N50trn Funding Gap Puts Development Finance Back In Focus Pg 7

NEC Backs $4.5bn Gazelle Refinancing To Free Liquidity, Reduce Crude Commitment Pg 12

NESG Finds Stronger Business Confidence As Energy Costs Threaten Recovery Pg 15

The Reforms

Championing good governance, Driving Development

thereforms | @thereforms | thereforms | www.thereforms.ng | Monday 10 - Sunday 16 August, 2026 | 59th Edition

Tinubu's Economic Reforms Reshape Growth Through Markets, Investment

*Nigeria's economic reforms, under **President Bola Ahmed Tinubu,** are increasingly being measured not only by macroeconomic indicators, but by the changing depth, value and confidence of its capital market. According to **Enam Obiosio**, the President's assessment of Nigeria's economic trajectory is increasingly anchored in a development that is visible beyond government policy documents and official economic statistics: the dramatic recovery of the Nigerian capital market.*

At the State House in Abuja, where President Tinubu recently received the Board and Management of the Nigerian Exchange Group (NGX), led by Chairman Dr Umaru Kwairanga and Group Managing Director/Chief Executive Officer of NGX, Mr.Temi Popoola, the President presented the market's performance as evidence that the difficult reforms undertaken by his administration are beginning to reshape the economy.

The figures presented to him were striking. The total value of stocks listed in Nigeria, which stood at just under N30 trillion when he assumed office in 2023, has risen to N160 trillion. NGX expects the figure to reach N230 trillion by the end of 2026, based on listings already coming into the market.

The All-Share Index (ASI) has similarly moved from about 52,000 in 2023 to 244,000. The scale of the movement has been sufficiently unusual for market participants to describe reaching the 100,000 level as unfamiliar territory.

For Tinubu, however, the significance of the market recovery extends beyond asset prices. It represents a test of whether economic reforms can

CONTINUES ON PG 2

President Bola Ahmed Tinubu (m); Dr Umaru Kwairanga, Chairman of NGX (left), and Mr.Temi Popoola, Group MD/CEO of NGX, at the State House in Abuja.

ultimately translate into broader confidence, investment and prosperity.

"I can see the excitement in the room. All I can do is to celebrate you all today. It is a thing of joy to have this feedback. When we took over, it was very challenging. I had to talk to myself and define my background to accept the assets and liabilities of my predecessor," the President said.

His recollection of the starting point was deliberately stark. President Tinubu, in a release by Mr. Bayo Onanuga, Special Adviser to the President (Information & Strategy), acknowledged the difficult fiscal and monetary conditions inherited by the administration and singled out the Governor of Central Bank of Nigeria (CBN), Mr. Yemi Cardoso, as a key partner in confronting them.

"I asked for the job, and I have to do it. And my capable partner in one of the thinking and reasoning days was Yemi Cardoso, whom I put at CBN.

"I found a partner in the CBN Governor, Yemi Cardoso. We were in the negative with monetary policy and the reserve. We had N30 trillion printed, and there were liabilities. I thank you very much, Yemi Cardoso," he said.

The President's argument is that the reforms should be judged as an interconnected programme rather than as isolated policy decisions. Fiscal changes, monetary reforms, revenue reforms, banking-sector recapitalisation and capital-market development are presented as components of a broader effort to rebuild economic confidence.

"The rest of the team, we owe a duty to the country and our self-belief that this is doable. Nigeria can build a nation of prosperity by itself. If the stock market is doing well, then we are doing well," Tinubu said.

He linked economic performance to the everyday circumstances of younger Nigerians, arguing that a functioning economy must ultimately create an environment in which education, employment and household aspirations are not overwhelmed by financial insecurity.

"We can teach this in classrooms to our undergraduates. If they can be in the classroom without the harrowing feeling of how to pay and what to pay, then we can build a nation of success and prosperity," he said.

The Minister of Finance and Coordinating Minister of the Economy, Mr. Taiwo Oyedele, therefore, characterised the market's performance as part of the broader reform outcome.

"The stock market has experienced significant growth over the past few years, especially in the last three years as a result of the reforms in the economy. So much so that the capital market in Nigeria is the best performing in the world. The capital market is one of the fastest ways to create wealth for millions of Nigerians," Oyedele said.

Yet the minister also identified a structural challenge. Nigeria's younger population is participating in financial activities, but much of that participation is occurring outside the formal capital market.

The capital market is one of the fastest ways to create wealth for millions of Nigerians

"Along with the Securities and Exchange Commission (SEC) and the regulator, we have seen these improvements, and we know that they are working on different innovations, particularly how to attract young people into the market.

"For example, many of our young people invest their money in virtual assets and gambling, whereas you can make more money from the capital market," he added.

Oyedele said that the listing process could be simplified to make participation easier for more Nigerians, while challenging NGX and the Securities and Exchange Commission to pursue a one-trillion-dollar market.

That ambition corresponds with the administration's broader target of building a one-trillion-dollar Nigerian economy. President Tinubu argued that the target is achievable because of the country's population, human capacity and entrepreneurial energy. He also said that the Nigerian National Petroleum Company Limited (NNPC) would be reformed and listed on the capital market.

Kwairanga was equally emphatic about the possibility of reaching the target. "We believe the US$1trillion economy is achievable. We have the capacity. We have the resources. We have the material and human resources to reach the one trillion dollar even before 2030 with your support," he said.

