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# The Reforms

*Championing good governance, Driving Development*



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31<sup>st</sup> Edition

## Nigeria's Power Sector At A Defining Crossroads

● **Tariff Politics, N4trn Debt, Fragile Infrastructure Threaten Sustainability, Even As Operators Map Cautious Paths To Recovery**

Nigeria's electricity sector, led by Honourable Minister of Power, **Chief Adebayo Adedun**, sits at the heart of its economic ambition, yet it remains one of the most contested and complex reform spaces in the country. From tariff politics to mounting debt and fragile infrastructure, the power industry reflects the broader tension between economic realism and social sensitivity. **Enam Obiosio** examines why reform momentum has slowed, how a N4 trillion liquidity hole threatens sustainability, and why cautious optimism is emerging among operators who believe coordinated action and financial discipline can still reset the sector's trajectory.

### A Policy Agenda Under Fresh Pressure

Nigeria's long-running electricity reform programme is once again under pressure. Tariff politics, deep structural weaknesses and a worsening liquidity crisis are combining to stall progress in a sector critical to economic growth, industrial competitiveness and household welfare.

These concerns were laid bare in a policy brief issued on December 14, 2025 by the Centre for the Promotion of Private Enterprise (CPPE) and signed by its Chief Executive Officer (CEO), Mr. Muda Yusuf. Titled: Nigeria's Power Sector Reform: Managing Complexity, Liquidity, and Political Economy Constraints, the brief warns that despite repeated interventions, electricity remains one of the most challenging segments of Nigeria's economic reform agenda.

According to the document, the sector's problems are multidimensional, cutting across tariff distortions, political economy constraints, weak investor capacity, transmission bottlenecks and



Chief Adebayo Adedun, Honourable Minister of Power

a persistent liquidity crisis that ripples through the entire value chain.

### The tariff dilemma

At the centre of the crisis is the difficulty of im-

plementing a fully cost-reflective tariff regime. Electricity tariffs remain capped, largely due to social and political sensitivities that have inten-

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# BANK OF INDUSTRY

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sified following recent macroeconomic reforms, including foreign exchange unification and fuel subsidy removal.

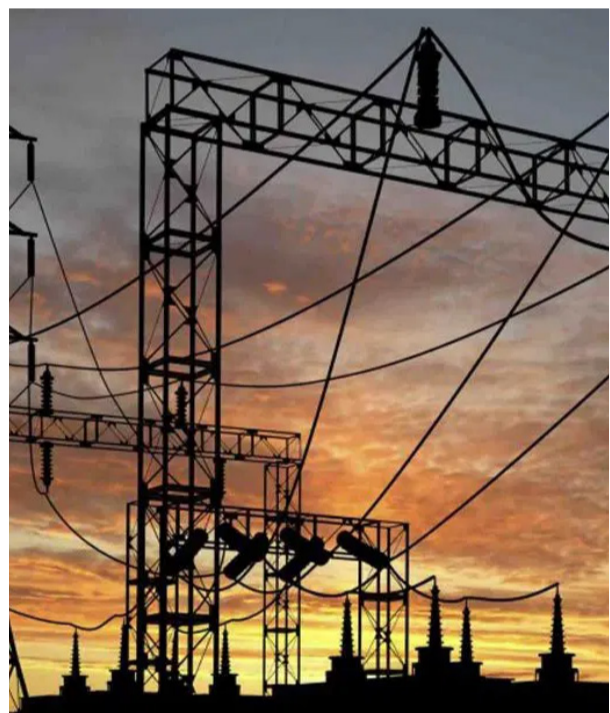
The policy brief notes that without cost-reflective pricing, the sector cannot generate sufficient liquidity to sustain operations or attract new investment. The result has been entrenched subsidy dependence and a widening financing gap, forcing the government to intervene repeatedly to prevent system collapse and keep power flowing to homes and businesses.

CPPE estimates that sector liabilities have risen to nearly N4 trillion, a trajectory it describes as fiscally unsustainable without deeper structural corrections, improved transparency and a credible, phased reform pathway.

**Structural cracks beneath the surface**

Beyond pricing, the brief highlights structural weaknesses rooted in the post-privatisation landscape. These include the technical and financial capacity of some private investors, transparency and due diligence gaps during the privatisation process, and weak governance and operational inefficiencies, particularly among distribution companies and the Transmission Company of Nigeria.

Transmission Company of Nigeria, which re-



..... mains fully government-owned, is described as a major bottleneck. Operational inefficiencies, inadequate investment and slow network expansion continue to constrain generation capacity utilisation and system reliability.

While recent efforts under the Presidential Power Initiative have reduced the frequency of grid collapse, CPPE argues that transmission weaknesses still exacerbate liquidity and service delivery challenges across the value chain.

**A liquidity crisis that feeds on itself**

Financial distress in one segment of the power industry quickly transmits to others. Generating companies struggle to pay gas suppliers, while distribution companies are unable to generate enough revenue to meet their obligations to generators. Confidence weakens, investment stalls,

and the cycle deepens.

In the short term, CPPE concedes that government financial intervention has become inevitable. Recent bond issuances aimed at settling outstanding obligations to gas suppliers and generation companies are seen as necessary to prevent a breakdown of electricity supply.

However, the think tank stresses that such interventions must be time-bound, transparent and linked to measurable reform milestones to limit fiscal exposure and avoid repeating the mistakes of past subsidy regimes.

**Signs of cautious progress**

Despite the headwinds, CPPE identifies areas of incremental progress. A rapid move to full subsidy removal may be politically unrealistic, but phased reform is gaining ground. The introduction of differentiated tariff bands such as Band A, increased decentralisation with states assuming greater regulatory roles, the expansion of independent power projects, and rising adoption of renewable energy at household and enterprise levels are easing pressure on the national grid.

Still, the brief warns that the current financing model remains unsustainable. Outstanding claims must be properly verified, subjected to rigorous audit and managed transparently to restore confidence and discipline.

**Operators map a path forward**

Amid policy uncertainty, industry operators are beginning to articulate growth strategies anchored on collaboration, technology and financial discipline.

The Group Managing Director of Sahara Power Group, Kola Adesina, says Nigeria’s power sector is gradually repositioning for stability, supported by reform-driven investment and expanding cooperation among stakeholders.

According to him, collaboration involving the Federal Government, the power ministry, regulators, operators, the Central Bank of Nigeria, commercial banks and multilateral development partners has reached an unprecedented level and is expected to deepen in 2026.

“We are witnessing unprecedented collaboration involving the Federal Government, Power Ministry, Regulatory Agencies, Power Entities, CBN, banks and multilateral financial and development agencies,” he said, adding that the alignment of interests should translate into greater efficiency, sustainability and improved electricity supply.

**Infrastructure, finance, and execution**

Sahara Power accounts for about 19 percent of Nigeria’s total power generation through subsidiaries including Egbin Power Plc, First Independent Power Limited and Ikeja Electric.

Mr Adesina disclosed plans to increase dispatched generation capacity to between 6,500 and 7,000 megawatts, alongside the launch of a data centre to support operational expansion, real-time analytics and predictive maintenance. Over the next three to five years, the group plans to invest heavily in gas and renewable energy to deliver affordable and sustainable power.

On financing, he said Sahara Power has already

paid the naira equivalent of \$438 million, representing 73 percent of its original \$600 million loan, despite liquidity pressures in the sector. Existing loans, contractually due for full repayment in 2034, are being serviced in line with agreed terms.

He added that government-led legacy debt payments are critical to settling obligations to banks, gas suppliers and service providers, and will enable operators to accelerate growth plans.

