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## N68.3trn Budget Expansion Challenges Fiscal Credibility Amid Capital Spending Surge

Nigeria's 2026 budget arrives not merely as a fiscal document but as a stress test of policy credibility. The National Assembly's approval of N68.3 trillion, a sharp upward revision from the executive proposal submitted by **President Bola Ahmed Tinubu**, places the country at a decisive intersection, where ambition in infrastructure and institutional funding must now confront the realities of execution discipline, revenue capacity, and debt sustainability. **Enam Obiosio** interprets the decision, among others.

For the Nigeria's 2026 budget, the upward revision of over N9 trillion was justified by the need to accommodate legacy obligations, expand infrastructure spending, and strengthen key institutions. A significant N32.287 trillion was

allocated to capital expenditure, alongside targeted funding for healthcare, judiciary operations, and national infrastructure planning.

### DECISION HIGHLIGHT

The federal government has prioritised capital-intensive spending and legacy debt clearance, signalling an expansionary fiscal stance anchored on infrastructure-led growth.

### DECISION MEMO

The N68.3 trillion budget represents a deliberate escalation in fiscal ambition, but one that immediately raises questions about coherence between expenditure, revenue generation, and execution capacity.

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President Bola Ahmed Tinubu

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# Edun Considers Domestic Resource Mobilisation As Africa's Development Imperative

By Kingsley Ani

The Honourable Minister of Finance and Coordinating Minister of the Economy, Mr. Wale Edun, has called for a structural shift in Africa's development financing model, emphasising domestic resource mobilisation as central to achieving Agenda 2063.

Speaking recently at the Sub-committee on Tax and Illicit Financial Flows under the Specialised Technical Committee on Finance, Monetary Affairs, Economic Planning and Integration, Edun argued that Africa must expand its tax base, curb revenue leakages, and strengthen public financial management systems.

"These changes... reinforce a clear lesson: we must increasingly rely on our own strength," Edun said.

The Executive Chairman of the Nigeria Revenue Service (NRS), Dr. Zacch Adedeji, reinforced the position, highlighting the widening development financing gap and the role of tax systems in strengthening state capacity.

"Effective tax systems not only generate revenue, but they also strengthen governance," Adedeji said.

## DECISION HIGHLIGHT

African policymakers are recalibrating development financing strategy from external dependence to internally generated capital, anchored on taxation, savings mobilisation, and institutional reform.

## DECISION MEMO

Edun's position reflects a fundamental reassessment of Africa's development financing architecture in the context of a shifting global order.

The reliance on external financing, through debt, aid, and foreign investment, is being recast as structurally unsustainable. Agenda 2063's target of mobilising up to 90 percent of development financing domestically introduces a high bar



Mr. Wale Edun, Honourable Minister of Finance and Coordinating Minister of the Economy

that requires systemic transformation rather than incremental reform.

The constraint is not merely low revenue generation but structural inefficiency. Tax systems across the continent remain narrow, compliance is weak, and enforcement capacity is uneven. Illicit financial flows, estimated at \$88 billion annually, represent a direct erosion of fiscal capacity, effectively transferring resources from public investment into untraceable channels.

Edun's emphasis on expanding the tax base and improving public financial management signals an attempt to address both revenue generation and expenditure credibility. Without transparency and accountability, increased taxation risks political resistance and weak compliance.

Adedeji's intervention extends this logic by positioning tax administration as a governance

instrument, not just a fiscal tool. The argument is that efficient, transparent, and fair tax systems can strengthen the social contract, thereby improving voluntary compliance and broadening the revenue base.

However, this framework assumes institutional capacity that remains uneven across African economies. Digitalisation of tax systems, improved compliance frameworks, and cross-border cooperation on illicit flows require coordination, technical capability, and political will that are not uniformly present.

The call for domestic savings mobilisation and capital market development introduces a complementary dimension. It suggests that taxation alone cannot meet financing needs; financial intermediation must improve to channel local sav-

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## N68.3trn Budget Expansion Challenges Fiscal...

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The most defining feature of the budget is the allocation of over N32 trillion to capital projects. On paper, this suggests a structural pivot from recurrent consumption toward long-term economic assets. In practice, however, Nigeria's historical challenge has not been allocation, but delivery. Capital budgets have consistently underperformed due to procurement delays, weak project management, and fragmented implementation across Ministries, Departments, and Agencies (MDAs).

The inclusion of N5.71 trillion for legacy obligations introduces a corrective dimension. By addressing unpaid commitments from 2025, the government is attempting to restore credibility with contractors and developers. This may improve project continuity, but it also highlights a recurring fiscal pattern, deferred liabilities accumulating into subsequent budgets.

The upward revision itself is analytically sig-

nificant. An increase of over N9 trillion at the legislative stage suggests either underestimation in the original proposal or expansion driven by political and institutional pressures. In either case, it raises concerns about budget discipline and the predictability of fiscal planning.

Sectoral allocations to healthcare and judiciary funding indicate an attempt to balance infrastructure investment with institutional strengthening. However, the relative scale of these allocations compared to capital expenditure suggests that infrastructure remains the dominant policy lever, potentially at the expense of social sector depth.

The extension of the 2025 capital budget implementation window further reinforces the execution challenge. If prior-year capital projects require additional time for completion, the capacity to absorb an even larger capital allocation in 2026 becomes uncertain.

The budget's framing as a "legacy" instrument reflects an effort to address structural deficits while signalling continuity in policy direction. Yet, the effectiveness of this approach depends on

whether increased spending translates into measurable economic output, rather than remaining within the cycle of allocation without delivery.

## DATA BOX

- Total budget (2026): N68.323 trillion
- Initial proposal: N58.47 trillion
- Upward revision: N9.09 trillion+
- Capital expenditure: N32.287 trillion
- Legacy obligations: N5.71 trillion
- Healthcare allocation: N482.758 billion
- Ministry of Finance Incorporated: N478.600 billion
- Judiciary funding: N268 billion
- Supreme Court allocation: N36 billion

## WHO WINS / WHO LOSES

### Winners:

- Infrastructure contractors benefiting from increased capital allocation
- Government institutions receiving enhanced

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# Bank Recapitalisation Compliance Exposes Uneven Capacity Across Nigerian Financial System

By Johnson Emmanuel

The Association of Corporate Affairs Managers of Banks (ACAMB) has reported over 96 percent compliance with the recapitalisation directive issued by the Central Bank of Nigeria (CBN), ahead of the March 31, 2026 deadline.

The Governor of CBN) Mr. Olayemi Cardoso, recently disclosed that 32 banks have already met the revised capital thresholds.

“The banking sector recapitalisation programme has recorded commendable progress,” Cardoso said, noting its role in strengthening system resilience.

The President of the ACAMB, Mr. Jide Sipe, described the outcome as evidence of sector strength.

“Achieving over 96% compliance... is an indication of the capacity of our financial institutions to adapt,” Sipe said.

**DECISION HIGHLIGHT**

The recapitalisation exercise has been largely executed, but its success reflects capital concentration rather than uniform sector strength.

**DECISION MEMO**

The reported compliance rate suggests regulatory success, but the underlying structure points to differentiated capacity across the banking system.

The recapitalisation thresholds, N500 billion for international banks, N200 billion for national banks, and N50 billion for regional banks, were designed to strengthen capital buffers and align banks with Nigeria’s growth ambitions. However, high compliance does not necessarily imply evenly distributed resilience.

Cardoso’s emphasis on strengthened capacity reflects a macro-level outcome. Larger banks, with established capital access and diversified earnings, are structurally positioned to meet recapitalisation demands. For smaller institutions, compliance may have required balance sheet restructuring, mergers, or constrained expansion.

Sipe’s characterisation of the process as evidence of “resilience” aligns with industry messaging but underplays the consolidation effect inherent in recapitalisation. Such exercises typically compress the competitive landscape, favouring institutions with stronger capital-raising capabilities.