His explanation of the market's transformation placed considerable weight on policy leadership.

"Your Excellency, we were at the London Stock Exchange last week, and I was part of a panel. The facilitator asked me what Nigeria is doing that you have turned the NGX around within the shortest possible time. I told them it is because of the leadership of President Bola Ahmed Tinubu. I told them that we have a President that is not only a politician but a businessman," he stated.

The NGX presentation nevertheless pointed to significant wealth creation. Popoola said the market's growth was associated with an estimated 500,000 to 900,000 new millionaires, although he stressed that the exchange did not have exact figures.

For the revenue authorities, the reforms are also inseparable from the restructuring of Nigeria's fiscal architecture.

Chairman and Chief Executive Officer of the Nigeria Revenue Service (NRS), Dr Zacch Adedeji, described the administration's reform programme as a break with decades of limited change.

"What we know privately is now globally known: the greatest gift to this republic is Mr. President. Every good thing starts and ends with good leadership. Now we've seen figures and the facts," Adedeji said.

... the reforms should be judged as an interconnected programme rather than as isolated policy decisions

Adedeji also identified subsidy removal as a foundational element of the reform programme.

"The removal of subsidy is the foundation that corrected the distortion that affected the country in the last forty years. The courage to remove it in less than one hour after taking the oath of office is the bedrock, background and fundamental of the changes we are seeing," the NRS Chairman noted.

The banking sector provides another measure of the administration's effort to deepen financial capacity. Mr. Cardoso said that the recapitalisation programme initially faced scepticism but was successfully implemented, with close to 75 percent of the capital coming from domestic resources.

"A lot of people didn't think it was possible, and now it was done very successfully and, like we found out, close to 75 per cent was domestic resources. In the past it was the other way round," he said.

Tinubu's own formulation captures the political and economic stakes: "If we can push the private sector to invest in the economy wisely, then we will grow." He cited his support for Aliko Dangote's refinery investment as an example of the private sector's role in building productive capacity.


NEXIM
NIGERIAN EXPORT-IMPORT BANK

EDITORIAL

FG Must Make TVET Reform Deliver Jobs, Not Just Certificates

Nigeria does not have a shortage of certificates. What it needs is a workforce equipped with practical skills to build businesses, operate industries, maintain infrastructure and drive productivity.

That is why the federal government's renewed push to reposition Technical and Vocational Education and Training (TVET) deserves attention beyond the inauguration of the Governing Board of the National Board for Technical Education (NBTE).

We believe the inauguration is an important institutional step. But we argue that the real test of the reform will not be how many boards are inaugurated, curricula reviewed or certificates issued. The real test is whether those certificates translate into jobs, businesses, higher incomes and increased productivity.

The federal government must therefore make TVET deliver jobs, not just certificates.

The Honourable Minister of Education, Dr Maruf Tunji Alausa, has correctly identified the need to move Nigeria away from an overdependence on paper qualifications towards practical, industry-relevant skills. His emphasis on Outcome Based Education, Industry 4.0 competencies, artificial intelligence, automation, green technologies and advanced manufacturing reflects the changing demands of the global economy.

We posit, however, that curriculum reform must ultimately be judged by what happens after training.

A young Nigerian trained in welding, electrical installation, renewable energy, automotive technology, fabrication, ICT or machine operation should have a pathway into employment or enterprise. Training without access to opportunity will not solve Nigeria's productivity and unemployment challenges.

This is where TVET must move from education policy to economic policy.

Nigeria's industrial ambitions require skilled technicians, machine operators, fabricators, electricians, technology specialists and other technical professionals. Factories cannot operate efficiently without them. Construction, mining, energy, agriculture and the digital economy equally depend on a competent technical workforce.

We therefore argue that TVET should be treated as part of Nigeria's productive infrastructure.

The newly inaugurated NBTE Board should deepen partnerships between training institutions and industry. Employers should have a stronger role in curriculum design, practical training and assessment. What is taught must reflect the skills businesses actually require.

The Recognition of Prior Learning (RPL) framework also presents an important opportunity. Nigeria has millions of artisans who acquired valuable skills through apprenticeship and experience but lack formal certification. Recognising these competencies could improve their access to finance, employment, government contracts and wider markets.

However, certification alone is not enough.

We believe the government must connect TVET to finance, equipment, apprenticeships, procurement and market opportunities. A certified welder needs tools and contracts. A trained solar technician needs equipment and customers. A skilled fabricator needs machinery and working capital.

Government agencies responsible for MSME development, employment and development finance should therefore work more closely with the TVET ecosystem to create a pathway from learning to earning.

The government must also confront the perception that technical education is inferior to university education. Nigeria cannot build an industrial economy while undervaluing the people who build and maintain its productive infrastructure.

Most importantly, the reform must be measurable.

We urge the government to track how many TVET graduates secure jobs, establish sustainable businesses, enter apprenticeships, gain industry placement and increase their incomes after training. Public investment should be assessed not merely by enrolment and certification figures, but by employment and productivity outcomes.

We believe the inauguration of the NBTE Board should mark the beginning of a results-driven skills revolution.

Nigeria needs more than qualified graduates. It needs competent workers, entrepreneurs, technicians, artisans and innovators who can create value.

The federal government has started the reform. Now it must ensure that TVET produces what the economy needs most: skills that lead to jobs, businesses and measurable productivity.