**Metering and revenue assurance**

Improved metering is emerging as a key pillar of reform. Data from the Nigerian Electricity Regulatory Commission show that more than 2.3 million meters have been deployed nationwide under the National Mass Metering Programme since 2020. The expansion is expected to narrow the metering gap, strengthen revenue assurance and improve customer trust.

Industry experts note that these steps, combined with stricter performance benchmarks for distribution companies and possible alternative management or concession models for transmission, could gradually stabilise the value chain.

**Reform as a long game**

CPPE’s core message is that power sector reform is not a quick fix. The sector’s complexity, political sensitivities and institutional weaknesses mean progress will be incremental. Yet without decisive action to address structural inefficiencies, strengthen governance and enforce fiscal discipline, the current trajectory remains unsustainable.

The choice facing policymakers is stark. Continue absorbing inefficiencies onto the public balance sheet, or pursue a transparent, predictable reform roadmap that balances economic reality with social protection.

As Nigeria enters 2026, the electricity sector stands at a crossroads. The direction it takes will shape not only investor confidence and industrial output, but the everyday experience of households and businesses that depend on reliable power to function.

**... without cost-reflective pricing, the sector cannot generate sufficient liquidity to sustain operations or attract new investment**



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**EDITORIAL****Nigeria House Davos: Showcasing A New Investment Pitch, But Proof Is What Counts**

Nigeria's debut at Davos, with the establishment of Nigeria House Davos ahead of the 56th annual meeting of the World Economic Forum (WEF), signals a bold attempt to project the country as a serious investment destination. For decades, the nation has sent delegations to Davos, often accompanied by ambitious speeches and press releases. This time, however, Nigeria will have a national house, a permanent, branded platform designed to present a single, coherent narrative to the global investment community.

The initiative, structured as a public-private partnership (PPP), combines the leadership of federal ministries, including industry, trade and investment, finance, and foreign affairs, with private-sector execution through Eviola & Co Integrated Services Ltd and its consortium partners. This alignment of public oversight with private efficiency is commendable, reflecting an understanding that professionalism, credibility, and operational expertise are critical when engaging investors at the highest level.

Nigeria House Davos is tasked with more than ceremonial presence. It aims to facilitate ministerial engagements, high-level roundtables, policy dialogues, and bilateral meetings while integrating thematic discussions on mining, trade infrastructure, agriculture, climate investment, energy, digital trade, technology, and

the creative economy. By combining economic discourse with cultural diplomacy, the platform offers a holistic vision of the country's potential.

Yet the establishment of a national house, however sophisticated, is not an end in itself. We believe, the value of this investment in visibility will ultimately be measured by tangible outcomes such as signed deals, secured financing, and credible investment commitments that translate into jobs, revenue, and productive capacity. Without clear mechanisms for post-Davos follow-up, Nigeria risks producing memoranda of intent that remain on paper, leaving public expectations unmet and investor confidence fragile.

Transparency and accountability must underpin the initiative. While the PPP framework offers speed and technical competence, the government must ensure that the selection of coordinating partners, budget allocations, and operational plans are publicly accessible. In our assessment, investors respond not only to grand narratives but also to demonstrated governance, predictable processes, and reliable enforcement of agreements. Publishing the programmatic details and the specific objectives of each sectoral discussion will strengthen credibility and attract serious, long-term capital.

Furthermore, we are of the view that Nigeria House Davos should be leveraged as a platform for concrete economic diplomacy. Each engage-

ment must include measurable deliverables such as investment targets, financing timelines, and clearly defined responsibilities for implementation. Cultural diplomacy should complement these efforts, showcasing Nigerian creativity and innovation not as a side attraction but as an integral part of the investment proposition.

From our perspective, the initiative also presents an opportunity for systemic learning. In monitoring outcomes rigorously, the government can refine its strategies for global economic engagement, improve coordination across ministries, and strengthen the PPP model for future projects. Davos is not merely a showcase; it is a laboratory where ideas, partnerships, and investment commitments are tested against reality.

Nigeria House Davos reflects ambition, confidence, and readiness to engage the world. But ambition alone is insufficient. For policymakers, investors, and the informed public, the proof will lie in delivery. If Nigeria converts this visibility into concrete, measurable outcomes, the house will have earned its place as a transformative instrument of economic diplomacy. If it produces only ceremonial optics, the opportunity will be lost and credibility diminished. The challenge is clear. Nigeria must ensure that its appearance on the Davos esplanade becomes a foundation for real, lasting investment impact.

**DID YOU KNOW?**

That President Tinubu's reforms are part of the Renewed Hope Agenda, designed to reposition Nigeria across critical sectors including education, energy, infrastructure, and innovation.

Stay tuned for more updates on reform milestones, policy impact, and opportunities for Nigerian citizens. Have feedback or questions? Send us an email at: [editor@thereforms.ng](mailto:editor@thereforms.ng)

**Time to Tell Nigeria's Story — The Position of The Reforms Newspaper**

For far too long, the Federal Government of Nigeria (FGN) has been misunderstood, misrepresented, and misquoted — not for a lack of achievements, but for a tragic deficit in communication. Today, *The Reforms*, a National Newspaper, rises not as a mouthpiece, but as a credible national platform to correct the narrative and restore public confidence in Nigeria's reform-driven trajectory.

Let us be blunt: in the past, government's communication structures had been lethargic, inconsistent, and often reactive. Ministries, Departments, and Agencies (MDAs), despite overseeing groundbreaking reforms across agriculture, power, finance, education, digital innovation, energy, and infrastructure, had largely failed to communicate their successes with clarity and consistency. In their silence, distortions flourished. In their delays, misinformation had taken root.

This was not just a national communication failure — it was a vacuum of narrative power.

It is precisely in this void that *The Reforms* has emerged as a strategic imperative. Our mandate is not to whitewash governments' actions or spread propaganda. We are not beholden to spin doctors or political handlers. We are beholden only to the truth — the verifiable, policy-driven, people-impacting truth of Nigeria's reform journey.

The FGN has rightly endorsed *The Reforms* as the non-partisan channel through which MDAs and private sector partners can boldly articulate the ongoing transformation of the Nigerian economy and society. From economic diversification and tax reforms to housing delivery, digital governance, energy transition, and ease of doing business, among others, — we are committed to amplifying facts, not fiction.

Nigeria is not standing still. The country is moving — and moving fast. But without strategic story-

telling rooted in fact and transparency, that movement may be missed or, worse, maligned.

To the MDAs: You are implementing reforms. But reforms do not speak for themselves. You must. And *The Reforms* is here to help you do just that — professionally, objectively, and impactfully.

To the private sector: You are stakeholders in the reform process. Let your voice be heard. Let your innovations and contributions to national development be documented in a newspaper founded on the principle of national interest above noise.

It is time we tell our own story — the Nigerian story — not through borrowed voices or external media filters, but through a deliberate, intelligent platform that understands the nation and its nuances.

This is not a plea. This is a national call to action.

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# Nigeria's GDP Seen Growing 4.3% In 2026 As Stability, Services Drive Recovery

By Ahmed Ahmed

Nigeria's economy is expected to grow by 4.3 percent in 2026, marking a stronger performance than in the previous year and placing the country ahead of both the global and West African averages, according to a new report by PricewaterhouseCoopers, PwC.

The projection reflects growing optimism around Nigeria's macroeconomic direction, supported by expansion in the services sector, gradual improvement in oil and non-oil exports, easing inflationary pressures and rising investor confidence. PwC's forecast compares favourably with its estimate of 3.1 percent global growth and 4.1 percent growth for West Africa in the same year.