The policy intent is clear, to create a banking system capable of supporting long-term financing and economic expansion, including the stated ambition of transitioning toward a \$1 trillion economy. However, this objective introduces a trade-off between stability and competition.

A more capitalised system reduces systemic risk but may limit market diversity if smaller banks are unable to sustain independent operations. The result is a potential shift toward a more concentrated banking structure.

The timing of the exercise, amid macroeconomic volatility, further complicates interpretation. Capital adequacy improves balance sheet strength, but does not eliminate exposure to inflation, currency pressures, and credit risk within the broader economy.

The recognition of the CBN by international bodies reinforces regulatory credibility, but does not substitute for domestic performance



Mr. Jide Sipe, President of ACAMB

outcomes, particularly in credit allocation and financial intermediation.

**DATA BOX**

- Compliance rate: 96%+
- Banks meeting requirement: 32
- International banks minimum capital: N500 billion
- National banks: N200 billion
- Regional banks: N50 billion
- Merchant banks: N50 billion
- Non-interest banks (national): N20 billion
- Non-interest banks (regional): N10 billion
- Recapitalisation timeline: 24 months (ending March 31, 2026)

**WHO WINS / WHO LOSES**

**Winners:**

- Large, well-capitalised banks with access to equity markets
- Regulators achieving higher systemic stability
- Institutional investors favouring stronger balance sheets

**Losers:**

- Smaller banks facing capital constraints or forced restructuring
- Market competition, potentially reduced through consolidation
- Customers in niche segments served by smaller institutions

**POLICY SIGNALS**

The Central Bank of Nigeria is prioritising systemic stability and long-term capital mobilisation over maintaining a broad but weaker banking base.

It also signals a continued shift toward fewer, stronger financial institutions capable of supporting large-scale economic activity.

**INVESTOR SIGNAL**

The recapitalisation outcome enhances confidence in the banking sector’s balance sheet strength and its capacity to intermediate large-scale capital.

However, investors should assess concentration risks and the potential for reduced competitive dynamics affecting innovation and pricing.

**RISK RADAR**

- Concentration Risk: Increased dominance of large banks
- Execution Risk: Smaller institutions may struggle to sustain compliance post-deadline
- Macroeconomic Risk: Capital strength does not eliminate external economic pressures
- Competition Risk: Reduced diversity in banking services
- Regulatory Dependency Risk: Continued reliance on policy direction for sector stability

The recapitalisation exercise strengthens the Nigerian banking system at a structural level, but its longer-term impact will depend on whether increased capital translates into broader credit access and economic expansion, rather than simply reinforcing the dominance of already strong institutions.

**The policy intent is clear, to create a banking system capable of supporting long-term financing and economic expansion, including the stated ambition of transitioning toward a \$1 trillion economy**

## Oversubscription Alone Cannot Mask Nigeria's Deepening Dependence on Expensive Debt

The federal government's March 2026 bond auction has been presented, rather conveniently, as evidence of investor confidence. We must resist that simplistic interpretation. Yes, the auction recorded a 4.28 percent oversubscription, with N931.5 billion in bids against N750 billion on offer. But to equate demand with confidence, without interrogating cost, structure, and context, is analytically lazy.

What we are witnessing is not necessarily confidence. It is yield-seeking behaviour in a high-interest environment.

We note that the strongest demand clustered around the 9-year May 2033 bond, which attracted N462.21 billion in bids. This is not accidental. Investors are locking into longer-tenor instruments at yields as high as 16.64 percent. That is not a vote of faith in macroeconomic stability. It is a rational response to elevated returns in a risk-adjusted environment.

Let us be clear. When a sovereign must offer yields in the mid-to-high teens to attract capital, the narrative is not strength, it is cost.

The Debt Management Office's decision to allot only N485.49 billion, a 7.4 percent decline from February, adds another layer of interpretation. On the surface, this suggests prudence, a deliberate attempt to limit borrowing

despite strong demand. But we must ask, is this restraint strategic, or is it a reflection of the government's growing sensitivity to the cost of debt?

We cannot ignore the broader fiscal context. Nigeria's debt servicing burden remains elevated, and interest payments continue to consume a significant share of government revenue. In such an environment, every additional naira borrowed at double-digit yields compounds future fiscal pressure.

This is the paradox we must confront. Strong demand for government bonds does not reduce fiscal risk, it can, in fact, deepen it.

We also observe the pricing dynamics. The bonds were offered within wide yield bands, up to 19.89 percent for the 9-year instrument. This flexibility is often framed as market responsiveness. In reality, it reflects the government's willingness to meet the market at increasingly expensive price points.

There is a structural issue here. Domestic debt markets are becoming the primary financing channel for the government, but at rates that are crowding out private sector borrowing. When sovereign instruments offer such high yields, capital naturally gravitates toward them, leaving businesses to contend with even higher borrowing costs or limited access to credit al-

together. This is not a neutral outcome. It is a distortion.

We must also question the sustainability of this demand. Investor appetite is strong today because yields are attractive. But this is not a permanent condition. Should macroeconomic conditions shift, or should inflation expectations change, the same investors could demand even higher yields or withdraw altogether.

In that scenario, the government's financing position becomes more precarious.

What, then, should we take from this auction?

We should recognise it for what it is, a short-term success in liquidity mobilisation, not a long-term validation of fiscal strength. Oversubscription is a metric, not a verdict. It tells us that capital is available, but it does not tell us that the terms of that capital are sustainable.

We must move beyond celebrating demand and begin scrutinising cost.

Until Nigeria can borrow at materially lower rates, supported by stronger macroeconomic fundamentals, improved revenue mobilisation, and credible fiscal discipline, these auctions will continue to reflect a fundamental imbalance, capital is accessible, but at a price that constrains future growth. We should not confuse access with advantage.

### 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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# BOI-EIB €50m Facility Addresses Healthcare Gaps But Highlights Scale Deficit

By Olumide Johnson

**B**ank of Industry (BOI) recently secured a €50 million financing facility from the European Investment Bank (EIB) to support Nigeria's healthcare and pharmaceutical value chain.

The funding is designed to improve access to long-term capital for healthcare enterprises, expand local manufacturing capacity, and strengthen supply chain resilience.

The Managing Director (MD) of BOI, Olasupo Olusi, stated that the initiative reflects a commitment to targeted financing for sustainable sector growth.

"This partnership reflects our commitment to strengthening Nigeria's healthcare ecosystem," Olusi said.

The facility was structured with input from the Presidential Initiative for Unlocking the Healthcare Value Chain, which aligned the intervention with national sector priorities.

## DECISION HIGHLIGHT

The financing represents a targeted intervention to de-risk healthcare investment, but its scale underscores the gap between sector needs and available capital.

## DECISION MEMO

The €50 million facility reflects a strategic attempt to address structural weaknesses in Nigeria's healthcare and pharmaceutical ecosystem, particularly limited access to long-term financing.

Healthcare infrastructure and local pharmaceutical production remain underdeveloped, constrained by high capital requirements, regulatory complexity, and supply chain inefficiencies. By providing concessional or structured financing, the Bank of Industry and European Investment Bank aim to unlock private sector participation in a capital-intensive sector.

Olusi's emphasis on "targeted financing" indicates a shift from broad-based intervention to sector-specific capital allocation. This aligns with the increasing recognition that healthcare requires specialised financing structures, given its long pay-back periods and regulatory exposure.

However, the scale of the intervention raises questions about impact. Nigeria's healthcare financing gap is substantial, spanning infrastructure deficits, import dependence for pharmaceuticals, and weak manufacturing capacity. A €50 million facility, while directionally relevant, is limited rela-



Mr. Olasupo Olusi, Managing Director of BOI

tive to the scale of investment required to achieve meaningful transformation.

The involvement of the Presidential Initiative for Unlocking the Healthcare Value Chain introduces a coordination layer aimed at aligning financing with policy priorities. This suggests an attempt to avoid fragmentation, a recurring issue in sector interventions.

