

NCC Reviews Mobile Termination Rates Amid Industry Changes, Inflation Pressures

Pg 6

President Tinubu Reaffirms Food Security Drive With Fertiliser Gains

Pg 8

NEXIM Secures \$50m ICD Facility To Expand Non-Interest Financing For Export Businesses

Pg 12

The Reforms

Championing good governance, Driving Development



Monday 22 - Sunday 28 June, 2026

52nd Edition

Nigeria Targets Trillion-Dollar Halal Market In New Economic Strategy

For decades, Nigeria's economic conversation has revolved around a familiar set of priorities: oil revenues, infrastructure deficits, foreign exchange challenges and industrial diversification. Yet amid these long-standing concerns, a new opportunity is beginning to emerge from an unexpected direction.

*The administration of **President Bola Ahmed Tinubu** is now placing strategic attention on the halal economy, a global market that spans food production, livestock, pharmaceuticals, cosmetics, tourism, logistics, finance and lifestyle services. The federal government believes the sector could become an important contributor to economic growth, export earnings and job creation in the years ahead. **Enam Obiosio** writes...*

Speaking on the sidelines of the Islamic Development Bank (IsDB) Group Annual Meeting in Baku, Azerbaijan, the Deputy Chief of Staff to the President in the Office of the Vice President, Senator Ibrahim Hassan Hadejia, outlined the administration's vision for developing a comprehensive halal ecosystem in Nigeria.

His remarks reveal a broader economic calculation. Beyond its religious origins, the halal economy has evolved into one of the world's fastest-growing commercial sectors, attracting participation from countries with little or no Muslim majority populations. Nations such as Australia, Brazil, New Zealand and the United States have successfully positioned themselves as major suppliers to global halal markets, generating billions of dollars annually from exports.

Nigeria believes it can do the same.

From Religious Niche To Global Business

One of the biggest misconceptions surrounding the halal economy is that it serves only Muslim consumers. While the sector originated from Islamic dietary and ethical standards, its appeal has expanded significantly over the past two decades.

Today, halal-certified products are often associated with quality assurance, safety standards, ethical sourcing and traceability. Consumers across different faiths increasingly purchase halal products because they view them as meeting strict production and hygiene



requirements.

This transformation has turned halal into a mainstream global business category.

According to Sen. Hadejia, the sector is rapidly approaching a market value of seven trillion dollars globally. Whether in food processing, pharmaceuticals, cosmetics, fashion or tourism, halal certification has become a gateway into some of the world's fastest-growing consumer markets.

For Nigeria, this represents both a challenge and an opportunity.

The challenge lies in building the institutional structures required to participate competitively. The opportunity lies in the country's existing demographic and agricultural advantages.

"Nigeria, without any effort, is the seventh-largest halal consumer country in the world and the second-largest in Africa," Sen. Hadejia noted.

That statistic alone presents a compelling case. Few countries begin with a large domestic market already consuming products that fit within the halal value chain. Nigeria does.

The Livestock Advantage

Perhaps the strongest pillar of Nigeria's halal ambitions lies in livestock production.

The creation of the Federal Ministry of Livestock Development by the President Tinubu's administration

CONTINUES ON PG 2



BANK OF INDUSTRY

...transforming Nigeria's industrial sector

was initially viewed as part of broader agricultural reforms. However, the government now see the ministry as a potential cornerstone of Nigeria's entry into global halal markets.

Nigeria possesses one of Africa's largest livestock populations, including cattle, sheep and goats. These resources provide a natural foundation for halal meat production and export.

Sen. Hadejia highlighted the strong demand for Nigerian livestock products in Middle Eastern countries, particularly Nigerian goat meat, which enjoys a reputation for its distinctive flavour.

Currently, much of this trade operates informally. Animals and livestock products often move through fragmented supply chains with limited certification, inadequate processing facilities and weak export infrastructure.

The government's strategy seeks to formalise these activities.

Certification systems, modern abattoirs, logistics networks and export-oriented processing facilities could help Nigeria capture greater value from products already in demand internationally.

If successfully implemented, the economic benefits could extend well beyond farmers and livestock traders.

Entire value chains involving transportation, packaging, cold storage, veterinary services, processing plants and export logistics would emerge around the industry.

The MSME Dimension

Perhaps the most politically significant aspect of the government's halal strategy is its emphasis on micro, small and medium enterprises.

Nigeria's economic growth challenge is not merely increasing national output. It is ensuring that growth translates into jobs and opportunities for ordinary citizens.

This is where policymakers see halal development as different from many large-scale industrial projects.

According to Sen. Hadejia, the ecosystem is being designed from the ground up rather than from the top down.

The focus is on producers, processors, traders and small businesses operating at the grassroots level.

For rural communities, halal certification could create access to premium markets. For small manufactur-

Nigeria possesses one of Africa's largest livestock populations, including cattle, sheep and goats. These resources provide a natural foundation for halal meat production and export

ers, it could open doors to export opportunities. For young entrepreneurs, it could create entirely new service industries ranging from packaging and branding to logistics and digital commerce.

In a country where unemployment and underemployment remain pressing concerns, such opportunities are particularly attractive.

The government's economic inclusion agenda depends heavily on expanding participation in productive sectors. A functioning halal ecosystem aligns closely with that objective.

More than agriculture

Although livestock and food production dominate



Senator Ibrahim Hassan Hadejia, the Deputy Chief of Staff to the President in the Office of the Vice President

public discussions about halal markets, the global halal economy is far broader.

Islamic finance already represents a growing segment of Nigeria's financial sector. Non-interest banking continues to expand, attracting customers seeking alternative financial products.

Sen. Hadejia noted that non-interest banking now accounts for a significant share of the Nigerian banking industry.

Beyond finance, opportunities exist in pharmaceuticals, cosmetics, hospitality and tourism.

Countries such as Malaysia and the United Arab Emirates have demonstrated how halal certification can support entire economic ecosystems that attract both domestic and international investment.

For Nigeria, diversification into these sectors could strengthen efforts to reduce dependence on crude oil exports.

The strategy fits neatly within the administration's broader economic reform agenda, which includes foreign exchange reforms, infrastructure development and efforts to improve the business environment.

The Infrastructure Test

Yet ambition alone will not guarantee success. The biggest challenge facing Nigeria's halal aspirations may not be market demand but execution.

Export competitiveness depends on infrastructure. Roads, ports, storage facilities, energy supply and regulatory efficiency all influence whether producers can compete internationally.

Sen. Hadejia acknowledged this reality when discussing the administration's infrastructure investments.

He argued that ongoing road projects across the country would significantly reduce logistics costs over the next few years.

The impact could be substantial. One of the key drivers of food inflation in Nigeria is transportation. Moving agricultural products from producing regions to consumer markets remains expensive and inefficient.

If transport costs decline, agricultural producers could become more competitive domestically and internationally. The halal economy cannot thrive without these supporting reforms.

It is not simply a certification exercise. It requires an entire economic ecosystem capable of delivering products efficiently and consistently to global markets.

IsDB and The Financing Factor

Another important element in the government's strategy is its relationship with the IsDB.

Hadejia commended the institution for providing financing that is often less expensive and less complex than traditional multilateral lending arrangements.

His comments reflect growing interest among policymakers in alternative financing mechanisms based on risk-sharing principles.

As Nigeria seeks funding for infrastructure, agricultural development and industrial expansion, institutions such as the IsDB may play an increasingly prominent role.

For sectors like halal development, access to affordable financing could prove decisive.

Small businesses, processors and exporters require capital to expand operations and meet international standards. Without financing, even the most promising economic opportunities often fail to scale.

A Moment Of Possibility

The President Tinubu administration's focus on the halal economy represents more than a niche policy initiative. It reflects a broader search for new pathways to economic growth.

