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# The Reforms

*Championing good governance, Driving Development*



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43<sup>rd</sup> Edition

## Nigeria's N68trn Budget Surge, The High Stakes Of Fiscal Expansion



Sen. Godwills Akpabio, Senate President

*Nigeria's 2026 budget arrives at a critical moment. Economic reforms are underway. Public expectations are rising. Fiscal pressures are tightening. In this environment, numbers alone do not tell the full story. What matters is the intent behind them, the structure that supports them, and the discipline that will determine their outcome.*

*The approved N68.3 trillion budget is more than a financial plan. It is a statement of direction. It reflects an effort to reconcile past obligations with present demands while laying a foundation for future growth. Yet, it also exposes enduring weaknesses in revenue generation, debt management, and budget execution.*

**Enam Obiosio** examines the choices embedded

*in the budget, the risks they carry, and the opportunities they present.*

Nigeria has entered a new fiscal phase. The Senate's approval of a N68.323 trillion budget for the 2026 fiscal year marks one of the most aggressive expansions in recent history. The increase from the initial N58.4 trillion proposal is not merely a numerical adjustment. It is a recalibration of priorities under pressure.

At the centre of this shift is a fundamental question. Can Nigeria spend its way into stability while managing the weight of existing obligations?

The answer lies in how the expansion is structured and what it seeks to resolve.

### **A Budget Driven by Legacy Commitments**

A significant portion of the additional N9 trillion stems from the need to regularise outstanding commitments. These are not new ambitions. They are unresolved obligations carried over from previous fiscal cycles. Specifically, N5.71 trillion is allocated to settle inherited capital projects, while N2 trillion is earmarked for projects that were previously omitted.

This decision introduces a level of fiscal transparency that has often been lacking. By bringing these obligations into the current framework, the government reduces the risk of hidden liabilities disrupting future execution.

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However, this clarity comes with a trade-off. When a large share of new spending is consumed by past commitments, the room for fresh policy initiatives becomes constrained. In effect, the budget is as much about cleaning up the past as it is about shaping the future. This dual purpose complicates its impact.

**The Structure of Spending and What It Reveals**

The internal composition of the budget provides deeper insight into policy direction. Capital expenditure accounts for N32.287 trillion, making it the single largest component. This signals a continued reliance on infrastructure as a driver of economic growth.

In theory, this is a sound strategy. Infrastructure investment has multiplier effects. It can stimulate job creation, improve productivity, and unlock private sector participation. Roads, rail, and energy projects can reshape economic activity if executed efficiently.

Yet, the scale of capital allocation also raises practical concerns. Nigeria has historically struggled with capital budget implementation. Delays, cost overruns, and incomplete projects are recurring issues. Without significant improvements in project management and oversight, increased allocation may not translate into proportional outcomes.

Debt servicing, at N15.809 trillion, presents another layer of complexity. It is a reminder that past borrowing decisions continue to shape present fiscal space. A substantial portion of government revenue will be directed towards meeting these obligations, limiting flexibility in other areas.

Recurrent expenditure, excluding debt, stands at N15.427 trillion. This reflects the ongoing cost of governance, including salaries and operational expenses. While necessary, it further tightens the fiscal envelope.

Statutory transfers of N4.799 trillion complete the core structure, ensuring funding for critical agencies and obligations.

Taken together, these figures reveal a budget that is heavily committed before it even begins execution.

**Sectoral Allocations and Policy Signals**

Beyond aggregate numbers, sectoral allocations provide clues about strategic priorities. The health sector receives N482.758 billion. While this represents a commitment to public welfare, it appears modest when placed against the broader expenditure framework.

Nigeria's healthcare system faces structural challenges, from infrastructure deficits to workforce shortages. Addressing these issues requires sustained and substantial investment. The current allocation, although important, may not be sufficient to drive transformative change.

The judiciary is allocated N268 billion, including targeted funding for the Supreme Court and the Court of Appeal. This suggests a deliberate effort to strengthen legal institutions. In a reform environment, a functional judiciary is critical for contract enforcement, dispute resolution, and investor confidence.

Funding for the Ministry of Finance Incorporated (MoFI) also stands out. As a vehicle for managing government investments and assets, its allocation reflects the administration's focus on financial governance and asset optimisation.

Additionally, provisions for feasibility studies on major road corridors indicate a forward-looking approach to infrastructure planning. These studies are essential for ensuring that future investments are



grounded in economic viability rather than political considerations.

**The Role of External Borrowing**

The approval of a \$6.9 billion foreign loan introduces a critical dimension to the fiscal equation. Borrowing is not inherently problematic. What matters is how the funds are utilised and whether they generate returns that exceed their cost.

In this case, the stipulation that 40 percent of the loan be directed towards capital projects is significant. It creates a direct link between borrowing and development outcomes. If implemented effectively, this could enhance infrastructure delivery and sup-

**In a reform environment, a functional judiciary is critical for contract enforcement, dispute resolution, and investor confidence**

port economic growth.

However, the risks remain substantial. External borrowing exposes the country to exchange rate fluctuations. With the naira under pressure, servicing foreign debt can become more expensive over time.

Moreover, the success of this strategy depends on execution efficiency. Poorly managed projects could result in increased debt without corresponding economic benefits.

This is the central tension. Borrowing can accelerate development, but it can also amplify vulnerability if not handled with discipline.

**Revenue Constraints and the Deficit Challenge**

While expenditure continues to rise, revenue remains a persistent constraint. The projected revenue of N34.33 trillion falls significantly short of total spending. This creates a deficit of N23.85 trillion.

Although this deficit is presented as a manageable percentage of GDP, its absolute size is notable. Financing it will require a combination of borrowing and improved revenue mobilisation.

This underscores a structural issue in Nigeria's fiscal framework. The country's revenue base has not kept pace with its expenditure ambitions. Oil revenues remain volatile, while non-oil revenue collection faces efficiency challenges.

Without meaningful reforms in revenue generation, fiscal sustainability will remain elusive.

**Macroeconomic Assumptions and Their Implications**

The budget is anchored on specific macroeconomic assumptions, including an oil price benchmark of \$64.85 per barrel, production of 1.84 million barrels per day, and an exchange rate of N1,400 to the dollar.

These assumptions are critical. If they hold, the budget's projections may be achievable. If they do not, the fiscal balance could be disrupted.

Oil production, in particular, has been subject to fluctuations due to operational and security challenges. Any shortfall could weaken revenue performance.

Similarly, exchange rate dynamics will influence the cost of servicing external debt and the overall stability of the economy.

In this context, the budget's success is closely tied to factors that are not entirely within government control.

**Extending the 2025 Budget and What It Means**

The decision to extend the capital component of the 2025 budget to June 2026 is both practical and revealing. It acknowledges the reality of delayed project execution and seeks to ensure completion rather than abandonment.