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 storytelling 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.


MREIF
Mofi Real Estate Investment Fund
managed by
ARM
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 Hands Digital Facilities To Enugu, Shifts Focus To Talent, Technology

Mr. Peter Mbah, Governor of Enugu State (2nd left); Dr. Aminu Maida, CEO of NCC (3rd left), and others, during the transfer of two digital facilities in Enugu State.

By Jennete Ugo Anya

The transfer of two federal digital facilities to the Enugu State Government is opening a new phase in the state's ambition to build an economy driven by technology, skills and globally traded digital services.

The Nigerian Communications Commission (NCC) has handed over the Digital Industrial Park and the Digital Bridge Institute (DBI) to the state government under a 15-year operational lease agreement.

The facilities, officially transferred at the Government House, Enugu, were among six digital industrial parks established across Nigeria to promote innovation, entrepreneurship and human-capital development.

The NCC Chief Executive Officer, Aminu Maida, said that the facilities were designed to deepen digital skills, support startups, attract investment and create jobs, while positioning Nigeria to compete in Business Process Outsourcing, Knowledge Process Outsourcing and other technology-enabled services.

He said their significance extended beyond the physical infrastructure.

According to Maida, the facilities were built as platforms for developing the people, ideas and enterprises expected to drive Nigeria's digital economy.

"The success of these facilities will not be measured by the quality of the buildings or equipment, but by the skills acquired, ideas developed, businesses created and jobs generated," he said.

That emphasis places the success of the agreement largely on what happens after the handover. The value of the facilities will depend on their ability to attract entrepreneurs, train young people, support businesses and connect Enugu-based talent to markets beyond the state.

Maida expressed confidence that the Enugu State Government had demonstrated the commitment required to maximise the assets through investments in education, innovation, infrastructure and digital capacity.

... the facilities were designed to deepen digital skills, support startups, attract investment and create jobs, while positioning Nigeria to compete in Business Process Outsourcing, Knowledge Process Outsourcing and other technology-enabled services

He said the partnership could support Enugu's ambition to become a destination for digital services, artificial intelligence, startup incubation, outsourcing, research and technology-enabled enterprises.

The collaboration, he added, aligns with the Federal Government's digital economy agenda and President Bola Tinubu's Renewed Hope Agenda, which seeks to build a $1 trillion economy through productivity, innovation and private-sector growth.

Governor Peter Mbah described the handover as a historic milestone for Enugu, saying the state intended to use the assets to accelerate its emergence as a leading digital economy hub.

The governor disclosed that the Digital Industrial Park would be transformed into Enugu Talent City, a knowledge-driven outsourcing hub focused on Business Process Outsourcing and Knowledge Process Outsourcing.

The idea is to enable young people in Enugu to provide services to global companies without having to leave the state.

Mbah also announced plans to upgrade the Digital Bridge Institute into an AI Institute and AI certification centre serving the African continent.

"We see these assets as facilities that will deepen innovation in our state, unlock opportunities, create employment and position Enugu as a leading digital economy in this country," he said.

The governor pointed to the projected economic significance of artificial intelligence, noting that it was expected to contribute about $20 trillion to the global economy by 2030. For Enugu, the implication is that digital infrastructure must be matched with skills capable of participating in that expanding economy.

The state government sees the two facilities as instruments for addressing that gap by combining infrastructure, talent development, innovation and enterprise creation.

Special Adviser to the Governor on SMEs and Digital Economy, Arinze Chilo-Offia, described the handover as a major boost to Enugu's ambition of becoming a destination for digital innovation, technology-driven investment and high-value employment.

A Non-Executive Commissioner of the NCC, Ikechukwu Ugwuegede, expressed confidence in the state's capacity to maximise the facilities. He noted that both were university-sized facilities strategically located along the Enugu-Ugwogo Expressway and the GRA Expressway.

The development consequently represents more than a transfer of ownership and operational responsibility. It is an experiment in whether public digital infrastructure can be converted into commercially relevant skills, businesses and employment.

For the NCC, the objective is to ensure that infrastructure supports the wider digital economy. For Enugu, the challenge is to turn the two facilities into functioning centres of talent, innovation and global service delivery.

The 15-year operational lease now gives the state a substantial period to demonstrate whether the assets can move from being government-built infrastructure to becoming productive engines of a technology-led economy.

N50trn Funding Gap Puts Development Finance Back In Focus

Dr. Muda Yusuf, CEO of CPPE

By Majeed Salaam

Nigeria's struggle to turn economic stability into stronger production and job creation is exposing a persistent weakness: productive businesses still lack access to affordable, long-term capital.

The Centre for the Promotion of Private Enterprise (CPPE) has put the scale of the problem at more than N50 trillion, urging the federal government and the Central Bank of Nigeria (CBN) to rethink the country's development finance framework.

The organisation argues that the problem is not simply a shortage of money in the financial system. Manufacturers, farmers, agribusinesses, exporters and micro, small and medium-sized enterprises (MSMEs) face high lending rates, short loan tenors, demanding collateral requirements, limited lender risk appetite and inadequate patient capital.

"CPPE estimates a conservative current real-sector financing gap of over N50 trillion when account is taken of unmet financing needs across manufacturing, agriculture, agribusiness, MSMEs, supply chains and export-oriented enterprises," CPPE stated.