Nigeria's advantages are undeniable. A large domestic market, abundant livestock resources, strategic geographic position and expanding entrepreneurial base provide a strong starting point.

Yet success will depend on execution. Certification frameworks must be credible. Infrastructure must improve. Export standards must be enforced. Financing must reach businesses that need it most.

If these conditions are met, the halal economy could become one of Nigeria's most significant non-oil growth stories over the coming decade.

For a country seeking diversification, foreign exchange earnings and job creation, the opportunity is difficult to ignore.

The real test begins now.



Addressing the housing sector challenges with long-term, low-cost mortgage financing for Nigerians at scale



FINANCING NIGERIA'S NON-OIL EXPORT GROWTH

OUR PRODUCTS

- Export Credit Insurance
- Small & Medium Enterprise Export Facility
- Rediscounting & Refinancing Facility
- Foreign Input Facility
- Local Input Facility
- Stocking Facility
- Women and Youth Export Facility
- Export Development Facility
- Trade Finance Facility
- Nigerian Content Development and Monitoring Board Fund

CORPORATE HEAD OFFICE

NEXIM House
Plot 975 Cadastral Zone AO,
Central Business District, Abuja
phone +234 209 4603 630
fax +234 9 4603638
email neximabj@neximbank.com.ng

ONLINE

[f](#) [i](#) [o](#) [m](#) /neximbank

neximbank.com.ng

REGIONAL OFFICES

Lagos Regional Office
18A, Gerrard Road, Ikoyi, Lagos
phone +234 916 863 4108
email lagosregionaloffice@neximbank.com.ng

Maiduguri Regional Office
41, Sir Kashim Ibrahim Way (West End)
Adjacent to UBA and Ecobank, Maiduguri, Borno State
phone +234 916 863 4106
email bornoregionaloffice@neximbank.com.ng

Enugu Regional Office
House 11, Coal City Garden Estate
GRA, Behind CBN, Okpara Avenue, Enugu State
phone +234 916 863 4113
email enuguregionaloffice@neximbank.com.ng

Akure Regional Office
10, Ado-Owo Road
Alagbaka, Akure, Ondo State
phone +234 916 863 4100
email akureregionaloffice@neximbank.com.ng

Calabar Regional Office
Calabar Export Processing Zone Murtala Muhammed
Way P.M.B. 1127, (Free Trade Zone), Calabar, Cross River
State phone +234 916 863 4105 email
calabarregionaloffice@neximbank.com.ng

Kano Regional Office
No 2, Sokoto Road, Opposite Audu Bako
Secretariat, Kano, Kano State.
phone +234 916 863 4104
email kanoregionaloffice@neximbank.com.ng

Makurdi Regional Office
10, Ogiri Oko Road
Opposite Mobile Police Headquarters
Adjacent Central Bank of Nigeria
Old GRA, Makurdi, Benue State
phone +234 916 863 4107
email makurdiregionaloffice@neximbank.com.ng

THE TEAM

Publisher/Editor-in-Chief
Yunusa Tanko Abdullahi

Editorial Consultant
Enam Obiosio

Associate Editors
Tony Tagbo
Jerome Kris
Felix Omoh-Asun

Special Project Editor
Mujtaba Ibrahim

Editorial/ Production Manager
Jennete Ugo Anya

Senior Correspondents
Musa Ibrahim
Oluwatoyin Bamidele

Correspondents
Ahmed Ahmed
Anita Dennis
Kingsley Benson
Majeed Salaam

Reporter
Albert Egbede

Business Development
Adedamola Bello

Advertising/Photo
Safwan Yusuf Jibo

Enquiries
08023130653

Marketing
Elizabeth Akamai

Subscriptions
Sandra Usman

Graphics
Gabriel Olatunde Emmanuel

D2-32 Atiku
Abubakar Crescent,
Cityview,
Dakwo, Abuja.

EDITORIAL**Nigeria's Oil Future Should Depend On Data Not Declarations**

For too long, Nigeria's petroleum sector has suffered from a problem that has little to do with oil production, refinery capacity or investment capital. The deeper problem has been information. In a sector that contributes significantly to government revenues, foreign exchange earnings and national economic activity, the country has often struggled with fragmented data, inconsistent reporting, weak transparency and competing versions of reality.

That is why the growing collaboration between the Nigerian Midstream and Downstream Petroleum Regulatory Authority (NMDPRA) and the Nigeria Extractive Industries Transparency Initiative (NEITI) deserves far more attention than a routine institutional meeting would ordinarily attract.

We believe this partnership strikes at the heart of one of the most important reforms required in Nigeria's petroleum industry: the creation of a credible, transparent and technology-driven information architecture.

The Petroleum Industry Act was designed to modernise governance across the sector. Yet no reform can succeed if regulators, investors, operators, government agencies and citizens are working with incomplete or unreliable information. Effective regulation begins with accurate data. Investor confidence begins with accurate data. Revenue accountability begins with accurate data. Public trust begins with accurate data.

In many respects, data has become the new infrastructure of modern energy governance.

The commitment by NMDPRA to deepen technology deployment through initiatives such as Project NEXUS and Project 365 therefore represents more than administrative modernisation. It reflects an under-

standing that the future of regulation lies increasingly in digital visibility, process automation and real-time monitoring. We see this as a necessary evolution.

Nigeria's petroleum industry is becoming more complex. The emergence of domestic refining, expansion of gas infrastructure, deregulation of downstream markets and implementation of Petroleum Industry Act reforms have created a regulatory environment that requires faster decision-making and stronger oversight. Such an environment cannot be effectively managed through manual processes and fragmented reporting systems.

The authority's focus on product tracking across the value chain is particularly significant. Product losses, supply distortions, smuggling risks and accountability challenges often thrive where transparency is weak. Technology-enabled monitoring can help close those gaps while strengthening market confidence. Equally important is the role of NEITI.

For years, NEITI has served as one of the country's most credible accountability institutions within the extractive sector. Its reports have often provided insights into revenue flows, operational challenges and governance weaknesses that would otherwise remain obscured. The agency's request for greater access to information on refinery operations and beneficial ownership reflects a growing international demand for transparency that goes beyond production figures and revenue disclosures.

Today, investors increasingly want to know who owns strategic assets, how revenues are generated and whether governance structures meet international standards. Countries that cannot answer these questions risk losing competitiveness in the

global race for capital.

We therefore see the growing cooperation between NMDPRA and NEITI as strategically important for another reason. It signals that regulatory effectiveness and transparency are no longer operating in separate silos. They are becoming mutually reinforcing objectives.

This matters because Nigeria's energy sector is entering a period of significant transition. The country is seeking to attract investment, expand refining capacity, strengthen gas utilisation and improve energy security. Achieving these objectives requires more than policy pronouncements. It requires institutional credibility.

Credibility is built when investors trust the numbers, citizens trust the disclosures and regulators trust the information they receive.

The petroleum sector has historically generated debates over volumes, revenues, subsidies, ownership structures and operational performance. Many of those disputes emerged because data systems were either weak, inaccessible or inconsistent. Stronger collaboration between NMDPRA and NEITI offers an opportunity to address those long-standing deficiencies.

We believe the ultimate value of this partnership will not be measured by meetings held or memoranda exchanged. It will be measured by whether Nigeria develops a petroleum sector where transparency is embedded in operations, technology drives oversight and reliable data becomes the foundation of policymaking.

The future of the country's energy industry will depend not merely on the resources beneath the ground but on the quality of information above it. In the years ahead, data may prove to be as important to Nigeria's petroleum sector as crude oil itself.

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 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.



managed by



GET YOUR MREIF MORTGAGE TODAY

9.75%
interest rate
per annum

10%
Minimum
Down Payment

Get up to ₦100 million in mortgage loans with low interest and flexible terms.