The focus on local manufacturing and supply chain resilience reflects lessons from global disruptions, particularly the vulnerability of import-dependent healthcare systems. Strengthening domestic production capacity is positioned as both an economic and public health imperative.

However, financing alone does not resolve structural constraints. Regulatory bottlenecks, power supply issues, and foreign exchange volatility continue to affect healthcare investment viability. Without parallel reforms, capital deployment may face execution challenges.

The facility therefore represents a targeted but partial solution, addressing financing constraints while leaving broader systemic issues largely unchanged.

## DATA BOX

- Facility size: €50 million
- Target sectors: Healthcare, pharmaceuticals
- Key objectives:
  - o Expand local manufacturing

- o Improve supply chain resilience
- o Increase access to essential medicines and vaccines
- Structuring partner: Presidential Initiative for Unlocking the Healthcare Value Chain

## WHO WINS / WHO LOSES

### Winners:

- Healthcare and pharmaceutical firms accessing long-term financing
- Local manufacturers expanding production capacity
- Development finance institutions advancing sector-specific interventions

### Losers:

- Firms unable to meet financing or regulatory requirements
- Import-dependent supply chains facing gradual displacement
- Patients in underserved areas if scale of intervention remains limited

## POLICY SIGNALS

The initiative signals a shift toward targeted, sector-specific financing aligned with national development priorities.

It also reflects increasing collaboration between domestic institutions and international development finance partners to address critical infrastructure gaps.

## INVESTOR SIGNAL

The facility indicates emerging opportunities in Nigeria's healthcare value chain, particularly in local manufacturing and supply chain development.

However, investment viability remains contingent on regulatory stability, infrastructure reliability, and macroeconomic conditions.

Investors should assess sector-specific risks alongside financing availability.

## RISK RADAR

- Scale Risk: Funding size insufficient relative to sector needs
- Execution Risk: Structural constraints may limit capital deployment
- Regulatory Risk: Compliance and policy uncertainty in healthcare sector
- Infrastructure Risk: Power and logistics challenges affecting operations
- Currency Risk: Foreign exchange volatility impacting imported inputs

# N68.3trn Budget Expansion Challenges Fiscal...

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funding support

- Developers awaiting settlement of outstanding obligations

### Losers:

- Fiscal balance, pressured by expanded expenditure commitments
- Taxpayers, if revenue mobilisation does not match spending growth
- Future budgets, potentially burdened by deferred liabilities

## POLICY SIGNALS

The budget signals a clear preference for expansionary fiscal policy anchored on infrastructure investment and legacy debt resolution.

It also reflects a willingness to adjust fiscal

frameworks post-submission, indicating flexible but potentially inconsistent budget discipline.

## INVESTOR SIGNAL

The scale of capital expenditure presents opportunities in infrastructure and public sector-linked projects.

However, investor confidence will depend on execution credibility, timely payments, and macroeconomic stability.

The inclusion of legacy debt settlement may improve contractor confidence but does not eliminate future accumulation risks.

## RISK RADAR

- Execution Risk: Limited capacity to deliv-

er large-scale capital projects

- Fiscal Risk: Expanded budget without corresponding revenue certainty
- Credibility Risk: Upward revision undermining budget predictability
- Debt Risk: Legacy obligations indicating recurring fiscal slippage
- Implementation Risk: Extension of prior-year capital projects

The N68.3 trillion budget reflects ambition in scale and intent. Its credibility, however, will not be determined by allocation size, but by the government's ability to convert fiscal expansion into tangible infrastructure, institutional strength, and sustained economic growth.

# FG Digital Trade Framework Confronts Structural Barriers Limiting MSME AfCFTA Access

By Olumide Johnson

The federal government recently launched the "Cross-Border Digital Payments and Identity in Nigeria under the African Continental Free Trade Area (AfCFTA)" report to support micro, small and medium enterprises in accessing the \$3.5 trillion continental market.

The Deputy Chief of Staff to the President, Ibrahim Hassan Hadejia, unveiled the report in Abuja, positioning digital integration as a mechanism to reduce cross-border trade friction.

The framework highlights the use of the Pan-African Payment and Settlement System and national identity systems such as the National Identity Number and Bank Verification Number to formalise and integrate small businesses into continental trade.

The report was developed in collaboration with the Overseas Development Institute under the Supporting Investment and Trade in Africa programme.

## DECISION HIGHLIGHT

The federal government is attempting to resolve micro, small and medium enterprise (MSME) trade exclusion through digital identity, payments integration, and simplified cross-border processes, rather than direct industrial capacity expansion.

## DECISION MEMO

The report reflects a policy assumption that the primary constraint to MSME participation in the African Continental Free Trade Area is transactional friction, not production capacity.

By prioritising digital payments and identity systems, the government is addressing barriers related to settlement, verification, and informality. The integration of the Pan-African Payment and Settlement System aims to reduce currency conversion costs and settlement delays, while the use of National Identity Number and Bank Verification Number frameworks is intended to formalise businesses that currently operate outside regulatory visibility.

Hadejia's framing of digital integration as a trade enabler is directionally consistent with continental trends. However, the effectiveness of this approach depends on whether digital infrastructure can compensate for deeper structural limitations, including limited production scale, weak logistics networks, and inconsistent quality standards among MSMEs.

The inclusion of fintech platforms such as Moniepoint and PalmPay signals an operational reliance on private-sector infrastructure to drive adoption. This introduces efficiency but also shifts execution risk to platforms whose incentives may not fully align with public policy objectives.

The linkage with the Simplified Trade Regime positions Nigeria as a pilot for reducing customs complexity for small-scale traders. While this may lower entry barriers, customs reform alone does not address non-tariff barriers such as product standards, border delays, and regulatory inconsistencies across African markets.

The broader 2026 agenda, including identifying exportable products across 774 local government areas and expanding access to finance through single-digit interest loans, reflects an attempt to integrate production, financing, and market access. However, these initiatives remain fragmented without a unified execution framework.

The emphasis on digital solutions risks overstating their capacity to resolve fundamentally physical and structural constraints. Trade integration requires not only seamless payments and identity



Mr. Ibrahim Hassan Hadejia, Deputy Chief of Staff to the President

.....

systems, but also reliable logistics, competitive production, and regulatory harmonisation.

The initiative therefore represents a necessary but incomplete intervention, addressing transactional inefficiencies while leaving core supply-side challenges largely unresolved.

## DATA BOX

- AfCFTA market size: \$3.5 trillion
- Target coverage: 774 local government areas
- Digital systems: Pan-African Payment and Settlement System, National Identity Number, Bank Verification Number
- MSME support target: 250,000 informal enterprises (registration and financing)
- Programme partners: Overseas Development Institute, Supporting Investment and Trade in Africa

## WHO WINS / WHO LOSES

### Winners:

- MSMEs able to formalise and access cross-border payment systems
- Fintech platforms facilitating digital trade infrastructure
- Policymakers advancing digital integration frameworks

### Losers:

- Informal businesses unable to meet digital or regulatory requirements
- MSMEs constrained by production and logistics limitations
- Traders facing persistent non-tariff barriers despite digital integration

## POLICY SIGNALS

The government is prioritising digital infrastructure as the primary lever for trade integration under the African Continental Free Trade Area.

There is also a clear shift toward formalisation of informal enterprises through identity-linked financial systems.

## INVESTOR SIGNAL

The initiative highlights opportunities in digital payments, identity systems, and trade facilitation platforms linked to cross-border commerce.

However, investment viability depends on complementary improvements in logistics, production capacity, and regulatory consistency.

Digital infrastructure alone is insufficient to unlock full market potential.

## RISK RADAR

- Execution Risk: Fragmented implementation across multiple initiatives
- Adoption Risk: Resistance or inability of informal businesses to formalise
- Infrastructure Risk: Weak logistics undermining digital trade gains

# Edun Considers Domestic Resource Mobilisation ...

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ings into productive investment.