From a fiscal perspective, this is a rational move. It protects investments already made and improves value for money.

However, it also highlights systemic inefficiencies. Ideally, budgets should be executed within their designated timelines. Repeated extensions indicate underlying issues in planning, procurement, and implementation.

Addressing these issues is essential if the benefits of increased spending are to be fully realised.

At its core, the 2026 budget represents a balancing act. It seeks to drive growth through increased spending while maintaining a degree of fiscal discipline. It attempts to resolve past obligations while investing in future priorities.

This is not an easy task. The pressures are significant. Debt levels are rising. Revenue growth is constrained. Execution capacity is uneven.

Yet, the opportunities are also real. With effective implementation, the budget could stimulate economic activity, improve infrastructure, and strengthen institutions.

The margin for error, however, is narrow.

Nigeria's N68.3 trillion budget is both ambitious and consequential. It reflects a government willing to expand its fiscal footprint in pursuit of stability and growth. At the same time, it exposes the structural challenges that continue to define the country's public finance landscape.

The path ahead will depend on execution. Transparent processes, efficient project management, and disciplined spending will be critical. Equally important is the need to strengthen revenue generation and reduce dependence on borrowing.



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**EDITORIAL****Nigeria's Health Security Cannot Be Outsourced To Diplomacy**

**W**e must confront an uncomfortable truth. Nigeria's growing engagement with China on health cooperation, while strategically useful, cannot substitute for the hard domestic reforms required to secure our public health system. The recent dialogue between Nigeria and the People's Republic of China underscores an important shift in tone, from reactive crisis management to deliberate system design. But tone is not transformation.

We acknowledge the value of South-South cooperation. Joint research, capacity building, and coordinated responses to cross-border health threats are necessary in an increasingly interconnected world. We also recognise that partnerships can accelerate knowledge transfer and provide access to technologies that Nigeria currently lacks. These are legitimate gains.

However, we must resist the temptation to overstate what external partnerships can achieve.

The real issue is not whether Nigeria collaborates with China or any other partner. It is whether Nigeria is building the internal capacity required to translate such collaborations into sustainable outcomes. Without that capacity, partnerships risk becoming performative, visible, well-artic-

ulated, but ultimately shallow in impact.

We are told that the dialogue signals a move towards resilience. That resilience, however, cannot be imported. It must be built. And it must be built deliberately, consistently, and at scale.

We cannot continue to operate a health system that responds late, coordinates poorly, and struggles to sustain capacity, then expect external cooperation to compensate for these structural weaknesses. The emphasis on early detection, faster response, and sustained capacity is correct. But these are not new insights. They are long-standing deficiencies that have persisted despite multiple policy cycles and international engagements.

What is required now is not another articulation of priorities. It is execution.

We must invest in surveillance systems that function beyond pilot phases. We must integrate the One Health approach into actual operational frameworks, not just policy language. We must train personnel at scale, not selectively. And critically, we must build local manufacturing capacity for essential health commodities, reducing dependence on external supply chains that have repeatedly failed under global stress.

The reference to public trust

is particularly instructive. Trust cannot be mandated. It is earned through consistent, transparent, and effective service delivery. A health system that is underfunded, unevenly distributed, and often inaccessible cannot command trust, regardless of how many international partnerships it signs.

We must also interrogate the broader ambition to position Nigeria within the global health security architecture. This is a legitimate aspiration, but it cannot be achieved through diplomacy alone. Influence in global health is not granted, it is earned through demonstrated domestic capability.

If Nigeria cannot manage its own health risks effectively, its role in regional or global systems will remain limited.

We therefore take a clear position. Nigeria-China cooperation should be seen as an enabler, not a solution. It can support, complement, and accelerate progress. But it cannot replace the foundational work that must be done within Nigeria's own institutions.

Preparedness, as rightly stated, is no longer optional. But preparedness is not a declaration. It is a discipline. And until Nigeria treats it as such, no amount of international engagement will deliver the resilience it seeks.

**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**

**F**or 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.

Partner with *The Reforms*. Let the story of Nigeria's rebirth be told by those who live it, lead it, and believe in it.



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# CBN Rolls Out Cybersecurity Checks To Strengthen Banking System



Mr. Olayemi Cardoso, Governor of CBN

By Kingsley Benson

The Central Bank of Nigeria (CBN) has introduced a new layer of cybersecurity checks for banks and other financial institutions, signalling a broader push to reinforce the stability and safety of the country's financial system.

In a circular dated March 30, the apex bank directed regulated institutions to complete a newly deployed cybersecurity self-assessment tool, known as CSAT. The move is designed to help authorities better understand how well financial institutions are protected against cyber threats, which have become an increasing concern globally.

The CBN explained that the tool is part of its responsibilities under the Banks and Other Financial

Institutions Act (BOFIA) 2020 and will serve as a key instrument for assessing the digital resilience of institutions under its supervision. By gathering structured data from banks, the regulator aims to identify vulnerabilities early and respond more effectively to emerging risks.

All affected institutions have been instructed to submit their assessments through a dedicated online portal. Access to the platform, along with detailed guidance, will be provided to chief information security officers and other designated officials responsible for cybersecurity within each organisation.

According to the directive, submissions must reflect each institution's cybersecurity status as of December 31, 2025, and should be backed by relevant documentation where necessary. This requirement

suggests a shift toward more evidence-based regulation, where claims about system strength must be supported by verifiable data.

The CBN also issued a clear warning against inaccurate reporting. It stated that any false, misleading or incomplete information would be treated as a regulatory violation and sanctioned in line with existing laws. This underscores the regulator's intent to ensure that institutions treat the exercise with seriousness rather than as a routine compliance task.

**... submissions must reflect each institution's cybersecurity status as of December 31, 2025...**

Beyond data collection, the apex bank indicated that it will carry out follow-up checks, including off-site reviews and direct supervisory engagements, to validate the information submitted. These steps are expected to deepen oversight and ensure that reported cybersecurity measures reflect actual conditions within institutions.

For the broader public, the initiative reflects a growing recognition that financial stability is no longer only about capital adequacy and liquidity, but also about digital security. As banking services continue to migrate online, the risks associated with cyberattacks, data breaches and system disruptions have become more pronounced.

By tightening its supervisory approach, the CBN is positioning itself to better anticipate and manage these risks, while compelling financial institutions to strengthen their internal controls. The outcome, if effectively implemented, could translate into greater confidence in the banking system and improved protection for customers whose financial lives are increasingly conducted in digital spaces.

## PenCom Opens Pension Door To All Ages, Bets On Early Savings Culture

By Anita Dennis

Nigeria's pension system is entering a new phase as the National Pension Commission widens access to its Personal Pension Plan, allowing participation from birth. The reform signals a shift from pension as a late-stage obligation to a lifelong financial strategy anchored on early discipline.