PwC had earlier projected Nigeria's economy to grow by 3.3 percent in 2025. The upward revision for 2026, the firm said, is driven largely by expectations that monetary policy conditions will gradually ease, improving refinancing conditions for businesses and supporting credit expansion.

Nigeria's central bank cut its benchmark interest rate by 50 basis points to 27 percent in September 2025, its first-rate reduction since 2020. The move followed a sustained slowdown in inflation after it reached a 28-year high in 2024. Analysts now expect further rate cuts in 2026 as price pressures continue to moderate.

PwC believes this shift will support investment and consumption, particularly in sectors sensitive to borrowing costs. Services, which have remained resilient despite economic headwinds, are expected to remain a key growth driver, alongside steady gains in exports.

In its report titled '2026 Nigeria Economic Outlook: Turning Macroeconomic Stability into Sustainable Growth', PwC outlined seven major forces expected to shape the economy in 2026. These include the effectiveness of monetary policy, global economic and geopolitical developments, fiscal sustainability and execution, uneven growth across sectors, weak consumer purchasing power, domestic security challenges, and accel-



erating momentum in the digital economy and artificial intelligence.

While the outlook is broadly positive, the report cautioned that subdued global and regional trade could limit Nigeria's non-oil export growth, especially within West Africa where trade disruptions and border frictions persist. It stated that oil prices, capital flows, external financing conditions and regional trade stability will remain critical drivers of GDP growth and foreign exchange liquidity.

On the fiscal front, PwC noted that the Nigeria Tax Act 2025, which came into force this month, will play a major role in shaping the country's revenue outlook in 2026. The law is expected to transform the revenue landscape as the government targets a tax-to-GDP ratio of 18 percent by 2027. Improved revenue mobilisation, the firm said, will be essential to sustaining growth and reducing reliance on borrowing.

Inflation remains a key risk. Although headline inflation slowed to 14.5 percent in November, PwC warned that residual price shocks could continue to erode real incomes. The firm expects inflation to decline further in 2026, supported by foreign exchange stability, consistent policy implementation and higher agricultural output.

However, it identified several upside risks, including pre-election fiscal pressures, global energy shocks and insecurity in food-producing regions. Imported inflation could also worsen if geopolitical tensions trigger capital flow reversals, placing pressure on foreign exchange reserves and weakening the naira.

Encouragingly, PwC said disinflation is likely to support demand for manufactured goods, offering relief to domestic producers who have struggled with high input costs.

On the exchange rate, the firm warned that foreign exchange pressures remain a significant risk. With a large share of government obligations denominated in foreign currency, any sharp depreciation would increase the naira cost of servicing external debt and other FX-linked commitments.

PwC projected oil prices at \$55 per barrel in 2026, noting that a sustained drop below this level could weaken government revenue and FX inflows, adding pressure to the exchange rate. Still, the firm expects the naira to remain broadly stable during the year, supported by ongoing economic adjustments, improved portfolio inflows, a positive current account balance and greater policy transparency.

Debt servicing remains a major concern. With debt service costs budgeted at N15.5 trillion in 2026, nearly half of projected government revenue is expected to be absorbed by interest and principal repayments. PwC warned that this could limit fiscal space for growth-enhancing investments and social spending.

Despite these challenges, the report suggests that Nigeria has an opportunity to convert recent gains in macroeconomic stability into more durable growth. Doing so, PwC noted, will depend on disciplined fiscal management, credible policy execution and sustained efforts to build confidence among investors and households alike.

**... oil prices, capital flows, external financing conditions and regional trade stability will remain critical drivers of GDP growth and foreign exchange liquidity**



**Funding Nigeria's Agriculture, Growing Prosperity**

# Sahara Power Charts Growth Path For 2026 As Power Sector Confidence Improves

By. Majeed Salaam

**N**igeria's power sector is showing early signs of renewed confidence, and Sahara Power Group is positioning itself to take advantage of what it sees as a more stable and investable environment.

The company's Group Managing Director, Mr. Kola Adesina, says stronger policy direction, improving liquidity and deeper cooperation among key players are reshaping prospects for electricity supply and long-term growth.

Speaking during a recent interview on the state of the industry, Mr. Adesina said that the sector is gradually moving away from survival mode towards planning for expansion. According to him, recent developments are beginning to restore confidence across the electricity value chain, from generation to distribution.

He attributed this shift to tighter coordination among the federal government, the Ministry of Power, regulators, operators, the Central Bank of Nigeria (CBN), commercial banks and development finance institutions. Mr. Adesina described the level of alignment as unprecedented and said it has created a foundation for efficiency and sustainability.

Nigeria's electricity market has long struggled with liquidity shortages, ageing infrastructure and weak service delivery. Mr. Adesina noted that ongoing efforts to address legacy debts owed to generation companies and gas suppliers are easing some of the pressure that has held back investment for years. He said that the settlement of these obligations is a critical step towards restoring financial health across the sector.

Progress, he stated, is also being recorded in metering and service delivery. Closer engagement between regulators and operators is helping to optimise operations and improve reliability for end users, even as challenges remain.

Against this backdrop, Sahara Power is refining its growth strategy for 2026 and beyond. The group currently accounts for about 19 percent of Nigeria's total power generation through subsidiaries such as Egbin Power Plc, First Independent Power Limited and Ikeja Electric. Mr. Adesina said that the company is working towards increasing dispatched generation capacity to between 6,500 megawatts and 7,000 megawatts.

A key part of that plan involves significant investment in both gas and renewable energy over the next three to five years. According to him, the goal is to deliver power that is affordable, reliable and sustainable for households and industries, while reducing exposure to fuel and operational risks.

Sahara Power is also preparing to launch a data centre to support its operational expansion. Mr.



Mr. Kola Adesina, Group Managing Director of Sahara Power Group

Adesina said that the facility would rely on real-time data analytics, predictive maintenance and strong cybersecurity systems. He explained that the data centre would work in collaboration with government agencies and system operators to improve transparency and efficiency across the sector.

Financing remains a sensitive issue for many power companies, but Mr. Adesina said that Sa-

suppliers, have tested the company's resilience. As of March 31, 2025, these obligations were reconciled at N1.514 trillion. Mr. Adesina said that government intervention through legacy debt payments has been crucial and will support the full settlement of outstanding obligations to banks, gas suppliers and service providers.

This, he stated, will allow the group to accelerate its expansion plans with greater confidence.

Mr. Adesina aligned Sahara Power's long-term outlook with the infrastructure agenda of President Bola Tinubu. He said recent policy direction, relative exchange rate stability, easing inflation and moderated interest rates have improved predictability for investors in the power sector.

Industry observers share this view. Data from the Nigerian Electricity Regulatory Commission (NERC) shows that more than 2.3 million meters have been deployed nationwide under the National Mass Metering Programme since 2020. The rollout is expected to narrow the metering gap, strengthen revenue collection and improve customer trust.

For Sahara Power, the coming years will be shaped by disciplined financing, technology-led operations and targeted investments across gas and renewables. Mr. Adesina said the company remains committed to supporting national development through reliable electricity, adding that a more coordinated sector offers an opportunity to finally turn long-standing plans into measurable progress for Nigerians.

**Nigeria's electricity market has long struggled with liquidity shortages, ageing infrastructure and weak service delivery**

hara Power has maintained financial discipline despite sector-wide pressures. He disclosed that the group has already repaid the naira equivalent of \$438 million, representing about 73 percent of its original \$600 million loan. The loans, he said, are contractually due for full repayment in 2034 and are being serviced in line with agreed terms.