The broader implication is a transition from externally anchored development models to internally driven capital formation systems. This transition is not optional but imposed by global shifts in trade, finance, and geopolitical alignment.

## DATA BOX

- Agenda 2063 domestic financing target: Up to 90 percent
- Estimated illicit financial flows from Africa: \$88 billion annually
- Core reform areas: Tax base expansion, financial inclusion, capital market development, public financial management

## WHO WINS / WHO LOSES

### Winners:

- Governments with capacity to expand tax systems and enforce compliance
- Domestic financial institutions positioned to intermediate local savings
- Economies able to reduce capital flight and retain investment resources

### Losers:

- Jurisdictions with weak institutions and limited enforcement capacity
- Informal sector participants facing increased tax inclusion pressures
- Economies reliant on external financing with limited domestic buffers

## POLICY SIGNALS

The policy direction indicates a shift toward fiscal sovereignty, where domestic revenue mobilisation becomes the primary engine of development financing.

It also signals increased emphasis on enforcement, transparency, and intergovernmental cooperation to address illicit financial flows and tax base erosion.

## INVESTOR SIGNAL

The repositioning suggests a gradual strengthening of domestic capital pools, which could enhance long-term investment stability if effectively implemented.

However, near-term risks include higher taxation pressures, regulatory tightening, and transitional inefficiencies as systems are restructured.

Investors should assess jurisdiction-specific execution capacity rather than continental policy intent.

## RISK RADAR

- Execution Risk: Weak institutional capacity may limit reform outcomes
- Compliance Resistance: Expanded taxation could face political and social pushback
- Illicit Flow Persistence: Enforcement gaps may continue to enable capital flight
- Policy Coordination Risk: Cross-border cooperation may be inconsistent
- Transition Risk: Shift from external to domestic financing may create short-term funding gaps

Edun's position reframes Africa's development challenge as one of internal capacity rather than external access. The success of this approach will depend not on policy articulation, but on the ability of institutions to convert fiscal intent into sustained revenue generation and disciplined capital allocation.

# WTO Reform Push Signals Fragmenting Trade Order, Rules-Based Erosion

By Jeremiah Obeche

The Director-General (DG) of World Trade Organisation (WTO), Dr. Ngozi Okonjo-Iweala, has called for a comprehensive overhaul of global trade rules, warning that the multilateral system “we used to know” has effectively collapsed.

Speaking recently at a ministerial gathering in Yaoundé, Okonjo-Iweala highlighted structural weaknesses, including a paralysed dispute settlement mechanism and stalled negotiations, urging members to prioritise decision-making efficiency and transparency over legacy frameworks.

“The world order... has irrevocably changed. We will not get it back,” Okonjo-Iweala said.

Jamieson Greer, United States Trade Representative, pushed for “honest and frank” reform discussions, criticising the system for enabling “severe and sustained imbalances.”

Chris Bryant, United Kingdom trade minister, warned of systemic breakdown if reforms fail, noting the risk of a “disorderly collapse” and parallel rule-making regimes.

## DECISION HIGHLIGHT

The WTO is being forced to transition from a consensus-driven multilateral system to a more flexible, fragmented architecture anchored on plurilateral and bilateral arrangements.

This marks a structural departure from uniform global trade governance.

## DECISION MEMO

The reform debate reflects a deeper reality, the erosion of multilateralism as the organising principle of global trade.

Okonjo-Iweala’s position is not a reformist appeal but an acknowledgment of systemic obsolescence. The consensus-based model, once central to legitimacy, has become a constraint, enabling veto power by individual states and



Dr. Ngozi Okonjo-Iweala, Director-General of WTO

efficient, this model undermines the Most-Favoured Nation principle, which currently governs roughly 72 percent of global trade.

The divergence among major economies reinforces this fragmentation. The European Union and China support structured reform pathways, albeit with differing motivations, while the United States resists rigid frameworks in favour of strategic flexibility. India’s resistance to e-commerce duty extensions highlights how domestic fiscal considerations can override multilateral commitments.

Wang Wentao, China’s Commerce Minister, warned that weakening Most-Favoured Nation rules could open a “Pandora’s Box,” effectively dismantling uniform tariff application.

The implication is a shift from rules-based predictability to negotiated variability. Trade relations become contingent, not standardised.

bilateral or plurilateral deals

- Trade blocs capable of setting independent regulatory standards

- Strategic sectors benefiting from selective trade protections

Losers:

- Smaller and developing economies reliant on uniform global rules

- Export-dependent countries exposed to fragmented tariff regimes

- Multilateral institutions facing declining authority

## POLICY SIGNALS

The shift indicates a move away from universalism toward selective cooperation, where trade rules are increasingly negotiated among aligned partners rather than universally applied.

It also signals declining tolerance for procedural rigidity, particularly consensus requirements that hinder timely decision-making.

## INVESTOR SIGNAL

Investors should anticipate increased policy unpredictability in global trade flows, with rising importance of geopolitical alignment in market access decisions.

Supply chains may reconfigure along bloc lines, favouring jurisdictions with stable bilateral or regional agreements over multilateral exposure.

Trade policy risk is becoming a central variable in capital allocation decisions.

## RISK RADAR

- Systemic Fragmentation: Parallel trade regimes weakening global coherence
- Rule Erosion: Decline of Most-Favoured Nation principle and uniform tariff systems
- Geopolitical Risk Transmission: Conflicts influencing trade policy alignment
- Institutional Irrelevance: WTO losing enforcement authority
- Developing Economy Marginalisation: Reduced influence in fragmented negotiations

The WTO is not undergoing incremental reform, it is confronting structural displacement. The outcome will determine whether global trade remains rules-based or transitions into a network of negotiated, and potentially unequal, arrangements.

**The WTO is being forced to transition from a consensus-driven multilateral system to a more flexible, fragmented architecture anchored on plurilateral and bilateral arrangements**

stalling critical negotiations.

Greer’s critique reframes the issue from inefficiency to inequity. The United States’ position suggests that the existing framework has failed to enforce reciprocity, thereby legitimising unilateral corrective measures such as tariffs. This effectively challenges the foundational neutrality of the system.

Bryant’s warning introduces a more immediate risk, institutional irrelevance. If member states increasingly resort to self-defined rules or exclusive agreements, the WTO risks becoming a nominal body, detached from actual trade governance.

The emerging alternative, plurilateralism, allows subsets of countries to advance agreements without full consensus. While operationally

For developing economies, particularly in Africa, this introduces dual exposure, marginalisation from elite trade blocs and vulnerability to externally imposed terms in bilateral arrangements.

## DATA BOX

- Share of global trade under Most-Favoured Nation principle: 72%
- WTO dispute settlement system: Functionally paralysed
- Reform format under debate: Plurilateral vs consensus-based
- Meeting duration: Four days (Yaoundé)

## WHO WINS / WHO LOSES

Winners:

- Major economies with bargaining leverage in



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# AI-Driven Crisis Landscape Forces Shift From Reaction To Anticipatory Risk Management

By Kingsley Ani

The Crisis Management Advocacy Month Flagship Conference 2026 recently convened stakeholders from government, industry, and communications at the Metropolitan Club, Lagos, to examine crisis management in an artificial intelligence-driven environment.

Mr. Yomi Badejo-Okusanya, Lead Partner at CMC Connect LLP, called for a repositioning of crisis management within organisational leadership.

“Crisis management must move from the background to the centre of leadership,” Badejo-Okusanya said.

The Minister of Communications, Innovation and Digital Economy of Nigeria, Dr. Bosun Tijani, emphasised the role of data and systems in shaping crisis response.

“Crisis will not stop coming... what is not predetermined is how we respond,” Tijani said.

The conference also featured the launch of Crisis-X, an AI-driven crisis management platform designed to enable real-time monitoring, analysis, and response.