Director-General of PenCom, Ms. Omolola Oloworaran, framed the decision as both inclusive and forward-looking. "The PPP is now open to everyone. The age limitations that existed before have been lifted. Students and newborns can begin contributing," she said after the Pension Industry Leadership Council meeting in Lagos.

The change dismantles a long-standing barrier. Previously, the plan catered mainly to self-employed individuals and professionals aged 18 and above. That framework limited early entry into structured retirement savings. The revised policy expands the net across all demographics, with a clear intent to deepen participation.

Ms. Oloworaran underscored the broader objective,

linking the reform to systemic gaps in pension coverage. "The policy shift is expected to accelerate early savings culture in Nigeria, where pension penetration remains relatively low despite over two decades of reform," she noted. The statement reflects a persistent concern among regulators about the narrow reach of formal retirement systems.

At a technical level, the reform leverages the mathematics of long-term investing. Early contributions benefit from compounding, where returns accumulate on both principal and prior gains. Over decades, this creates exponential growth. By introducing savings at infancy or during school years, the policy extends the investment horizon significantly.

The PenCom chief made this linkage explicit. She explained that enabling contributions from infancy "introduces a long-term savings horizon that could significantly enhance retirement outcomes through compounding, while also strengthening household financial resilience." The emphasis here is dual. It is about future income security and present-day financial stability.

There are wider economic implications. Pension funds serve as a stable source of domestic capital, often chan-

nelled into infrastructure and capital markets. Expanding the contributor base, especially with younger participants, strengthens this pool over time. It also reduces reliance on volatile short-term capital flows.

Yet, the success of the policy will hinge on execution. Awareness remains uneven, particularly among informal sector participants and low-income households. Trust in financial institutions is another variable. Without clear communication and simplified entry processes, the reform risks slow uptake.

PenCom appears aware of this gap. The emphasis on inclusivity suggests that outreach and digital access will be critical next steps. For many households, the idea of saving for retirement from birth is unfamiliar. Bridging that perception gap will require consistent engagement and practical education.

What emerges is a recalibration of how retirement is perceived in Nigeria. Not as a distant concern tied to employment, but as a continuous process that begins early and compounds quietly. The policy sets the structure. Its real impact will depend on how quickly Nigerians, across age and income levels, choose to participate.



Funding Nigeria's Agriculture, Growing Prosperity

## NSIA, World Bank Move To Unlock Financing For Power, Ports Projects



Mr. Aminu Umar-Sadiq, Managing Director of NSIA

By Ahmed Ahmed

The Nigeria Sovereign Investment Authority (NSIA) is advancing plans, in partnership with the World Bank, to unlock financing for major infrastructure projects across the power and ports sectors, in a move aimed at addressing long-standing funding gaps in critical assets.

At the centre of the initiative is the proposed Nigeria Infrastructure Finance Guarantee Platform, a joint framework designed to attract private sector capital into large-scale infrastructure by reducing investment risks and improving project viability.

Speaking recently in Abuja, Managing Director of NSIA, Aminu Umar-Sadiq, said that the focus is on mobilising financing for projects of significant scale, particularly in sectors that drive economic productivity such as power transmission, seaports, and airports.

“Financing and execution of large-scale infrastructure projects for a country as large as ours, with the demography, with the size of gross domestic product (GDP), I think it is important for NSIA to lead the way in finding sustainable solutions for funding large scale projects,” he said.

He explained that the platform is structured to address key barriers to infrastructure financing through an integrated approach. “It will be a combination of a project preparatory component, a viability gap component, infrastructure financing component and a guarantee component, basically the four things that are required in general to solve

such issues,” Umar-Sadiq added.

According to him, the financing scope will extend beyond the power sector to other critical infrastructure segments. “That large scale financing will focus, not just power sector. It is in any hard infrastructure sector that would allow a scale up of airports and seaports, power transmission, and so on,” he said.

Beyond Nigeria, the Authority is also expanding its investment footprint across the Global South, partnering with other investors to diversify its portfolio and tap into emerging market opportunities.

The financing push comes alongside a strong financial performance by the sovereign wealth fund. For the 2025 financial year, NSIA reported Core Operating Income of N525.3 billion and Core Total Comprehensive Income of N478.8 billion, underpinned by fresh capital inflows and improved investment returns.

Umar-Sadiq said the results were delivered despite a challenging macroeconomic environment. “This resilient growth was underpinned by a total of N360.8 billion in capital contribution during the year and N478.8 billion in core earnings,” he noted.

He added that improved portfolio management also played a key role. “This growth was driven by dynamic asset allocation, efficient liquidity deployment, a 35.8% increase in investment securities, and improved returns across multiple asset classes,” he said.

The planned collaboration with the World Bank signals a more structured effort to bridge Nigeria’s infrastructure financing deficit, positioning the NSIA as a central player in developing sustainable funding models for large-scale national projects.

## Illicit Financial Flows Draining Africa’s Dev’t, Oyedele Warns

By Majeed Salaam

The Honourable Minister of State for Finance, Prof. Taiwo Oyedele, has raised concerns over the scale of illicit financial flows across Africa, warning that the persistent loss of funds is undermining development and weakening the continent’s fiscal independence.

Speaking recently at the close of a high-level African Union (AU) conference on tax and illicit financial flows in Abuja, Oyedele described the problem as a direct drain on public resources that should otherwise fund critical services and infrastructure.

“Every naira, every shilling, every rand, every dollar lost to illicit financial flow is a school not built, it’s a hospital not equipped, and it’s a job not created,” he said.

He stressed that the issue extends beyond taxation, framing it as a broader governance and development challenge affecting economies across the continent. According to him, weak systems, poor coordination, and limited enforcement capacity continue to allow capital to slip through regulatory gaps.

Oyedele called for a more structured and coordinated response, urging African countries to strengthen transparency frameworks, including beneficial ownership registers, improve data utilisation, and enhance cross-border cooperation to track and curb illicit transactions.

“We must strengthen transparency systems... enhance cross-border cooperation, use data more effectively, and ensure enforcement is credible and consistent,” he said.

On taxation, the minister pointed to the growing complexity of the digital economy, warning that Africa risks losing further revenue if it does not assert its taxing rights in emerging global frameworks. He emphasised the need for stronger capacity in digital tax administration and more strategic engagement in international negotiations.

He also warned that fragmentation among African countries is weakening their collective bargaining power, particularly in global tax discussions. Greater coordination, he said, is essential to ensuring fairer outcomes and preventing revenue losses.

“And coordination is no longer optional... fragmentation is costing Africa,” Oyedele noted.

The minister linked these concerns to broader continental ambitions under the African Continental Free Trade Area, arguing that trade integration must be matched with aligned fiscal policies to deliver meaningful results.

“The African Continental Free Trade Area presents a unique opportunity to align our fiscal systems with our trade ambitions,” he said.

