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The Reforms

Championing good governance, Driving Development



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Rebuilding Trust, Power In Nigeria's Police Force

Like never before, security has moved from a background concern to a defining measure of governance in Nigeria. At the recent 2026 National Police Day, the federal government signalled a sharper commitment to policing reform. Enam Obiosio examines the intent, the language, and the credibility of that move through the voices shaping it.

Central to Nigeria's evolving governance calculus is a simple but often under-enforced principle: without security, progress stalls. That principle framed the message delivered by President Bola Ahmed Tinubu at the 2026 National Police Day, where his administration outlined a more deliberate pathway to modernise the Nigeria Police Force (NPF) and reposition it as a functional instrument of state stability.

Speaking through Vice President Kashim Shettima at the grand parade in Abuja, the President moved beyond ceremonial rhetoric. He presented a policy direction anchored on capacity, intelligence, infrastructure, and welfare. His words were measured but pointed.

"We will continue to support these reforms through sustained investment in training and capacity development, modern equipment and technology, improved intelligence and investigative capabilities, and better welfare and working conditions for police personnel."

That statement captures the architecture of the administration's policing agenda. It reflects a shift from episodic reform to something more structured and sustained.

The President's framing of security as "the first currency of progress" is not accidental. It places policing at the centre of economic and social stability. In practical terms, it suggests that investment flows, business confidence, and even citizen mobility are tied to the effectiveness of law enforcement.

This recalibration comes at a time when Nigeria's security landscape has grown more complex. Urban crime, organised networks, and evolving threats



Vice President Kashim Shettima, representing President Bola Ahmed Tinubu, during the 2026 National Police Day.

have stretched the capacity of existing institutions. The gap between expectation and capability has widened. President Tinubu's intervention attempts to close that gap by strengthening both the human and technical foundations of policing.

He was also deliberate in acknowledging the human cost behind the uniform. In a passage that resonated across the parade ground, he noted that while some professions attract public applause, others sustain society in quiet sacrifice.

"Every nation is only as safe as those who keep vigil while others sleep."

It is a line that reframes policing as both duty and burden. It also subtly reinforces the argument for improved welfare and institutional support.

The administration's reform pillars are clear.

Training sits at the base. The emphasis is not just on increasing personnel but improving competence. Modern policing requires analytical skills, familiarity with digital tools, and adherence to procedure. Without this, even the best equipment becomes ineffective.

Intelligence follows closely. Nigeria's policing challenges have often been reactive, driven by events rather than anticipation. By prioritising intelligence gathering and investigative capability, the government is signalling a move toward preventive polic-

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ing. This is a critical shift. It reduces operational strain and improves response precision.

Infrastructure and technology form the third pillar. Surveillance systems, forensic capacity, and digital record management are now essential components of law enforcement. The President's commitment to "modern equipment and technology" reflects an understanding that credibility is tied to capability.

Then comes welfare. This remains the most sensitive and often neglected area. Poor living conditions, delayed remuneration, and limited institutional support have historically undermined morale within the force. President Tinubu's inclusion of welfare within the reform agenda suggests a recognition that discipline and professionalism are difficult to sustain without addressing economic realities. "We are determined to build a Police Force that is well equipped, well trained, and well-motivated to confront the complex security challenges of our time," he stated.

That determination, however, will be tested in implementation.

Nigeria's reform history is crowded with well-articulated plans that struggled at execution. Funding inconsistencies, administrative bottlenecks, and weak accountability structures have often diluted impact. The credibility of this new push will depend on how these structural constraints are managed.

Beyond funding and systems lies the question of institutional culture.

In his address, the Inspector General of Police, Olatunji Disu, confronted this issue directly. His tone was both reflective and corrective, acknowledging the gap between public expectation and institutional performance.

"The NPF under my leadership is deeply aware



Police Officers on a Parade, during the 2026 National Police Force Day

by suspicion rather than cooperation. This weakens intelligence gathering and complicates enforcement.

President Tinubu addressed this directly, stressing that effective policing cannot exist in isolation from the communities it serves. "When citizens and law enforcement stand on opposite sides of suspicion, insecurity thrives."

That line carries operational significance. It un-

dermines trust in our country," he said. "Their memory must remain a lamp to those who wear this uniform today and to those who will wear it tomorrow."

Such language humanises the institution. It shifts the narrative from abstract criticism to individual sacrifice. However, symbolism alone cannot sustain reform.

Citizens will ultimately measure progress through experience. Response times, conduct during operations, transparency in investigations, and accountability for misconduct will define public judgment.

The presence of private sector actors such as Wema Bank and Premium Trust Bank at the event introduces a complementary dimension. Their goodwill messages and pledges of support suggest a growing recognition that policing can benefit from broader institutional partnerships.

These collaborations could extend to technology deployment, financial systems integration, and capacity support. If structured with clear governance, they could accelerate reform outcomes.

The event itself, marked by parade, procession, and tactical displays, projected a sense of institutional order and capability. Attendance by senior government officials, former Inspectors General, and members of the diplomatic corps reinforced the national significance of the moment.

Nigeria's security environment remains fluid. The effectiveness of the announced reforms will depend on speed, consistency, and measurable impact. Without clear benchmarks, it will be difficult to assess progress or sustain public confidence.

Metrics such as crime reduction, case resolution rates, and public trust indicators should form part of an evaluation framework. Transparency in these areas will be essential.

President Tinubu's vision of a police force defined by "excellence, accountability, courage and service" sets a high bar. Achieving it will require sustained political will and disciplined execution.

It will also require coordination across the broader security architecture. Policing intersects with intelligence services, the judiciary, and community systems. Fragmentation across these layers can undermine even the most well-funded reforms.

Citizens will ultimately measure progress through experience. Response times, conduct during operations, transparency in investigations, and accountability for misconduct will define public judgment

of the expectations and concerns of Nigerians," he said, before drawing a line on internal conduct. "We must rise above indiscipline, misconduct, and every action that tarnishes the image and reputation of the Force."

This is a critical admission. It signals that reform is not only about external investment but internal recalibration.

Disu also attempted to reassure both officers and the public of a shift in leadership posture. "We will stand firmly with every officer who follows the rules and serves with dignity," he stated, adding that the Force is being repositioned to be "intelligence-led and committed to professionalism in all ramifications."

The emphasis on professionalism is not cosmetic. It is central to rebuilding trust.

Public perception remains one of the most fragile aspects of policing in Nigeria. For many citizens, engagement with law enforcement has been shaped

underscores the importance of community-centred policing, where trust becomes a working asset rather than an abstract ideal.

He extended this logic further. "The uniform you wear is not a licence for arbitrariness; it is a covenant of service. The badge on your chest is not an ornament of power; it is a reminder of duty."

This is both instruction and warning. It defines the behavioural expectations tied to reform. It also signals that authority must be exercised within the boundaries of law and accountability.

The institutionalisation of National Police Day adds a symbolic layer to these reforms. Established to recognise the contributions and sacrifices of police personnel, the event serves as a platform to reinforce identity and morale.