## DECISION HIGHLIGHT

Crisis management is being redefined as a continuous, intelligence-driven function embedded within leadership, rather than a reactive communications exercise.

## DECISION MEMO

The conference reflects a structural shift in how organisations conceptualise risk, from episodic disruption to continuous exposure within a digitally amplified environment.

Badejo-Okusanya’s call to reposition crisis management within leadership signals recognition that reputational and operational risks are no longer peripheral. In an environment shaped by artificial intelligence and rapid information flows, crises emerge faster, scale wider, and persist longer.

Tijani’s emphasis on data-driven response reframes crisis management as an information problem. The capacity to detect, interpret, and respond to signals in real time becomes the defining variable, rather than post-event communication strategies.

The introduction of Crisis-X illustrates the increasing role of technology in institutionalising this shift. By integrating real-time monitoring, sentiment analysis, and response planning, the platform attempts to operationalise anticipation rather than reaction.

However, the reliance on artificial intelligence introduces new complexities. While AI enhances detection speed and analytical depth, it also amplifies risks related to misinformation, algorithmic bias, and over-reliance on automated systems. The assertion that crises are “faster than facts” captures this asymmetry, where information velocity outpaces verification mechanisms.

The launch of a Public Verification Portal addresses this imbalance by attempting to restore credibility through real-time validation. Yet, its effectiveness depends on institutional trust, without which verification mechanisms may be

disregarded or contested.

The broader implication is that crisis management is converging with risk intelligence, cybersecurity, and data governance. Organisations must now build integrated systems capable of managing reputational, operational, and informational risks simultaneously.

This transition also raises a capability gap. While large organisations may adopt advanced systems, smaller entities may lack the resources to implement similar frameworks, creating uneven preparedness across sectors.

accurate communication

## POLICY SIGNALS

There is an emerging expectation for organisations to adopt proactive risk management frameworks supported by data and technology.

The convergence of crisis management and digital governance signals increasing regulatory interest in misinformation control and platform accountability.

## INVESTOR SIGNAL

Crisis preparedness is becoming a material factor in organisational valuation, particularly in



L-R: Nathaniel Ligbago, Associate Senior Consultant, Business Transformation and Acceleration; Raheem Olabode, Managing Partner; Yomi Badejo-Okusanya, Lead Partner, CMC Connect LLP; Prof. Anthony Kila, Director, Commonwealth Institute of Advanced Professional Studies, and Adetola Odusote, Partner, CMC Connect LLP, at the launch of ‘Crisis X’, as part of activities marking March as global Crisis Management Advocacy month held at the company’s headquarters in Lagos recently.

## DATA BOX

- Event: Crisis Management Advocacy Month Flagship Conference 2026
- Core theme: Crisis Management in the AI Milieu
- Key innovation: Crisis-X AI platform
- Functional features: Real-time monitoring, sentiment analysis, response planning
- Additional tool: Public Verification Portal

## WHO WINS / WHO LOSES

### Winners:

- Organisations adopting intelligence-driven crisis management systems
- Technology providers offering AI-based risk and communication tools
  - Institutions capable of integrating data, communication, and governance

### Losers:

- Organisations reliant on reactive crisis response models
- Entities unable to manage misinformation and reputational risk in real time
- Stakeholders exposed to delayed or in-

sectors exposed to reputational and operational volatility.

Investment in risk intelligence systems may be interpreted as a proxy for governance quality and resilience.

## RISK RADAR

- Misinformation Risk: Rapid spread of false information outpacing verification
- Technology Dependence Risk: Over-reliance on AI systems for decision-making
- Capability Gap Risk: Uneven adoption of advanced crisis management tools
- Reputational Risk: Increased exposure to real-time public scrutiny
- Data Integrity Risk: Dependence on accurate and timely data inputs

The conference underscores a fundamental transition, crisis management is no longer an episodic function but a continuous capability. The defining challenge is not whether organisations will face crises, but whether they can build systems capable of anticipating and managing them in real time.

# Nigeria's \$14bn Infrastructure Gap Exposes Reliance On External Capital Mobilisation

By Ayo Susan

The Honourable Minister of Finance and Coordinating Minister of the Economy, Mr. Wale Edun, has stated that the country requires approximately \$14 billion annually to bridge its infrastructure financing gap.

Speaking recently at the Islamic Development Bank (IsDB) Day in Lagos, Edun highlighted ongoing collaboration with the Islamic Development Bank as part of efforts to mobilise funding.

"We are moving... from relying on public financing to mobilising private capital," Edun said, outlining a shift toward innovative financing mechanisms and investment attraction.

## DECISION HIGHLIGHT

The Federal Government is repositioning infrastructure financing from public expenditure to private capital mobilisation, signalling a structural shift in funding strategy.

## DECISION MEMO

Edun's \$14 billion annual requirement underscores a persistent structural imbalance between Nigeria's infrastructure needs and its fiscal capacity.

The scale of the gap reflects both historical underinvestment and current constraints on public finance. With debt servicing already absorbing a significant share of government revenue, reliance on budgetary allocations alone is no longer viable. This necessitates a transition toward private capital, multilateral partnerships, and alternative financing instruments.

Edun's emphasis on moving from "stabilisation to growth" signals a policy pivot. The focus is shifting from macroeconomic correction to capital formation. However, this transition is contingent on the credibility of the macroeconomic environment, including exchange rate stability, inflation control, and regulatory consistency.

The proposed use of instruments such as Sukuk and asset securitisation indicates an attempt to diversify funding sources beyond conventional borrowing. These instruments can potentially attract long-term capital, but their effectiveness depends on investor confidence and project bankability.

The linkage between infrastructure investment and a targeted seven percent Gross Domestic Product growth rate introduces a performance bench-

mark. Achieving this level of growth requires not only capital inflows but also efficient deployment across priority sectors such as energy, transport, and digital infrastructure.

The reference to Nigeria's population growth rate

- Projects lacking bankability or investor appeal
- Populations affected by delayed infrastructure delivery

## POLICY SIGNALS



Mr. Wale Edun, Honourable Minister of Finance and Coordinating Minister of the Economy (left) and Mr. Anasse Aissami, the Director-General of Country Programs Islamic Development Bank (right) as both signed the Memorandum of Understanding (MoU) at the IsDB Group Day in Lagos recently..

of approximately three percent annually highlights the urgency of infrastructure expansion. Without proportional investment, infrastructure deficits will widen, constraining productivity and increasing economic inequality.

However, the reliance on external and private capital introduces new vulnerabilities. Investment flows are sensitive to global conditions, domestic policy credibility, and risk perception. Inconsistent policy signals or execution delays could deter capital inflows, undermining the financing strategy.

The broader context, with Africa requiring up to \$170 billion annually for infrastructure, places Nigeria's challenge within a continental framework. The competition for limited global capital intensifies the need for credible, bankable projects and stable investment environments.

## DATA BOX

- Annual infrastructure gap (Nigeria): \$14 billion
- Target GDP growth: 7% annually
- Population growth rate: ~3% annually
- Africa infrastructure gap: \$130-\$170 billion annually
- Key sectors: Energy, transport, agriculture, digital infrastructure

## WHO WINS / WHO LOSES

### Winners:

- Private investors accessing infrastructure opportunities
- Multilateral institutions expanding financing roles
- Sectors prioritised for infrastructure investment

### Losers:

- Public finance, constrained by limited fiscal space

The government is signalling a decisive shift toward private-sector-led infrastructure financing, supported by innovative instruments and partnerships.

It also reflects increasing reliance on capital markets and non-traditional funding mechanisms to close financing gaps.

## INVESTOR SIGNAL

Nigeria is positioning infrastructure as a key investment destination, with emphasis on de-risking and long-term capital attraction.

However, investor participation will depend on macroeconomic stability, regulatory clarity, and the availability of bankable projects.

The use of Sukuk and securitisation may broaden investor access but requires strong execution frameworks.

