain operational.

Moshood also emphasised that the hybrid system is temporary while the ministry works toward a fully automated digital solution in collaboration with private sector concessionaires.

Keyamo had earlier indicated that the initial implementation period would be reviewed to address operational weaknesses and eliminate opportunities for corruption in revenue collection.

The episode highlights a recurring challenge within Nigeria's infrastructure modernisation agenda, where digital policy ambitions sometimes outpace operational readiness.

While automation promises stronger transparency and revenue control, implementation failures can undermine user confidence and disrupt service delivery.

The hybrid system therefore represents a pragmatic policy adjustment aimed at stabilising airport operations while maintaining the longer term objective of full digital payment integration.

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Nigeria

**Payment Options:**

- Cash payments
- FAAN Go Cashless Card
- Point of Sale terminals
- Other approved digital channels

**Policy Trigger:**

Traffic congestion following initial cashless rollout

**Long Term Objective:**

Fully automated electronic access gate payment system

**WHO WINS / WHO LOSES**

Winners

Motorists gain flexibility through the restoration of cash payment options while electronic payment infrastructure improves.

Airport users experience reduced congestion compared with the initial rollout of the fully cashless system.

Losers

Digital payment operators linked to the cashless system may see slower adoption rates following the policy adjustment.

Airport revenue monitoring systems may temporarily revert to less efficient cash management processes.

**POLICY SIGNALS**

The decision signals a cautious recalibration of Nigeria's public sector digital transformation strategy.

While the government remains committed to digital payment systems, the adjustment suggests a growing recognition that infrastructure readiness and user adoption must precede full automation.

The move also reflects an effort to maintain operational efficiency while pursuing longer term transparency goals.

**INVESTOR SIGNAL**

For investors and technology providers, the development highlights ongoing opportunities within airport infrastructure technology, payment systems integration and transport automation platforms.

The ministry's plan to work with concessionaires indicates potential private sector participation in future digital infrastructure deployment.

**RISK RADAR**

Three operational risks remain evident.

First is implementation risk, where rapid digital policy rollouts may encounter logistical bottlenecks.

Second is user adoption risk, particularly among motorists unfamiliar with electronic payment platforms.

Third is revenue control risk, as hybrid payment environments require strong monitoring systems to prevent leakages.



Barr. Festus Keyamo, Honourable Minister of Aviation and Aerospace Development

# SEC Moves To Close FinTech Oversight Gaps ...

CONT. FRM PG 9

More recently, the Investments and Securities Act 2025 expanded the regulator's authority to supervise emerging digital financial products and technology driven investment platforms.

Ajomale said the regulator has also conducted extensive consultations with industry participants in order to understand how fintech companies are evolving.

"We have taken more than 500 firms to understand how they are evolving and what they are bringing to the market," Ajomale said.

The new clinic platform therefore represents an institutionalised mechanism for continuous engagement between regulators and innovators as financial technology reshapes Nigeria's capital market landscape.

**DATA BOX**

FinTech Engagement Initiative: Regulator/FinTech Clinic  
Regulatory Authority: Securities and Exchange Commission

Year FinTech Department Established: 2018

Industry Firms Engaged by SEC: More than 500

New Regulatory Framework: Investments and Securities Act 2025

Regulatory Objectives:

- Investor protection
- Fair and transparent markets
- Capital formation support

**WHO WINS / WHO LOSES**

Winners

Fintech startups gain clearer regulatory engagement channels that may reduce compliance uncertainty.

Investors benefit from improved regulatory oversight of emerging digital investment platforms.

The SEC strengthens its supervisory capacity in a rapidly evolving financial ecosystem.

Losers

Unregistered digital investment platforms and informal fintech operators may face greater scrutiny as regulatory engagement deepens.

Some early stage startups could face increased compliance costs as regulatory expectations become clearer.

**POLICY SIGNALS**

The initiative signals a regulatory shift toward proactive engagement rather than reactive enforcement within Nigeria's fintech ecosystem.

It also reflects the SEC's effort to position the capital market as a safe environment for digital financial innovation while maintaining investor protection.

The new framework indicates that fintech regulation in

Nigeria is entering a more structured phase.

**INVESTOR SIGNAL**

For investors, the initiative suggests that Nigeria's capital market regulator is attempting to bring greater oversight and transparency to the rapidly expanding fintech investment space.

Improved regulatory clarity may increase investor confidence in digital investment platforms and technology driven financial products.

The development may also encourage responsible fintech innovation capable of attracting institutional capital.

**RISK RADAR**

Three risks remain prominent.

First is regulatory lag risk, where innovation may continue to evolve faster than regulatory frameworks.