Oyedele urged governments to prioritise reforms at home by strengthening tax administration systems, digitising processes, and building institutional capacity, while also deepening collaboration across borders.

He concluded with a call for unity, noting that Africa’s ability to confront illicit financial flows and other structural challenges depends on collective action.

“Africa needs to go far and fast. Africa’s future will not be defined by its challenges, but how decisively it responds to them,” he said.



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# SEC Pushes Stronger Collaboration To Unlock Nigeria's Investment Potential



Dr. Emomotimi Agama, Director-General of SEC

By Jennete Ugo Anya

The Director-General (DG) of the Securities and Exchange Commission (SEC), Dr. Emomotimi Agama, has called for closer cooperation among financial sector players as Nigeria seeks to position its capital market as a stronger engine for long-term economic growth.

Speaking recently at an investor gathering, Agama made the case that no single institution can build a functional and globally competitive capital market in isolation. Regulators, investors, issuers and policymakers, he argued, must work in alignment if Nigeria is to attract sustained investment and translate its economic potential into measurable development outcomes.

His remarks come at a time of heightened uncertainty in the global economy, where shifting trade patterns, volatile capital flows and evolving investor preferences are reshaping how countries compete for funding. While some markets may currently attract investors seeking quick returns, Agama maintained that economies like Nigeria offer deeper, longer-term value due to their scale and largely untapped opportunities.

He pointed to signs of progress within Nigeria's capital market, noting that recent reforms are beginning to yield results. Measures such as electronic public offerings, a more active bond market, the expansion of alternative investment channels and growing alignment with sustainable finance principles are gradually restoring investor interest and confidence.

Even so, he acknowledged that the market's full potential remains underutilised. Compared to peer economies, Nigeria's market capitalisation relative to its gross domestic product is still low, retail investor participation remains limited and key segments such as the derivatives market are yet to mature.

For Agama, closing these gaps will require delib-

erate action from multiple stakeholders. He urged Nigerian companies to increasingly turn to the capital market as a primary source of financing, while improving corporate governance standards, strengthening disclosures and building credible investor relations structures that can attract institutional capital.

He also challenged domestic institutional investors, including pension fund administrators and insurance firms, to take a more active role in the market. According to him, Nigeria's growing pool of long-term savings represents a strategic asset that should be deployed more effectively across a broader range of investment instruments.

At the policy level, the SEC chief emphasised the need for deeper coordination among key financial regulators, including the Central Bank of Nigeria (CBN), Debt Management Office (DMO), National Insurance Commission (NAICOM) and National Pension Commission (PenCom). A more harmonised regulatory environment, he said, would present a clearer and more consistent signal to both domestic and international investors.

Agama further assured foreign investors and development finance institutions that Nigeria remains open to investment, with ongoing efforts to maintain a regulatory framework that is transparent, rules-based and aligned with global standards.

Underlying his message was a broader argument about the role of capital in national development. Countries that have built strong economies, he noted, have done so not simply because of natural endowments, but because they developed the systems and discipline to allocate resources efficiently.

Nigeria, in his view, is at a critical juncture. The choices made by investors, regulators and policymakers over the next few years will determine whether the country fully harnesses emerging opportunities or continues to underperform relative to its potential.

# EBID Commits Over \$267m To West Africa Projects, With Nigeria Securing Major Share

By Ahmed Ahmed

The ECOWAS Bank for Investment and Development (EBID) has approved more than \$267 million alongside XOF30 billion in fresh financing to support a spread of infrastructure and industrial projects across West Africa, with Nigeria emerging as a major beneficiary.

The approvals, granted at the bank's 95th Board session, reflect a broader push to strengthen economic integration, improve infrastructure, and stimulate job creation across member states including Nigeria, Ghana, Senegal, The Gambia, and Côte d'Ivoire.

Nigeria accounts for a significant portion of the funding. A \$100 million allocation will support the Lagos-Calabar Coastal Highway, a major transport corridor expected to connect nine coastal states, reduce congestion, and improve the movement of goods and services. The project is also seen as critical to unlocking regional trade flows along the Atlantic corridor.

In addition, \$91.63 million has been earmarked for transport infrastructure in Bauchi State, targeting improved road networks that will open up agricultural zones, lower logistics costs, and expand access to markets and essential services. Another \$50 million will go into waste management infrastructure in Lagos, with a strong focus on environmental sustainability and job creation.

The Lagos waste project is expected to raise recycling rates to about 45 percent, generate more than 5,000 jobs, and produce roughly 60,000 tonnes of organic compost annually, while addressing public health risks associated with poor waste disposal.

Across the region, the bank's interventions extend into industrial expansion and financial support for small businesses. In Senegal, a XOF20 billion credit line to BNDE is aimed at boosting financing for small and medium-sized enterprises, agriculture, and housing, with a particular focus on women and youth employment.

Ghana will benefit from a \$15 million tissue manufacturing plant, while The Gambia is set to receive \$10.04 million to expand agricultural operations. In Côte d'Ivoire, a XOF10 billion facility for Afriland First Bank is designed to strengthen lending to MSMEs and support real sector investments.

President of EBID, Dr. George Donkor, said the financing reflects a deliberate strategy to support projects that create long-term economic value across the region.

"These interventions reflect our ambition to support Member States in structuring value-creating projects that are fully aligned with the Sustainable Development Goals. By investing in infrastructure, agro-industry, environmental management, and industrial transformation, we are strengthening the foundations of a more resilient, inclusive, and integrated growth trajectory within West Africa," he said.

The latest approvals highlight a growing role for regional development finance institutions in bridging funding gaps and accelerating economic transformation, particularly at a time when governments across West Africa are under pressure to deliver growth, jobs, and improved living standards.

# Nigeria's Reform Momentum Gains Global Backing As World Bank Commits \$500m, Demands Stronger Oversight



Mr. Mathew Verghis, World Bank Country Director

By Musa Ibrahim

Nigeria's reform trajectory has received a dual boost from the World Bank, combining a strong endorsement of ongoing economic reforms with fresh financing targeted at agriculture, even as the institution pushes for tighter legislative oversight to sustain results.

The World Bank described Nigeria as an emerging model for economic reform among developing countries, citing early gains from recent policy adjustments and signalling readiness to deepen support across key sectors. Speaking recently in Abuja, the Country Director, Mathew Verghis, emphasised that sustaining these gains will depend on effective parliamentary scrutiny, particularly for development-funded projects. "Legislative oversight re-

mains a critical pillar for ensuring accountability and effectiveness," he said.

The bank noted a structural shift in its Nigeria operations, with increasing decentralisation of project implementation to state governments over the past four to five years. While the federal government remains the borrower, states now drive execution based on strict eligibility criteria, a model designed to improve delivery efficiency and enforce performance discipline.

At the same time, the institution is intensifying sectoral interventions, placing particular emphasis on women's economic empowerment and human capital development, including a forthcoming early childhood programme focused on maternal health, education, and welfare outcomes.