The gap is particularly significant in agriculture and manufacturing. Agriculture contributes more than one-fifth of GDP but has historically received less than five per cent of banking-sector credit, while manufacturers need medium- and long-term funding for machinery, technology, factory expansion, energy infrastructure and export development.

The difficulty is that commercial banks largely mobilise short-term deposits, while productive investments may require financing for five to 10 years or longer. CPPE therefore argues that expecting conventional banks alone to finance industrialisation and agricultural transformation is unrealistic.

Monetary policy has added another layer to the problem. CPPE said that the CBN's 26.5 percent Monetary Policy Rate (MPR) and 45 percent Cash Reserve Requirement (CRR) have contributed to lending rates that many productive investments cannot support.

Yet the organisation acknowledged the benefits of monetary tightening, including improved policy credibility, exchange-rate stability and inflation management. Its argument is that stability should ultimately create room for productive growth rather than restrict it.

"Price stability and development finance should not be treated as mutually exclusive objectives. In an economy characterised by deep financing gaps, market failures and severe supply-side constraints, monetary stability must be complemented by carefully targeted, transparently governed and non-inflationary development finance interventions to support manufacturing, agriculture, agribusiness and other strategic productive sectors," CPPE said.

The group is not calling for a return to indiscriminate intervention lending. Its preferred approach is a more disciplined system in which the CBN acts as a catalyst, refinancer and risk-sharing institution, while development finance institutions and commercial lenders handle appraisal, disbursement and recovery.

"The answer is not indiscriminate monetary expansion. It is a carefully designed development-finance framework targeted at identifiable market failures and structured to preserve monetary-policy credibility," CPPE said.

CPPE acknowledged that previous intervention programmes suffered from weak loan recovery, political interference, beneficiary-selection problems and quasi-fiscal risks. But it argued that these failures should lead to institutional reform rather than withdrawal.

"These shortcomings provide a compelling case for reform, not retreat. Implementation failures should not be confused with the absence of genuine market failures in Nigeria's financial system," the organisation said.

Its recommendations include strengthening the Bank of Industry (BOI) and Bank of Agriculture (BOA), expanding credit guarantees and risk-sharing schemes, creating long-term refinancing windows, improving credit information and collateral systems, and mobilising pension, insurance and capital-market funds for productive investment.

CPPE also sees development finance as potentially complementary to inflation control, arguing that investment in productive capacity can address some of the supply constraints driving prices.

"The critical distinction is between financing consumption, which principally expands demand, and financing productive capacity, which expands supply," it stated.

The debate, therefore, is no longer simply about whether Nigeria needs tighter monetary policy or more credit. It is about designing a financial system capable of maintaining stability while ensuring that businesses capable of expanding production can obtain the long-term capital needed to do so.

Customs Reform Puts Legislative Oversight Under New Test

By Majeed Salaam

The modernisation of administration of the Nigerian Customs Service (NCS) is shifting the focus of legislative oversight from simply checking revenue figures to examining whether the systems producing them are becoming stronger, more transparent and predictable.

The Comptroller-General (CG) of the Nigeria Customs Service (NCS), Bashir Adeniyi, made the case while speaking at the recent two-day retreat for the Senate Committee on Customs in Abuja, themed "Legislative Oversight in the Context of Nigeria Customs Service Modernisation and Reforms."

Adeniyi urged lawmakers to scrutinise the rules, systems and data underpinning the service's reforms, particularly as Customs moves from manual processes towards automated administration.

He said effective oversight should examine issues including risk-engine calibration, valuation databases, cargo-release times and the effects of exemptions, rather than focusing exclusively on revenue collections or individual Customs decisions.

The NCS collected N7.28 trillion in 2025, exceeding its target by 10.24 per cent, while collections between January and May 2026 reached N3.35 trillion. But Adeniyi cautioned against treating rising revenue as sufficient evidence that reform is succeeding.

"Revenue performance is important, but it is not the only measure of success. The real question is whether the systems producing that revenue are stronger, more transparent and more predictable," he said.

Gas Pricing Reform Puts Nigeria's Energy Ambitions On A Two-Year Clock

By Musa Ibrahim

Nigeria is moving towards a market-driven gas pricing system, but the transition will depend on whether infrastructure, investment and consumer protection can advance quickly enough to support the change.

The Nigerian Midstream and Downstream Petroleum Regulatory Authority (NMDPRA) has set a one-to-two-year horizon for Nigeria to move from regulated domestic gas prices to a willing-buyer, willing-seller regime, potentially reshaping the economics of the country's gas industry.

The NMDPRA Chief Executive, Rabiu Umar, announced the timeline in Lagos at the 49th Nigerian International Conference and Exhibition organised by the Society of Petroleum Engineers Nigeria Council.

The move addresses a longstanding demand from gas producers for prices that better reflect investment costs and commercial realities. Current domestic prices stand at $2.18/mcf for gas-to-power and below $2/mcf for gas-based industries, while producers have sought increases to between $2.60/mcf and $5/mcf.

Umar said the Petroleum Industry Act already provides for the transition, but implementation must follow the development of infrastructure and market access.

He said: "And then on gas tariff, while we're monitoring and consolidating on the gas-based price regime of the PIA, we're guiding an orderly transition towards a willing buyer, willing seller framework as infrastructure expands and market access improves.