The President used the occasion to honour officers who lost their lives in the line of duty, framing their sacrifice as part of the nation's moral inheritance.

"Their sacrifice is written into the conscience of



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EDITORIAL**Science Without Systems Is Empty Health Rhetoric**

As the world marks World Health Day 2026, Nigeria's First Lady, Oluremi Tinubu, is right to call for greater investment in science and stronger health systems. Her emphasis on research, innovation, and collaboration reflects the language of every serious modern healthcare agenda. But if Nigeria is to move beyond ceremonial declarations, we must confront a harder truth, our health sector does not suffer from lack of rhetoric. It suffers from chronic under-execution.

For decades, Nigerian leaders have spoken fluently about reforming healthcare. Yet hospitals remain overstretched, laboratories under-equipped, research institutions underfunded, and primary healthcare systems dangerously weak. Scientific advancement cannot thrive where infrastructure is collapsing and where healthcare workers continue to exit the country in alarming numbers.

We agree that science is indispensable to modern health

security. No nation can confront pandemics, antimicrobial resistance, zoonotic threats, or rising non-communicable diseases without research capacity and technological innovation. But science alone is not policy. Science alone is not implementation. Science alone is not a functioning health system.

If government truly believes in "standing with science," then that belief must be reflected in budgets, institutions, and measurable outcomes, not merely in commemorative speeches. We must invest meaningfully in biomedical research, disease surveillance, pharmaceutical manufacturing, digital health systems, and the rehabilitation of public hospitals. We must also recognise that no health strategy is credible while basic care remains inaccessible to millions of Nigerians.

The First Lady's endorsement of the One Health approach is also timely. Human health can no longer be treated in isolation from animal,

environmental, and food systems. But embracing that framework requires coordinated inter-agency policy, scientific capacity, and political discipline, all areas where Nigeria historically struggles.

More importantly, Nigeria must begin to treat healthcare spending not as social expenditure but as strategic national investment. A country with poor health outcomes cannot sustain productivity, attract long-term investment, or build durable human capital. Public health is not merely a welfare issue, it is an economic imperative and a national competitiveness issue.

World Health Day should therefore serve as more than a symbolic observance. It should compel government at all levels to convert familiar promises into funded reforms, institutional accountability, and visible improvements in care delivery. If Nigeria is serious about health security, then investment in science must cease being aspirational language and become enforceable national policy.

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

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 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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Edun Urges Scale-up Of MOFI Real Estate Fund To Deepen Affordable Housing Access



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

By Ahmed Ahmed

Housing finance reform in Nigeria is gaining policy backing at the highest level, with Honourable Minister of Finance and Coordinating Minister of the Economy, Mr. Wale Edun, endorsing the MOFI Real Estate Investment Fund (MREIF) as a viable platform for expanding access to affordable housing.

The endorsement, delivered after a performance briefing by the Ministry of Finance Incorporated (MOFI), places the fund within the administration's broader economic strategy of using market-based instruments to address structural deficits. For a sector long constrained by high borrowing costs and limited long-term financing, the MREIF model introduces a different proposition: patient capital at sub-market rates, with an explicit focus on in-

clusivity.

Mr. Edun's assessment was direct. He described the fund as a milestone intervention that is beginning to shift the economics of housing delivery in Nigeria. "The initiative represents a significant milestone in Nigeria's housing finance landscape," he said, noting that it provides access to real estate funding at below double-digit interest rates, a threshold that has historically been difficult to achieve in the domestic market.

This pricing dynamic is central to the fund's relevance. Mortgage and construction financing in Nigeria have typically operated at elevated rates, often pricing out low- and middle-income households. By lowering the cost of capital, MREIF aims to unlock both supply and demand, enabling developers to build at scale while making home ownership more attainable.

The policy intent behind the fund is also aligned with directives from President Bola Ahmed Tinubu, which emphasise growth models that are both innovative and socially responsive. Mr. Edun linked the fund's structure to this agenda, describing it as an example of how flexibility and collaboration can be deployed to solve entrenched economic problems. "It reflects the strength of innovation, flexibility and strategic collaboration in addressing critical national challenges," he stated.

However, the Minister's endorsement came with a clear condition. Scale. While acknowledging early progress, Mr. Edun stressed that the fund must expand its reach to have system-wide impact. "There is a need to scale up the fund to broaden its reach and inclusiveness, particularly in providing affordable housing solutions to Nigerians," he said.

That emphasis reflects a familiar constraint in Nigeria's reform landscape. Pilot successes often struggle to transition into nationwide impact due to capital limitations, regulatory friction or execution gaps. For MREIF, scaling will require deeper capital pools, stronger institutional coordination and a pipeline of bankable projects that can absorb financing efficiently.

The meeting that produced the endorsement brought together a cross-section of the financial ecosystem, underscoring the complexity of housing finance. Fund managers, merchant banks, trustees, legal advisers and capital market operators were all represented, indicating that the fund's architecture relies on multi-layered collaboration.

This structure is not incidental. Housing finance sits at the intersection of capital markets, legal frameworks and real sector execution. For MREIF to function, each layer must align, from fund structuring and risk management to land administration and project delivery. The presence of these stakeholders suggests that the fund is being positioned as a coordinated platform rather than a standalone intervention.

NEXIM, Islamic Development Bank Move To Unlock Non-Interest Finance For SME Export Growth

By Anita Dennis

The Federal government's push to diversify its export base is gaining new financing support as the Nigerian Export-Import Bank (NEXIM) engages the Islamic Corporation for the Development of the Private Sector, the private sector arm of the Islamic Development Bank Group (IsDB), on structured non-interest funding options targeted at small and medium-scale exporters.

The engagement, held at NEXIM Bank's headquarters in Abuja, brought together senior officials from both institutions to advance modalities for Shariah-compliant credit lines and investment instruments designed to strengthen Nigeria's non-oil export ecosystem.

The visiting delegation was led by Mr. Muhammad Adnan Hasan, Senior Principal Investment Officer at the Islamic Corporation for the Development (ICD),

while NEXIM Bank was represented by its Managing Director and Chief Executive, Mr. Abba Bello, alongside Executive Director for Corporate Services, Mr. Khalil Gaga, and other senior management staff.

At the centre of the discussions was the establishment and finalisation of frameworks for non-interest banking loans and lines of credit. These instruments are expected to provide de-risked financing channels for export-oriented SMEs, a segment that continues to face structural constraints in accessing affordable credit.

The proposed financing structure is anchored on Islamic finance principles, which prohibit interest-based lending and instead rely on asset-backed, risk-sharing and trade-linked arrangements. For Nigeria, the relevance of this model lies in its potential to expand funding sources beyond conventional capital markets while reducing exposure to interest rate volatility.

According to both institutions, the collaboration is designed to support SMEs operating in the non-oil export sector, an area that has become central to Nigeria's diversification strategy. The focus includes agriculture, light manufacturing and value-added processing, sectors with export potential but persistent financing gaps.