He acknowledged that liquidity challenges, including debts owed to Sahara Power and its gas

## SEC Unveils 2026 Strategy To Channel Long-Term Capital Into Nigeria's Growth Sectors



Dr. Emomotimi Agama, Director-General of SEC

By Jennete Ugo Anya

Nigeria's capital market regulator is setting out an ambitious roadmap for the years ahead, with a strategy that places long-term financing at the centre of the country's economic transformation.

The Securities and Exchange Commission (SEC) has unveiled its 2026 strategic agenda, a plan designed to mobilise domestic and international capital for key sectors such as infrastructure, agriculture, and housing. The initiative was announced by Dr. Emomotimi Agama, Director-General (DG) of SEC, who said the capital market must play a defining role in Nigeria's aspiration to grow into a \$1 trillion economy.

At the heart of the agenda is the idea that long-term funding, rather than short-term fiscal fixes, will be critical to unlocking growth. According to the SEC, the capital market offers a platform capable of channelling patient capital into sectors that have traditionally suffered from financing gaps.

Infrastructure sits at the top of that list. The commission plans to encourage the issuance of infrastructure bonds, green bonds, and municipal bonds to help finance roads, power projects, rail networks, and digital infrastructure. By expanding these instruments, regulators believe both public and private investors can participate more directly in building the assets that underpin economic productivity.

Agriculture is another major focus. While the sector employs millions of Nigerians, it has struggled to attract structured, long-term investment. The SEC says it is prioritising clearer legal frameworks for commodities markets, promoting the listing of agribusiness firms on the exchange, and creating tailored funding windows for agricultural cooperatives. The goal is to move agriculture from largely informal financing arrangements into transparent, market-based funding structures.

Housing finance also features prominently in the strategy, particularly through the expansion of

non-interest finance. The commission is placing increased emphasis on instruments such as Sukuk and Islamic funds to support ethical financing for housing development. As part of this effort, the SEC is working with the Federal Mortgage Bank of Nigeria to develop a non-interest mortgage ecosystem aimed at reducing Nigeria's housing deficit and widening access to home ownership.

Beyond sectoral priorities, the agenda outlines a series of market-wide reforms. A revised Capital Market Master Plan covering 2026 to 2030 will guide the direction of the market. The SEC describes the document as a living framework, one that will be updated to reflect economic realities and national development goals.

Institutional strength is also on the reform list. The commission has announced that new minimum capital requirements for market intermediaries will be unveiled on January 16, 2026. The recapitalisation exercise is intended to improve resilience across the market and ensure that operators are better equipped to manage risk.

Technology is another pillar of the strategy. The SEC plans to modernise market operations through the adoption of advanced technologies, including blockchain-based solutions and exploratory work around quantum computing. In the nearer term, electronic registration processing is scheduled to begin in the first quarter of 2026, a move expected to reduce delays and improve transparency.

Small and medium-sized enterprises are not left out. New rules around crowdfunding and digital equity offerings are being developed to help SMEs access long-term capital, particularly those that may not yet be ready for full public listings.

Taken together, the 2026 agenda signals a regulator seeking to reposition Nigeria's capital market as a development engine, not just a trading venue. By aligning financial instruments, regulation, and technology with national priorities, the SEC is betting that deeper and more resilient markets can help drive sustainable growth in the years ahead.

## FG Launches 'Nigeria House Davos' To Showcase Investment Opportunities At WEF

Ahead of the 56th annual meeting of the World Economic Forum (WEF) in Davos, Switzerland, the Federal Government of Nigeria has announced the establishment of 'Nigeria House Davos', the country's first official national house on the Davos Promenade. The initiative aims to promote Nigeria's economic reforms, investment readiness, institutional strength, and cultural identity to a global audience.

In a recent statement, Mr. Abiodun Oladunjoye, Director of Information and Public Relations at the State House, explained that Nigeria House Davos will serve as a platform for ministerial engagements, high-level roundtables, policy dialogues, investment meetings, cultural diplomacy, and strategic bilateral discussions. The 2026 WEF gathering is scheduled to hold from January 19 to 23.

"Nigeria House Davos is designed to strengthen foreign direct investment flows, deepen strategic partnerships, and advance Nigeria's global economic positioning in alignment with the administration's Renewed Hope Agenda," Mr. Oladunjoye said.

The initiative is being implemented through a public-private partnership (PPP) framework involving relevant ministries—including Industry, Trade and Investment; Finance; and Foreign Affairs—in collaboration with the private sector. Eviola & Co Integrated Services Ltd serves as the lead coordinating and executing organisation, working in consortium with Lex-Con Advisory Services Ltd, UFAM Services Nigeria Ltd, and international technical and delivery partners. This structure, the statement noted, combines public-sector leadership with private-sector execution expertise to ensure a professional and impactful national representation.

Nigeria House Davos will run a five-day programme structured around thematic priorities. These include solid minerals and mining value chains; trade infrastructure and agriculture; climate investment, energy and environmental sustainability; digital trade and technology; creative economy and cultural exports; and cross-sector convergence. Finance, legislation, investment security, and investor assurance will be integrated across all discussions.

"For decades, leading nations and global corporations have leveraged Davos Houses as instruments of soft power, economic diplomacy, and global influence," Mr. Oladunjoye said. "With Nigeria House Davos, Nigeria now enters this league, presenting its narrative from its own perspective, engaging global decision-makers directly, and positioning itself as a serious reform-driven economy open for partnership and investment."

The presidency has called for strategic participation by public institutions, private sector actors, development finance institutions, and international partners to ensure Nigeria's debut presence is unified, dignified, and impactful.

Nigeria House Davos reflects the country's ambition and readiness to engage the world, offering a platform to communicate Nigeria's narrative with clarity, credibility, and purpose, while attracting investment and forging strategic global partnerships.

# Nigeria's Solid Minerals Turn Fiscal Corner As Revenue Jumps 337%, FAAC Inflows Hit N63.9bn

By Kingsley Benson

Nigeria's long-neglected solid minerals sector is beginning to show signs of fiscal relevance, driven by sweeping reforms, tighter enforcement, and a renewed push for local value addition. In 2025, the sector recorded one of its strongest performances in decades, with government revenue surging sharply and remittances to the Federation Account rising to levels that place mining firmly back on the national economic map.

The Ministry of Solid Minerals Development reported that revenue generated from the sector rose by 337 percent to over N70 billion in 2025, compared with N16 billion in 2023. The figures mark a steady climb from N38 billion recorded in 2024, underscoring a two-year turnaround attributed to policy reforms and enforcement actions under the leadership of the Honourable Minister of Solid Minerals Development, Dr. Dele Alake.

The revenue growth was disclosed by the minister's Special Assistant on Media, Segun Tomori, who said the gains reflect the implementation of a seven-point reform agenda focused on transparency, investor confidence, regulatory discipline, and domestic value addition.

Beyond headline revenue, official remittance data shows how the sector translated reforms into cash flows for government. Between January and November 2025, solid minerals contributed a total of N63.92 billion to the Federation Account, according to figures presented to the Federation Account Allocation Committee (FAAC). The inflows reveal a year defined by volatility, a strong second-quarter rebound, and late-year moderation linked to security challenges.

The year began slowly. January remittances stood at N4.18 billion, followed by N3.78 billion in February. March marked the weakest point, with collections falling to N2.15 billion, reflecting subdued production and export activity. By the end of the first quarter, cumulative inflows were just N10.10 billion, accounting for less than 16 percent of the January to November total.