## RISK RADAR

- Execution Risk: Weak project preparation limiting capital deployment
- Macroeconomic Risk: Inflation and exchange rate volatility affecting investor confidence
- Financing Risk: Dependence on external and private capital flows
- Policy Credibility Risk: Inconsistent reforms undermining investment attractiveness
- Scale Risk: Funding gap may outpace mobilisation efforts

Nigeria's \$14 billion infrastructure requirement reflects both necessity and constraint. The strategy to mobilise private capital introduces a viable pathway, but its success will depend on converting policy intent into credible, investable projects within a stable economic environment.

**The proposed use of instruments such as Sukuk and asset securitisation indicates an attempt to diversify funding sources beyond conventional borrowing**

# NPA Revenue Outlook Reinforces Reform Momentum, Strategic Port Modernisation

By Ayo Susan

**N**igerian Ports Authority (NPA) has projected N1.489 trillion as internally generated revenue for 2026, building on a strong 2025 performance where it exceeded its N1.468 trillion target with N1.97 trillion in actual collections.

The Managing Director (MD) of NPA, Abubakar Dantsoho, disclosed the figures recently during the 2026 budget defence before the Senate Committee on Marine Transport.

Dantsoho confirmed that modernisation of Apapa and Tin Can Island ports will commence imminently, positioning both assets for global competitiveness.

“Apapa Port is about 100 years old... Tin Can Island Port is over 50 years old,” Dantsoho said, underscoring the significance of the upgrade.

Wasiu Eshinlokun, Chairman of the Senate Committee on Marine Transport, reiterated legislative support for strengthening the agency’s capacity and operational efficiency.

**DECISION HIGHLIGHT**

The NPA is consolidating strong revenue performance while executing long-overdue infrastructure upgrades to unlock efficiency and long-term growth.

**DECISION MEMO**

The NPA’s 2026 outlook reflects a deliberate transition from revenue expansion to structural consolidation and infrastructure-led growth.

The modest increase in revenue projection, following a significant overperformance in 2025, suggests a calibrated approach to planning. Rather than overextending projections, the agency appears to be prioritising sustainability, recognising that consistent performance is more valuable than short-term peaks.

Dantsoho’s emphasis on port modernisation signals a strategic shift toward addressing foundational constraints that have historically limited operational efficiency. The acknowledgement of ageing infrastructure is not merely diagnostic, it sets the basis for targeted capital deployment aimed at enhancing capacity, vessel accommodation, and throughput.

The allocation of N945 billion to capital expenditure indicates a substantial commitment to infrastructure transformation. This level of investment reflects an understanding that revenue strength must be reinvested into assets that sustain and expand future earnings potential.

The Treasury Single Account (TSA) framework, while often perceived as restrictive, reinforces fiscal discipline and transparency. By ensuring that all revenues are domiciled with the Central Bank of Nigeria (CBN), the NPA operates within a system that prioritises accountability and alignment with national fiscal objectives.

Eshinlokun’s articulation of collaborative oversight further strengthens the institutional environment. The alignment between the regulator and the legislature suggests a coordinated approach to reform, reducing friction and enhancing execution prospects.

The modernisation of Apapa and Tin Can Island ports is particularly significant given their role as Nigeria’s primary maritime gateways. Upgrading these assets has the potential to improve cargo handling efficiency, reduce turnaround time, and enhance Nigeria’s competitiveness in global



Dr. Abubakar Dantsoho, Managing Director of NPA

trade corridors.

The broader interpretation is that the NPA is leveraging its financial strength to address structural inefficiencies, positioning itself for sustained growth within a more competitive and modernised maritime ecosystem.

**DATA BOX**

- Revenue projection (2026): N1.489 trillion
- Revenue target (2025): N1.468 trillion
- Actual revenue (2025): N1.97 trillion
- Capital expenditure: N945 billion
- Operating expenses: N447.5 billion
- Remittance to Consolidated Revenue Fund: N90.6 billion

- Port users, benefiting from improved efficiency and capacity
- Federal Government, supported by strong and transparent revenue remittance

**Losers:**

- Legacy inefficiencies associated with ageing port infrastructure
- Competing regional ports, as Nigeria enhances competitiveness

**POLICY SIGNALS**

The approach reflects a balance between fiscal discipline and strategic reinvestment in infrastructure.

It also signals a coordinated institutional framework where regulatory, fiscal, and legislative actors are aligned toward sector improvement.

**INVESTOR SIGNAL**

The scale of capital investment and consistent revenue performance position Nigeria’s port sector as an increasingly viable destination for infrastructure-related investment.

Improved asset quality and operational efficiency are likely to enhance long-term returns and reduce operational risk.

**RISK RADAR**

- Execution Risk: Delivery timelines for large-scale infrastructure projects
- Operational Transition Risk: Managing upgrades without disrupting port activity
- Funding Flow Risk: Navigating centralised disbursement processes
- Demand Risk: Sustaining throughput growth alongside capacity expansion

The NPA’s 2026 plan reflects a maturing institutional strategy, one that moves beyond revenue generation toward structural transformation. The emphasis on modernisation, fiscal discipline, and coordinated oversight positions the agency to translate financial strength into long-term operational and economic value.

**The modernisation of Apapa and Tin Can Island ports is particularly significant given their role as Nigeria’s primary maritime gateways**

- Apapa Port age: ~100 years
- Tin Can Island Port age: 50+ years

**WHO WINS / WHO LOSES**

**Winners:**

- Nigerian Ports Authority, strengthening both revenue and infrastructure base



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# SEC Seeks Coordinated Capital Market Strategy Despite Structural Underperformance

By Kingsley Ani

The Director-General (DG) of Securities and Exchange Commission (SEC), Dr. Emomotimi Agama, has called for coordinated stakeholder action to deepen Nigeria’s capital market and unlock long-term investment potential.

Speaking recently at the Emerging Africa Capital Limited Investor Summit, Agama argued that ongoing reforms, including electronic offerings, bond market expansion, and alternative investment platforms, are beginning to attract renewed investor interest.

He, however, acknowledged persistent structural gaps, noting that market capitalisation relative to Gross Domestic Product (GDP) remains below peer benchmarks, retail participation is limited, and the derivatives market is still nascent.

“The market rewards quality... companies that invest in quality today will access capital on terms that compound their advantage,” Agama said.

**DECISION HIGHLIGHT**

The Commission is shifting from regulator-led reform to ecosystem coordination, positioning capital market development as a shared institutional responsibility rather than a policy-driven outcome.

**DECISION MEMO**

Agama’s intervention reflects a recognition that regulatory reform alone has reached its limit in driving capital market depth. The current constraint is not regulatory absence but ecosystem fragmentation.

While reforms such as digital issuance frameworks and expanded fixed-income instruments have improved market infrastructure, they have not sufficiently addressed participation asymmetry. Retail investors remain marginal, institutional investors are conservative, and issuers exhibit weak governance and disclosure standards.

Agama’s call effectively redistributes accountability. Corporate issuers are tasked with upgrading governance and investor relations to attract capital. Institutional investors, particularly pension and insurance funds, are urged to move beyond passive allocation strategies toward active market participation and price discovery.

This repositioning is critical. Nigeria’s capital market suffers from a structural imbalance where savings pools exist, but intermediation efficiency is weak. Pension assets, for instance, remain under-optimised relative to their potential catalytic role in capital formation.

Agama’s emphasis on inter-agency coordination, involving the Central Bank of Nigeria (CBN), Debt Management Office (DMO), National Insurance Commission (NAICOM), and National Pension Commission (PenCom), signals an attempt to resolve policy incoherence.

Fragmented regulatory signals, particularly between monetary policy, debt issuance, and capital market development, have historically distorted investment incentives. Without alignment, capital allocation remains suboptimal.

Agama’s framing of Nigeria as a long-term investment destination contrasts with the current global preference for short-term yield environments. This introduces a strategic tension, at-



Dr. Emomotimi Agama, Director-General of SEC

tracting patient capital in a market still characterised by volatility and structural inefficiencies.