The partnership also reflects a broader shift in development finance architecture, where multilateral and quasi-sovereign institutions are increasingly deploying blended and thematic financing tools to unlock private sector participation in emerging markets. Instruments such as Sukuk and other non-interest credit lines are becoming more prominent in this configuration, particularly in economies seeking alternative liquidity pools.

For NEXIM, the engagement aligns with its mandate to facilitate export growth through targeted credit interventions and risk mitigation support.



Funding Nigeria's Agriculture, Growing Prosperity

FTSE Russell Reclassifies Nigeria As Frontier Market, Signals NGX-Driven Infrastructure Reset



By Majeed Salaam

Nigeria's return to Frontier Market status by FTSE Russell marks a structural inflection point for the country's capital market, reflecting measurable improvements in trading infrastructure, regulatory alignment and investor access.

The reclassification, from "Unclassified" to Frontier Market, follows a multi-layered review process involving the FTSE Russell Index Governance Board, supported by its Equity Country Classification Advisory Committee and Policy Advisory Board. The decision, announced in the March 2026 interim review, will take effect in September 2026, positioning Nigeria back within the investable universe tracked by global index funds.

At its core, the upgrade is a validation of reforms within the Nigerian Exchange Group ecosystem. Over the past cycle, the Exchange and market regulators have focused on strengthening execution architecture. This includes upgrades to trading systems, improvements in post-trade settlement and enhanced disclosure standards, all aimed at reducing friction for both domestic and offshore investors.

According to the FTSE Quality of Markets assessment, Nigeria achieved "Pass" ratings across several critical indicators that typically determine index eligibility. These include regulatory oversight, ease of capital repatriation, brokerage competitiveness, tax framework and settlement efficiency. The operation of a T+2 settlement cycle further aligns Nigeria with prevailing global standards, reducing counterparty risk and improving liquidity dynamics.

These gains are not incidental. They reflect a deliberate attempt to reposition Nigeria's capital market from a high-friction environment to one that can support institutional flows. For global asset man-

agers, execution certainty and exit flexibility are as important as return potential. By improving these fundamentals, Nigeria has addressed long-standing concerns that previously constrained participation.

Still, the reclassification is not a terminal point. FTSE Russell's review identified residual gaps that could influence the next phase of market evolution. Key among these are foreign exchange market depth, transaction cost efficiency, the availability of derivatives instruments and aspects of custody and clearing infrastructure. Each of these factors affects how capital is priced, deployed and exited.

Closing these gaps will require coordinated action across multiple institutions, including regulators, exchange operators and liquidity providers. The foreign exchange constraint, in particular, remains a binding variable. While improvements in repatriation have been acknowledged, sustained liquidity and price discovery will be necessary to maintain investor confidence over time.

FTSE Russell noted that its classification framework integrates both technical metrics and investor feedback, suggesting that Nigeria's upgrade reflects not only structural reforms but also a shift in how market participants perceive execution risk. The organisation also acknowledged the role of sustained engagement by Nigerian authorities in addressing prior concerns.

For market operators, the upgrade carries both reputational and operational implications. The Group Managing Director and Chief Executive Officer of NGX Group, Mr. Temi Popoola, framed the development as a system-wide achievement anchored on infrastructure reform. "This milestone reflects the strength of collaboration across Nigeria's capital market ecosystem, but importantly, the deliberate efforts to strengthen the underlying market infrastructure that supports efficient trading, trans-

parency and investor access," he said.

Mr. Popoola emphasised that the reclassification should be viewed as a midpoint rather than an endpoint. "We have remained focused on building a more resilient, accessible and globally competitive platform, and this reclassification affirms the progress made. We will continue to work closely with regulators, market operators and stakeholders to deepen reforms, address identified gaps and sustain momentum towards higher market classifications," he added.

The immediate implication of Frontier Market status is visibility. Nigeria is once again eligible for inclusion in FTSE Frontier indices tracked by passive funds and benchmark-aware investors. This creates a pathway for incremental capital inflows, particularly from funds that allocate strictly based on index composition.

However, inflows are not automatic. They are contingent on macro stability, currency conditions and the consistency of policy signals. Frontier classification expands the opportunity set, but real allocation decisions will depend on how investors assess risk-adjusted returns in the Nigerian context.

There is also a signalling effect. In an environment where capital is increasingly selective, index classification serves as a shorthand for market credibility. Nigeria's return to the Frontier category suggests that, at least at the level of market infrastructure, key thresholds have been met.

More broadly, the development underscores a structural insight. Capital markets do not deepen on liquidity alone. They require systems that can process trades efficiently, enforce rules transparently and allow investors to enter and exit with minimal distortion. Nigeria's recent reforms indicate a recognition of this reality.



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NESG, Culture Ministry Launch Policy Committees To Unlock Nigeria's Creative Economy Potential



Mrs. Hannatu Musawa, Honourable Minister of Art, Culture, Tourism and the Creative Economy

By Benson Kingsley

The creative and cultural sector has entered a new policy phase with the inauguration of four dedicated policy drafting committees aimed at accelerating reforms, strengthening coordination and expanding investment opportunities across the industry.

The initiative, driven by the Nigerian Economic Summit Group (NESG) in collaboration with the Federal Ministry of Art, Culture, Tourism and the Creative Economy, marks a transition from framework agreements to implementation-focused governance structures for one of the country's fastest-growing non-oil sectors.

The committees were inaugurated following a Memorandum of Understanding (MoUs) signed over a year ago, which set the foundation for structured cooperation between public institutions, private sector actors and development partners. The latest step is intended to translate that agreement into actionable policy outputs that can shape long-term sectoral growth.

The four committees are focused on Creative Economy Policy Development, Financing and Incentivisation, Inter-Ministerial Technical Sessions, and an International Conference on Financing. Collectively, they are expected to define the operational architecture for how Nigeria's creative industries will be regulated, funded and globally positioned.

The structure reflects a deliberate attempt to move beyond fragmented interventions. By separating policy design from financing mechanisms and inter-agency coordination, the framework seeks to address one of the sector's longstanding weaknesses: institutional dispersion. For a sector that spans film, music, fashion, tourism and cultural heritage, coherence has often been a missing link.

The initiative also signals stronger alignment between government and market actors. The NESG, which has increasingly positioned itself as a bridge between policy formulation and private sector participation, described the development as a critical step toward unlocking the sector's economic value.

With support from multilateral and development partners including UNESCO, UNDP, the European

Union and the International Finance Corporation, the initiative is also being framed within a broader international cooperation context. These institutions bring both technical expertise and financing perspectives, particularly relevant for a sector that is increasingly viewed as export-capable.

At the inauguration, stakeholders emphasised the need for structured implementation. The Honourable Minister of Art, Culture, Tourism and the Creative Economy, Mrs. Hannatu Musawa, alongside policy facilitators and NESG representatives, underscored the importance of converting policy intent into measurable outcomes.

The sector's growth potential is significant but unevenly realised. Nigeria's creative economy already commands strong global visibility through its film and music industries, yet it continues to face structural constraints in financing, intellectual property protection, infrastructure and formalisation. The new committees are expected to address these gaps through targeted policy instruments.