"I know this is a sore point for a lot of the gas producers. The goal of the government is not to have gas to be regulated forever. No. The PIA is very clear, black and white. There is a transition. We haven't reached that level of maturity.

"But the idea is that in the next year or two, we should be on a willing buyer, willing seller basis. And of course, in the interim, our job is to make sure there's open access and to make sure that that does not become a bottleneck for people who want to invest in that space. And then again, aligning with global expectation means turning environmental liabilities into economic assets."

The immediate issue is therefore less about abandoning regulation than creating the conditions under which regulation can be reduced without making gas unaffordable or discouraging investment.

NMDPRA plans to maintain the existing regime in the interim while improving third-party access to pipelines. The authority is also mapping demand clusters around the Oben-Obiafu-Obrikom and Ajaokuta-Kaduna-Kano pipelines, while preparing for another round of gas distribution licences.

The AKK pipeline is expected to be particularly important for unlocking industrial demand along the Abuja corridor. At the same time, greater LPG and CNG adoption is being pursued to diversify household and transport energy consumption.

The pricing question is also tied to Nigeria's broader ambition to make gas a foundation for industrial growth. Under the Decade of Gas framework, NMDPRA is seeking to move beyond policy formulation towards physical delivery, with gas targeted at power generation, industry and transport.

But investors are looking beyond pricing alone.

Speaking for Shell Nigeria Exploration and Production Company, General Manager, Development and Subsurface, Nigeria Deepwater, Jiang Kun, said Nigeria needed policy certainty and an investment destination, but that potential must be converted through action on capital, business conditions and technology.

Seplat Energy Chief Executive Officer, Effiong Okon, similarly argued that Nigeria needs an "energy addition" strategy rather than simply removing existing sources.

Okon said energy sufficiency underpins prosperity and called for more reliable supply, stronger infrastructure and deeper gas development. He identified competitiveness, reliable infrastructure, gas-to-industry projects, lower-cost and lower-carbon production, and practical collaboration as priorities.

Mr. Rabiu Umar, Chief Executive of NMDPRA

enabling environment to attract the capital required to develop its deepwater resources.

I know this is a sore point for a lot of the gas producers. The goal of the government is not to have gas to be regulated forever. No. The PIA is very clear, black and white. There is a transition. We haven't reached that level of maturity

She said Nigeria had the population, resources and growing demand to become a major energy

The coming two years will therefore be critical. Market-based gas pricing could strengthen investment incentives and production, but its success will depend on whether Nigeria can simultaneously expand infrastructure, protect access for consumers and maintain a predictable regulatory environment.

The larger objective is to make gas commercially viable without losing sight of its role in powering Nigerian homes, businesses and industries. The transition will be judged not simply by whether prices become market-driven, but by whether a more functional gas market produces more supply, investment, industrial activity and energy security.

Rural Electrification Experience Emerges As Model For Regional Energy Cooperation

By Ahmed Ahmed

Nigeria's effort to close its electricity access gap is increasingly extending beyond its borders, with the Rural Electrification Agency (REA) sharing its experience with Sierra Leone while deepening efforts to build a domestic renewable-energy manufacturing base.

Dr. Abba Aliyu, MD/CEO of REA (m), with the technical delegates from Sierra Leone visiting Nigeria for Country-to-Country Knowledge Exchange Mission

A technical delegation from Sierra Leone visited Nigeria for a Country-to-Country Knowledge Exchange Mission following a formal request from the Sierra Leonean Government. The engagement provided an opportunity for the REA to share its programmes, implementation models, partnerships and lessons from efforts to expand electricity access.

The REA described the engagement as a notable shift in its institutional journey.

"A few years ago, our focus was entirely on learning from others. Today, one of the most rewarding parts of this job is seeing the Rural Electrification Agency become a place where others come to learn from us."

The agency said the two countries face different challenges in scale, but share the objective of ensuring that communities are not excluded from access to electricity.

"While Sierra Leone's electrification challenge is very different in scale from Nigeria's, the objective remains the same, ensuring that no community is left behind. If our experience can help them move faster, avoid some of the challenges we have encountered, and deliver greater impact for their people, then we are proud to share it."

The exchange reflects a broader argument that Africa's energy transition can be accelerated through stronger cooperation among African institutions. Rather than developing solutions independently, countries can adapt approaches that have already been tested elsewhere while learning from implementation challenges.

Today, one of the most rewarding parts of this job is seeing the Rural Electrification Agency become a place where others come to learn from us

"I have always believed that Africa's energy transition will move faster when African institutions learn from one another. We do not have to solve the same problems in isolation. By sharing knowledge, strengthening institutions, and collaborating across borders, we all move forward together."

The regional knowledge exchange is occurring alongside a domestic effort to strengthen Nigeria's capacity to manufacture renewable-energy equipment.

The REA has signed a Joint Development Agreement with Ecotech Development Nigeria Limited that establishes a framework for the annual offtake of up to 200MW of locally manufactured photovoltaic modules and 200MWh of battery storage products.

The arrangement is intended to support the emergence of a stronger domestic renewable-energy manufacturing ecosystem by creating demand for locally produced equipment.

The initiative is also aligned with President Bola Ahmed Tinubu's Nigeria First policy, which emphasises local production, indigenous industry, employment creation and greater retention of economic value within Nigeria.