In a major financing move, the World Bank ap-

proved a \$500 million International Development Association credit for the Nigeria Sustainable Agricultural Value-Chains for Growth (AGROW) project. The initiative targets up to one million smallholder farmers, aiming to raise productivity, strengthen value chains, and enhance food security.

Agriculture remains Nigeria's largest employer but is constrained by low productivity, weak market linkages, and climate vulnerabilities. The AGROW programme is structured to address these gaps through a results-based matching grant system that incentivises agribusinesses to source from smallholders, alongside investments in improved seeds, fertiliser systems, extension services, and a national digital farmer registry.

The six-year programme, spanning 2026 to 2032, is also expected to mobilise an additional \$220 million in private sector investment, with a focus on key crops such as rice, maize, cassava, and soybeans. Verghis described the intervention as "a transformative step for Nigeria's agriculture," noting its potential to boost yields, create jobs, and improve resilience to climate shocks.

Beyond Nigeria, the World Bank is also responding to mounting global economic risks. In collaboration with the International Energy Agency and the International Monetary Fund, it has agreed to establish a joint coordination group to address the economic and energy disruptions arising from the Middle East conflict. The institutions warned that the crisis has triggered one of the largest supply shocks in global energy market history, driving up oil, gas, and fertiliser prices while exacerbating inflation and food security concerns, particularly in low-income, energy-importing countries.

The coordination group will pool data, align policy responses, and mobilise financing support to mitigate the crisis' impact, with a focus on vulnerable economies facing constrained fiscal space and rising debt pressures.

Taken together, the World Bank's position reflects a calibrated approach, endorsing Nigeria's reform direction while tying continued support to stronger governance, subnational execution capacity, and measurable development outcomes.

## Nigeria Secures UAE Backing To Revive National Shipping Carrier

By Kingsley Benson

The federal government has moved to revive Nigeria's long-abandoned national shipping carrier, securing interest from major international operators from the United Arab Emirates (UAE) as part of a broader strategy to reposition the country's maritime sector.

The Honourable Minister of Marine and Blue Economy, Mr. Adegboyega Oyetola, recently disclosed that global port and logistics firms, including AD Ports Group and DP World, have indicated readiness to partner with Nigeria on the initiative. The planned carrier is expected to strengthen indigenous shipping capacity, retain more value within the domestic economy, and expand employment opportunities.

"I am pleased to inform you that we have made significant progress toward the refloating of a National Shipping Carrier. We have secured the interest of reputable international partners who are

collaborating with us to bring this vision to fruition," Oyetola said.

The renewed push reflects growing concern over Nigeria's dependence on foreign shipping lines, which currently dominate the movement of goods in and out of the country, with limited local participation in the value chain.

According to the minister, the new carrier will work alongside other policy measures aimed at building local capacity, including the planned disbursement of the Cabotage Vessel Financing Fund, designed to provide financial support to indigenous shipowners.

"By empowering local operators, we are strengthening national capacity and positioning Nigeria for greater participation in global shipping," he said.

Beyond shipping, the government is also advancing a nationwide port modernisation programme to improve infrastructure and operational efficiency. Oyetola dismissed suggestions that upgrades are limited to Lagos, noting that procurement processes

are already underway for ports in Warri, Port Harcourt, Onne, and Calabar, in addition to approved improvements at Apapa and Tin Can Island.

He described the modernisation effort as a comprehensive reform that will enhance port efficiency, reduce vessel turnaround time, and improve cargo handling capacity.

Looking ahead, the government has also approved the development of new deep seaports in Bayelsa, Cross River, Akwa Ibom, and Ondo States, a move expected to ease congestion at existing facilities and open up new economic corridors.

"These projects will expand Nigeria's maritime capacity, decongest existing ports, open up new economic corridors, and position our country as a leading maritime gateway in Africa," Oyetola said.

The combined initiatives signal a coordinated attempt to reposition Nigeria's maritime industry as a driver of trade and economic diversification, while reducing structural inefficiencies that have long constrained the sector.

# Gov. Sule Unveils 2026 Nasarawa Investment Summit, Signals Post-2027 Economic Continuity



Mr. Abdullahi Sule, Governor of Nasarawa State

By Jennete Ugo Anya

**G**overnor Abdullahi Sule has formally launched the 2026 Nasarawa Investment Summit, setting the stage for what is expected to be a defining edition aimed at consolidating investment gains and assuring continuity beyond the 2027 political transition.

The summit, scheduled for May 6 to May 7, 2026, in Lafia, comes against the backdrop of seven years of reforms focused on improving the state's investment climate and strengthening institutional frameworks. Speaking recently at the unveiling, Sule said the theme, "Bold Transitions: Building a Legacy for Sustainable Futures," reflects a deliberate effort to shift the state's economic trajectory from personality-driven governance to systems anchored on policy and institutional stability.

He pointed to reforms in land administration, ease of doing business, and private sector engagement across agriculture, mining, manufacturing, and infrastructure as key drivers that have elevated Nasarawa into the top tier of Nigeria's most competitive states, according to World Bank rankings.

The governor framed the 2026 edition as both a showcase and a signal, describing it as the final summit under his administration and a platform to reassure investors that the state's economic direction will remain intact after his exit.

"We want investors to know that what we have built is not going to disappear after we leave. The institutions will remain. The policies will remain. That is the message of this summit," Sule said.

A central feature of the summit will be the proposed Lafia Declaration, a voluntary pact expected to be signed by political actors, including gubernatorial aspirants and legislators, alongside development

partners and investors. The declaration is designed to secure cross-political commitment to sustaining Nasarawa's economic reforms and investment policies beyond the current administration.

The event will also incorporate a structured deal room to facilitate investment transactions, a Mi-

cro, Small and Medium Enterprises competition and showcase, and a policy dialogue centred on the Nasarawa Gas Master Plan, which the government considers critical to long-term industrialisation.

High-level participation is anticipated, with Ghana's President, John Mahama, invited to deliver the keynote address, while Vice President Kashim Shettima is expected as Special Guest of Honour.

Early indicators suggest strong investor interest, with the governor disclosing that financial commitments are already being mobilised ahead of the summit. He expressed confidence that private sector contributions would surpass public spending, continuing a pattern established in previous editions.