Second is investor protection risk, particularly if unregistered platforms continue to attract retail investors.

Third is compliance transition risk, as fintech startups adjust their operations to meet emerging regulatory expectations.

The launch of the Regulator/FinTech Clinic ultimately illustrates the regulator's attempt to manage a delicate balance, encouraging financial innovation while ensuring that Nigeria's capital market remains transparent, orderly and safe for investors.

# Meter Refund Order Exposes Deep Liquidity Strain In Nigeria's Power Distribution Market



By Ayo Susan

Electricity distribution companies (DisCos) are facing renewed financial pressure following a directive by the Nigerian Electricity Regulatory Commission (NERC) requiring operators to refund N20.33 billion to customers who purchased prepaid meters under the Meter Asset Provider (MAP) scheme.

The amended regulatory order issued on March 1, 2026 requires distribution companies to complete the refunds within 12 months, with reimbursements credited to affected customers through electricity bill deductions spread across the repayment period.

Industry operators say the directive comes at a time when distribution companies are already operating under severe liquidity constraints across the Nigerian Electricity Supply Industry.

A senior manager at Abuja Electricity Distribution Company (AEDC) said the order could further strain sector finances.

"These challenges have significantly constrained the cash flow available to distribution companies for infrastructure maintenance, network expansion and metering investments," the official said.

## DECISION HIGHLIGHT

The refund directive reinforces regulatory efforts to protect electricity consumers who paid upfront for prepaid meters under the MAP scheme.

However, the order simultaneously imposes new financial obligations on distribution companies already struggling with tariff gaps, weak revenue collection and operational losses within Nigeria's electricity market.

## DECISION MEMO

The NERC's directive highlights a structural tension that has long defined Nigeria's electricity distribution segment.

The MAP scheme was introduced to address Nigeria's persistent metering deficit and reduce disputes linked to estimated billing. Under the framework, third-party investors supplied prepaid meters while customers paid the initial cost, which distribution companies were expected to reimburse over time.

While the policy accelerated meter deployment in several distribution networks, delayed refunds and operational bottlenecks generated complaints from electricity consumers.

The regulator's amended order now seeks to resolve these disputes by mandating a structured reimbursement timeline.

Yet energy analysts argue that the directive reveals

deeper financial weaknesses across the electricity value chain.

Ayodele Oni, a power sector analyst, said the refund obligation could intensify liquidity pressures facing distribution companies.

"If we do not address the underlying tariff gaps and revenue recovery challenges, policies like this could worsen liquidity problems and affect the ability of operators to invest in network improvements," Oni said.

Benjamin Emmanuel, an energy economist, warned that forcing operators to absorb large refund obligations within a short period could further weaken already fragile balance sheets.

"Requiring DisCos to refund such a large amount within a short period without improving sector liquidity could put additional pressure on already weak balance sheets," Emmanuel said.

Adedayo Ademiluyi, a power sector consultant, said the directive reflects long-standing financial fragility in Nigeria's electricity distribution segment.

"DisCos are operating in an environment where tariffs are not fully cost-reflective and revenue collection remains weak," Ademiluyi said.

Ibrahim Maryam, an energy policy analyst, argued that consumer protection must be balanced with reforms aimed at sustaining the financial viability of distribution companies.

"Consumer protection is important, but regulators must also ensure that the distribution companies remain financially viable," Maryam said.

The policy intervention also comes against the backdrop of recent federal support for meter deployment. In October 2025, the Federal Government approved the disbursement of N28 billion to electricity distribution companies under the Meter Acquisition Fund (MAF) Tranche B scheme to support the procurement and installation of prepaid meters.

Taken together, the refund directive and the Meter Acquisition Fund intervention illustrate a regulatory system attempting to accelerate metering while managing liquidity stress within the electricity distribution segment.

## DATA BOX

**Refund Obligation to Customers:** N20.33 billion

**Repayment Period:** 12 months

**Refund Method:**

Credits applied to customer electricity bills in equal instalments

**Metering Framework:** Meter Asset Provider (MAP) scheme

**Federal Government Meter Support:**

N28 billion under Meter Acquisition Fund (MAF)

Tranche B – October 2025

## Sector Challenge:

Persistent metering gap and revenue losses across distribution networks

## WHO WINS / WHO LOSES

### Winners

Electricity consumers who financed their prepaid meters receive regulatory protection and guaranteed reimbursement.

Consumer advocacy groups benefit from stronger enforcement of billing transparency.

### Losers

Electricity distribution companies face immediate liquidity pressure as refund obligations reduce available operating cash.

Lower cash flow could affect network maintenance, metering expansion and infrastructure upgrades.