Call us today on **0201-330-5005** or email us at mreif@arm.com.ng.

Visit: mreif.com.ng

NCC Reviews Mobile Termination Rates Amid Industry Changes, Inflation Pressures



Dr. Aminu Maida, Executive Vice Chairman and Chief Executive Officer of NCC

By Jennete Ugo Anya

The Nigerian Communications Commission (NCC) has begun a fresh review of Mobile Termination Rates (MTR), in a move aimed at aligning interconnection charges with evolving market conditions in the telecommunications sector.

The review forms part of broader regulatory efforts to ensure that pricing structures within Nigeria's telecoms industry remain cost-reflective, competitive and responsive to economic realities.

Speaking at a Stakeholder Consultative Forum on the consultancy study for the determination of mobile termination rates, Omotayo Mohammed, Head of Competition and Tariff at the NCC, said the exercise is necessary to update the regulatory framework in line with recent industry and macroeconomic developments.

She explained that the review will examine existing national and international termination rates, assess retail price controls and asymmetry arrangements, and develop a framework that accommodates emerging operators within the telecommunications ecosystem.

The current interconnection rate regime was established under the Commission's Interconnection Rate Determination issued in 2018 and later adjusted in 2022 for mobile international termination rates. However, officials say significant changes in the industry since then have made a reassessment necessary.

According to Mohammed, the telecommunications landscape has evolved considerably over the past few years, driven by network expansion, rapid technological advancement and increased market participation. These include the deployment of 5G networks and the entry of Mobile Virtual Network Operators (MVNOs),

which are gradually reshaping competition dynamics in the sector.

She also pointed to wider economic pressures affecting the cost structure of telecom operations. Exchange

... the telecommunications landscape has evolved considerably over the past few years, driven by network expansion, rapid technological advancement and increased market participation

rate volatility and inflation, she said, have significantly increased operational costs for service providers, making periodic reviews essential to maintain balance within the system.

"The years since our 2018 determination have been marked by unprecedented and rapid changes. Changes in exchange rate regimes and inflation rates have substantially altered the cost structures associated with providing communication services in Nigeria," she said.

Mohammed noted that the review is being carried out under Section 108 of the Nigerian Communications

Act 2003, which empowers the regulator to ensure that tariffs and charges remain fair, reasonable and non-discriminatory.

The study will focus on three key areas. First, it will develop an updated cost model for national and international termination rates that reflects current macroeconomic conditions and technological realities, including the rollout of 5G networks. Second, it will review retail pricing regulations and asymmetry arrangements to ensure consumer protection and market stability. Third, it will design a framework to support the integration and interconnection of emerging operators such as MVNOs.

To support the exercise, the Commission has engaged global consulting firm KPMG to conduct the study and coordinate data collection from operators across the sector. The process is expected to rely heavily on industry input to ensure that the final cost model accurately reflects operational realities.

Mohammed emphasised that the success of the review will depend on the quality and completeness of data provided by telecommunications operators, infrastructure providers and other licensed service operators.

She urged stakeholders to cooperate fully with the consultants by submitting timely and accurate information, noting that the outcome of the study will play a critical role in shaping future pricing structures and regulatory decisions in Nigeria's telecom sector.

The review comes at a time when the industry is undergoing structural shifts driven by digital expansion, rising demand for data services and increasing pressure on operators to balance affordability with sustainability.



Funding Nigeria's Agriculture, Growing Prosperity

AFNIS Investment Success Signals New Push For Africa's Mineral Industrialisation



Dr. Dele Alake, Honourable Minister of Solid Minerals Development

By Kingsley Benson

Africa's vast mineral wealth has long powered industries across the world, yet much of the continent continues to export raw materials while importing finished products at significantly higher costs. That long-standing paradox came under renewed scrutiny in Abuja this week as policymakers, investors and industry leaders gathered ahead of the 5th African Natural Resources and Energy Investment Summit (AFNIS), where the focus shifted from resource extraction to resource transformation.

At the centre of the conversation was a clear message from Nigeria's Honourable Minister of Solid Minerals Development, Dr. Dele Alake, who urged African countries to end their dependence on raw mineral exports and embrace value addition, industrialisation and regional cooperation as pathways to sustainable economic growth.

Represented by the Managing Director and Chief Executive Officer of the Nigeria Solid Minerals Company, Martins Imonitie, the minister argued that Africa can no longer afford to remain merely a supplier of raw materials to industrialised economies.

His remarks reflect a growing consensus across the continent that the next phase of Africa's economic development must be built around processing, manufacturing and technology-driven industries capable of creating jobs and retaining wealth within African

economies.

The urgency of that shift is becoming increasingly evident. Global demand for critical minerals used in electric vehicles, renewable energy technologies, batteries and advanced manufacturing continues to rise. Countries around the world are racing to secure supply chains for minerals such as lithium, cobalt, graphite and rare earth elements, many of which are found in abundance across Africa.

For resource-rich nations, the opportunity extends far beyond exporting ore. It lies in building domestic industries that process minerals into higher-value products before they reach international markets.

According to Alake, Africa's mineral resources should serve as catalysts for economic transformation, technological advancement, infrastructure development and long-term prosperity. The argument aligns closely with broader efforts by African governments to diversify economies that have historically relied on commodity exports with limited domestic value creation.

The theme of this year's summit, 'One Africa, One Resource Vision', reflects that ambition. It also highlights increasing recognition that no single African country can fully unlock the potential of its natural resources in isolation. Regional collaboration on infrastructure, financing, technology transfer and industrial development is becoming increasingly important as nations seek to compete in a rapidly evolving global economy.

The summit is expected to attract government of-

ficials, investors, financiers, mining and energy companies, technology providers and policymakers from several African countries, including the Democratic Republic of Congo, Kenya, Uganda, South Sudan, Somalia, Liberia and Mauritania.

Beyond policy discussions, AFNIS has also demonstrated measurable investment outcomes. Director of Strategy and Platform Development at Core International, Archibald Troko, disclosed that the platform has attracted more than \$600 million in investments over the past four years.

That figure is significant at a time when many African countries continue to struggle with attracting long-term capital into mining and energy projects. Investors often cite regulatory uncertainty, inadequate infrastructure and financing risks as major barriers to investment.

Troko acknowledged those challenges while stressing the importance of attracting development partners capable of reducing investment risks and expanding access to capital. He noted that efforts are underway to encourage stronger participation by local investors who have historically played a limited role in financing large-scale mining and energy projects.

The emphasis on de-risking investment also points to a larger challenge facing Africa's resource sector. While the continent possesses some of the world's most valuable mineral deposits, converting geological potential into industrial and economic prosperity requires stable policies, reliable infrastructure and access to affordable financing.

AFNIS has evolved considerably since its inception five years ago. What began as a dialogue platform connecting governments, investors and industry stakeholders has grown into one of Africa's leading forums for discussions on mining, energy, industrialisation and sustainable development.

... Africa's mineral resources should serve as catalysts for economic transformation, technological advancement, infrastructure development and long-term prosperity

...for a healthier insurance industry in Nigeria

www.naicom.gov.ng [@NaicomNG](#) [@nationalinsurancecommission](#)

President Tinubu Reaffirms Food Security Drive With Fertiliser Gains

■ Commends MOFI, NADF For Strengthening Agriculture



President Bola Ahmed Tinubu

By Jennete Ugo Anya

President Bola Ahmed Tinubu has restated his administration's commitment to strengthening Nigeria's agricultural productivity and food security, as new figures show expanded progress in fertiliser production, distribution, and value chain reforms across the country.

The President gave the assurance recently while commending the Ministry of Finance Incorporated (MOFI) and the National Agricultural Development Fund (NADF) for their roles in stabilising fertiliser supply, expanding local production capacity, and improving access for smallholder farmers under ongoing federal interventions.