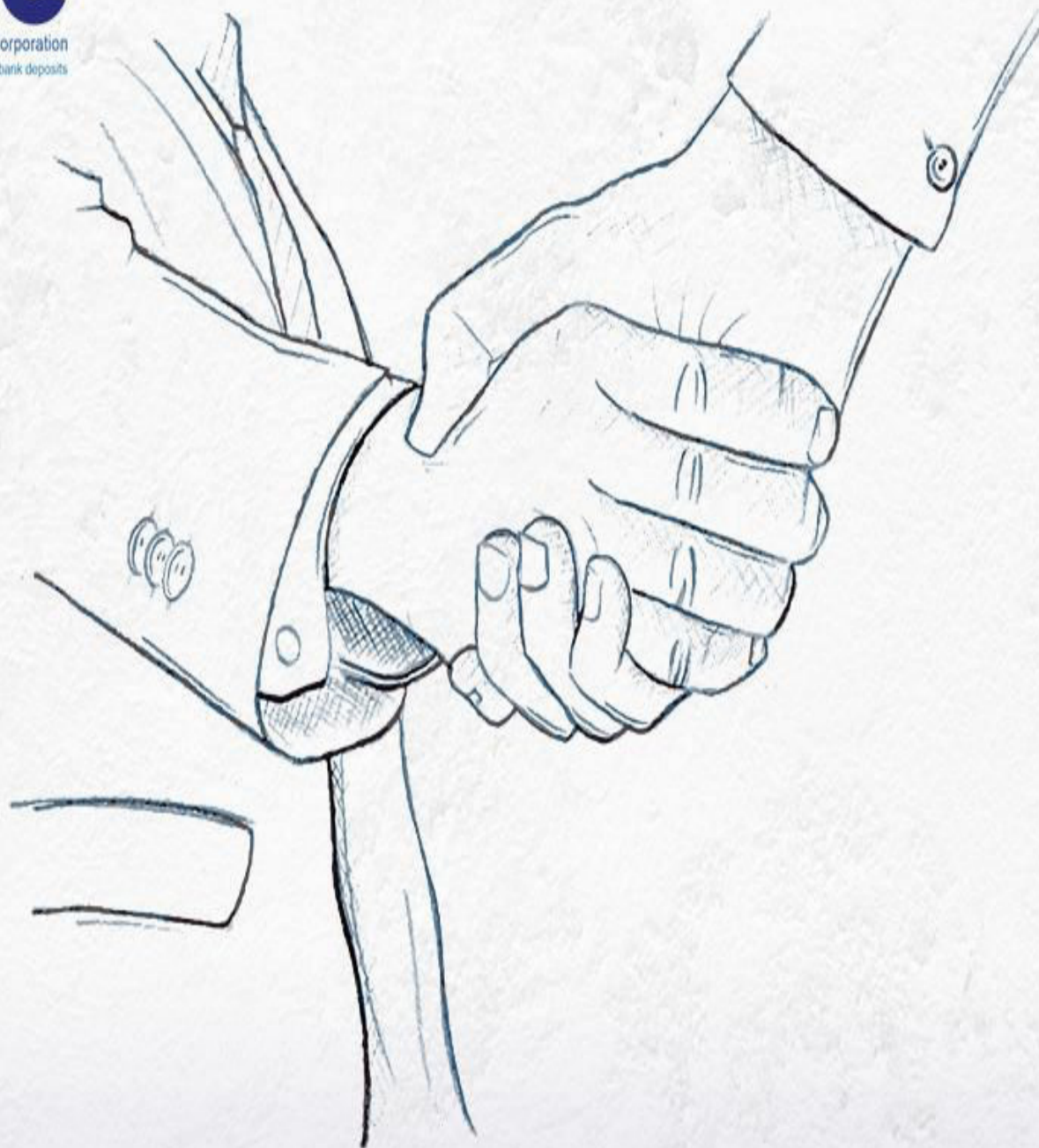
Providing context to the state's investment trajectory, Managing Director of the Nasarawa State Investment Development Agency, Ibrahim Abdullahi, said the summit has played a central role in attracting capital inflows. Since its inception in 2022, the state has secured a cumulative \$2.3 billion in investments.

Between 2022 and 2024, Nasarawa recorded \$1.8 billion in investments and \$1.3 million in technical assistance. In 2025 alone, the state attracted an additional \$1 billion, with \$505 million already actualised, underscoring what Abdullahi described as growing investor confidence in the state's policy consistency.

**... the summit has played a central role in attracting capital inflows. Since its inception in 2022, the state has secured a cumulative \$2.3 billion in investments**

The 2026 summit is therefore positioned not merely as an investment forum, but as a strategic inflection point, one that seeks to lock in reforms, deepen investor trust, and institutionalise a development pathway that can withstand political change.

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# NCC Orders Telcos To Compensate Nigerians For Poor Network Service



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

By Anita Dennis

The Nigerian Communications Commission (NCC) has directed mobile network operators to begin compensating subscribers in areas where service quality falls below required standards, marking a shift toward stronger consumer protection in Nigeria's telecom sector.

For millions of users who regularly struggle with dropped calls, failed connections and unexplained airtime losses, the move signals a more direct form of accountability. Rather than leaving

used for service failures beyond their control. It also reflects a broader regulatory shift that places users at the centre of the telecommunications ecosystem.

The commission noted that telecom services now play a critical role in daily life, supporting business transactions, social interaction and access to digital services. When networks fail, the impact extends beyond inconvenience, affecting productivity, commercial activity and public confidence in the system.

Until now, enforcement has largely relied on fines imposed on operators. While those penalties

**... telecom services now play a critical role in daily life, supporting business transactions, social interaction and access to digital services**

subscribers to absorb the cost of poor service, the regulator now wants operators to bear the consequences when their networks underperform.

Under the new directive, telecom companies will be required to compensate customers for breaches of Quality of Service benchmarks within defined periods. The compensation will come in the form of airtime credits, calculated based on users' average spending and their presence in specific Local Government Areas where service disruptions are recorded.

According to Nnenna Ukoha, Head of Public Affairs at the Commission, the policy is designed to ensure that consumers are not unfairly penal-

remain in place, the NCC is introducing this compensation framework as a more consumer-facing approach, one that directly addresses the experience of users rather than focusing solely on corporate sanctions.

The directive also extends beyond telecom operators. Tower companies responsible for critical infrastructure such as masts have been instructed to reinvest funds derived from regulatory fines into improving network capacity and reliability. The commission wants these investments tied to measurable outcomes, ensuring that penalties translate into tangible improvements in service delivery.

## Quotes of the Week

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

**W**e must unlock private capital. Given our population, given the 600,000 graduates that are produced every year, we must create jobs at scale. And, of course, we must deliver measurable impact.

**Ms. Omolola Oloworaran, DG of PenCom**

**T**he personal pension plan (PPP), is now open to everyone. The age limitations that existed before have been lifted. Students and newborns can begin contributing.

**Mr. Abdullahi Sule, Governor of Nasarawa State**

**W**e want investors to know that what we have built is not going to disappear after we leave. The institutions will remain. The policies will remain. That is the message of this summit.