## POLICY SIGNALS

The directive signals a regulatory priority around consumer protection and billing fairness within Nigeria's electricity market.

At the same time, the policy highlights continuing debate around cost-reflective tariffs and sector liquidity reforms, both of which remain unresolved within the electricity distribution segment.

## INVESTOR SIGNAL

For investors, the development reinforces persistent structural risk within Nigeria's electricity distribution sector.

While metering programmes such as the Meter Asset Provider scheme and the Meter Acquisition Fund create opportunities in meter manufacturing and energy technology, the financial viability of distribution companies remains uncertain.

Capital deployment into the sector therefore remains sensitive to regulatory decisions and tariff reforms.

## RISK RADAR

Three structural risks remain evident.

First is liquidity risk, as distribution companies absorb refund obligations while operating under tight cash flow conditions.

Second is tariff risk, where electricity prices remain insufficient to cover the full cost of supply.

Third is operational loss risk, driven by electricity theft, unpaid government electricity bills and aging distribution infrastructure.



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# Aluko & Oyebode Advises As FG Launches Medicine Procurement PPP To Lower Drug Costs Nationwide

By Hannah Yemisi

**A** new Public-Private Partnership (PPP) has been established between the Federal Government of Nigeria and MedipoolNG Nigeria Limited to create a national Group Purchasing Organization aimed at lowering the cost of essential medicines and improving healthcare access.

The agreement was executed between the Federal Ministry of Health and Social Welfare and MedipoolNG Nigeria Limited as part of broader health sector reforms under the Presidential Initiative to Unlock the Healthcare Value Chain.

The concession agreement formalising the partnership was signed on February 16, 2026, establishing a procurement platform designed to aggregate demand for pharmaceuticals and medical supplies across the healthcare system.

Aluko & Oyebode served as legal advisers to the private partner in the transaction.

**DECISION HIGHLIGHT**

The Federal Government has adopted a centralised medicine procurement model through a Public-Private Partnership structure to address rising drug prices and supply inefficiencies in the healthcare sector.

The Group Purchasing Organization model is designed to consolidate demand for pharmaceuticals and medical products in order to negotiate better pricing and improve supply chain efficiency.

The partnership operates within the legal framework of the Infrastructure Concession Regulatory Commission Act governing public infrastructure concessions in Nigeria.

**DECISION MEMO**

Nigeria's healthcare system has long struggled with high pharmaceutical costs, fragmented procurement processes and inconsistent supply chains.

Hospitals, clinics and government health facilities frequently procure medicines independently, often paying significantly different prices for identical products.

This fragmented purchasing structure weakens bargaining power and contributes to high medicine costs across the healthcare system.

The newly established Group Purchasing Organization seeks to address these structural inefficiencies.

Group Purchasing Organizations are widely used in global healthcare systems to consolidate procurement demand across hospitals and healthcare providers.

By aggregating orders for pharmaceuticals and medical

equipment, these organisations negotiate bulk purchasing agreements with manufacturers and distributors.

Such arrangements can significantly reduce procurement costs while improving supply reliability.

Under the Nigerian arrangement, MedipoolNG Nigeria Limited will operate the purchasing platform in partner-



Prof. Mahammad Ali Pate, Honourable Minister of Health and Social Welfare

ship with the Federal Ministry of Health and Social Welfare.

The initiative aligns with the Presidential Initiative to Unlock the Healthcare Value Chain, a broader government strategy aimed at strengthening domestic healthcare infrastructure and improving access to essential medical products.

Beyond cost reductions, the programme is expected to expand access to medicines across the country's healthcare system.

Centralised procurement could also enhance transparency within pharmaceutical supply chains, reducing price disparities between healthcare institutions.

The legal framework governing the partnership was structured as a concession under the Infrastructure Concession Regulatory Commission Act.

The concession model allows private sector participation in the delivery of public sector infrastructure and services while maintaining government oversight.

Aluko & Oyebode advised MedipoolNG Nigeria Limited throughout the concession process.

The legal advisory mandate included the review, negotiation and execution of the concession agreement governing the partnership.

Oghogho Makinde and Cephias Caleb, Partners at Aluko & Oyebode, led the legal advisory team.

Makinde and Caleb were supported by Senior Associate Tega Abu, alongside Associates Aaron Alasa and Badruddeen Lawal.

The transaction reflects the increasing use of Public-Private Partnership structures in Nigeria's healthcare sector, where government institutions seek private sector expertise to improve operational efficiency and financing capacity.

If implemented effectively, the Group Purchasing Organization could become a central component of Nigeria's healthcare procurement system.