The REA described its partnership with Ecotech as particularly significant because the company is a Tier One PV manufacturer with the technical capacity and global standards required for utility-scale renewable-energy deployment.

The agency's argument goes beyond procurement. Domestic manufacturing could facilitate technology transfer, strengthen local technical capacity and provide a foundation for a more resilient clean-energy industry.

"One of the biggest opportunities in Nigeria's energy transition is ensuring that we don't just deploy renewable energy technologies, we build them here too."

The scale of the proposed offtake gives the agreement a potentially important role in linking renewable-energy deployment with industrial development. As government demand helps create market certainty, private manufacturers can gain greater confidence to invest in production capacity.

The REA therefore sees the partnership as part of a larger transition from importing renewable-energy solutions towards developing greater domestic capability to produce them.

"I am particularly pleased that we are partnering with a Tier One PV manufacturer with the technical capability and global standards required to support utility-scale renewable energy deployment. Partnerships like this go beyond procurement, they accelerate technology transfer, build local capacity, and lay the foundation for a resilient clean energy industry in Nigeria."

Taken together, the Sierra Leone knowledge exchange and the Ecotech agreement illustrate two dimensions of Nigeria's emerging renewable-energy strategy: sharing solutions across African borders while building more of those solutions at home.

The broader ambition is captured in the REA's formulation: "The future of renewable energy in Nigeria should not only be powered in Nigeria, it should increasingly be made in Nigeria."

NDIC's 46 Microfinance Bank Payouts Shift Focus To Depositor Protection

By Jennete Ugo Anya

The closure of 46 microfinance banks by the Central Bank of Nigeria (CBN) has moved into its next phase, with the Nigeria Deposit Insurance Corporation (NDIC) beginning payments to depositors affected by the licence revocations.

NDIC Managing Director and Chief Executive Officer, Mr. Thompson Sunday, disclosed this at the 2026 stakeholders' retreat for members of the House of Representatives Committee on Insurance and Actuarial Matters in Lagos, themed "Strengthening Financial Safety Nets in an Era of Banking Sector Recapitalisation and Fintech Innovation."

The CBN revoked the licences of the 46 microfinance banks in July after they failed to meet regulatory requirements. The affected institutions included banks with inadequate assets to meet liabilities, those that ceased operations without regulatory approval, stopped financial intermediation, failed to commence operations within 12 months of obtaining their licences, or failed to maintain the required minimum capital base unimpaired by losses.

Following the revocations, NDIC was appointed provisional liquidator and began the process of reimbursing depositors whose funds are covered under the deposit insurance framework.

"The CBN revoked the licenses, and we became appointed as the provisional liquidator. We have started paying depositors of those banks, and gradually, we intend to cover all the insured depositors," Sunday said.

The payment process, however, is not limited to simply reimbursing guaranteed deposits. NDIC must also pursue recoveries from debtors and realise the assets and investments of the failed institutions to address deposits that fall outside the insured limit.

"Our function as liquidator would involve payment of guaranteed sums. Thereafter, what we do is we go after those who are owing the institutions and have not paid.

Mr. Thompson Sunday, MD/CEO of NDIC

NDIC must also pursue recoveries from debtors and realise the assets and investments of the failed institutions to address deposits that fall outside the insured limit

"We also make sure that we sell the assets that are available and also realise their investment towards paying the uninsured portion of the deposit."

A significant change in the process is the use of bank-account information linked to Bank Verification Numbers (BVNs). Sunday said NDIC was working with the Nigeria Inter-Bank Settlement System (NIBSS) to identify alternative accounts belonging to affected depositors and make payments without requiring them to submit individual claims.

"Hitherto, we used to depend on people to come file for payment, but now, in collaboration with the Nigeria Inter-Bank Settlement System, what we do is, for every account that has a BVN, we trace your alternative account in other institutions and make payments to you automatically.

"So, the more we discover those, the more we start payment."

The approach reflects a broader shift towards using Nigeria's financial-data infrastructure to make deposit insurance payouts faster and less dependent on physical claims.

Sunday said the same mechanism had been applied in the reimbursement of verified depositors of the defunct Heritage Bank, where about 700,000 depositors had been paid.

According to him, insured deposits were paid within less than four days of Heritage Bank's failure, while liquidation dividends were subsequently declared for depositors whose balances exceeded the insured limit.

The Heritage Bank experience also illustrates the limits of automated tracing. Some depositors could not be identified through available databases and still need to establish ownership of their accounts and provide relevant documentation.

"For the guaranteed sum, we do not need you to come to be paid. Of course, there are challenges in the Nigerian system.

"There are depositors that we have not been able to trace, and this is an opportunity for them to also come forward."

The microfinance-bank closures therefore place NDIC's deposit insurance system under another practical test. The immediate task is to reimburse insured depositors, while the longer liquidation process involves recovering debts, selling assets and determining what can be returned to depositors whose balances exceed insured limits.

For depositors, the shift towards automatic BVN-based payments could make the process significantly easier. For the wider financial system, the exercise also demonstrates the role of deposit insurance as a safety net when financial institutions fail to meet regulatory requirements.

The continuing process will ultimately be measured not only by how quickly guaranteed deposits are paid, but also by how effectively NDIC recovers assets and manages the uninsured portion of depositors' claims.