Financing remains a central focus. The inclusion of a dedicated Financing and Incentivisation Committee reflects recognition that capital access is one of the most binding constraints on sectoral expansion. Without structured funding pathways, many

creative enterprises remain informal, undercapitalised and unable to scale.

The proposed International Conference on Financing is expected to serve as a platform for mobilising both domestic and international capital. It also signals an intention to position Nigeria's creative sector within global investment conversations, particularly those focused on cultural industries and

Nigeria's creative economy already commands strong global visibility through its film and music industries, yet it continues to face structural constraints in financing, intellectual property protection, infrastructure and formalisation

digital content economies.

Beyond financing, the Inter-Ministerial Technical Sessions committee is designed to improve coordination across government agencies. This is critical in a sector where policy responsibilities are often distributed across multiple ministries and regulators, leading to duplication and inefficiencies.

The involvement of development partners adds another layer of strategic depth. Institutions such as UNESCO and UNDP have historically supported cultural preservation and creative industry development, while the IFC brings a private sector investment lens. Their participation suggests an effort to blend cultural policy objectives with commercial viability.

The broader policy direction aligns with Nigeria's push to diversify its economy away from hydrocarbons. The creative sector is increasingly being viewed not only as a cultural asset but also as a potential export engine capable of generating foreign exchange, employment and digital innovation.

However, the success of this initiative will depend on execution discipline. Policy frameworks in the sector have historically struggled with implementation gaps, often due to funding limitations, weak enforcement mechanisms and fragmented institutional ownership.



Mrs. Hannatu Musawa, Honourable Minister of Art, Culture, Tourism & the Creative Economy (5th r), alongside policy facilitators and NESG representatives.

Rewane Warns Oil Price Surge Could Drive Illicit Crude Trade To \$16m Daily, Deepen Economic Pressures



Mr. Bismarck Rewane, CEO of Financial Derivatives Company

By Jennete Ugo Anya

Rising global crude oil prices may be creating unintended economic distortions for Nigeria, including a sharp escalation in oil theft revenues, inflationary pressures and widening household vulnerability, according to fresh analysis by Chief Executive Officer (CEO) of Financial Derivatives Company, Mr. Bismarck Rewane.

Speaking at the April 2026 Lagos Business School Breakfast Session themed ‘Inflation Surge, Externally Induced, Internally Magnified: Six-Dimensional Impact Analysis,’ Mr. Rewane warned that higher crude prices, while beneficial for official revenues, are also strengthening incentives within Nigeria’s illicit crude economy.

He projected that if international crude prices rise from about \$64 per barrel to \$110 per barrel, daily revenues from oil theft could increase significantly, rising from an estimated \$3 million in January to as high as \$16 million by April 2026.

“Higher oil price can worsen leakage and insecurity,” he said, noting that the structure of incentives in the Niger Delta crude ecosystem tends to respond directly to global price movements rather than domestic policy controls.

Mr. Rewane explained that at lower prices, about 100,000 barrels per day were estimated to have been diverted and sold through illicit channels. At higher price levels, he projected that volumes could double to 200,000 barrels per day, increasing the financial attractiveness of illegal crude transactions.

He stated that “not all oil gains translate to national benefit,” highlighting the disconnect between official export earnings and losses through theft, sabotage and pipeline vandalism.

According to him, the economics of insecurity also shift with price cycles. At higher crude prices, militant groups and criminal networks become less inclined toward formalised security arrangements, including pipeline protection contracts.

“Increased profitability of illegal diversions creates incentives for vandalism, oil theft and bunkering,”

he said, warning that this dynamic could increase production losses and escalate security costs for the state.

The analysis situates oil theft not only as a security challenge but also as a rational economic activity within a distorted incentive structure. In that context, rising crude prices may unintentionally expand the financial base of illicit networks.

Beyond the oil sector, Mr. Rewane’s presentation also examined broader macroeconomic transmission effects, particularly through inflation, energy costs and currency-linked import pressures.

He projected that external shocks, including geopolitical tensions such as conflict disruptions affect-

ing global shipping routes, could reduce Nigeria’s GDP growth forecast from 3.8 percent to 3.2 percent in Q1 2026.

He argued that while exports may benefit from higher prices, domestic consumption and investment would likely weaken under cost pressures. “Net employment will decline, consumption declines due to falling real incomes, investment remains flat showing limited sector response,” he said.

A key channel of impact, according to his analysis, is energy pricing. Rising diesel and fuel costs, combined with foreign exchange pressure, are expected to compress industrial margins, particularly in manufacturing and consumer goods sectors.

Using a brewery as a case illustration, Mr. Rewane projected a sharp contraction in profitability due to rising input and logistics costs. He estimated that profit margins could fall by as much as 60 percent under current cost trajectories, even where nominal revenues remain stable.

“Cost push inflation will erode industrial margins quickly,” he said, noting that firms face simultaneous pressures from energy, raw materials and weakened consumer demand.

He further warned that small and medium-sized enterprises would be disproportionately affected, with rising costs and slowing demand squeezing liquidity and reducing survival capacity.

“SMEs get hit from both sides of rising costs and falling demand, leading to a rise in unemployment,” he said.

Household impact, according to his projections, is also significant. Mr. Rewane described a scenario in which a mid-level salaried worker in Lagos could shift from monthly savings to deficit within a short period due to rising living costs and transportation expenses.

“Within 90 days, savings decline significantly, discretionary spending reduces sharply and households begin to rely on credit,” he said, adding that such dynamics could accelerate middle-class financial fragility.

He linked these pressures to broader inflation trends, projecting headline inflation around 15.85 percent, with food inflation at 14.94 percent and core inflation at 14.35 percent. Rising transport and food costs, he said, would further erode real purchasing power, particularly among low-income households.

“Households would face a 15 to 20 percent drop in real purchasing power as transport costs surge,” he said, warning that consumption compression could mirror earlier inflation shocks experienced during subsidy reforms.

Despite acknowledging potential fiscal gains for subnational governments through higher FAAC inflows, Mr. Rewane cautioned that improved revenue positions may not translate into structural economic relief. Instead, increased inflows could be absorbed by recurrent spending pressures or short-term fiscal adjustments.

He used Kaduna State as an illustrative case, projecting improved monthly FAAC receipts but also highlighting the risk of offsetting expenditure expansion.

Overall, Mr. Rewane’s analysis points to a dual-speed economy in which oil price gains strengthen fiscal buffers at the federal and state levels while simultaneously intensifying inflationary stress, insecurity incentives and private sector contraction.

His central warning is that external windfalls in Nigeria’s oil economy do not automatically translate into broad-based economic welfare, particularly when domestic structural inefficiencies and insecurity channels amplify transmission losses.

The analysis situates oil theft not only as a security challenge but also as a rational economic activity within a distorted incentive structure

NNPC Expands Export Portfolio With First Cawthorne Crude Shipment To Netherlands



The crew onboard during the loading of the first cargo

By Musa Ibrahim

Crude oil export strategy in Nigeria has entered a new phase with the Nigerian National Petroleum Company Limited (NNPC) commencing shipments of its newly developed Cawthorne crude grade, a move aimed at deepening production capacity and strengthening the country's positioning in global energy markets.