According to him, the reforms being implemented through the Presidential Fertiliser Initiative (PFI), now under MOFI, alongside the Renewed Hope Farm Input Support Programme (RH-FISP) managed by NADF, reflect a coordinated strategy to reduce import dependence and strengthen domestic agricultural systems.

President Tinubu noted that the policy direction aligns with broader efforts to shield Nigeria's food system from global shocks, particularly disruptions in international supply chains and rising costs of fertiliser inputs driven by geopolitical tensions.

He explained that early government interventions helped secure critical raw materials, improve procurement systems, and maintain continuity in fertiliser blending operations across the country.

Data presented by the Presidency indicates that as of May 2026, over 449,000 metric tonnes of fertiliser inputs had been secured, equivalent to about nine million bags. In addition, 10 cargo vessels carrying fertiliser materials have either been discharged or are currently in transit, signalling sustained supply chain activity.

The government also projected that Nigeria is on track to deliver 1.1 million metric tonnes of fertiliser in 2026, translating to approximately 22 million bags nationwide. This target is positioned as part of a broader effort to boost agricultural output and stabilise food prices.

A key milestone highlighted in the update is the expansion of domestic blending capacity. Nigeria now operates more than 90 functional fertiliser blending plants, making it the largest fertiliser blending hub in Sub-Saharan Africa. Officials say this development has strengthened local manufacturing, created jobs, and improved resilience within the agricultural sector.

President Tinubu further disclosed that strategic procurement arrangements under MOFI generated savings of N61.58 billion in 2026, a cost efficiency he said would help improve affordability for farmers and support government

procurement arrangements under MOFI generated savings of N61.58 billion in 2026, a cost efficiency he said would help improve affordability for farmers and support government

Nigeria now operates more than 90 functional fertiliser blending plants, making it the largest fertiliser blending hub in Sub-Saharan Africa

sustainability in agricultural interventions.

While MOFI's reforms focus on supply security and production capacity, NADF has been tasked with ensuring that fertiliser reaches end users, particularly smallholder farmers who form the backbone of Nigeria's agricultural economy.

Through the RH-FISP, NADF is currently distributing 515,720 bags of locally produced fertiliser to 128,930 farmers across 25 states and the Federal Capital Territory. The distribution is targeted at the current planting season, where timing and access are critical to yield outcomes.

The intervention also includes support for improved farming practices through digital extension services and standardised fertiliser application guidelines. Priority crops such as rice, maize, cassava, and soybean are central to the programme's focus, reflecting their importance in domestic food consumption and industrial processing.

President Tinubu described the fertiliser interventions as part of a wider strategy to strengthen the entire agricultural value chain, from production and input supply to distribution and market access. He emphasised that food security remains a central pillar of his administration's economic agenda.

He also pointed to the broader global context, noting that rising geopolitical tensions and supply chain disruptions have increased pressure on food systems worldwide. In response, Nigeria, he said, has taken proactive steps to stabilise input supply and protect domestic farmers from external shocks.

The President highlighted that Nigeria's agricultural reforms are not limited to production targets but extend to structural improvements aimed at building long-term resilience in the sector.

"Our administration will continue to take practical steps that improve productivity, support our farmers, and secure our nation's food future," Tinubu said, describing the ongoing interventions as evidence of policy continuity and execution.

With fertiliser availability improving, blending capacity expanding, and distribution networks being strengthened, the government is positioning agriculture as a key driver of economic stability and rural development.

However, analysts note that sustained gains will depend on efficient distribution systems, security in farming regions, and the ability to maintain affordability for smallholder farmers who remain most vulnerable to input price volatility.

For now, the administration is presenting the fertiliser programme as a foundational step toward boosting food production, stabilising prices, and reducing Nigeria's dependence on imported agricultural inputs.

Nigeria Inflation Climbs To 15.93% In May



By Musa Ibrahim

Nigeria's headline inflation rose to 15.93 per cent in May 2026, marking the third consecutive monthly increase and reinforcing concerns that price pressures are gradually rebuilding across Africa's largest economy despite earlier signs of moderation.

Fresh data from the National Bureau of Statistics show that the Consumer Price Index climbed to 140.7 in May, up from 138.3 in April. This represents a continued upward movement in the general price level, even though the pace of increase slowed on a month-on-month basis.

Month-on-month inflation stood at 1.75 percent in May, a decline from 2.13 percent recorded in April. On the surface, this suggests a mild easing in short-term price acceleration. However, the broader annual trend tells a different story. Inflation has now risen steadily from 15.38 percent in March to 15.69 percent in April before reaching 15.93 percent in May.

The pattern highlights a familiar tension in Nigeria's price dynamics. Short-term fluctuations may soften, but underlying structural pressures continue to push the general price level higher over time.

A striking feature of the May report is the continued dominance of food inflation. Food and non-alcoholic beverages contributed 6.38 percentage points to the headline figure, making it the single largest driver of inflation across the consumption basket. This reflects persistent pressure in staple food markets where supply constraints, logistics costs and insecurity continue to affect production and distribution.

Items such as onions, maize, cassava products, yam, tomatoes, pepper, wheat grain and plantain were among the key contributors to rising food costs. These commodities form the core of household consumption, which means inflationary pressure is being felt most directly in daily living expenses.

Food inflation stood at 16.96 percent year-on-year, down from 24.55 percent in May 2025. On a monthly basis, it eased to 2.98 percent from 3.63 percent in April. Despite this moderation, the level remains high enough to sustain cost-of-living pressures, particularly for low and middle-income households.

Beyond food, inflationary pressure is also visible across services and essential household categories. Restaurants and accommodation services contributed 2.06 percentage points to headline inflation. Transport added 1.70 percentage points, while housing, water, electricity, gas and other fuels contributed 1.34 percentage points. Education and healthcare services also

maintained notable pressure on the index.

Core inflation, which strips out volatile agricultural produce and energy prices, rose to 16.82 percent year-on-year. This indicates that underlying price pressures remain entrenched in the economy beyond food shocks. On a monthly basis, core inflation accelerated sharply to 1.94 percent from 1.03 percent in April, signalling renewed momentum in non-food price increases.

This divergence between easing food inflation and rising core inflation suggests a more complex inflation environment. While some relief is emerging in food markets, broader cost structures in services, logistics and manufactured goods are still under strain.

Urban households recorded a year-on-year inflation rate of 16.07 percent, slightly higher than rural inflation at 15.60 percent. However, rural areas experienced a sharper slowdown in monthly inflation, dropping to 1.17 percent from 2.80 percent in April. Urban inflation, by contrast, rose marginally to 1.99 percent.

Energy and imported food inflation remained comparatively lower in headline terms but continue to exert pressure on specific consumption channels. Services inflation stayed elevated at 17.92 percent year-on-year, reflecting persistent demand pressures and structural cost challenges.

At the state level, disparities remain pronounced. Yobe recorded the highest annual inflation rate at 24.94 percent, followed by Anambra at 23.29 percent and Sokoto at 22.60 percent. In contrast, Niger recorded the lowest rate at 3.07 percent, with Plateau and Edo also posting relatively subdued figures.

Food inflation trends also varied widely across regions. Adamawa recorded the highest annual food inflation at 29.62 percent, while Borno reported food deflation at minus 6.53 percent. These variations reflect differences in supply chains, security conditions and agricultural output across states.

Monthly movements further highlight volatility in local markets. Bauchi recorded the highest food inflation increase at 7.73 percent, while Niger and Katsina saw declines, indicating uneven price adjustments across regions.

Despite the upward trajectory in headline inflation over the past three months, the year-on-year comparison shows significant easing from 26.06 percent recorded in May 2025. This suggests that while inflationary pressures remain, the economy is still operating below last year's peak stress levels.