# Reps Tighten Oversight On NIMASA, Tie 2026 Budget To Measurable Performance



Mr. Dayo Mobereola, Director-General of NIMASA (left), with Khadija Abba-Ibrahim, Chairperson of the House of Rep. Committee on Maritime Safety, Education & Administration

By Anita Dennis

The House of Representatives Committee on Maritime Safety, Education and Administration has moved to recalibrate its oversight of the Nigerian Maritime Administration and Safety Agency (NIMASA), setting stricter performance benchmarks and binding accountability measures to the agency's 2026 budget.

The position emerged during NIMASA's budget defence on Tuesday last week, where lawmakers adopted a firmer posture on governance standards across maritime institutions, including the Maritime Academy of Nigeria. The committee made it clear that weak service delivery, imprecise projections and opaque reporting would no longer pass legislative scrutiny.

Chairperson of the committee, Khadija Abba-Ibrahim, framed the exercise as a decisive accountability test rather than a routine budget review. She stated that heads of agencies must take full responsibility for both their financial estimates and operational outcomes, particularly at a time when new members of the committee are engaging more deeply with the sector.

NIMASA, according to figures presented, is projecting gross revenue of about N724 billion for 2026. Its expenditure plan spans recurrent obligations, capital investments, maritime security operations, infrastructure upgrades and seafarer development programmes.

Abba-Ibrahim acknowledged the agency's strategic role in maritime safety and trade facilitation but emphasised that recognition would be contingent on verifiable outcomes. She directed the agency to articulate a clear strategic roadmap for 2026, with

defined responses to persistent challenges such as maritime insecurity, operational inefficiencies and gaps in human capital development.

Lawmakers requested detailed, data-driven submissions covering safety interventions, revenue optimisation frameworks, workforce capacity plans and the status of ongoing and proposed projects. They reiterated that the maritime sector remains central to Nigeria's economic architecture and must demonstrate tangible progress, particularly in strengthening

**... the maritime sector remains central to Nigeria's economic architecture and must demonstrate tangible progress, particularly in strengthening security, supporting indigenous shipping and sustaining growth**

ing security, supporting indigenous shipping and sustaining growth.

While expressing willingness to support reforms, the committee underscored that future budget approvals would be conditional on transparency and measurable performance indicators.

Responding, NIMASA Director-General, Dayo Mobereola, said that the agency commenced full automation of its operations and revenue collection systems in 2025 following Federal Executive Council approval. He noted that the MOKOSA digital platform is designed to eliminate leakages and guarantee complete remittance of government revenues.

Mobereola also disclosed that the Cabotage Vessel Financing Fund was relaunched in January and has already attracted about 60 applications from indigenous shipping firms. Under the revised framework, financial institutions now play a central role in risk assessment and repayment guarantees, a move he said would improve discipline and sustainability in fund disbursement.

He added that support for local shipowners, particularly in access to vessels and critical inputs, would be strengthened under the new arrangement. The Director-General further pointed to Nigeria's return to the council of the International Maritime Organization after a 14-year absence as a strategic gain for the country's global maritime standing.

Despite these assurances, some lawmakers questioned the timing of the 2026 budget presentation, citing the absence of a comprehensive review of NIMASA's 2025 performance as a gap in the evaluation process.

The session closed with a clear signal from the National Assembly: funding for maritime agencies going forward will be strictly tied to transparency, accountability and demonstrable impact.



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”

# Africa Must Fund Its Own Future, Edun Tells Continent's Finance Leaders



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

By Majeed Salaam

The Honourable Minister of Finance and Coordinating Minister of the Economy, Mr. Wale Edun, has called for a decisive shift in how African countries finance their development, warning that the continent cannot continue to depend on debt, aid and external investment if it hopes to achieve the ambitions of Agenda 2063.

Speaking recently at a high-level meeting of African finance and tax officials, Edun outlined a practical roadmap for strengthening economic independence, centred on expanding tax systems, blocking revenue leakages and improving public financial management to ensure transparency and accountability.

His message reflects a growing consensus among policymakers that Africa must look inward for sustainable growth, particularly as global economic dynamics shift and traditional sources of development finance become less reliable.

Edun argued that African countries need to significantly broaden their tax base and strengthen enforcement mechanisms to reduce losses from tax evasion and inefficiencies. He also stressed the importance of boosting domestic savings and deepening financial inclusion, noting that mobilising local capital is essential for long-term investment.

Beyond taxation, he pointed to the need for stronger capital markets that can support innovation and enterprise across the continent. According to him, building resilient financial systems will enable African economies to better withstand external shocks and finance critical sectors such as infrastructure, healthcare and education.

A major concern raised by the minister was the persistent problem of illicit financial flows, which he said have cost Africa an estimated \$88 billion annually. These losses, often linked to illegal transfers, trade mispricing and tax avoidance schemes, continue to deprive governments of resources that could transform economies and improve living standards.

"These changes in the global system reinforce a clear lesson," Edun said in substance, "Africa must increasingly rely on its own institutions and resour-

es."

Also speaking at the session, Dr. Zacch Adedeji, Executive Chairman of the Nigeria Revenue Service (NRS), highlighted the mounting pressure on governments across the continent to fund development priorities amid widening financing gaps.

He noted that African countries are simultaneously expected to invest in infrastructure, strengthen social safety nets, drive industrialisation and respond to climate challenges, all while losing significant revenue to illicit flows and weak tax compliance.

Adedeji, however, framed the situation as an opportunity for reform. He emphasised that effective tax systems are not only about revenue generation but also about strengthening governance and building trust between citizens and the state.

According to him, when tax systems are transparent, efficient and fair, they reinforce confidence in public institutions and create a more stable environment for economic growth.

**... Africa must look inward for sustainable growth, particularly as global economic dynamics shift and traditional sources of development finance become less reliable**

He pointed to ongoing reforms across Africa, where revenue authorities are modernising operations, deploying digital tools and improving compliance frameworks to enhance efficiency. In Nigeria, he said, efforts are underway to transform tax administration into a more technology-driven system capable of supporting national development goals.

Despite these reforms, both speakers agreed that illicit financial flows remain a major obstacle to progress. The scale of these outflows, they warned, represents lost investments in critical sectors and a direct setback to Africa's development ambitions.

## Reforms Nuggets

### Nigeria, Chad Close Ranks On Security As Regional Threats Intensify

Nigeria is recalibrating its regional security posture. Fresh commitments from Abuja signal a renewed push to strengthen cross-border cooperation, particularly with Chad, as threats across the Lake Chad Basin evolve.

Below are the key takeaways shaping this development:

- **Strategic Reset in Bilateral Security Cooperation**

Nigeria has reaffirmed its commitment to deepening security ties with Chad. This move reflects a broader shift towards coordinated regional responses rather than isolated national efforts.

- **Tinubu–Déby Talks Signal Urgency**

Bola Ahmed Tinubu hosted Mahamat Idriss Déby in Abuja for high-level discussions focused on security coordination. The timing underscores growing concern over persistent instability in the region.