**DATA BOX**

**Project Structure:** Public-Private Partnership

**Government Partner:** Federal Ministry of Health and Social Welfare

**Private Partner:** MedipoolNG Nigeria Limited

**Legal Framework:** Infrastructure Concession Regulatory Commission Act

**Concession Agreement Signed:** February 16, 2026

**Policy Initiative:** Presidential Initiative to Unlock the Healthcare Value Chain

**Legal Advisers:** Aluko & Oyebode

**Advisory Team Lead:** Oghogho Makinde, Cephias Caleb

**Supporting Legal Team:** Tega Abu, Aaron Alasa, Badruddeen Lawal

**Operational Model:** Group Purchasing Organization

**Primary Objective:** Reduce medicine procurement costs, Improve national access to pharmaceuticals

**WHO WINS / WHO LOSES**

**Winners**

Healthcare providers may gain access to lower-cost pharmaceuticals through consolidated procurement.

Patients could benefit from improved availability and affordability of essential medicines.

Pharmaceutical manufacturers may gain access to larger consolidated purchasing contracts.

**Losers**

Fragmented procurement intermediaries may lose market relevance if centralised purchasing becomes dominant.

Suppliers unable to compete in bulk procurement tenders may face reduced market access.

## Oversubscribed Lekki Gardens Commercial Paper Proves...

**CONT. FRM - PG 9**

The oversubscription suggests that investors continue to view real estate commercial paper as a yield-generating alternative within Nigeria's fixed income landscape, particularly when issuers demonstrate credible track records.

However, such instruments remain short-term financing tools. Their effectiveness ultimately depends on developers' ability to convert project pipelines into completed assets and revenue streams.

**DATA BOX**

Commercial Paper Programme Size: N25 billion

Series 2 Offer Size (Initial): N10 billion

Final Issuance Size: N11.45 billion

Oversubscription: N1.45 billion above initial offer

Programme Approval: November 2025

Issuing House / Adviser: Pathway Advisors Limited

Use of Proceeds:

- Working capital support
- Completion of ongoing real estate developments

**WHO WINS / WHO LOSES**

**Winners**

Real estate developers benefit from access to flexible short-term financing that bypasses conventional bank

lending constraints.

Capital market investors gain access to structured yield instruments backed by real estate assets.

Financial advisory firms such as issuing houses also benefit from transaction structuring and capital market facilitation roles.

**Losers**

Traditional commercial banks face gradual disintermediation as corporates increasingly access alternative capital market funding channels.

Investors with lower risk tolerance may face exposure to sector-specific risks tied to real estate project execution timelines.

**POLICY SIGNALS**

The transaction reflects continued capital market deepening within Nigeria's corporate financing ecosystem, particularly through commercial paper programmes.

It also reinforces the importance of Securities and Exchange Commission regulatory frameworks that enable corporates to access non-bank funding.

More importantly, the transaction highlights the growing role of the capital market in financing urban housing and real estate infrastructure.

**INVESTOR SIGNAL**

Investor participation in the issuance signals sustained appetite for high-yield corporate debt instruments linked to real assets.

The oversubscription suggests that liquidity remains available within Nigeria's institutional investment space, particularly from pension funds, asset managers and high net worth investors seeking alternatives to sovereign securities.

For real estate issuers with credible project pipelines, the capital market continues to represent a viable funding channel.

**RISK RADAR**

Three structural risks remain visible.

First, real estate project execution risk, particularly delays in construction timelines that could affect repayment cycles.

Second, interest rate volatility, which could increase refinancing costs when commercial paper maturities arise.

Third, property market demand fluctuations, particularly in high-end residential developments where affordability constraints may limit absorption rates.

While the Lekki Gardens issuance demonstrates strong investor appetite, the long-term sustainability of such financing structures will depend on developers' ability to translate capital inflows into completed, revenue-generating assets.

# Creative Industry Coalition Reframes Early Childhood Development As Strategic Economic Infrastructure

By Ovio Peters

Nigeria's cultural and creative industry leaders convened in Lagos to reposition early childhood development as a strategic national priority rather than a traditional social welfare concern.

The recent gathering, titled 'Naija Made in Early Years,' was hosted by the Centre for Black and African Arts and Civilization (CBAAC) with support from the World Bank and Ogidi Studios.

Aisha Adamu Augie, Director-General (DG) of CBAAC, framed the initiative as a return to indigenous knowledge systems that historically shaped early childhood learning.

"The first classroom was never a building but our mother's lap, our father's drum and our grandmother's folktale," Augie said.

The forum brought together prominent figures in Nigeria's creative sector including Cobhams Asuquo, Bolanle Austen-Peters, Steve Gukas and Jude Abaga, alongside policy specialists and development partners.