The company confirmed that the first cargo of the grade was loaded and exported on Sunday, 5 April 2026, aboard the MT Eburones vessel, bound for the Netherlands. The shipment marks the formal entry of Cawthorne into international crude trading streams and signals NNPC's continued push to diversify Nigeria's crude oil basket.

According to NNPC, the maiden cargo totalled 950,000 barrels and was exported via the Cawthorne Floating Storage and Offloading (FSO) vessel, strategically located offshore Bonny in Rivers State. The infrastructure is designed to improve crude evacuation from Oil Mining Lease (OML 18), enhancing operational flow and reducing bottlenecks in export logistics.

The national oil company described Cawthorne as a light sweet crude grade with an American Petroleum Institute (API) gravity of 36.4, placing it in the same quality category as Bonny Light. This classification is significant because light sweet crudes typically attract premium pricing in global markets due to their higher yield of refined products such as petrol and diesel.

In a statement signed by its spokesperson, Andy Odeh, NNPC said the introduction of the new grade reflects a deliberate strategy to optimise asset performance and expand Nigeria's export competitiveness.

"The introduction of Cawthorne to the international market underscores NNPC Ltd's deliberate

strategy to unlock value from its asset base, deepen market competitiveness, and support the Presidential mandate of scaling crude oil production to three million barrels per day and gas output to 12 billion cubic feet per day by 2030," the company said.

The launch adds to recent additions such as Nembe and Utapate crude grades, reflecting what NNPC describes as a structured approach to increasing production diversity and improving market responsiveness. This portfolio expansion is part of a broader shift from volume reliance to value optimisation within Nigeria's upstream sector.

The development also aligns with ongoing efforts to improve export reliability through infrastructure

The launch adds to recent additions such as Nembe and Utapate crude grades, reflecting what NNPC describes as a structured approach to increasing production diversity and improving market responsiveness

upgrades and operational reforms. By integrating floating storage systems with offshore production assets, NNPC aims to reduce evacuation delays and improve consistency in export delivery schedules.

Group Chief Executive Officer of NNPC (GCEO), Engr. Bayo Ojulari, said the milestone reflects a broader institutional shift toward execution-driven performance and commercial optimisation of national assets.

"This milestone reflects the direction we have set for NNPC Limited, one anchored on execution, part-

nership and value creation," he said. "We are moving decisively from resource potential to resource monetisation, ensuring that every asset delivers measurable commercial outcomes."

Engr. Ojulari stated that the successful export of Cawthorne crude should be viewed within a wider reform trajectory rather than as an isolated achievement.

"The successful export of the Cawthorne crude grade is not an isolated achievement; it is part of a broader, deliberate strategy to grow production, deepen market relevance and strengthen Nigeria's position as a reliable global energy supplier," he stated.

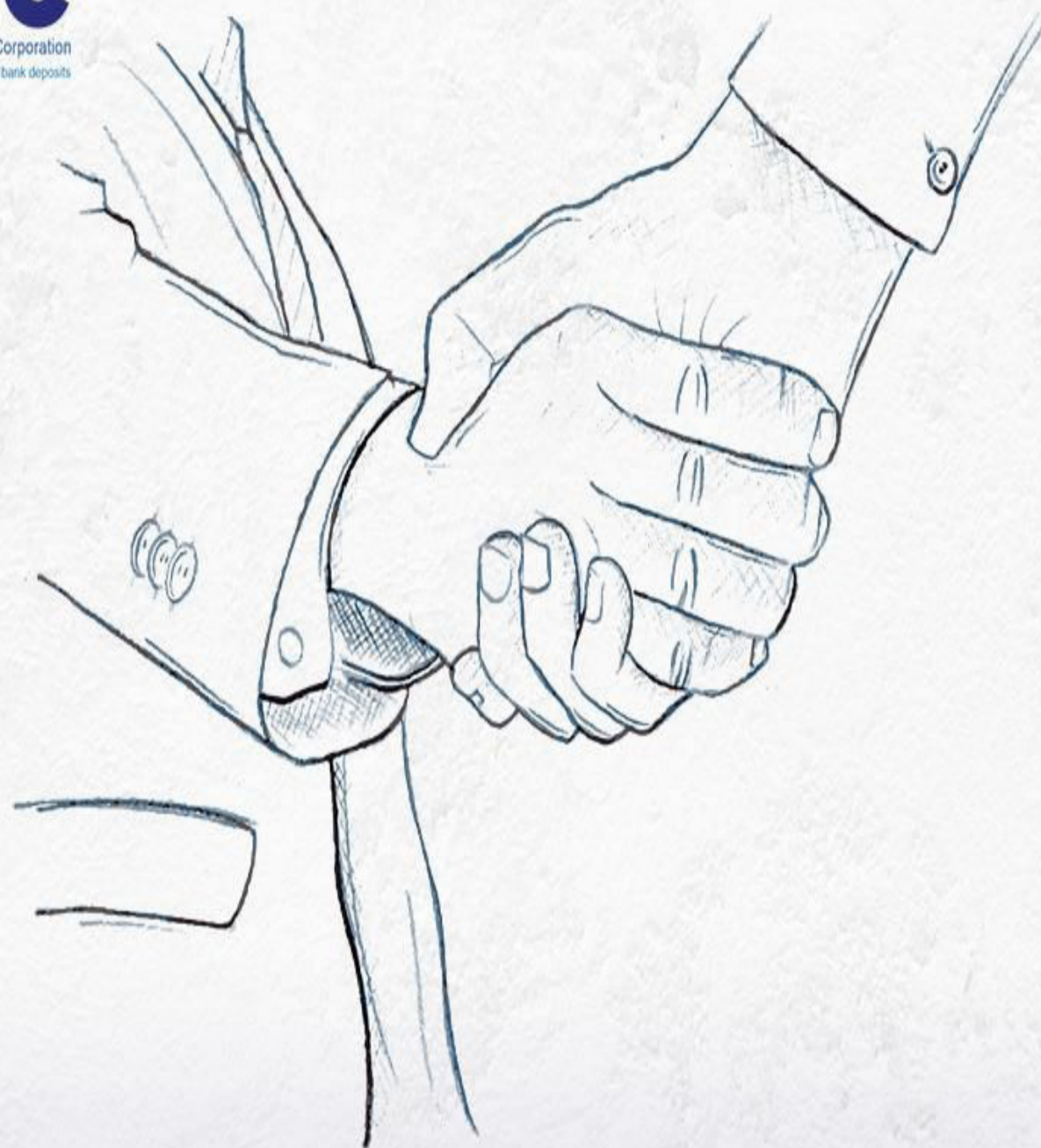
The emphasis on "resource monetisation" reflects a growing policy and commercial focus within Nigeria's oil and gas sector, where production increases alone are no longer sufficient without corresponding improvements in value capture, efficiency and market alignment.