Momentum shifted sharply in the second quarter. April remittances surged to N7.88 billion, while May emerged as the strongest month of the year, with N9.66 billion paid into the Federation Account. June sustained the rebound with N4.75 billion. Together, April to June delivered over N22 billion, more than half of the entire eleven-month inflow, cementing the second quarter as the fiscal high point for the sector.

The third quarter maintained relative strength. July recorded N5.84 billion, August N6.23 billion, and September N7.32 billion, the third-best monthly performance of the year. October followed with N6.86 billion before inflows eased to N5.28 billion in November.

An official revenue note accompanying the FAAC presentation attributed the late-year moderation partly to rising insecurity, which disrupted mining operations and logistics in some regions. Still, November's performance remained well above early-year levels and far stronger than the March low.

"The revenue collected by the ministry into the Federation Account for the month of November



Dr. Dele Alake, Honourable Minister of Solid Mineral Development

2025 is N5.28 billion," the note stated, adding that N3.44 billion came from royalties, while N1.84 billion was realised from fees. It also highlighted a positive variance against the monthly target, despite a month-on-month decline linked to security-related disruptions.

Behind the revenue numbers lies a reform-heavy policy drive. In late 2023, the ministry revoked

## Nigeria's push for local value addition has also extended beyond its borders, with the formation of the Africa Minerals Strategy Group ...

1,633 mining licences over non-payment of annual service fees, followed by the revocation of another 924 dormant licences in early 2024. The objective, according to officials, was to free up assets for serious investors and curb speculative licence hoarding.

Community relations were also tightened. Guidelines for Community Development Agreements were revised to require explicit host community consent before mining licences are approved, a move aimed at reducing conflict and improving social licence to operate.

Illegal mining, long a drag on revenue and security, has been confronted through the creation

of mining marshals in 2024. Within a year, more than 300 illegal miners were arrested, about 150 cases moved into prosecution, and 98 illegal mining sites were recovered. Nationwide satellite surveillance of mining sites is scheduled to commence in 2026 to further strengthen enforcement.

On the federal-state fault line that has historically constrained mining development, the ministry introduced a cooperative federalism model. States are encouraged to apply for licences and operate through limited liability companies, leading to joint venture investments in states such as Nasarawa, Kaduna, Oyo, and the Federal Capital Territory.

Investment signals are beginning to follow. Lithium processing plants are emerging across the country, a \$400 million rare-earth metals facility is in development, and about \$1.5 billion in foreign direct investment has been attracted into the sector since 2023. Nigeria's push for local value addition has also extended beyond its borders, with the formation of the Africa Minerals Strategy Group, which elected Alake as its pioneer chairman.

Despite the progress, officials caution that current revenue still represents only a fraction of the sector's potential. The uneven monthly remittance pattern underscores how sensitive mining remains to security conditions, infrastructure gaps, and regulatory enforcement.

For policymakers, the 2025 performance offers both validation and warning. Reforms can unlock revenue quickly, but sustaining growth will require stabilising operating conditions and deepening value chains. As reforms are consolidated in 2026, the test will be whether solid minerals can evolve from a volatile revenue contributor into a stable pillar of Nigeria's non-oil economy.

# PTAD Disburses N55.9bn To Pensioners, Clears Bulk Of Long-Standing Arrears



Tolulope Odunaiya, Executive Secretary of PTAD

By Musa Ibrahim

For tens of thousands of retired public servants and families of deceased workers, December 2025 marked a significant turning point after years of delayed entitlements.

The Pension Transitional Arrangement Directorate (PTAD) announced that it paid a total of N55.9 billion to pensioners and next-of-kin under the old Defined Benefits Scheme (DBS) during the month. The disclosure was contained in an official statement signed and released by the Head of the Directorate's Corporate Communications Unit, Mr. Olugbenga Ajayi.

According to the statement, the payments covered both regular monthly pensions and accumulated arrears owed across multiple pension departments.

"The PTAD has successfully disbursed a total sum of N55.9 billion as monthly pensions and pension arrears to eligible pensioners and next-of-kins of deceased pensioners under the DBS in December 2025," the statement said.

A breakdown of the figures shows that N13.41 billion was paid as monthly pensions to beneficiaries across all departments, including pensioners residing in the diaspora. The larger share, N42.5 billion, was deployed to clear outstanding arrears owed to retirees and next-of-kin.

PTAD explained that the arrears payments addressed long-standing obligations arising from the N32,000 pension increment, as well as the approved 10.66 percent and 12.95 percent pension increases. Other accumulated arrears, gratuities, and death benefits were also settled as part of the exercise.

"The arrears payment covers outstanding obligations arising from the N32,000 pension increment, as well as the 10.66 percent and 12.95 per cent pension increments, in addition to other accrued pension arrears, gratuity, and death benefits owed to eligible beneficiaries," the statement added.

Departmental data highlighted the wide spread of beneficiaries. Under the Police Pension Department, N5.88 million was paid to five pensioners. The Customs, Immigration and Prisons Pension Department received N604.33 million, covering 8,606 pensioners.

The Civil Service Pension Department accounted for the largest number of beneficiaries, with N16.36 billion paid to 71,643 pensioners. Pensioners under the Defunct and Transferred Agencies Department received N15.07 billion, covering 24,995 retirees.

Under the Parastatals Pension Department, commonly referred to as PaPD, arrears payments totalled N7.81 billion for 25,718 pensioners. The Tertiary Education and Health Department, TEHD, received N2.37 billion, covering 28,245 pensioners.

In addition, PTAD released N289.11 million as gratuity and death benefits to eligible next-of-kin of deceased pensioners.

The Directorate noted that the latest disbursements have fully cleared arrears arising from the N32,000 pension increment across all pension departments, with the exception of one outstanding month each for pensioners under PaPD and TEHD.

"With these payments, arrears resulting from the N32,000.00 pension increment have been fully liquidated across all pension departments, except for one month each outstanding for pensioners in the PaPD and TEHD," the statement said.

Commenting on the development, PTAD's Executive Secretary, Tolulope Odunaiya, said the payments underscored the Federal Government's commitment to the welfare of senior citizens.

She said the disbursement "reflects President Bola Tinubu's unwavering commitment to the welfare of senior citizens, in line with the administration's Renewed Hope Agenda."

Odunaiya further assured pensioners that the remaining one-month arrears owed to beneficiaries under the Parastatals Pension Department and the Tertiary Education and Health Department would be cleared, while the Directorate continues to roll out initiatives aimed at improving the welfare and overall well-being of Defined Benefits Scheme pensioners.

PTAD administers pensions for federal government workers who retired before the introduction of the contributory pension system in 2004. For many retirees still covered by the old scheme, the December 2025 payments represent a rare moment of financial relief and renewed confidence that long-standing pension obligations are gradually being resolved.

# Nigeria Signals Readiness For AfCFTA Market After Key Trade, Digital Milestones

By Ahmed Ahmed

Nigeria has taken decisive steps to position itself for trade under the African Continental Free Trade Area (AfCFTA), following key achievements in trade facilitation, digital integration, and regulatory compliance, the Federal Ministry of Industry, Trade and Investment (FMITI) has said.

In its publication, 'Nigeria AfCFTA Achievements Report 2025,' the ministry highlighted that the country has fulfilled critical obligations under the AfCFTA Agreement, including protocols on trade in goods, services, and digital commerce, with relevant legal instruments officially gazetted.

Honourable Minister of Industry, Trade and Investment, Dr. Jumoke Oduwole, said these measures were aimed at equipping Nigerian businesses to compete effectively and benefit from preferential treatment in the AfCFTA market. "The ministry has taken concrete steps to position and equip Nigerian businesses to succeed in the AfCFTA market," she said.