## DECISION HIGHLIGHT

The initiative signals a strategic attempt to mobilise Nigeria's creative industry as a partner in national human capital development, particularly in shaping cognitive development during the first five years of life.

The coalition seeks to align storytelling, music, film and broadcast media with early childhood learning objectives.

## DECISION MEMO

The Lagos gathering reflects an emerging policy conversation that places early childhood development at the centre of national economic competitiveness.

While infrastructure investment in Nigeria has historically focused on physical assets such as roads, power and transport networks, development economists increasingly argue that cognitive development during early childhood is one of the most consequential investments a country can make.

Augie emphasised that African societies historically relied on cultural systems such as storytelling, music and communal learning to transmit early knowledge and social values.

However, modern social and economic pressures have weakened many of these informal learning structures.

Augie warned that Nigeria's traditional early learning architecture is facing increasing pressure from social and economic changes.

Industry voices at the forum framed the issue in stark economic terms.

Fadekemi Olumide, an actress, educator and cultural advocate, argued that the most consequential infrastructure being built in Nigeria today is not physical but cognitive.

Olumide challenged the creative industry to shift attention away from commercially dominant adult-focused content toward programming that supports early childhood development.

The economic urgency of the issue was reinforced by data presented at the event.

Approximately 40 percent of Nigerian children experience stunting, while literacy gaps begin to emerge as early as age four, raising long-term concerns about human capital development.

Cobhams Asuquo, a composer and music producer, highlighted the role of mass media in shaping early cognitive learning.

Asuquo described his own childhood exposure to educational radio broadcasts as formative to his intellectual development.

"Free-to-air is incredibly important," Asuquo said, emphasising the role of radio and television in delivering information to wider populations beyond urban digital audiences.

Asuquo noted that many Nigerians continue to rely on traditional broadcast media for information related



Aisha Adamu Augie, DG of CBAAC (1<sup>st</sup> r); Cobhams Asuquo, composer and music producer (6<sup>th</sup> r), and a host of participants at the Naija Made in Early Years event in Lagos.

to health campaigns and educational messaging.

Bolanle Austen-Peters, through her "Grandma Wura" storytelling persona, emphasised the emotional and educational value of storytelling in strengthening family engagement with children.

Austen-Peters highlighted the importance of parental participation, particularly the role of fathers, in shaping early cognitive and emotional development.

The discussions also included contributions from filmmakers and musicians who agreed that the creative sector could play a central role in shaping educational narratives for young audiences.

Development partners provided additional economic perspective.

Representatives of the World Bank cited research indicating that every one dollar invested in early childhood development can generate returns of up to thirteen dollars over time.

The coalition now aims to connect child development specialists with writers, filmmakers and musicians in order to embed educational messaging within popular culture.

The strategy effectively positions Nigeria's creative industry as an instrument of national human capital policy.

However, translating this cultural mobilisation into measurable educational outcomes will require sustained collaboration between policymakers, educators and content creators.

## DATA BOX

**Event:** Naija Made in Early Years

**Host:** Centre for Black and African Arts and Civilization

**Supporting Institutions:**

World Bank  
Ogidi Studios

**Child Stunting Rate in Nigeria:** 40%

Estimated Return on Early Childhood Investment: Up to \$13 per \$1 invested

**Key Participants:**

Aisha Adamu Augie  
Fadekemi Olumide  
Cobhams Asuquo  
Bolanle Austen-Peters  
Steve Gukas  
Jude Abaga

**Strategic Focus:**

Early childhood cognitive development  
Creative industry participation in education

## WHO WINS / WHO LOSES

### Winners

Children stand to benefit from improved early learning exposure through culturally relevant media and

storytelling.

The creative industry may gain expanded relevance as a partner in national education and social development initiatives.

Development institutions promoting human capital investment may find stronger local partnerships.

### Losers

Entertainment content producers focused exclusively on adult-oriented programming may face pressure to diversify toward educational formats.

Traditional education systems that ignore cultural learning channels may lose relevance in early childhood engagement.

## POLICY SIGNALS

The initiative reflects growing recognition that human capital development must begin before formal schooling.

It also signals a policy shift toward integrating cultural industries into education and public communication strategies.

The approach aligns with broader development frameworks that treat early childhood investment as a long-term economic strategy.

## INVESTOR SIGNAL

The collaboration highlights potential opportunities within Nigeria's educational content industry, particularly for media platforms producing early learning materials.

Investors in educational technology, children's programming and broadcast learning platforms may benefit from expanding demand.

Development partners may also increase funding for projects that integrate media with child development programmes.

## RISK RADAR

Three structural risks remain visible.