NNPC also credited collaboration with key stakeholders, including OML 18 partners and the Nigerian Upstream Petroleum Regulatory Commission, for enabling the successful launch. The coordinated approach highlights the increasing importance of regulatory alignment and joint venture execution in upstream performance.

Strategically, the introduction of new crude grades serves multiple objectives. It improves portfolio flexibility, enhances Nigeria's ability to respond to shifting global demand patterns, and reduces over-reliance on a narrow set of export benchmarks.

Cawthorne's entry into the market also strengthens Nigeria's positioning in the light sweet crude segment, which remains highly sought after in European and Asian refineries. This is particularly relevant at a time when global energy markets are adjusting to supply realignments and changing refining configurations.

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NITDA Urges Firms To Report Cyberattacks Promptly As Nigeria Tightens Digital Risk Oversight



By Majeed Salaam

Nigeria's digital regulatory authorities are intensifying pressure on organisations to improve transparency around cyber incidents, warning that concealment of breaches is worsening systemic vulnerabilities across the financial technology ecosystem.

The National Information Technology Development Agency (NITDA) has called on companies to promptly disclose cyberattacks and share threat intelligence, following a recent breach that affected a commercial bank and reportedly extended to connected payment infrastructure, including Remita.

The agency said the interconnected nature of Nigeria's digital economy means that isolated breaches can rapidly escalate into broader systemic risks if not properly disclosed and contained.

"Our main focus is deepening synergy among stakeholders," NITDA Director-General, Kashifu Abdullahi, said in an interview at GITEX Africa in Morocco.

He challenged the prevailing corporate culture around incident management, arguing that reputational concerns should not override systemic security obligations.

"The mindset that organisations should hide attacks to protect their reputation must change. They may not need to make incidents public, but they should share intelligence so others can protect themselves," he said.

The warning comes at a time when Nigeria's digital financial infrastructure is becoming more integrated, increasing both efficiency and exposure. As platforms interlink banking systems, payment processors and government-backed financial infrastructure, a breach in one node can potentially cascade across multiple services.

NITDA noted that emerging technologies, particularly artificial intelligence, are expanding both the sophistication and speed of cyber threats. This evolution, the agency said, requires a shift from reactive defence to coordinated intelligence sharing across institutions.

"If one organisation is compromised, it can become a launch pad to attack others," Abdullahi added, stressing that regulatory coordination is being strengthened with national institutions and

the supervising ministry.

Parallel to NITDA's position, the Nigeria Data Protection Commission (NDPC) has opened an investigation into the reported breach, focusing on potential compromise of sensitive customer data and the resilience of affected systems.

The probe is being conducted under the framework of the Nigeria Data Protection Act, 2023, with emphasis on identifying the type and scope of data exposed, the risk to data subjects and the adequacy of mitigation measures deployed by affected entities.

"The investigation aims to ensure that data subjects are protected with appropriate technical and organisational measures," the commission said, noting that it will also assess the systemic risk posed by such incidents.

The NDPC further warned that operators of digital payment systems will face closer scrutiny to ensure compliance with minimum security and governance standards. It added that firms without adequate technical and organisational safeguards would be examined as part of a wider ecosystem integrity review.

National Commissioner and Chief Executive of the NDPC, Vincent Olatunji, directed that compliance checks will extend beyond the immediate incident to include broader operational practices across the sector.

"The commission's National Commissioner/CEO, Dr Vincent Olatunji, has directed that organisations employing digital payment systems without appropriate technical and organisational measures as mandated under the Nigeria Data Protection Act, 2023, will also be examined as part of a wider effort to ensure the integrity of the ecosystem," the statement said.

The regulatory posture reflects growing concern over the resilience of Nigeria's expanding digital economy, particularly as financial services, government platforms and private sector infrastructure become increasingly interdependent.

Industry stakeholders have long warned that while digitisation has improved efficiency and financial inclusion, it has also widened the attack surface for cybercriminals. Weak points in third-party integrations, legacy systems and data governance frameworks remain persistent vulnerabilities.

Quotes of the Week

Mr. Bismarck Rewane, CEO of Financial Derivatives Company Limited (FDC)

Even though Nigeria is among the beneficiaries of the oil price revenue, external shocks will continue to impact the economy as the country is increasingly integrated with global market.

Mr. Mohammed Idris, Minister of Information & National Orientation

Nigeria's foreign reserves are strengthening, investor confidence is improving, and reforms in both the oil and non-oil sectors are expanding revenue streams. These decisions, though difficult, are stabilising public finances and creating a more transparent economic environment.

Dr. Umaru Kwairanga, Chairman of NGX

Africa's economic future will depend on how effectively we connect our markets and mobilize our own capital. Strengthening collaboration among exchanges is essential to building resilient financial systems that support long-term growth across the continent.

Tinubu Commends Lagos Infrastructure Drive As Sanwo-Olu Delivers Ojota-Opebi Bridge, Digital Land Reform Hub



L-R: Governor Babajide Sanwo-Olu, Governor of Lagos State; Sen. Godswill Akpabio, Senate President, and others, during the commissioning of the projects in Lagos.

By Musa Ibrahim

President Bola Tinubu has commended Lagos State's latest wave of infrastructure delivery, describing the projects as evidence of sustained institutional capacity and a continued push toward urban modernisation in Nigeria's commercial capital.

President Tinubu made the remarks last Wednesday during the commissioning of three major projects in Lagos: the Ojota - Opebi Link Bridge, the Lagos State Geographic Information Service (LAGIS) Building, and the Lagos Multi-Agency Administrative Complex in Alausa.

The President, who governed Lagos State from 1999 to 2007, revisited a long-standing policy ambition with the inauguration of the Ojota - Opebi Link Bridge, a 5.04-kilometre transport corridor first conceived during his tenure in 2002 but only completed under Governor Babajide Sanwo-Olu.

Represented by Senate President Godswill Akpabio, President Tinubu said the projects reflect a governance model that places citizens at the centre of infrastructure planning and execution.

"The Ojota-Opebi Link Bridge is more than an infrastructure; it is a bridge to opportunities," he said. "In a busy city like Lagos, vehicular movement is more than just commuting; it is associated with the city's economic wellbeing."

He argued that efficient mobility directly translates into productivity gains, business efficiency and improved living standards, positioning transport infrastructure as an economic multiplier rather than a standalone public asset.

"When traffic flows, productivity improves. When time is saved, businesses grow. When access is made easier, living standards get improved," the President

said.

The President also used the occasion to frame Lagos as a model of sustained urban governance within Nigeria, noting that continued infrastructure delivery has helped the state manage chronic mobility pressures associated with rapid population growth.

"This is an achievement that speaks to the importance of making the well-being of the people the centre of development," he stated.

A key feature of the day's events was the commissioning of the LAGIS Building, a five-storey facility

A key feature of the day's events was the commissioning of the LAGIS Building, a five-storey facility designed to modernise land administration through digital systems

designed to modernise land administration through digital systems. The project is positioned as part of a broader shift away from manual, paper-based processes that have historically slowed land registration, constrained property rights and limited the monetisation of real estate assets.