His assertion that Nigeria stands at an “inflection point” is less predictive and more conditional. The outcome depends on whether institutional actors respond to this coordination call with measurable shifts in behaviour.

**DATA BOX**

- Market capitalisation to Gross Domestic Product: Below peer benchmarks
- Reform areas: Electronic offerings, bond market expansion, alternative assets
- Key gaps: Low retail participation, nascent derivatives market
- Strategic horizon referenced: 3–5 years

**WHO WINS / WHO LOSES**

**Winners:**

- Institutional investors positioned to exploit underdeveloped asset classes
- Corporate issuers with strong governance and disclosure frameworks
- Long-term investors seeking exposure to underpriced growth markets

**Losers:**

- Firms with weak transparency and limited investor engagement capacity
- Passive institutional investors resistant to portfolio diversification
- Retail investors excluded by structural and informational barriers

**POLICY SIGNALS**

The commission is signalling a transition from

rule-setting to coordination-driven market building, with emphasis on institutional alignment and behavioural change.

It also reflects a policy preference for long-term capital formation over short-term liquidity-driven inflows.

**INVESTOR SIGNAL**

Nigeria is being repositioned as a long-duration investment play, requiring tolerance for short-term volatility in exchange for structural growth upside.

The effectiveness of this positioning will depend on improvements in governance, liquidity, and policy coherence across financial system regulators.

**RISK RADAR**

- Coordination Failure: Weak inter-agency alignment could dilute reform impact
- Participation Gap: Continued low retail and institutional engagement limits depth
- Policy Inconsistency: Conflicting signals between monetary and capital market policies
- Execution Risk: Stakeholders may not respond to the commission’s call
- Market Perception Risk: Global investors may prioritise short-term yield markets over Nigeria

The SEC’s position reframes capital market development as a collective action problem. Regulatory reform has laid the groundwork, but without aligned institutional behaviour, the market risks remaining structurally shallow despite its apparent potential.

# Nigeria Formalises Creator Economy Metrics To Convert Cultural Reach Into Capital

By Ovio Peters

The National Council for Arts and Culture (NCAC) has introduced its inaugural Nigeria Creator Economy Report, marking a formal attempt to quantify and structure a sector long treated as anecdotal. Obi Asika, Director-General (DG) of NCAC, positioned the report as a baseline instrument to measure economic contribution, global reach, and monetisation potential across music, film, fashion, gaming, and digital media.

Asika stated, “for too long, the contributions of Nigerian creators... have been recognised only in passing,” adding that the report now enables measurable insight into global influence and value creation.

## DECISION HIGHLIGHT

The report signals a transition from narrative recognition to data-driven policy framing. Government is moving to standardise metrics around the creator economy, effectively redefining it as an economic sector with trackable outputs, not merely cultural spillover.

## DECISION MEMO

This intervention is fundamentally about visibility and control. By introducing a national report, NCAC is attempting to correct a long-standing informational deficit that has limited policy precision and investor confidence. Without credible data, the sector’s scale has been acknowledged but not institutionalised.

Asika’s emphasis on quantification reflects a deeper policy intent, to reposition creators from informal earners to formal economic actors. The statement that the focus will shift “from mere influence to substantial economic capital” underscores a monetisation agenda, where global visibility must translate into domestic value capture.

However, the report also exposes structural leakage. While Nigerian creators dominate global streaming and digital engagement metrics, a significant portion of revenues is intermediated through foreign platforms. The data, though impressive, highlights dependency rather than sovereignty.

The institutional backing of the Federal Min-



Mrs. Hannatu Musa Musawa, Honourable Minister of Arts, Culture, and Creative Economy (left), with Mr. Obi Asika, Director-General of NCAC

istry of Art, Culture, and the Creative Economy introduces policy coherence, but also raises expectations around execution. Data without enforcement mechanisms, particularly in intellectual property protection and taxation frameworks, risks becoming descriptive rather than transformative.

The involvement of private partners such as TM Global and Communique suggests an emerging public-private model, yet it also indicates that state capacity alone remains insufficient to drive sector-wide analytics.

Ultimately, the report is less a culmination than a starting point. It establishes measurement, but not yet optimisation. The challenge ahead is converting insight into infrastructure, regulation, and financing pipelines that retain value within Nigeria.

## DATA BOX

**Spotify payouts to Nigerian artists (2024):** over N58 billion

**Afrobeats playlists globally:** over 1.2 million

**Global streams of Nigerian music:** over 30 billion

**Annual YouTube views for Nigerian content:** over 20 billion

**YouTube channels above 100,000 subscribers:** over 1,500

## WHO WINS / WHO LOSES

Winners are established digital creators, streaming platforms, and data-driven investors who benefit from increased transparency and sector validation. Policymakers also gain a clearer framework for intervention.

Losers are informal creators outside measurable ecosystems and local distribution channels that lack integration with global platforms. There is also a marginalisation risk for niche creative segments not immediately captured in early

datasets.

## POLICY SIGNALS

Government is signalling intent to institutionalise the creator economy within national economic planning. The creation of the Federal Ministry of Art, Culture, and the Creative Economy, combined with this report, indicates a shift towards formal sector recognition and structured oversight.

There is also an implicit move towards evidence-based policymaking, where cultural sectors are assessed through economic metrics rather than social impact alone.

## INVESTOR SIGNAL

The availability of aggregated data reduces information asymmetry, making the sector more legible to capital providers. Streaming revenues and audience scale demonstrate strong demand fundamentals.

However, investment decisions will hinge on whether Nigeria can build local monetisation channels and reduce reliance on external platforms that currently capture a disproportionate share of value.

## RISK RADAR

Data credibility and continuity risk if reporting frameworks are not standardised across agencies.

Revenue repatriation challenges due to platform dependency and foreign exchange constraints.

Weak intellectual property enforcement limiting earnings retention.

Policy fragmentation risk if inter-ministerial coordination fails.

Over-reliance on global platforms, exposing creators to algorithmic and regulatory shifts beyond Nigeria.

**Government is moving to standardise metrics around the creator economy, effectively redefining it as an economic sector with trackable outputs, not merely cultural spillover**

# FG Channels N12bn Research Fund To Anchor Digital Policy In Academia



Dr. Bosun Tijani, Honourable Minister of Communications, Innovation and Digital Economy

By Hannah Yemisi

The Federal Government of Nigeria launched a N12 billion Digital Economy Research Fund to support evidence-based policy-making and accelerate digital transformation, with universities positioned as core delivery partners.

The Honourable Minister of Communications, Innovation and Digital Economy, Dr. Bosun Tijani, announced the initiative alongside a call for expressions of interest for National Digital Economy Research Clusters.

The fund, backed by Project BRIDGE, will support research across six priority areas, including digital infrastructure, skills, artificial intelligence, and online trust.

“This... is designed to place ideas, evidence, and research at the centre of Nigeria’s digital transformation,” Tijani said.

## DECISION HIGHLIGHT

The government is institutionalising academic research as a policy input mechanism, linking public funding directly to digital economy strategy formulation.

## DECISION MEMO

The N12 billion research fund represents a strategic attempt to address a persistent gap in Nigeria’s policy architecture, the disconnect between academic research and government decision-making.

Tijani’s framing of the initiative positions research not as an auxiliary function but as a central pillar of digital transformation. This reflects a shift from infrastructure-led development toward knowledge-driven policy design.

The timing is significant. Nigeria’s ongoing expansion of digital infrastructure, including the planned deployment of 90,000 kilometres of fibre optic backbone, creates a parallel need for policy coherence. Infrastructure without corresponding institutional frameworks risks uneven utilisation and limited economic impact.

By structuring the initiative around six thematic clusters, the government is attempting to align research output with policy priorities. These clusters, spanning connectivity, digital public infrastructure, skills, and emerging technologies, reflect the breadth of challenges within the digital economy.