Still, the gradual month-on-month rise signals that the disinflation process is losing momentum. The persistence of food, services and core inflation pressures points to a fragile price environment where gains can easily reverse if shocks intensify.

FG's N83.2bn Flood Intervention Indicates A Move Towards Climate Preparedness

By Anita Dennis

For decades, Nigeria's response to natural disasters has largely followed a familiar pattern. Floodwaters arrive, communities are displaced, farmlands are destroyed, emergency relief is mobilised and governments begin the costly process of recovery.

That cycle may now be facing a significant policy shift. At its 158th meeting, the National Economic Council (NEC) approved N83.2 billion for interventions under the Anticipatory Action Task Force (AATF), a move designed to strengthen the country's preparedness against flooding and other climate-related emergencies before they occur.

The decision represents more than a funding approval. It reflects an emerging recognition among policymakers that climate change is no longer a future threat but a present economic and humanitarian challenge requiring proactive action.

The intervention comes as meteorological forecasts continue to warn of severe flooding risks across several parts of the country during the 2026 rainy season. With millions of Nigerians living in flood-prone communities and agriculture remaining highly dependent on weather conditions, the economic consequences of annual flooding have become increasingly difficult to ignore.

Presenting the proposal to the council, the Honourable Minister of State for Budget and Economic Planning, Senator Atiku Bagudu, highlighted the need for early intervention measures to address the recurring challenges associated with seasonal flooding.

The original proposal sought approval for the disbursement of N166.42 billion through the Federation Account Allocation Committee (FAAC) mechanism to designated implementing agencies and beneficiaries. However, after deliberations, NEC approved N83.21 billion, representing 50 percent of the requested amount.

Despite the reduction, council members viewed the approval as a strategic first step towards institutionalising anticipatory action in disaster management.

Speaking to journalists after the meeting, Cross River State Governor, Bassey Otu, described the intervention as a landmark departure from Nigeria's traditional approach to disaster response.

According to him, government institutions have often focused on responding to disasters after substantial damage has already occurred. This approach, while necessary during emergencies, frequently leads to higher costs, greater humanitarian suffering and longer recovery periods.

The newly approved intervention seeks to reverse that pattern by supporting preventive measures that can reduce the impact of disasters before they unfold.

The significance of the initiative extends beyond flood control. It reflects a broader shift in governance thinking about climate resilience and risk management.

Nigeria has experienced increasingly frequent climate-related disasters in recent years. Flooding has destroyed homes, displaced communities, disrupted transportation networks and caused billions of naira in agricultural losses. In many cases, vulnerable populations bear the greatest burden, particularly rural farmers whose livelihoods depend on predictable weather patterns.

By adopting an anticipatory action framework, policymakers are attempting to reduce both the human and economic costs of these disasters.

The council's decision to approve only half of the requested funding was driven largely by fiscal realities. According to Governor Otu, members sought to strike a balance between available resources and the urgent need for intervention.

The approach reflects the broader challenge facing public finance management in Nigeria. Government must address multiple competing priorities, including infrastructure development, healthcare, education, social protection and security, while responding to emerging climate threats that require significant investment.

Yet experts increasingly argue that preventive spending often proves less expensive than post-disaster recovery efforts. Every naira invested in preparedness can potentially save multiple times that amount in emergency relief, reconstruction and economic losses.

Shettima Drives Domestic Financing Push To Bridge Nigeria's N500bn Nutrition Gap

By Kingsley Benson

The Vice President, Kashim Shettima, has intensified calls for a shift toward domestic financing to address Nigeria's estimated N500 billion nutrition funding gap, as the federal government moves to strengthen coordination and accountability in its national nutrition strategy.

Speaking recently at the Second High-Level Strategic Board meeting of the Nutrition 774 Initiative in Abuja, Shettima said Nigeria must reduce reliance on external support and activate sustainable local funding mechanisms to secure long-term nutrition outcomes across the country.

The meeting, which brought together key federal ministries, state actors and development partners, reviewed progress on the Nutrition 774 Initiative, a nationwide framework designed to deliver nutrition interventions across all 774 local government areas.

A central outcome of the session was the adoption of a domestic financing model as the foundation for sustaining nutrition investment. The decision reflects growing concern over declining donor funding and the need for predictable local financing to support child and maternal nutrition programmes.

Vice President Shettima, who also chairs the National Council on Nutrition, urged remaining states yet to inaugurate their State Councils on Nutrition to do so without delay. He also pressed for the establishment of Local Government Committees on Food and Nutrition in hundreds of councils still without functional structures.

According to him, governance gaps at subnational levels continue to weaken the effectiveness of nutrition interventions, despite ongoing federal efforts to expand coverage and improve outcomes.

The Vice President directed the Federal Ministry of Finance and relevant partners to intensify stakeholder engagement aimed at activating existing financing instruments, including the Presidential Nutrition Intervention Fund and the Sugar-Sweetened Beverage levy framework, which is expected to be ring-fenced for nutrition-related spending.

He stressed that the N500 billion financing gap must move beyond policy discussions into concrete implementation, warning that delays in execution would continue to undermine progress, particularly for vulnerable children in their critical first 1,000 days of development.

Vice President Shettima also highlighted the multi-sectoral nature of nutrition delivery, noting that responsibilities extend beyond the health sector. He pointed to



Vice President Kashim Shettima

agriculture, finance, education, water resources, women affairs and humanitarian agencies as central to achieving measurable improvements.

He argued that agriculture determines food quality and diversity, finance controls budget execution, education drives behavioural change, while water and sanitation systems influence prevention outcomes. Each sector, he said, carries a defined role in closing the nutrition gap.

The Vice President also called on the National Assembly to accelerate work on the proposed National Nutrition Bill, which he said would provide legal backing and enforceability for nutrition policies across the federation.

He further urged development partners to align their interventions with the Nutrition 774 framework, while encouraging civil society organisations to strengthen accountability and monitoring. The private sector, he added, must recognise nutrition as an economic imperative linked to productivity and long-term human capital development.

Describing the initiative as central to Nigeria's develop-

ment trajectory, Shettima said nutrition forms the foundation of human capital, warning that chronic malnutrition limits the country's future workforce potential.

He maintained that no child should be deprived of the opportunity to contribute meaningfully to national development due to preventable nutritional deficiencies.

The meeting also reviewed progress on the implementation structure of the Nutrition 774 Initiative and ongoing efforts to operationalise governance frameworks at both state and local government levels.

Present at the session were governors, ministers and representatives from relevant federal agencies, reflecting the multi-sectoral coordination required to address Nigeria's nutrition challenges at scale.

With the adoption of domestic financing as a strategic anchor, the government is now expected to move toward implementing funding reforms and institutional mechanisms that can convert policy commitments into sustained nutrition outcomes nationwide.

REA Commissions Solar Mini-Grid In Sokoto, Powers 220 Households, 23 Businesses



Dr. Abba Aliyu, MD of REA,

By Ahmed Ahmed

The Rural Electrification Agency (REA) has commissioned a 50-kilowatt peak (kWp) solar mini-grid in Amarawa community, Sokoto State, in a move

aimed at expanding electricity access and stimulating economic activity in underserved rural areas.

The Managing Director of the REA, Dr. Abba Aliyu, disclosed this in a post on his official X handle, describing the project as part of ongoing efforts to improve livelihoods and unlock economic opportunities in rural communities.

The mini-grid is designed to supply electricity to about 220 households and 23 micro, small and medium enterprises (MSMEs) in Amarawa, a community where access to reliable power has remained limited.

Dr. Aliyu said the intervention goes beyond basic electrification, stressing that reliable energy is a foundation for productivity, business expansion and social development. According to him, access to stable electricity enables households to improve living standards while allowing small businesses to operate more efficiently.