The report described AfCFTA as the culmination of Africa's trade-led integration ambitions, offering a framework for tariff elimination, barrier removal, and regulatory cooperation that allows African producers, investors, and traders to convert effort into prosperity. It stressed that Africa retains more value when it trades with itself, making the continent's development closely tied to the success of the AfCFTA.

Nigeria has been a long-standing champion of African economic integration, hosting the negotiations that led to the AfCFTA Agreement in 2017 and ratifying the agreement in 2020. The country has also played a pivotal role in establishing foundational instruments such as the Lagos Plan of Action (1980) and the Abuja Treaty (1991).

FMITI said that 2025 marked several significant "firsts" for Nigeria under AfCFTA, including being the first State Party to undertake a five-year review of AfCFTA implementation, ratifying the Protocol on Digital Trade, and establishing a dedicated air cargo exports corridor to facilitate intra-African trade.

In July 2025, Nigeria concluded and published the mandated five-year review of AfCFTA implementation, which assessed successes, challenges, and areas of friction. This review has informed actionable strategies by FMITI and the AfCFTA Committee of the Continental Coordinating Committee (CCC).

In November 2025, FMITI convened the AfCFTA Public Sector, Private Sector and Press (P3) Summit to strengthen understanding of the AfCFTA framework, create awareness of its opportunities, and kick-start a nationwide sensitisation campaign. This campaign is designed to formulate a national blueprint to ensure that AfCFTA delivers tangible benefits for Nigerian businesses.

Other milestones highlighted in the report include the clear articulation of roles for AfCFTA CCC constituent institutions, the publication of the National Action Plan framework, and the development of an AfCFTA Institutional Barometer to track performance and ensure accountability.

Looking ahead, FMITI, in collaboration with the Ministry of Budget and Economic Planning, plans to work with state governments to identify at least one exportable product from every local government area to the AfCFTA market. The ministry also intends to refine the national AfCFTA market strategy through deeper engagement with the private sector throughout 2026.



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## NDIC Walks Compliance Line, Seeks Flexibility To Strengthen Deposit Safety Net



Mr. Thompson Oludare Sunday, MD/CE of NDIC

By Musa Ibrahim

At a time when public institutions face growing scrutiny over accountability and fiscal discipline, the Nigeria Deposit Insurance Corporation (NDIC) is making a case for both strict compliance and strategic flexibility.

The NDIC has reaffirmed its adherence to Nigeria's fiscal and financial regulations, including the Fiscal Responsibility Act of 2007, while also seeking targeted exemptions it says are necessary to strengthen its core mandate of protecting depositors and stabilising the banking system.

This position was articulated by Mr. Thompson Oludare Sunday, Managing Director and Chief Executive (MD/CE) of NDIC, during a courtesy visit to the MD/CE of Ministry of Finance Incorporated (MOFI), Dr. Armstrong Takang. The meeting formed part of NDIC's post-assumption engagements with key stakeholders following Mr. Sunday's appointment in July 2025.

According to Mr. Sunday, NDIC has consistently met its statutory obligations to the federal government, including remitting either 20 percent of its gross earnings or 80 percent of its net surplus, as required by law. He added that the Corporation routinely submits its financial statements ahead of statutory deadlines, underscoring what he described as a strong internal culture of accountability and transparency.

That culture, he said, is not incidental. As a cornerstone of Nigeria's financial safety net, NDIC is responsible for insuring deposits and maintaining confidence in the banking system, particularly in times of stress. Fiscal discipline, Mr. Sunday argued, is central to the credibility of that role.

Yet the NDIC chief also drew attention to a

structural challenge. He explained that the federal government's policy limiting agencies to a 50% cost-to-income ratio constrains the corporation's ability to build up its Deposit Insurance Fund. Such reserves, he noted, are critical if NDIC is to meet depositor claims promptly in the event of bank failures.

International standards, as set out by the International Association of Deposit Insurers (IADI), emphasise that deposit insurers should maintain sufficient funds to reimburse depositors without relying on government support. In this context, NDIC is seeking an exemption from the cost-to-income cap to allow it strengthen its financial buffers and align more closely with global best practices.

Mr. Sunday also highlighted the ownership structure of the corporation, noting that the federal government, through MOFI, holds a 40% equity stake in NDIC. This, he said, makes sustained collaboration essential, particularly in balancing government fiscal expectations with the imperative of depositor protection.

In his response, Dr. Takang commended NDIC for its record of compliance and assured the corporation of MOFI's continued engagement with the Ministry of Finance. He said such cooperation would be key to supporting a strong and resilient deposit insurance system capable of underpinning confidence in Nigeria's financial sector.

The exchange reflects a broader policy tension facing regulators, how to maintain fiscal discipline while ensuring that institutions charged with managing financial risk are adequately resourced. For NDIC, the argument is that compliance builds trust, but resilience requires room to build buffers before the next crisis tests the system.

## Quotes of the Week

### Wale Tinubu, CEO of Oando Plc

Reflecting on the first week of work in 2026, @realFemiOtedola and @TonyOElumelu have given us a roaring start already.

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

Nigeria must not be a passive rule-taker in global AI governance. Our universities must help position the country as thoughtful contributors and leaders from the Global South.

### Abiodun Oladunjoye, Director of Information/Public Relations at the State House

Nigeria House Davos is designed to strengthen foreign direct investment flows, deepen strategic partnerships, and advance Nigeria's global economic positioning in alignment with the administration's Renewed Hope Agenda.

## NCC, CBN Move To End Failed Airtime, Data Transactions



Dr. Aminu Maida, Executive Vice Chairman/CEO of NCC

By Jennete Ugo Anya

After years of consumer frustration over failed airtime and data purchases, Nigeria's telecommunications and financial regulators are preparing to introduce a coordinated framework aimed at restoring trust in everyday digital transactions.

The Nigerian Communications Commission (NCC) and the Central Bank of Nigeria (CBN) have jointly developed a refund framework to address complaints arising from unsuccessful airtime and data transactions caused by network downtime, system glitches, or human errors.

According to Nnena Ukoha, Head of Public Affairs, NCC, in a statement said the initiative responds to a steady rise in cases where subscribers are debited without receiving value, often followed by long delays and confusion over who bears responsibility.

For many Nigerians, purchasing airtime or data has become a routine digital activity. Yet when transactions fail, consumers are frequently left navigating a maze of banks, mobile network operators, and service providers, each pointing elsewhere for resolution. The statement noted that the new framework seeks to close this gap by creating a single, enforceable approach across both the telecommunications and financial sectors.

According to Ukoha, the framework is the product of several months of engagement involving the NCC, the CBN, Mobile Network Operators (MNOs), Value Added Service (VAS) providers, Deposit Money Banks (DMBs), and other industry stakeholders. These discussions were driven by the growing volume of consumer complaints and the need for clearer rules governing transaction failures and refunds.

At the heart of the framework is a shared position between the telecoms and banking industries on how failed transactions should be handled. It identifies the root causes of transaction failures and sets out the specific roles and responsibilities of each party involved, whether the failure occurs at the bank level or within a licensed telecom operator.

A key provision is the introduction of a binding Service Level Agreement (SLA) for MNOs and DMBs. Under the new rules, if a customer is deb-

ited but does not receive airtime or data, a refund must be issued within 30 seconds. In cases where a transaction remains pending, the refund period may extend to 24 hours, but no longer.

The framework also strengthens communication with consumers. Operators will be required to notify customers by SMS on the success or failure of every airtime and data transaction. It further addresses common issues such as recharges sent to ported lines, incorrect purchases, and transactions made to the wrong phone number, areas that have historically generated complaints and uncertainty.