First is implementation risk, as translating creative industry participation into structured educational programming will require coordination.

Second is funding continuity risk, particularly if early childhood initiatives depend heavily on development partners.

Third is content adoption risk, where educational programming must compete with commercially dominant entertainment formats.

The Lagos gathering ultimately signals a growing consensus that Nigeria's human capital challenge cannot be addressed through formal schooling alone, but must involve cultural institutions capable of shaping learning during the earliest stages of life.

# FirstBank, MREIF Mortgage Programme Reopens Housing Finance Access In Nigeria



Mr. Sani Yakubu, National Coordinator of MREIF (m), with other stakeholders.

By Ogbuefi O. Emelike

First Bank of Nigeria Limited has introduced a mortgage financing product aimed at expanding access to home ownership through a subsidised housing loan structure linked to the Ministry of Finance Incorporated Real Estate Investment Fund (MREIF).

The programme provides mortgage financing at 9.75 percent interest per annum, significantly below prevailing commercial lending rates in Nigeria.

The facility is supported by a N1 trillion housing intervention fund backed by the federal government, with eligible borrowers able to access up to N100 million repayable over 20 years.

The initiative seeks to expand mortgage access to salary earners, entrepreneurs and Nigerians in the diaspora.

## DECISION HIGHLIGHT

First Bank of Nigeria Limited has aligned with the MREIF to deploy a subsidised mortgage product designed to reduce the cost barrier to housing finance.

The mortgage facility introduces a single-digit lending rate into a housing finance environment where most commercial loans remain priced well above 20 percent.

The programme forms part of a broader intervention framework designed to expand access to long-term housing credit.

## DECISION MEMO

Housing finance remains one of the most structurally constrained segments of Nigeria's financial system.

Despite a population exceeding 200 million and an estimated housing deficit running into tens of millions of units, mortgage penetration remains extremely low.

Commercial mortgage products typically carry high interest rates and short repayment tenures, making them unaffordable for a large segment of the population.

The mortgage programme introduced by First Bank of Nigeria Limited attempts to address one of the sector's most persistent barriers: the cost

of credit.

By anchoring the mortgage product to the MREIF, the bank is able to offer financing at 9.75 percent interest, significantly lower than conventional lending rates.

In Nigeria's credit environment, where commercial loans often exceed 30 percent, the pricing differential is substantial.

The structure of the facility also introduces a longer repayment horizon.

Borrowers can access up to N100 million with repayment tenures extending to 20 years, creating the possibility of lower monthly repayment obligations compared with traditional bank loans.

The intervention highlights the central role of government-backed financing structures in Nigeria's housing market.

Mortgage financing in many emerging markets depends heavily on long-term liquidity provided by public sector institutions or development finance frameworks.

Without such interventions, commercial banks often struggle to provide long-tenure housing loans due to the mismatch between short-term deposit funding and long-term mortgage assets.

The MREIF represents one such liquidity mechanism.

With a N1 trillion funding envelope, the programme is designed to expand mortgage access while stimulating activity within Nigeria's housing sector.

The structure of the facility also attempts to broaden the borrower base beyond traditional salary earners.

Eligibility has been extended to entrepreneurs and Nigerians in the diaspora, reflecting the growing role of diaspora investment in the country's real estate market.

For financial institutions such as First Bank of Nigeria Limited, mortgage products tied to government intervention funds provide an opportunity to participate in housing finance without absorbing the full credit and liquidity risks typically associated with long-term lending.

However, the broader structural challenges of Nigeria's housing market remain significant.

High construction costs, land administration complexities and infrastructure deficits continue to con-

strain housing supply.

The mortgage intervention therefore addresses the financing dimension of the housing crisis but does not fully resolve the structural issues affecting the real estate sector.

Nevertheless, the programme signals a renewed attempt to expand housing credit access through coordinated public-private financing structures.

## DATA BOX

**Programme:** Mortgage Financing Initiative

**Financial Institution:** First Bank of Nigeria Limited

**Government Partner:** Ministry of Finance Incorporated Real Estate Investment Fund

**Total Fund Size:** N1 trillion

**Mortgage Interest Rate:** 9.75 percent per annum

**Maximum Loan Size:** N100 million

**Repayment Tenure:** Up to 20 years

**Target Beneficiaries:**

Salary earners

Entrepreneurs

Diaspora Nigerians

**Market Context:**

Commercial lending rates often exceed 30 percent

**Policy Objective:**

Expand housing finance access

Stimulate real estate development

## WHO WINS / WHO LOSES

**Winners**

Prospective homeowners gain access to mortgage financing at interest rates significantly lower than prevailing commercial loans.