He noted that local entrepreneurs, including tailors, shop owners and artisans, stand to benefit significantly from reduced reliance on petrol and diesel generators. Lower operating costs and extended working hours are expected to improve income levels and business stability within the community.

The project is also expected to have social benefits, particularly in education. With improved electricity supply, students will be able to study at night, while households gain more consistent access to lighting and other basic electrical needs.

A key focus of the intervention is its potential impact on women-led enterprises. Aliyu emphasised that improved energy access can strengthen women's economic participation by increasing productivity and expanding income-generating opportunities in small-scale businesses.

He described electrification as a broader empowerment tool, noting that energy access directly influences economic inclusion and community development outcomes.

Despite the significance of the project, Aliyu acknowledged that energy demand in Amarawa still exceeds the capacity of the current installation. He indicated that additional investments and stronger partnerships will be required to fully meet the community's electricity needs and scale up rural electrification efforts nationwide.

The commissioning adds to a growing portfolio of decentralised energy projects aimed at bridging Nigeria's rural electricity gap, particularly in communities where grid expansion remains slow or economically challenging.

NDIC
Nigeria Deposit Insurance Corporation
Protecting your bank deposits



WHOSE DEPOSITS DO WE INSURE?

The NDIC insures bank deposits of natural persons and legal entities, both Nigerians and other nationals resident in Nigeria.

NDIC Help Desk:

0800 6342 4357

helpdesk@ndic.gov.ng | www.ndic.gov.ng | @ndicnigeria

NEXIM Secures \$50m ICD Facility To Expand Non-Interest Financing For Export Businesses



R-L: Mr. Abubakar Abba Bello, MD/ CEO of NEXIM and Mr. Mohammed Asheque Moyeed, Acting General Manager of ICD's Banking Department, as they sign the agreement at the sideline of the 51st IsDB Group Annual Meetings in Baku, Azerbaijan.

By Majeed Salaam

The Nigerian Export-Import (NEXIM) Bank has secured a financing facility of up to \$50 million from the Islamic Corporation for the Development (ICD) of the Private Sector, a move expected to strengthen support for export-oriented businesses and deepen non-interest financing in Nigeria.

The agreement was signed on the sidelines of the 51st Islamic Development Bank (IsDB) Group Annual Meetings held in Baku, Azerbaijan, underscoring growing efforts by development finance institutions to support private sector growth and export diversification across member countries.

Under the arrangement, the facility will provide non-interest financing for export-focused projects and businesses in Nigeria, with a strong emphasis on economic development, job creation and value addition.

The financing agreement was signed by the Managing Director (MD)/ Chief Executive Officer (CEO) of NEXIM, Mr. Abubakar Abba Bello, and the Acting General Manager of ICD's Banking Department, Mr. Mohammed Asheque Moyeed.

The deal comes at a time when Nigeria is seeking to expand non-oil exports and reduce dependence on crude oil revenues as a major source of foreign exchange earnings. Access to affordable financing remains one of the biggest challenges confronting exporters, particularly small and medium-sized enterprises operating in manufacturing, agriculture and value-added processing sectors.

Industry analysts believe the facility could help bridge financing gaps by providing alternative fund-

ing channels for businesses that require capital to scale operations, improve competitiveness and access international markets.

The funding arrangement also highlights the increasing role of non-interest finance in supporting economic development across Africa. As demand grows for ethical and alternative financing models, institutions such as ICD and NEXIM are exploring innovative structures capable of supporting enterprise development while promoting financial inclusion.

For Nigeria, the facility is expected to complement ongoing efforts to boost export capacity, strengthen industrial production and enhance the contribution of the private sector to economic growth.

The agreement further reinforces NEXIM's mandate of facilitating export development and supporting businesses engaged in foreign trade. Over the years, the bank has positioned itself as a critical institution in Nigeria's export financing ecosystem, providing credit support, guarantees and advisory services to exporters.

Officials from both institutions described the agreement as a reflection of their shared commitment to advancing private sector development and expanding access to development finance within ICD member countries.

Beyond the immediate financing benefits, the partnership is expected to encourage greater investment in export-oriented sectors capable of generating foreign exchange earnings and creating employment opportunities.

The facility also aligns with broader objectives being pursued by the IsDB Group to promote sustainable and inclusive economic growth through strategic partnerships and innovative financing mechanisms.

Quotes of the Week

Vice President Kashim Shettima

A federation does not earn its prosperity by leaving its most vulnerable behind and hoping they catch up. The dignity of the citizen with the least is the floor beneath which we have resolved that no Nigerian shall fall.

Rt. Hon. Benjamin Ndubuisi Kalu, Deputy Speaker of the House of Rep.

I have consistently argued that a highly centralised policing system cannot adequately address the diverse and complex security realities of a country with over 220 million people, 36 states and 774 local government areas. State policing will reduce response times, improve intelligence gathering and enable security personnel to operate within communities they understand culturally, linguistically and socially.

Sen. Ibrahim Hassan Hadejia, Deputy Chief of Staff to the President (Office of the Vice President)

After, of course, the advent of the private sector doing it alone, the government has to come in because Nigeria, without any effort, is the seventh largest Halal consumer country on earth and the second largest in Africa. So, with the government now coming in to develop the ecosystem, helping with certification and infrastructure, we want to tap into the fastest-growing sector of the global economy.

NEC's Regional Development Plan Signals Shift Towards Balanced Growth, Economic Inclusion



Vice President Kashim Shettima (m), with other members of the NEC

By Ahmed Ahmed

Nigeria's quest for inclusive growth may be entering a new phase following deliberations at the National Economic Council (NEC), where federal and state leaders considered a comprehensive framework aimed at tackling one of the country's most enduring challenges: uneven development across regions.

At its latest meeting, NEC examined the proposed National Regional Development Policy (NRDP) 2026-2030, a strategic framework developed by the Ministry of Regional Development to address spatial inequalities, improve coordination among development agencies and align regional interventions with national economic priorities.

The proposal comes at a critical period for Nigeria. While some regions have recorded significant infrastructure and economic progress over the years, others continue to struggle with poverty, unemployment, insecurity, weak infrastructure and limited access to investment opportunities. These disparities have often fuelled migration pressures, social tensions and uneven economic outcomes across the federation.

For policymakers, the new framework represents an attempt to create a more coordinated approach to development planning, one that moves beyond isolated projects and focuses instead on long-term regional transformation.

According to details presented before the Council, the policy seeks to provide strategic oversight for regional development initiatives, coordinate development master plans for regional development commissions in collaboration with state governments and strengthen supervision of the commissions' operations.

The framework also seeks to align regional programmes with the priority areas of President Bola Tinubu's administration, including economic growth, food security, infrastructure expansion, industrialisation, innovation, healthcare, education, energy development and the digital economy.

The significance of the proposal lies not only in what it seeks to achieve but also in how it intends to achieve it. One of the recurring criticisms of development initiatives in Nigeria has been fragmentation. Various intervention agencies often operate independently, resulting in overlapping mandates, duplicated projects and inefficient use of resources.

By introducing a unified regional development framework, government officials hope to improve coordination

among federal institutions, state governments and regional commissions while ensuring that development plans contribute directly to broader national objectives.

Among the major proposals considered by NEC were endorsement of the National Regional Development Policy, approval of a Regional Development Policy Framework mechanism, support for state-level adop-

... the policy seeks to provide strategic oversight for regional development initiatives, coordinate development master plans for regional development commissions in collaboration with state governments

tion of the policy and backing for the establishment of a Regional Development Bank.

The proposal for a dedicated Regional Development Bank is particularly noteworthy. Development experts have long argued that sustainable regional growth requires access to long-term financing tailored to infrastructure, industrial and economic development projects. If successfully implemented, such an institution could provide critical funding for projects that may struggle to attract conventional commercial financing.