However, the model introduces execution risks. Academic research cycles are typically long-term, while policy demands are immediate. Bridging this temporal gap will require effective coordination, clear deliverables, and mechanisms to translate research into actionable policy.

... the initiative positions research not as an auxiliary function but as a central pillar of digital transformation

The scale of participation, up to 36 professors per cluster and over 200 researchers, suggests an ambition to build a national research ecosystem. Yet, the effectiveness of such a network depends on governance, data quality, and the integration of findings into decision-making processes.

The inclusion of international collaborators indicates an attempt to import global best practices. While this may enhance quality, it also raises questions about contextual relevance and the

adaptation of global frameworks to Nigeria’s specific economic and institutional realities.

The initiative ultimately reflects a policy recalibration, recognising that digital transformation is not solely a function of connectivity, but of coordinated knowledge, regulation, and institutional capacity.

## DATA BOX

- Research fund size: N12 billion
- Fibre optic expansion target: 90,000 km
- Research clusters: 6 thematic areas
- Academic leadership: Up to 36 professors per cluster
- Research participants: 200+ (postdoctoral fellows and PhD candidates)

## WHO WINS / WHO LOSES

### Winners:

- Universities and research institutions receiving direct funding and policy relevance
- Policymakers gaining access to structured, evidence-based insights
- Technology and innovation sectors benefiting from improved policy design

### Losers:

- Policy frameworks previously driven by limited data or ad hoc analysis
- Institutions unable to integrate research outputs into operational decisions
- Smaller academic bodies excluded from large-scale cluster participation

## POLICY SIGNALS

The Federal Government is signalling a transition toward evidence-based governance in the digital economy, with increased reliance on academic institutions.

It also reflects a broader attempt to align infrastructure investment with institutional and intellectual capacity development.

## INVESTOR SIGNAL

The initiative suggests a maturing digital policy environment, which may improve regulatory clarity and long-term investment stability in technology sectors.

However, the impact will depend on the government’s ability to translate research outputs into consistent and predictable policy frameworks.

## RISK RADAR

- Execution Risk: Weak linkage between research output and policy implementation
- Coordination Risk: Managing large, multi-institutional research clusters
- Relevance Risk: Potential misalignment between academic research and practical policy needs
- Time Lag Risk: Delays between research generation and policy adoption
  - Funding Efficiency Risk: Allocation may not translate into measurable outcomes

The N12 billion fund signals a shift toward knowledge-led governance in Nigeria’s digital economy. Its success will depend not on the volume of research produced, but on the state’s capacity to convert that knowledge into coherent and effective policy action.

# Oando's Angola Move Repositions Nigerian Energy Capital At Africa's Upstream Core

Consider Oando Plc's entry into Angola's Block KON 13 not merely as another upstream transaction, but as a deliberate assertion of strategic intent by a Nigerian energy company that clearly understands where the next phase of African energy value will be created.

For far too long, African independents have operated within constrained geographic comfort zones, often limiting their ambitions to domestic basins while international oil companies dictated the pace and structure of cross-border exploration. What Oando has done here is to quietly but decisively reject that limitation. By signing a Production Sharing Contract for Block KON 13 in Angola's Kwanza Onshore Basin, the company is not just expanding, it is repositioning itself within a continental energy architecture that is increasingly competitive, fragmented, and opportunity-rich. I see this move as both timely and calculated.

The Kwanza Basin is not an arbitrary choice. With estimated prospective resources ranging between 770 million and 1.1 billion barrels of oil, this is not a marginal asset. It is a high-potential exploration play that demands technical confidence, financial resilience, and a willingness to absorb early-stage risk. In my view, only operators with a clear long-term horizon would step into such terrain with a 45 per cent operating stake. That is precisely what Oando has done. I do not interpret this as opportunism. I interpret it as strategic maturity.

Oando Energy Resources, as operator, is not merely participating, it is leading. And leadership in a basin like Kwanza is not symbolic, it is operational. It means taking responsibility for exploration outcomes, capital allocation, partner alignment, and ultimately, value creation. It also means accepting that success is not guaranteed, but positioning oneself to capture disproportionate upside if execution is disciplined.

The partnership structure further reinforces this logic. Working alongside Effimax Energy, Sonangol E.P., and Walcot Ltd, Oando is embedding itself within a collaborative framework that combines local institutional strength with private sector agility. I find this particularly important. Angola's upstream sector is not an easy terrain for external operators. Aligning with Sonangol, the national oil company, is not just procedural, it is strategic. It signals alignment with national priorities, regulatory expectations, and operational realities.

From my standpoint, this is how African energy partnerships should evolve, not as extractive arrangements dominated by external capital, but as balanced collaborations where African companies assume operational and strategic roles. There is also a broader continental implication

that I cannot ignore.

Africa's energy narrative is at an inflection point. On one hand, there is increasing global pressure around energy transition, decarbonisation, and reduced fossil fuel dependency. On the other hand, there remains a clear and unresolved reality, the continent still requires hydrocarbons to power industrialisation, generate revenue, and finance development. In this context, Oando's move into Angola is not contradictory to global trends, it is responsive to continental realities.

I believe strongly that African energy companies must lead Africa's hydrocarbon development if the continent is to retain value within its borders. What Oando is doing is aligning with that principle. Rather than waiting for capital and direction from external players, it is deploying its own balance sheet, expertise, and operational capacity into a high-potential asset within Africa. That, to me, is not just expansion. It is ownership. Of course, I am not naïve about the risks.

Exploration in onshore basins, particularly those with complex geological profiles, carries inherent uncertainty. The conversion of prospective resources into proven reserves is never straightforward. It requires sustained capital, technical precision, and often, patience that markets do not always reward in the short term.

But I would argue that this is precisely where Oando's strategic posture becomes compelling.

The company is not chasing immediate production metrics. It is positioning itself within a resource base that could define its future production profile. This is a long-cycle investment, and I see it as such. It reflects a willingness to trade short-term visibility for long-term scale. There is also a reputational dimension that deserves attention.

**I believe strongly that African energy companies must lead Africa's hydrocarbon development if the continent is to retain value within its borders**



Oando has, over the years, navigated a complex operating environment within Nigeria, dealing with regulatory shifts, asset restructuring, and market scrutiny. Its ability to now step into Angola with a meaningful operator stake suggests a company that has recalibrated, stabilised, and is once again pursuing growth with clarity. I interpret this as a signal of institutional resilience.

Too often, African companies are assessed through the lens of past volatility rather than current capability. What this Angola entry demonstrates is that Oando is not defined by its past constraints, but by its current strategic direction. And that direction is outward-looking, continental, and unapologetically ambitious. I also find the timing instructive.

As global capital becomes more selective in hydrocarbon investments, there is a narrowing window for African assets to attract meaningful exploration funding. By moving now, Oando is positioning itself ahead of potential capital tightening. It is securing resource exposure at a time when competition for such assets may still be manageable. This is not accidental. I see it as anticipatory.

Furthermore, I see a deeper strategic integration at play. Angola offers a different operating environment from Nigeria, different regulatory frameworks, different geological conditions, and different market dynamics. By establishing a presence there, Oando is diversifying not just geographically, but operationally. That diversification matters.

It reduces concentration risk, broadens technical experience, and enhances the company's ability to operate across multiple jurisdictions. In a sector where resilience is often tied to diversification, this is a prudent move. Ultimately, I view this transaction through a simple but critical lens.

Is Oando positioning itself to remain relevant in Africa's future energy landscape? My answer is yes.

By taking on a 45 percent operator stake in a high-potential Angolan block, aligning with credible partners, and committing to exploration-led growth, the company is doing more than expanding its footprint. It is redefining its role within the continent's energy ecosystem. I do not see hesitation in this move. I see conviction. And in an industry where uncertainty is constant, conviction, when backed by strategy, is often the most valuable asset of all.