Real estate developers may benefit from increased housing demand stimulated by expanded mortgage access.

Financial institutions participating in the programme gain exposure to mortgage lending supported by government liquidity frameworks.

**Losers**

Conventional mortgage products offered at commercial rates may become less competitive.

Informal housing finance mechanisms could lose relevance as structured mortgage products expand.

## POLICY SIGNALS

The programme signals renewed government focus on expanding access to housing finance through intervention funds and public-private collaboration.

It also reflects recognition that mortgage market development requires subsidised liquidity mechanisms to offset high domestic interest rates.

## INVESTOR SIGNAL

The scale of the N1 trillion housing intervention fund suggests increasing institutional interest in the housing sector as an economic growth driver.

Real estate financing platforms linked to government-backed liquidity pools may present emerging opportunities for investors.

## RISK RADAR

Three structural risks remain visible.

First is housing supply risk, where limited residential construction could constrain the impact of expanded mortgage financing.

Second is credit risk, particularly if borrower repayment capacity is affected by inflation and macroeconomic volatility.

Third is policy sustainability risk, as the long-term viability of subsidised mortgage rates will depend on continued government support.

The First Bank of Nigeria Limited mortgage initiative therefore represents both a financial intervention and a policy experiment aimed at reshaping Nigeria's housing finance landscape.

## Nigeria Cannot Ignore The Silent Collapse Of Healthcare In the North



### THE CLOSING BELL

With  
**Enam Obiosio**

Look at the data on the shortage of doctors in Northern Nigeria and I struggle to treat it as just another health sector statistic. It is not. It is a structural national risk hiding inside a regional crisis. When I examine the numbers closely, I see a country drifting toward a dangerous imbalance in access to healthcare, and I cannot pretend that the implications are minor.

I believe the issue confronting Northern Nigeria today is not merely the absence of doctors. It is the slow collapse of an already fragile medical ecosystem in a region carrying one of the heaviest disease burdens in the country.

Nigeria as a whole already suffers from an inadequate supply of healthcare professionals. The country has barely over sixty thousand licensed doctors serving a population exceeding two hundred and twenty million people. That figure alone should alarm any policymaker. But what concerns me far more is how unevenly those doctors are distributed across the country.

When I study the health sector data, the imbalance is striking. Several northern states have only 0.5 doctors per 10,000 people. That translates roughly to one doctor for about twenty thousand citizens. In states such as Yobe, Kebbi, Zamfara and Jigawa, this ratio is not an abstraction; it is the everyday reality for millions of residents.

Even the northern states with comparatively better staffing levels remain critically underserved. Kaduna, which records the highest ratio in the North-West and North-East, has just 1.8 doctors per 10,000 people. When I compare that with southern states where the density often exceeds three per 10,000 and sometimes surpasses five per 10,000, the regional gap becomes impossible to ignore.

The problem becomes even more alarming when I consider the global benchmark. The World Health Organisation recommends a minimum density of 2.5 doctors per 1,000 people. Not per 10,000, but per 1,000. By that standard, every state in Nigeria falls short. But the North falls dangerously short.

What I see is not just a shortage. I see a widening structural inequality in access to healthcare.

I find the absence of specialists even more troubling. In large parts of Northern Nigeria, specialised medical services are practically non-existent. Dentists, optometrists, radiographers and laboratory scientists are heavily concentrated in the southern part of the country.

Take dentistry, for example. Some northern states record only 0.1 or 0.2 dentists per 10,000 people. Meanwhile, states such as Edo and Lagos record figures several times higher. This means millions of people in the North simply live without access to routine dental care.

Eye care presents an even starker picture. In several northern states, the density of optometrists falls between 0.03 and 0.09 per 10,000 people. That effectively translates to one optometrist serving hundreds of thousands of people. In contrast, southern states like Imo and Lagos record densities exceeding five per 10,000. The disparity is not subtle. It is enormous.

When I examine diagnostic capacity, the situation becomes almost surreal. Radiographers, who are essential for medical imaging and diagnosis, are absent in some northern states. Zero per 10,000 population. That means entire populations are operating without access to critical diagnostic imaging. Without diagnostics, modern medicine becomes guesswork.

Laboratory science presents the same pattern. Southern states record densities as high as fourteen laboratory scientists per 10,000 people, while northern states struggle with figures as low as one or two.

I do not see how any healthcare system can function

effectively under such conditions. The question that immediately confronts me is simple. Why is this happening?

When I listen to doctors themselves, the answer emerges with disturbing clarity. Insecurity. Doctors repeatedly say they avoid postings to the North because they do not feel safe. When medical professionals must first evaluate the risk to their lives before considering their professional duties, something fundamental has already broken in the system.