Recognising the importance of state government participation, NEC directed the Minister of Regional Development to circulate the draft policy to governors for review and input. The Council also mandated consultations with the Nigeria Governors' Forum to ensure broad ownership and support across the federation.

The emphasis on collaboration reflects a growing recognition that many development challenges cannot be solved through federal interventions alone. Effective

implementation will require active participation from states, local communities and private sector stakeholders.

Speaking at the meeting, Vice President Kashim Shettima underscored the urgency of translating reforms into measurable improvements in the lives of Nigerians.

His remarks reflected a broader concern increasingly shared by both government and citizens. After several years of economic reforms, public expectations are shifting from policy announcements to tangible outcomes that can be seen and felt in communities across the country.

the Vice President stressed that government performance must ultimately be judged by its impact on farmers, manufacturers, vulnerable citizens, unemployed youth and future generations.

His comments also linked regional development to economic productivity and export competitiveness. He argued that Nigeria must move beyond exporting raw materials and begin creating value through domestic production and industrialisation.

That position aligns with current efforts to diversify the economy, strengthen manufacturing and improve Nigeria's participation in global value chains. According to Shettima, national prosperity depends on building a complete value chain that connects agriculture, industry, logistics and international markets.

His emphasis on export standards and efficient port operations highlights another reality confronting policymakers. Economic growth is not determined solely by production levels but also by the ability to move goods efficiently and compete successfully in international markets.

One of the recurring criticisms of development initiatives in Nigeria has been fragmentation



National
Agricultural
Development
Fund

Funding Agriculture
Growing Prosperity

Strength in numbers!

Farmer associations help members access quality inputs, finance, training and markets faster. They also make it easier for government and partners to reach you with support.



NADF, ELRA Partner To Expand Access To Agricultural Machinery Through Leasing Model



L-R: Mr. Mohammed Ibrahim, Executive Secretary of NADF, with Mr. Donald Wokoma, Registrar/CEO of ELRA, during the signing of the MoU.

By Anita Dennis

Nigeria has taken another step toward addressing long-standing mechanisation gaps in its agricultural sector, as two federal institutions signed a new agreement aimed at expanding farmers' access to machinery through structured leasing systems.

The National Agricultural Development Fund and the Equipment Leasing Registration Authority (ELRA) have entered into a Memorandum of Understanding (MoU) designed to improve availability of tractors, harvesters, irrigation systems, processing machines and other key agricultural equipment across the country.

The agreement was signed in Abuja by ELRA's Registrar and Chief Executive Officer, Mr. Donald Wokoma, and the Executive Secretary of NADF, Mr. Mohammed Ibrahim. It is expected to serve as a framework for expanding access to mechanised farming tools through finance leases, operating leases, lease-to-own arrangements and other approved leasing structures under Nigeria's Equipment Leasing Act.

At its core, the initiative is targeted at one of the most persistent structural challenges in Nigerian agriculture: limited access to modern machinery. Despite agriculture being a major employer of labour and a critical driver of food supply, many smallholder farmers still rely on manual tools, a situation that continues to constrain productivity and increase post-harvest losses.

Under the new arrangement, ELRA will oversee the registration of lease agreements, maintain records of leased agricultural equipment and support the design of customised leasing models that reflect the realities of farming cycles and rural production systems. The agency will also ensure regulatory compliance across leasing transactions.

On its part, NADF will provide technical advisory support and facilitate capacity-building programmes to ensure farmers and operators can effectively use and maintain agricultural machinery introduced through the scheme.

Mr. Wokoma explained that the partnership is structured to reduce financing barriers that have historically limited farmers' ability to acquire mechanised equipment. He noted that traditional credit systems often fail to accommodate agricultural realities, particularly

the seasonal nature of farming and the high upfront cost of machinery.

The new model is expected to create a more flexible financing pathway, allowing farmers, cooperatives and agribusiness operators to access equipment without the immediate burden of full ownership costs. This approach also introduces lease-to-own structures that enable gradual acquisition over time.

The collaboration is also expected to stimulate private sector participation in agricultural equipment financing. By creating a regulated framework for leasing, the government aims to encourage equipment manufacturers, financial institutions, leasing companies and development partners to play a more active role in expanding mechanisation services.

Officials say the broader objective is to strengthen agricultural productivity and improve food security outcomes. Mechanisation has long been identified as a critical missing link in Nigeria's agricultural transformation agenda, particularly in rural communities where labour-intensive farming remains dominant.

Beyond financing, the agreement also introduces a coordinated institutional approach to agricultural mechanisation. Stakeholders including state governments and development agencies are expected to be integrated into implementation efforts to ensure wider reach and sustainability.

The MoU is set to run for an initial period of four years, with the possibility of renewal based on performance and mutual agreement between both agencies.

Agricultural analysts have consistently argued that improving access to machinery could significantly reduce production costs, increase farm efficiency and enhance yields. However, they also caution that financing models must be matched with reliable maintenance systems, training and infrastructure support to avoid equipment decay and underutilisation.

Nigeria's agricultural sector continues to face a combination of structural constraints, including limited access to inputs, poor rural infrastructure, climate variability and insecurity in some farming regions. These factors collectively reduce productivity and discourage large-scale mechanised farming.

The new leasing framework is therefore positioned as part of a broader reform effort to modernise agriculture and make it more commercially viable for both smallholder farmers and large agribusiness operators.

Reforms Nuggets

States, FG, LGs Share N2.3tn FAAC Revenue In May 2026

- The Federation Account Allocation Committee (FAAC) distributed N2.3 trillion to the Federal Government, states and local government councils from May 2026 revenue.

- The allocation represents an increase of N43 billion compared to the N2.257 trillion shared from April 2026 revenue, reflecting a 1.9 per cent month-on-month growth.

- The latest distribution continues an upward revenue trend, following allocations of N2.04 trillion in March, N2.257 trillion in April, and N2.3 trillion in May.

- According to the Office of the Accountant-General of the Federation, the distributable revenue comprised N1.611 trillion statutory revenue and N688.785 billion Value Added Tax (VAT) revenue.

- Total gross revenue available in May stood at N3.395 trillion.

- From the gross revenue, N123.546 billion was deducted as the cost of collection, while N971.610 billion was allocated for transfers, interventions and refunds.

- Gross statutory revenue increased significantly to N2.651 trillion in May, compared to N2.378 trillion in April, representing an increase of N273.623 billion.

- Gross VAT revenue, however, declined to N743.668 billion in May from N806.617 billion recorded in April, reflecting a decrease of N62.949 billion.

- Despite the drop in VAT collections, stronger inflows from oil-related taxes and corporate taxes lifted overall distributable revenue.