Speaking on the development, the Director of Consumer Affairs at the NCC, Mrs Freda Bruce-Bennett, said failed top-ups consistently rank among the top three consumer complaints received by the commission. She noted that resolving the issue was treated as a priority, given its direct impact on millions of subscribers.

According to her, the framework also introduces a Central Monitoring Dashboard that will be jointly hosted by the NCC and the CBN. The dashboard will allow both regulators to monitor transaction failures in real time, identify the responsible party, track refunds, and detect breaches of service standards.

Mrs. Bruce-Bennett expressed appreciation to industry stakeholders and to the leadership of the CBN for their commitment to resolving the issue. She disclosed that, pending final approval of the framework, mobile operators and banks have already refunded over N10 billion to customers affected by failed airtime and data transactions.

The scale of those refunds highlights the financial and reputational cost of unresolved transaction failures, as well as the urgency behind the new framework. Regulators believe that clearer rules and real-time oversight will help prevent disputes before they escalate and improve accountability across the transaction chain.

Implementation of the framework is expected to begin on March 1, 2026, subject to final approval by the management of both regulators and the completion of technical integration by all Mobile Network Operators, Value Added Service providers, and DMBs.

## Tinubu Commends Otedola, Elumelu Over Landmark Deals

By Kingsley Benson

As Nigeria's business community settles into the new year, two major transactions in the power and oil sectors are already shaping early conversations about capital, timing, and confidence.

Mr. Wale Tinubu, Group Chief Executive Officer (GCEO) of Oando Plc, has commended Mr. Femi Otedola and Mr. Tony Elumelu for deals he says have set a strong tone for 2026.

In a social media post shared recently, he described the moves by both businessmen as a "roaring start" to the year, pointing to their scale and strategic importance in sectors critical to Nigeria's economy.

"Reflecting on the first week of work in 2026, Femi Otedola and Tony Elumelu have given us a roaring start already," Mr. Tinubu wrote.

Mr. Otedola's transaction came first. On December 29, 2025, the billionaire investor sold his majority stake in Geregu Power Plc for N1.08 trillion. The deal was financed by a consortium of banks led by Zenith Bank Plc and stands as one of the largest power-sector transactions in Nigeria's history.

Mr. Tinubu said the Geregu exit showed a rare combination of foresight and decisiveness. According to him, Mr. Otedola did not simply build value in the power sector, but also chose the right moment to exit while strengthening his position elsewhere.

"With the Geregu exit, Femi turned an investment in the power sector into a landmark deal, while simultaneously deepening his position in banking," Mr. Tinubu said. "This speaks to deft positioning."

He stated that successful investing is not only about entry but about timing. "The mark of an exceptional investor is not simply in making an investment. The mastery lies in knowing when to exit. This was executed in spectacular fashion," he said.

Barely two days after the Geregu deal, attention shifted to the oil and gas sector. Heirs Energies, an affiliate of Heirs Holdings chaired by Tony Elumelu, acquired the entire 20.07 percent equity stake previously held by France's Maurel and Prom S.A. in Seplat Energy Plc. The acquisition involved 120.4 million ordinary shares and further consolidated Nigerian ownership in one of the country's leading indigenous energy companies.

Mr. Tinubu described Elumelu's move as more than a transaction. In his view, it reflects a long-term commitment to African capacity and control within strategic industries.

"Becoming a major shareholder in Seplat represents a strategic commitment to African capability, ownership, governance, and the belief that our energy future should increasingly be driven by those who live and invest here," Mr. Tinubu said.

The comments place both deals within a broader narrative about local capital taking firmer control of key assets. In recent years, Nigeria has seen a gradual shift as indigenous investors and firms acquire stakes previously held by foreign players, especially in energy and infrastructure.

For Mr. Tinubu, the timing of the transactions also matters. With economic uncertainty still present and investor sentiment closely watched, the size and confidence behind both deals send a strong signal to the market.

He described them as remarkable transactions that do more than dominate headlines. According to him, they set the pace for the year and challenge conventional ideas about how value is created in Nigeria's business environment.



# NIGERIA FIRST



**Let us be blunt: in the past, government’s communication structures had been lethargic, inconsistent, and often reactive.**

**MDAs, despite overseeing groundbreaking reforms across agriculture, power, finance, education, digital innovation, energy, and infrastructure, had largely failed to communicate their successes with clarity and consistency. In their silence, distortions flourished. In their delays, misinformation had taken root.**



## FG To Establish Nigeria’s First National AI Centre Of Excellence At University Of Jos



Mr. Bosun Tijani, Honourable Minister of Communication, Innovation and Digital Economy

By Anita Dennis

Nigeria is taking a decisive step into the global artificial intelligence (AI) space with plans to establish its first National Artificial Intelligence Centre of Excellence, a move the federal government says will strengthen local research, skills development and innovation.

The announcement was recently made by the Honourable Minister of Communications, Innovation and Digital Economy, Mr. Bosun Tijani, during the 50th convocation ceremony of the University of Jos in Plateau State. According to him, the centre will be hosted by the university with support from the ministry, marking the first nationally focused institution dedicated to artificial intelligence in the country.

According to Mr. Tijani, the centre is designed to serve as a national hub for advanced AI research, talent development, innovation and policy engagement. He said the initiative reflects Nigeria’s determination to play an active role in shaping how artificial intelligence is developed and governed globally.

“University of Jos must not merely observe Nigeria’s future; it must help to architect the future,” the minister said. “Today, the Federal Government of Nigeria, through the Ministry of Communications, Innovation, and Digital Economy, will establish and support a National Artificial Intelligence Centre of Excellence at this university, the first of its kind in Nigeria.”

Mr. Tijani explained that the centre would support government efforts to strengthen research capacity, build relevant skills and promote innovation, while positioning Nigeria as a serious contributor to the global AI ecosystem. He stressed that artificial intelligence will shape the future of every economy and that Nigeria intends to influence how that future is built.

The decision to locate the centre within an academic institution reflects the government’s view that universities must play a central role in AI development. Mr. Tijani noted that leading countries in artificial intelligence achieved their status through early and sustained academic investment in machine learning research, rather than relying solely on access to powerful computing infrastructure.

He argued that Nigeria, given its size and influence on the African continent, cannot afford to sit on the

sidelines as artificial intelligence reshapes global systems. According to him, participation in AI development must go beyond consumption of foreign technologies.

“The reality of AI is much more than just computing,” Tijani said. “We are too big as a country not to participate in this space, and it goes beyond what should be left as the responsibility of the West.”

A major focus of the proposed centre will be the development of inclusive and locally relevant AI systems. Mr. Tijani emphasised that artificial intelligence tools deployed in Nigeria must be able to understand local languages, culture and social realities. He said universities are best positioned to lead research into datasets and models that reflect Nigeria’s diversity.

“Artificial intelligence systems must understand Nigeria’s reality, our languages, our culture and our social structures,” he said. “Universities must lead the research into inclusive datasets and contextual intelligence.”

The minister, who is also an alumnus of the University of Jos, used the occasion to call on Nigerian academic institutions to see themselves as active contributors to global knowledge rather than passive recipients. He said the establishment of the centre is part of a broader effort to ensure that Nigeria is not excluded from key conversations around AI governance and ethics.

“Nigeria must not be a passive rule-taker in global AI governance,” Tijani said. “Our universities must help position the country as thoughtful contributors and leaders from the Global South.”

The proposed centre is expected to bring together researchers, students, policymakers and industry players, creating a platform for collaboration on artificial intelligence applications relevant to Nigeria’s development priorities. Areas such as healthcare, education, agriculture, public services and language technology are likely to benefit from focused research and innovation.