Zenith Osundare, the immediate past president of the National Association of Resident Doctors, has said northern states are willing to employ doctors and even offer competitive salaries, yet they cannot attract them. According to him, insecurity makes many professionals unwilling to relocate. I cannot dismiss that explanation.

If a doctor believes that accepting a posting could endanger their life, no incentive package will be strong enough to compensate for that fear.

Another resident doctor I read about described the situation bluntly. He said he dreaded going to the North because of insecurity. I understand that sentiment. No professional wants to practise medicine under constant threat.

Medicine demands concentration, long hours and emotional resilience. If a doctor must also constantly worry about personal safety, the profession becomes almost impossible to practise effectively.

Research supports this reality. Studies of Nigerian doctors show that insecurity is one of the leading reasons many professionals refuse postings to certain parts of the country or decide to emigrate altogether.

In one study, more than half of respondents identified insecurity as a major push factor. In another survey of physicians across Nigeria, nearly eighty percent cited rising insecurity as a primary reason for leaving the country.

When I connect these findings with the doctor shortages in Northern Nigeria, the pattern becomes obvious. The medical workforce is voting with its feet.

Doctors are moving away from areas where they feel unsafe, poorly equipped and professionally isolated. They are concentrating in regions where infrastructure, security and professional opportunities are stronger.

From a human perspective, that decision makes sense. From a national perspective, however, it creates a catastrophic imbalance. I worry deeply about what this imbalance means for health outcomes in the North.

Public health experts already warn that the region carries higher disease burdens. Maternal mortality is higher. Infant mortality is higher. Infectious diseases remain more prevalent.

If the number of doctors continues to decline in these regions, the consequences will become visible in mortality statistics.

Pregnant women will struggle to access skilled birth attendants. Chronic diseases will go undiagnosed. Infectious disease outbreaks will spread faster without adequate surveillance.

Healthcare systems depend heavily on human capital. Without doctors, nurses and diagnostic specialists, even the most modern hospitals become empty buildings.

That is what I fear may be happening in parts of Northern Nigeria. Hospitals exist, but professionals are leaving.

I also worry about the strain placed on the few healthcare workers who remain. When a small number of doctors must serve enormous populations, burnout becomes inevitable.

Overworked healthcare workers make more mistakes. They become exhausted. Eventually, they also leave. This creates a vicious cycle.

The fewer doctors there are, the heavier the workload becomes. The heavier the workload becomes, the more professionals decide to leave. Breaking this cycle will require more than incremental reforms.

Security must be addressed first. I do not see any credible strategy for solving the healthcare workforce crisis in the North without tackling insecurity.

Doctors cannot be expected to practise medicine in environments where their personal safety is uncertain. But security alone will not be enough.

Working conditions must also improve. Many northern hospitals lack diagnostic equipment, modern facilities and adequate housing for medical staff.

Doctors trained in advanced medical environments cannot easily adapt to systems where basic infrastructure is missing.

If policymakers want doctors to return to underserved regions, they must create conditions that make professional practice viable. This means investing in hospitals, laboratories and medical equipment.

It also means designing incentives that make rural and high-risk postings attractive rather than punitive.

Housing, security guarantees, professional development opportunities and salary bonuses must become standard components of any retention strategy.

I also believe Nigeria must rethink its entire approach to medical workforce planning.

The country trains thousands of doctors every year, yet many leave the country shortly after graduation. This brain drain is now interacting with internal migration patterns that favour southern urban centres.

The result is a double loss for northern regions. First, Nigeria loses doctors to foreign countries. Second, the remaining doctors cluster in a few urban hubs. Northern rural communities are left with the smallest share of an already insufficient workforce. This is not sustainable.

If Nigeria fails to correct this imbalance, the health divide between regions will widen further. I cannot imagine a stable nation where entire regions lack basic healthcare access.

Health is not just a social service. It is a foundation for economic productivity, social stability and national cohesion.

When millions of citizens cannot access medical care, the consequences extend far beyond the health sector.

Disease spreads more easily. Productivity declines. Poverty deepens. These outcomes eventually become national problems.

I therefore see the doctor shortage in Northern Nigeria as a warning signal. It tells me that security challenges, professional migration and infrastructure deficits are converging to create a systemic healthcare crisis. Ignoring that signal would be a serious mistake.

If Nigeria wants a truly national healthcare system, it must ensure that no region becomes medically abandoned.

That goal will require political will, sustained investment and an honest acknowledgement of the structural forces driving doctors away. Until those forces are addressed, the doctor shortage in Northern Nigeria will continue to grow. And the consequences will not remain confined to the North.