President Tinubu described the facility as central to Nigeria's broader governance modernisation agenda, particularly in areas where data and technology intersect with economic planning.

"The LAGIS Building represents the future of an effective and transparent land administration sys-

tem," he said, stressing that digital integration in land management is no longer optional but necessary for economic efficiency.

The third project, the Lagos Multi-Agency Administrative Complex, is designed to consolidate multiple government agencies within a single operational environment. The objective is to improve coordination, reduce administrative delays and enhance service delivery efficiency across public institutions.

Governor Babajide Sanwo-Olu said the three projects, while distinct in function, are structurally interconnected in their developmental intent. He noted that the infrastructure package reflects a governance approach focused on mobility, data systems and administrative efficiency.

According to him, the Ojota - Opebi Link Bridge is expected to ease congestion along the Ikeja - Maryland - Ojota corridor, with wider implications for traffic distribution across Lagos' transport network.

He said the design of the bridge incorporates pedestrian walkways, bicycle lanes, solar-powered lighting systems and embedded service ducts, reflecting a shift toward multi-use and future-ready infrastructure planning.

"We have built, not just for today's needs, but with a clear eye on the ever-expanding demands of the future," Gov. Sanwo-Olu said. "We have integrated a comprehensive stormwater management system to address the long-standing challenge of flooding along the Odo-Iya-Alaro corridor."

The governor framed the LAGIS initiative as a structural reform in land governance, describing it as a transition from legacy administrative systems to a digital framework capable of improving transparency and unlocking dormant economic value in land assets.

At the institutional level, Gov. Sanwo-Olu said the Multi-Agency Administrative Complex addresses long-standing inefficiencies in public service coordination by centralising operations across multiple departments.

"By bringing multiple agencies into a single, well-designed environment, we are enabling the integration and responsiveness of public service delivery in Lagos," he said.

He stated that the decision to rename the administrative complex after President Tinubu reflects recognition of his historical role in shaping Lagos'

institutional architecture and governance trajectory.

The commissioning ceremony attracted a wide political and administrative presence, including APC governors, state cabinet members, legislators, local government officials and party stakeholders, underscoring the political significance of infrastructure delivery in Lagos.

For the federal leadership, the projects were framed as aligned with the administration's broader reform agenda, particularly under the Renewed Hope framework, which emphasises infrastructure expansion, digital governance and urban efficiency.



NIGERIA FIRST

“

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.

”

FG Pushes Back On ‘Implosion’ Narrative, Cites Security Gains, Market Signals



Mr. Mohammed Idris, Honourable Minister of Information and National Orientation

By Anita Dennis

The federal government has rejected claims that Nigeria is on the brink of collapse, arguing instead that recent security operations and improving economic indicators point to a system under pressure but not in retreat.

Honourable Minister of Information and National Orientation, Mr. Mohammed Idris, made the case in Abuja at the 81st General Assembly and 23rd Annual General Meeting of the Broadcasting Organisations of Nigeria. His remarks reflect a broader effort by the administration to reframe both domestic and external perceptions at a time when security risks and macroeconomic adjustments continue to test public confidence.

“I want to unequivocally refute the insinuation that Nigeria is on the brink,” Idris said. “On the contrary, we are daily exhibiting resilience and tackling our security and economic challenges more decisively.”

The government’s argument rests on two pillars: operational gains in security and early signals of economic stabilisation. On the security front, Mr. Idris pointed to recent interventions in Zamfara and Niger states, where coordinated actions by the armed forces and intelligence services disrupted planned attacks and neutralised armed groups within compressed timelines.

“Coordinated operations by the armed forces and other security agencies have led to sustained gains in several parts of the country,” he said. “Incidents of large-scale insurgent control have significantly decreased, and we are strengthening intelligence and rapid response systems to protect life and property.”

While such claims are consistent with official briefings in recent months, the underlying issue is less about isolated successes and more about durability. Nigeria’s security architecture has often recorded tactical wins without translating them into sustained territorial control or long-term deterrence. The government’s current posture suggests a belief that improved intelligence coordination and faster response cycles could alter that pattern.

On the economic side, the Honourable Minister pointed to a set of indicators that, in the government’s view, signal a gradual return to stability. Foreign reserves, he said, are strengthening, while reforms across oil and non-oil sectors are expanding revenue channels and improving fiscal transparency.

“These decisions, though difficult, are stabilising public finances and creating a more transparent economic environment,” Idris stated, acknowledging the adjustment costs associated with ongoing reforms.

A central data point in the government’s narrative is Nigeria’s reclassification to Frontier Market status by FTSE Russell. The upgrade, according to Idris, reflects improvements in foreign exchange liquidity, market transparency and the ease of capital repatriation, three variables that have historically constrained investor participation.

“This development confirms that Nigeria is once again a viable destination for global investment, with international funds expected to increase participation in our capital market,” he said.

The emphasis on external validation is strategic. In a capital-constrained environment, perception often precedes flows. Index inclusion and classification shifts can influence asset allocation decisions by global funds, potentially easing pressure on domestic financing conditions. However, such signals typically require policy consistency to translate into sustained inflows.

Mr. Idris also used the platform to recalibrate expectations around the role of the media, particularly as the country moves closer to another election cycle. He urged broadcasters to prioritise accuracy and restraint, warning that narratives of collapse, if not grounded in verifiable data, could amplify uncertainty.

“The broadcast media plays a critical role in shaping public perception and maintaining national unity,” he said, calling for adherence to professional standards of fairness and balance.

The appeal underscores a recurring tension between state messaging and independent reporting. While governments seek to manage narratives to preserve stability, media institutions operate on a mandate to interrogate and report realities as they unfold. The balance between both becomes more delicate in periods of reform and political transition.

Stakeholders present at the event, including representatives of the Independent National Electoral Commission, the National Broadcasting Commission and the Nigerian Television Authority, reflect the institutional breadth of the conversation. Their presence signals an alignment, at least formally, around the need for a stable information environment as reforms deepen.

Reforms Nuggets

UN Warns Global Trade Boom Masks Rising Fragility for Developing Economies

- Global trade reached \$35 trillion in 2025, expanding by \$2.5 trillion, but UN Trade and Development (UNCTAD) warns that growth is increasingly fragile due to geopolitical shocks

and rising logistics disruptions.

- Conflicts in the Middle East and instability around key maritime routes such as the Strait of Hormuz are driving up shipping and energy costs, with direct pressure on developing economies dependent on imports and external financing.

- For Africa and similar economies, the impact is structural: higher import bills, tighter fiscal space and reduced capacity to sustain growth, even where trade volumes remain positive

- Growth is increasingly uneven and price-driven rather than volume-driven, meaning nominal trade expansion is not fully translating into real economic gains for developing countries.

- Africa and East Asia remain key contributors to global trade expansion, reinforcing a shift where developing economies are now central engines of global trade growth, particularly through South-South trade.

- However, UNCTAD warns that participation is uneven, with many developing countries still locked out of high-value supply chains and unable to fully capture gains from global expansion.