While details on funding and timelines are yet to be fully disclosed, the announcement signals a shift in Nigeria’s digital economy strategy from adoption to active creation. For many observers, the centre represents a recognition that the future of artificial intelligence will be shaped not only by technological power, but by ideas, data and values rooted in local realities.

### Reforms Nuggets

#### NRS, NITDA Approve Pillarcraft To Drive E-Invoicing Compliance

- **Accreditation:** The Nigeria Revenue Service (NRS), in partnership with the National Information Technology Development Agency (NITDA), has accredited Pillarcraft Cloud Solutions as a system integrator for the country’s e-Invoicing framework.

- **Role of System Integrator:** Pillarcraft will connect businesses’ ERP, accounting, or invoicing systems to the NRS e-invoicing platform, ensuring invoices are converted into the prescribed e-invoice format, securely transmitted via licensed Access Point Providers, and validated for compliance, reporting, and audit.

- **Technical Solution:** Pillarcraft developed a dedicated middleware, UsawaConnect, which acts as a bridge between business systems and NRS, ensuring seamless, accurate, and scalable e-invoicing compliance.

- **Company Background:** Pillarcraft is a subsidiary of Agbi Bayode & Co., a firm of Chartered Accountants and Chartered Tax Practitioners. It focuses on cloud integration, compliance-driven tech solutions, and digital transformation for Nigerian businesses.

- **Strategic Significance:** Accreditation places Pillarcraft among a select group of firms authorised to implement e-invoicing solutions aligned with Nigeria’s national digital tax infrastructure, affirming its technical capability, governance standards, and domain expertise.

- **UsawaConnect Launch:** Pillarcraft officially launched UsawaConnect, a B2B e-invoicing middleware designed to integrate ERP systems, accounting software, and invoicing platforms with the NRS Merchant Buyer Platform.

- **Expert Insight:** Agbi, CEO of Pillarcraft, highlighted that e-invoicing is both a tax and business transformation. UsawaConnect leverages over a decade of experience with Nigerian businesses and global cloud solutions to ensure compliance is seamless, reliable, and scalable.

- **Industry Impact:** The accreditation and UsawaConnect position Pillarcraft as a trusted partner for businesses seeking audit-ready records and smooth integration with national e-invoicing requirements.

## TINUBUNOMICS AND THE ARITHMETIC OF ILLUSION



A striking feature of Nigeria's current economic debate is the enthusiasm with which huge numbers are circulated—and the casualness with which they are assembled. Tax collections are added to oil receipts; oil receipts are added again under customs or "subsidy savings"; borrowing is treated as income; and the resulting total is presented as proof of incompetence or theft.

This is not an economic analysis. It is an arithmetic illusion.

At the core of most viral critiques of Tinubunomics lies a fundamental failure to distinguish between revenue, cash, and financing, and between federation-wide collections and federal budgetary resources. These are not technicalities. They are the foundation of public finance.

Revenue is not the same as cash available to the Federal Government. Borrowing is not income; it is financing and creates future obligations. Federation receipts are not equivalent to what the Federal Government can spend.

Once these distinctions are ignored, any number—no matter how dramatic—can be manufactured.

The familiar pattern runs as follows. Aggregate tax collections are cited, often correctly, in gross terms. Oil revenues are then added without clarifying whether they are gross or net, federation-wide or federally retained, or whether costs, deductions, and under-recoveries have been netted off. Customs receipts are layered

on, sometimes without stating whether they are already embedded in non-oil revenue totals. Borrowing is then added as though it were free money. Finally, "subsidy savings" are thrown into the mix, as if stopping a fiscal leak produces a vault of idle cash.

The result is a large headline number—N150 trillion, N170 trillion, N180 trillion—followed by the question: where did the money go?

The answer is straightforward: much of it never existed in the form being implied.

Subsidy reform, for instance, does not conjure discretionary cash. It closes a hole. Under the old regime, underpricing manifested through arrears, opaque netting, and quasi-fiscal obligations. Reform first eliminates these hidden drains. The fiscal benefit appears gradually—through reduced deficit pressure, better budgeting discipline, and explicit, targeted support—not through a sudden pile of spendable "savings."

Debt figures are similarly abused. A significant portion of Nigeria's recent increase in debt stock in naira terms reflects exchange-rate revaluation of existing external obligations, not fresh borrowing. When the exchange rate adjusts, the naira value of dollar-denominated debt rises automatically. Treating this accounting effect as new borrowing is a category error, not a discovery.

Most persistently, federation-wide collections are presented as if they belong solely to the Fed-

eral Government. They do not. Revenues in a federation are shared, earmarked, netted, and statutorily allocated. Federal budget reality is determined by FGN retained revenue plus deficit financing, not by gross federation inflows aggregated for political effect.

Tinubunomics was never a promise of instant abundance. It is a macro-fiscal reset undertaken within hard constraints: inherited debt service, FX realism, security spending, legacy arrears, and competing constitutional obligations. Its logic is structural—restoring price signals, strengthening revenue administration, rebuilding credibility, and re-pricing the public balance sheet while protecting the most vulnerable.

Those who insist on treating national finance as a household ledger will always find scandal where none exists. But accountability does not begin with social media addiction. It starts with audit logic.

The proper way to interrogate government performance is simple: examine federal retained revenue; separate it clearly from financing; track expenditure across debt service, personnel, capital, and transfers; and then assess outputs—roads built, power delivered, rail extended, schools and clinics rehabilitated.

Anything else is not subject to scrutiny. It is a theatre.

And no amount of theatrical arithmetic can substitute for fiscal discipline.

*Tanimu Yakubu is the Director-General (DG) of the Budget Office of the Federation*

## 2026 Budget: A Reform Consolidation Test, Not a Victory Lap

By Enam Obiosio

I see the 2026 federal budget less as a celebration of reform than as a stress test of whether reform can finally translate into durable gains for households and firms. The framing by the Honourable Minister of Information and National Orientation, Mr. Mohammed Idris, that the budget is designed to consolidate the gains of President Bola Ahmed Tinubu's reform agenda is directionally sound. Consolidation is precisely what this moment demands.

The past 31 months were defined by hard choices. Fuel subsidy removal, foreign exchange liberalisation, and tight monetary conditions imposed real pain, but they also arrested drift

and restored a measure of macro credibility. I acknowledge the early signs the government points to, improving business activity, firmer investor sentiment, easing inflation, and stronger external reserves. These are necessary conditions for recovery, but they are not sufficient outcomes on their own.

Where the 2026 budget must be judged is execution. The credibility gap Nigerians feel is not about intent; it is about delivery at scale and at speed. Social interventions cited by the minister, including the student loan scheme managed by NELFUND, the Presidential CNG initiative, and youth programmes such as LEEP, the Jubilee Fellows Programme, and 3MTT, matter only if they are funded predictably and implemented transparently. The same applies to food security

plans anchored on recapitalising the Bank of Agriculture and expanding mechanisation.

On infrastructure, flagship projects like the Coastal Highway, the Sokoto-Badagry corridor, the AKK Gas Pipeline, and new rail investments can lower costs and bind markets, but only if procurement discipline and capital releases keep pace with ambition. Security improvements, including recent rescues in Kebbi and Niger States, must be sustained through better recruitment, equipment, and coordination.

Finally, communication is policy. I agree with the minister that trust depends on clarity. In 2026, Nigerians will judge the budget not by speeches but by whether reforms deliver jobs, lower costs, and safer communities. Consolidation year must mean results year.