NEC Backs $4.5bn Gazelle Refinancing To Free Liquidity, Reduce Crude Commitment

Vice President Kashim Shettima (1st left), with others, at NEC.

By Majeed Salaam

Nigeria is restructuring its $3.3 billion Project Gazelle financing to reduce its crude-oil commitment while unlocking additional liquidity for reserves and national priorities.

The National Economic Council (NEC) approved the refinancing of the outstanding Project Gazelle Pre-Export Finance Facility through a new $4.5 billion arrangement known as Project Gazelle 2, giving NNPC Limited a framework to replace the original 2023 facility on more favourable terms.

The decision was taken at the 159th meeting of NEC, which also pledged support for the initiative. The refinancing will settle approximately $1.5 billion still outstanding under the original facility while providing an additional $3 billion in liquidity.

For an economy managing competing demands for foreign exchange, fiscal resources and infrastructure financing, the significance of the arrangement lies in its ability to extract more liquidity from an existing financing structure without increasing the pledged crude volume proportionately.

The Minister of Finance and Coordinating Minister of the Economy, Mr. Taiwo Oyedele, said that the new arrangement would reduce the quantity of crude pledged against the facility from 90,000 barrels per day to approximately 78,750 barrels per day, representing a 12.5 percent reduction.

The restructuring will consequently release an additional 11,250 barrels per day for the federation, while reducing the crude volume committed by NNPC Limited.

Oyedele said that the refinancing had been structured on more favourable terms than the original facility and would free resources for strategic national priorities.

The arrangement, therefore, combines debt refinancing with liquidity management. Rather than simply replacing an existing obligation, Project Gazelle 2 is intended to improve the terms of the financing while generating additional financial space for government.

The $3 billion additional liquidity is expected to bolster external reserves and support the government's fiscal and infrastructure priorities. Its broader significance will depend on how effectively the additional resources strengthen the country's financing position and support productive public expenditure.

The NEC decision also comes against the backdrop of wider concerns about the economic pressures facing households and businesses.

Opening the council meeting, Vice President Kashim Shettima called for a social protection system capable of responding to multidimensional poverty through policies that are responsive, scalable and driven by data.

Shettima argued that the impact of government policy is ultimately experienced in everyday life rather than in policy documents alone.

According to him, government policies are often heard before they are seen, speaking through the price of food, condition of hospitals, records in schools, strain on families, the confidence of those who invest their labour in the nation's future, and the ambitions of state governments.

The Vice President urged members of the council to ensure that their decisions remained connected to these realities, stressing that government responsiveness must be measured by its impact on citizens.

He called on the council to ensure that every decision assures citizens "that their government is paying attention to the pulse of the nation and is resolved to respond with competence, compassion and purpose."

The two issues considered at the NEC meeting, refinancing and social protection, point to different sides of the government's economic challenge. The first concerns how Nigeria can optimise existing financing commitments and create additional fiscal and external liquidity. The second concerns how those resources and policy decisions ultimately affect households and communities.

Project Gazelle 2 consequently represents more than a refinancing exercise. Its immediate attraction is the combination of lower pledged crude volumes, settlement of the existing balance and additional liquidity. Its longer-term value, however, will be determined by whether the financial flexibility created through the transaction can support stronger reserves, infrastructure and fiscal capacity while contributing to the broader economic conditions highlighted by the Vice President.

Quotes of the Week

Dr Omar Alieu Touray, Outgoing President of the ECOWAS Commission

Nigeria's role in West Africa continues to be extremely important, and I am happy that the president appreciates this role and the leaders, including the Honourable Minister of Foreign Affairs, Honourable Minister of State for Foreign Affairs, and all cabinet members of Nigeria, they have played their role wherever they were called upon to lead the region.

Mr. Nyesom Wike, Minister of the Federal Capital Territory

Ease of doing business does not mean the absence of regulation. We will support and protect genuine investors, but we will not protect land speculators, fraudulent developers or businesses that disregard the law.

Dr. Muda Yusuf, CEO of CPPE

Price stability and development finance should not be treated as mutually exclusive objectives. In an economy characterised by deep financing gaps, market failures and severe supply-side constraints, monetary stability must be complemented by carefully targeted, transparently governed and non-inflationary development finance interventions to support manufacturing, agriculture, agribusiness and other strategic productive sectors.

Military Pay Review Links Troop Welfare To Nigeria's Security Challenge

By Anita Dennis

President Bola Ahmed Tinubu has approved salary increases of between 30 and 80 percent for personnel of Nigeria's armed forces, placing greater emphasis on troop welfare as the country continues to confront banditry, kidnapping and terrorism.

The new pay structure, which takes effect from September 1, will benefit about 250,000 armed forces personnel and raise the annual salary bill from N660 billion to N924 billion.

The increases are graded according to rank. Officers above the rank of colonel, including brigadier-generals, major-generals, lieutenant-generals and generals, will receive a 30 percent increase. Personnel from colonel down to warrant officer will receive a 50 percent increase, while those from private to staff sergeant will receive an 80 percent increase.

He linked the salary adjustment to a wider commitment to improving military conditions and strengthening operational capacity.

"Our administration will continue to prioritise troop welfare and modernise the armed forces by providing the weapons and technological tools needed to discharge their duties."