- A major structural shift is underway as US-China trade fragmentation accelerates. New “connector economies” are emerging, acting as intermediaries in global supply chains and attracting redirected investment flows.

- This reconfiguration creates opportunities for African economies, including potential integration into alternative supply chains, but requires infrastructure readiness, policy stability and export competitiveness.

- Manufacturing, particularly electronics and ICT, is driving global trade growth, with ICT up 7% quarterly and semiconductors up 5%, reinforcing the dominance of tech-driven trade

- By contrast, traditional sectors such as automotive and energy remain volatile. Crude oil and coal recorded declines, while renewables like wind and solar showed mixed but expanding trajectories.

- For Africa, this divergence signals a transition pressure: economies dependent on commodities face volatility, while value-added manufacturing and tech-linked exports are becoming the growth frontier.

- For Africa, the outlook suggests a tightening external environment: higher debt servicing risks, constrained investment flows and weaker global demand could limit development gains

Nigeria's Cassava Dream Is Being Choked By A Supply Chain Failure



REFORM TALKS

with

Enam Obiosio

For some time now, policymakers, development agencies, and investors celebrate Nigeria's cassava sector as though it were already an industrial success story. The headlines are always flattering. New factories are announced. Capacity figures are touted. Investment commitments are praised. The narrative is polished, optimistic, and politically convenient. But the truth is far less flattering.

Nigeria's cassava industrialisation story is not being sabotaged by lack of demand, inadequate technology, or poor investor appetite. It is being strangled by something far more basic and far more embarrassing, a chronic inability to reliably move cassava from farms to factories. Until that reality is confronted honestly, the country's cassava processing boom will remain more fiction than fact.

I consider it deeply revealing that many cassava processing plants across the country reportedly operate at just 30 to 40 percent of installed capacity. That is not a minor inefficiency. It is systemic dysfunction. A factory built to run at full industrial throughput but operating at barely one-third capacity is not underperforming, it is structurally broken. The economics of industrial processing simply do not tolerate such underutilisation. Fixed costs remain fixed whether the plant runs full or half-empty. Debt obligations do not shrink because cassava failed to arrive. Payrolls do not disappear because logistics collapsed. The result is predictable, margins evaporate, debt service becomes difficult, and once-promising projects descend into financial distress. What is especially troubling is that this problem is not new. It is not hidden. It is not technically mysterious.

Everyone in the sector already knows feedstock reliability is the central determinant of whether a cassava processing investment succeeds or fails. Yet operators and policymakers continue to behave as though processing plants can somehow compensate for weak supply chains. They cannot. Industrial agriculture does not reward optimism unsupported by logistics.

Too much of Nigeria's agribusiness planning still suffers from a dangerous obsession with infrastructure symbolism over operational reality. We celebrate commissioning factories more than we care about whether those factories can run. We applaud ribbon-cutting ceremonies while ignoring the unglamorous but decisive work of farmer coordination, aggregation, logistics scheduling, and rural procurement systems. In other words, we invest heavily in steel and concrete while underinvesting in the human and operational networks that make the steel and concrete productive. That is not industrial strategy. That is theatre.

What the current cassava crisis demonstrates is that farmer networks are not peripheral support mechanisms. They are core industrial infrastructure. A cassava plant's true supply chain does not begin at its receiving bay, it begins with the thousands of

farmers whose planting cycles, harvest timing, logistics coordination, pricing trust, and contractual discipline determine whether raw material arrives consistently. Without that network functioning effectively, the factory is merely an expensive monument to bad planning.

The most sobering revelation may be that even vertically integrated processors, those that attempt to own farmland and control cultivation directly, still reportedly depend on smallholder farmers for 60 to 70 percent of supply. That should permanently bury the fantasy that processors can simply "farm their way out" of supply insecurity through self-production. They cannot. Not at scale. Not economically. Not sustainably.

The implication is straightforward. Nigeria's cassava industrial future will rise or fall on whether processors learn to manage smallholder farmer ecosystems professionally. And that is precisely where many are failing.

Managing thousands of dispersed rural producers is operationally hard. It requires discipline, systems, data, field supervision, trust-building, logistics intelligence, and financing mechanisms. It requires treating farmer network management not as a side activity but as a core business function. Too many processors, however, still approach it casually, as though buying cassava should be a simple procurement exercise rather than a complex supply chain operation. It is not.

A mid-sized cassava plant reportedly needs around

Nigeria's cassava industrial future will rise or fall on whether processors learn to manage smallholder farmer ecosystems professionally

3,000 farmers delivering consistently to remain viable. That is not procurement, that is ecosystem management. It demands institutional capability many processors simply do not possess.

This is why the Block Farming Model being highlighted by IDH deserves serious attention. Not because it is magical, but because it reflects an overdue recognition that industrial agriculture requires industrial-grade coordination. Structured farmer blocks, synchronised planting, supervised harvesting, managed input distribution, and aligned delivery schedules are not optional enhancements, they are the mechanics of reliability. They transform farming from fragmented subsistence production into coordinated industrial supply. But even here, realism is necessary.

The Block Farming Model is promising, yet scaling it nationally will be difficult. Nigeria's land tenure complexities, community politics, infrastructure deficits, and weak rural governance create enormous friction. Securing contiguous land, maintaining discipline across diverse local contexts, and preserving operational integrity at scale will test even the best-designed frameworks. The model may be correct in principle, but execution will remain difficult in practice.

Still, difficulty is not an excuse for inertia. What the sector needs now is less celebration and more operational honesty.

Processors must stop treating side-selling as merely a farmer morality problem and start recognising it as a trust and incentive problem. Farmers sell elsewhere because they often perceive greater value, better payment speed, or lower risk outside structured arrangements. Loyalty cannot be demanded. It must be engineered.

That means faster payments, transparent pricing systems, volume incentives, bundled agronomic support, predictable deductions for input credit, and regular engagement that makes farmers see processors as partners rather than extractive buyers. These are not "soft" interventions. They are commercial necessities. A processor unable to retain farmer loyalty has not secured supply, no matter what its contracts say.

I find it remarkable how often Nigerian agribusiness investors obsess over machinery specifications, land banks, and processing technology while underestimating the strategic importance of farmer relationship architecture. Machines do not create supply certainty. Human systems do. And investors should be paying closer attention.

From an investment standpoint, unreliable feedstock is not a secondary operating issue. It is the primary execution risk. A beautifully modelled cassava plant with credible offtake contracts and modern equipment can still be a terrible investment if feedstock reliability is weak. No sophisticated investor should ignore that. In fact, feedstock reliability should arguably be treated as the single most important diligence criterion in cassava processing deals. If the supply chain is not demonstrably secure, the project is fundamentally impaired regardless of every other attractive feature.

This is where many development narratives around agriculture become misleading. We often frame industrial agriculture as a financing problem, a policy problem, or a technology problem. Those matter, yes. But in cassava processing, the immediate bottleneck is execution discipline at the supply chain level.

Nigeria's cassava sector does not have a processing problem. It has a reliability problem. And until reliability becomes the industry's central obsession, the country's cassava dream will remain exactly that, a dream.