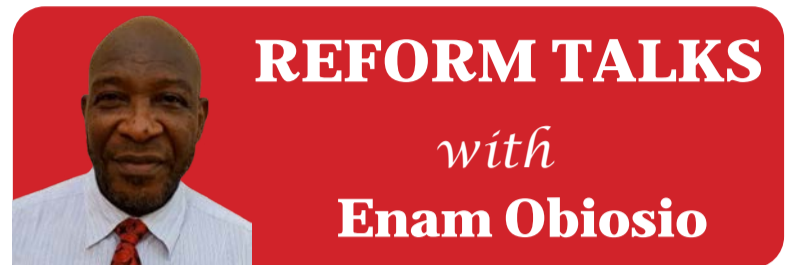
- FAAC reported notable increases in:
 - Companies Income Tax (CIT)
 - Capital Gains Tax (CGT)
 - Stamp Duties (SDT)
 - Petroleum Profit Tax (PPT)
 - Hydrocarbon Tax
 - Oil and Gas Royalties

- Revenue streams that recorded declines included:
 - Value Added Tax (VAT)
 - Import Duties
 - Excise Duties
 - Common External Tariff (CET) Levies

- Distribution Breakdown
 - FG: N818.680 billion, SGs: N759.141 billion, LGCs: N534.277 billion, Oil-Producing States (13% Derivation): N188.132 billion

Statutory Revenue Allocation (N1.611tn)
 FG: N749.801 billion, States: N380.309 billion, LGs: N293.202 billion, Derivation Revenue: N188.132 billion
 VAT Revenue Allocation (N688.785bn)
 FG: N68.879 billion, States: N378.832 billion, LGs: N241.075 billion

N15.8tn Says Nigeria's Tax Revolution Is Finally Working



For years, it has been listening to the same argument whenever the issue of tax reform came up in Nigeria. The country was said to have a tax problem. Businesses complained about multiple taxation. Citizens complained about poor public services. Governments complained about inadequate revenue. Economists complained about low tax-to-GDP ratios. Yet despite all the complaints, very little changed because successive administrations often lacked either the political courage or the institutional capacity to confront the problem directly. Today, the numbers suggest that something significant may be changing.

Nigeria's tax revenue rose by 49 percent to N15.8 trillion in the first five months of 2026, compared with N10.6 trillion during the same period in 2025. On the surface, that looks like a simple revenue statistic. I believe it is a lot more than that. It is perhaps the clearest evidence yet that the ongoing fiscal reforms of the Bola Ahmed Tinubu administration are beginning to produce measurable outcomes.

For decades, Nigeria operated one of the most unsustainable fiscal models in the world. The country relied excessively on crude oil receipts to fund government operations while maintaining one of the weakest tax mobilisation systems among major economies. Whenever oil prices rose, governments spent aggressively. Whenever prices fell, fiscal crises emerged. Budget planning became hostage to commodity cycles rather than anchored on stable domestic revenue generation. That model was never sustainable.

No serious country can build its future on volatile oil earnings alone. Oil prices are determined in international markets over which Nigeria has little control. Production levels are vulnerable to theft, vandalism, geopolitical disruptions and global energy transitions. Any government that wants long-term fiscal stability must ultimately build a stronger domestic revenue base. This is why I consider the N15.8 trillion revenue figure important.

The increase did not happen by accident. It reflects deliberate policy choices. The restructuring of tax administration, the establishment of the Nigeria Revenue Service, the expansion of the tax net, improved compliance mechanisms and the introduction of new revenue measures across sectors such as petroleum and mining are beginning to alter the fiscal landscape.

For too long, Nigeria's tax conversation focused almost entirely on tax rates. The real issue, however, was never rates. The real issue was collection. A country can have high tax rates and still generate poor revenue if compliance remains weak. Conversely, a country can maintain moderate rates and generate substantial revenue if administration is efficient and leakages are minimised.

What appears to be happening today is a gradual shift from taxation by legislation to taxation by administration. Government is increasingly focusing on ensuring that taxes already due are actually collected. That distinction matters. Many Nigerians instinctively react negatively whenever tax reforms are discussed. The assumption is often that reforms automatically mean higher taxes. In reality, successful tax reform is less about increasing rates and more about improving compliance, broadening the tax base and reducing revenue leakages. The figures suggest progress on all three fronts.

More importantly, the revenue increase arrives at a critical moment in Nigeria's economic history. The country faces enormous infrastructure deficits, growing social spending obligations, security challenges and rising

demands for public investment. Financing these needs entirely through borrowing would be economically dangerous. Nigeria has already spent years trapped in a cycle where debt service obligations consume substantial portions of public revenue. Increasing tax collections offers a more sustainable alternative.

I have always argued that the true test of fiscal reform is not whether government can borrow more money. The real test is whether government can generate more money internally. The latest revenue figures suggest movement in that direction.

Yet I also believe caution is necessary. Higher revenue collection alone does not automatically translate into economic success. Governments do not earn public trust simply because they collect more taxes. They earn trust when taxpayers can see tangible evidence that their contributions are being used effectively. This is where the next phase of reform becomes crucial.

Citizens will increasingly ask legitimate questions. If tax revenue is rising by nearly 50 percent, where will the money go? Will infrastructure improve? Will healthcare services become more accessible? Will education outcomes strengthen? Will roads, railways, electricity and water systems improve? Will security conditions become

Nigeria's tax revenue rose by 49 percent to N15.8 trillion in the first five months of 2026, compared with N10.6 trillion during the same period in 2025

more stable? These questions cannot be dismissed. Tax reform succeeds politically when citizens perceive a connection between taxation and public value. Without that connection, compliance eventually weakens and public resistance grows.

This is why revenue mobilisation and expenditure efficiency must advance together. Government cannot celebrate higher collections while ignoring questions about spending effectiveness. Every additional naira collected must be matched by greater transparency, accountability and service delivery.

Nevertheless, I believe the significance of the N15.8 trillion figure extends beyond public finance. It also carries important implications for investors. For years, investors worried about Nigeria's fiscal vulnerability. Heavy dependence on oil revenues created uncertainty. Budget projections frequently collapsed whenever oil market conditions deteriorated. Revenue shortfalls increased borrowing

requirements and weakened macroeconomic stability. A stronger domestic tax base reduces these vulnerabilities.

When governments can generate predictable revenue from domestic economic activity, fiscal planning becomes more reliable. Investors generally prefer environments where public finances are stable and less dependent on external commodity cycles. The reforms therefore strengthen Nigeria's broader investment narrative. They also reinforce an important message about the Tinubu administration's economic strategy.

Much of the public debate surrounding recent reforms has focused on the immediate costs. Fuel subsidy removal generated controversy. Exchange rate reforms generated controversy. Tax reforms generated controversy. That was always expected. Structural reforms are rarely popular during implementation. The more important question is whether they eventually produce measurable outcomes. The tax revenue numbers provide one of the first large-scale indicators that some reforms may be delivering results.

Of course, challenges remain substantial. Nigeria still has a relatively low tax-to-GDP ratio compared with many emerging economies. Large sections of the informal economy remain outside the tax system. Compliance costs remain high for many businesses. Tax administration still requires significant modernisation. Coordination among different levels of government remains imperfect. The journey is far from complete.

However, reforms should be judged not only by destination but also by direction. The direction appears increasingly clear. Nigeria is gradually moving away from a fiscal model built primarily on oil rents towards one anchored more firmly on domestic economic activity. That transition is essential if the country hopes to achieve sustainable development over the long term.

I also find it noteworthy that revenue growth is occurring at a time when economic activity remains under pressure in several sectors. This suggests that administrative improvements are contributing meaningfully to collections. In other words, government is not merely benefiting from economic expansion. It is becoming more effective at capturing revenue from existing economic activity. That is precisely what modern tax administration is supposed to accomplish.

Ultimately, I see the N15.8 trillion figure as more than a fiscal milestone. It is a governance signal. It suggests that Nigeria may finally be developing the institutional capacity required to finance its development ambitions from within. Countries become economically resilient when they generate sufficient domestic resources to fund national priorities. They become vulnerable when they rely excessively on commodity exports, borrowing or external assistance.

The lesson from the latest numbers is straightforward. Fiscal sustainability is not built in oil fields. It is built through institutions that can consistently mobilise domestic revenue. For years, Nigeria talked about widening the tax base, improving compliance and strengthening revenue administration. Today, the numbers suggest that those ambitions are beginning to move from policy documents into measurable reality.

The challenge now is ensuring that higher revenue translates into visible national progress. If that happens, the N15.8 trillion recorded in the first five months of 2026 may eventually be remembered not simply as a revenue achievement, but as evidence that Nigeria's long-delayed tax revolution finally began to work.