- **Renewed Offensive Against Terrorism and Banditry**

Both countries pledged joint action to combat terrorism and banditry. The emphasis is on operational collaboration, intelligence sharing, and coordinated military responses across borders.

- **MNJTF Framework Back in Focus**

Nigeria and Chad reaffirmed their roles within the Multinational Joint Task Force. The platform remains central to efforts aimed at dismantling terrorist networks operating across the Lake Chad Basin.

- **Shared Security Burden Across Borders**

Tinubu stressed a collective responsibility to secure territorial boundaries. The message is clear. No single country can address transnational threats alone.

- **Lake Chad Region Remains a Critical Flashpoint**

The Lake Chad Basin continues to face complex security challenges, including insurgency movements and cross-border criminal networks. This makes sustained cooperation not just necessary but urgent.

- **Continuity of Longstanding Nigeria–Chad Relations**

Both leaders signalled continuity. Current efforts are positioned as a progression of earlier collaborations aimed at stabilising the region and strengthening economic prospects.

- **Policy Direction: From Reaction to Coordination**

The renewed pledge suggests a shift from reactive interventions to structured, long-term coordination. This includes aligning national strategies with regional security frameworks.

## I See An Economic Reset Taking Shape, And It Deserves Recognition



Now, I would not subscribe to the easy cynicism that often defines public discourse around Nigeria's economy. It is convenient to dismiss reforms, to question intent, and to assume that nothing works. But I also understand that serious economic transitions are rarely loud or theatrical. They are technical, incremental, and often misunderstood in their early stages. What I see today, looking closely at the signals coming out of the Central Bank of Nigeria (CBN), is not perfection, but a deliberate and structured economic reset that deserves acknowledgement.

When I hear Sidi Hakama, Acting Director of Corporate Communications and Investor Relations at CBN, state that headline inflation has declined from 34.8 percent in late 2024 to 15.06 percent by February 2026, I do not treat it as a routine statistic. I understand what it means. Inflation at that level is not just a number, it is a destabilising force that erodes purchasing power, distorts investment decisions and deepens uncertainty. Cutting it by more than half within that timeframe signals policy direction, discipline and coordination. It tells me that monetary tightening, however painful, is beginning to achieve its core objective.

I also pay attention to the external side of the economy. The movement of Nigeria's foreign reserves from less than \$US10 billion to \$US50.45 billion is not a trivial development. It is a structural shift. Reserves at that level provide a buffer against external shocks, support currency stability and, more importantly, signal credibility to global investors. In a world where capital is increasingly selective, credibility is currency.

When Hakama notes that capital inflows increased by nearly 200 percent between 2023 and 2025, I interpret that as a vote of confidence, not in rhetoric, but in policy direction. Capital does not respond to speeches. It responds to clarity, transparency and predictability. That surge suggests that investors are beginning to see Nigeria not as an opaque and high-risk market, but as one undergoing measurable reform.

At the centre of this shift is Mr. Olayemi Cardoso, Governor of CBN, whose approach to monetary policy reflects a clear departure from ambiguity. I have observed that one of the most consequential decisions under his leadership is the move towards a more transparent foreign exchange (FX) regime. For years, Nigeria's FX market was defined by fragmentation, opacity and multiple pricing windows that created distortions and encouraged arbitrage.

The introduction of a new FX manual that removes restrictive capital controls and simplifies trade and investment procedures is not cosmet-

ic. It addresses the core dysfunctions that have historically discouraged participation in Nigeria's markets. Increased liquidity in the FX market is not just about exchange rates, it is about restoring trust in the system.

I consider the transition to an inflation-targeting framework even more significant. This is not just a technical adjustment; it is a philosophical shift. A forward-looking, rules-based monetary policy system anchored on price stability changes how markets behave. It shapes expectations. It reduces uncertainty. It signals that policy will no longer be reactive, but structured and predictable.

Indeed, "This represents a significant shift toward a forward-looking, rules-based monetary policy system anchored in long-term price stability. It will help shape market expectations and cushion the economy from shocks," I see a central bank attempting to institutionalise discipline. That matters. Economies do not grow sustainably on discretion; they grow on credible frameworks.

I am also attentive to developments in the banking sector. The recapitalisation exercise, with 33 banks already meeting new capital requirements and about 28 percent of investments coming from foreign sources, is not just a compliance exercise. It is a signal of system strength. A well-capitalised

**A forward-looking, rules-based monetary policy system anchored on price stability changes how markets behave. It shapes expectations**

banking sector is essential for credit expansion, financial stability and economic growth. Foreign participation in that process further reinforces the narrative of renewed confidence.

The recognition of the CBN with the Central Bank of the Year 2026 Award is not, in my view, a public relations milestone. It is external validation that the reforms are being noticed beyond Nigeria's borders. In global finance, perception and credibility are intertwined. Recognition of that nature feeds directly into investor sentiment.

Yet, I am not oblivious to the concerns raised by stakeholders. Nnanyelugo Onyemelukwe makes a valid point when he warns that high interest rates could undermine these gains. I agree that a Monetary Policy Rate (MPR) of 26.5 percent, even after a reduction from 27.0 percent, remains high and constrains access to credit.

"Although the MPR was recently reduced from 27.0 percent to 26.5 percent, borrowing costs remain high. Interest rates need to reach single digits to improve access to credit and boost productivity and gross domestic product (GDP)," he said.

That concern is legitimate. But for the economists who also understand sequencing, you do not aggressively lower interest rates in an environment where inflation has only just begun to moderate. Doing so prematurely risks reversing gains. According to them, monetary policy is not about comfort, it is about calibration. The path to single-digit interest rates must be earned through sustained stability, not forced through premature easing.

This is where I also take a firm position. I believe the current trajectory of reforms, anchored by the federal government and executed through the CBN, reflects a seriousness that has often been missing in previous cycles. The emphasis on transparency, the willingness to confront distortions and the commitment to institutional frameworks suggest that this is not a cosmetic reset, but a structural one.

I also recognise that economic reforms of this nature are inherently uncomfortable. They disrupt entrenched interests, expose inefficiencies and impose short-term costs. But I reject the notion that discomfort invalidates direction. In fact, in many cases, it validates it.

What matters to me is consistency. If the federal government sustains this reform momentum, aligns fiscal policy with monetary discipline and continues to prioritise transparency, the gains we are beginning to see will consolidate. Inflation will stabilise further. Interest rates will gradually decline. Investment will deepen. Growth will become more inclusive.

I am not arguing that the work is done. It is not. Structural challenges remain, particularly in infrastructure, productivity and fiscal management. But I am arguing that the direction is now clearer than it has been in years.

For too long, Nigeria's economic narrative has been defined by volatility and uncertainty. What I see now is an attempt to replace that narrative with one of stability, credibility and reform-driven growth. I choose to acknowledge that shift. Not because it is perfect, but because it is real.