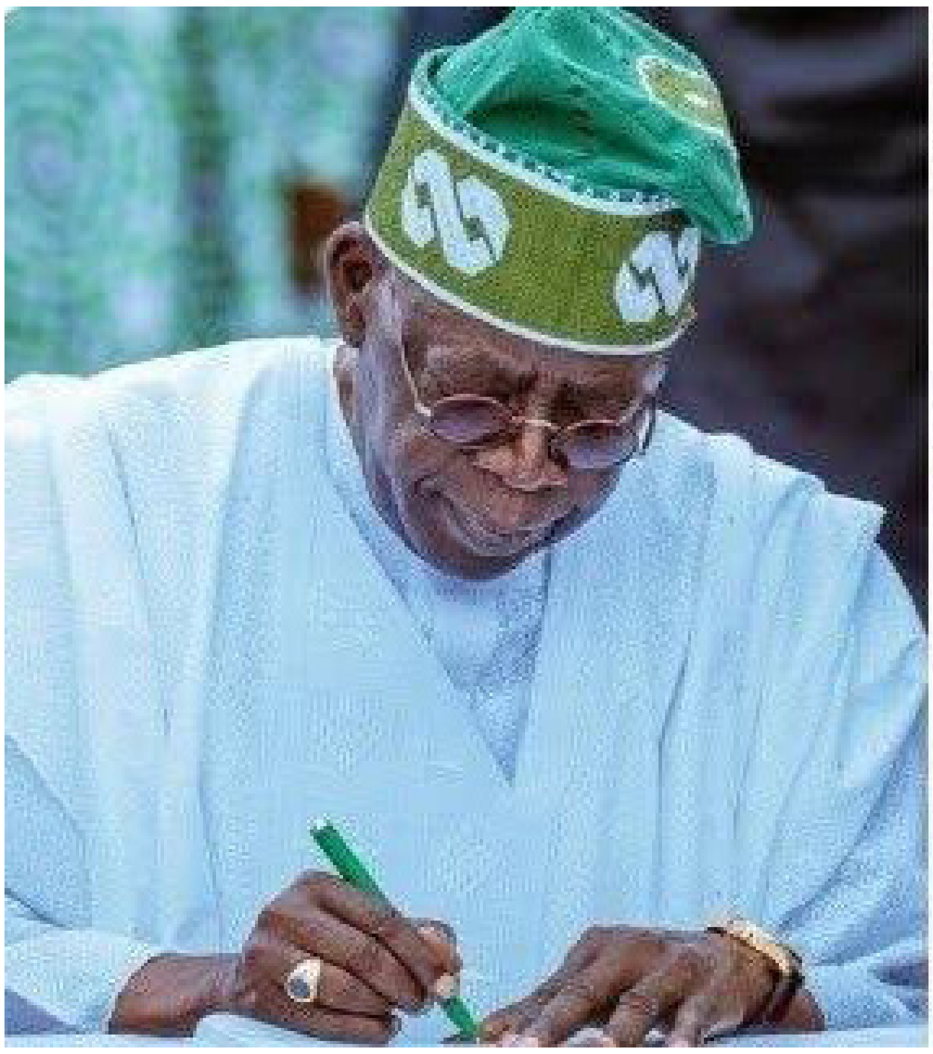
The increase comes at a time when the military remains central to Nigeria's response to multiple security threats. The President said the relationship between national security and economic development was fundamental to the country's long-term prospects.

"Our administration believes that no nation can achieve greatness without security. We therefore remain resolute in mobilising all military and law enforcement assets to eliminate security threats and protect the lives and property of all Nigerians."

Tinubu urged personnel to regard the decision as an expression of appreciation for their service.

In a statement signed by Bayo Onanuga, Special Adviser to the President on Information and Strategy, dated August 4, 2026, the President said: "I urge our servicemen to take our gesture as a sign of our deep appreciation of the services they render to our fatherland. Together we shall prevail over the enemies intent on destroying the fabric of our nation."

The financial commitment involved is substantial. Increasing the annual personnel bill by N264 billion represents a significant additional obligation for the government, but the administration is presenting the expenditure as part of the broader investment required to sustain national security.



President Bola Ahmed Tinubu

The structure places the largest percentage increase at the lower ranks, where the financial effect of the adjustment is likely to be most directly felt by personnel and their families.

The decision also reflects the administration's broader argument that military effectiveness depends not only on weapons and technology but also on the welfare and morale of those deployed to maintain national security.

Tinubu has repeatedly acknowledged the risks faced by members of the armed forces as they confront security threats in parts of the country.

"The men and women who help to keep us safe in our homes must be supported and appreciated in the course of their duties to our nation," the President said.

Beyond the immediate financial value of the salary increase, the new arrangement is intended to reinforce the government's recognition of military service and the sacrifices associated with frontline duties.

... the relationship between national security and economic development was fundamental to the country's long-term prospects

The differential increases also suggest an attempt to address pay across the ranks rather than applying a uniform adjustment. With the lowest-ranking personnel receiving the largest percentage increase, the structure gives greater weight to the lower end of the military salary scale.

The effectiveness of the new package will ultimately depend on how it interacts with other aspects of troop welfare, including equipment, housing, healthcare, training and operational support.

For the Tinubu administration, however, the immediate message is clear: improving the conditions of military personnel is being treated as an important component of the wider effort to strengthen Nigeria's capacity to confront insecurity.

The September implementation will therefore mark not only a substantial change in the armed forces' salary structure but also a further financial commitment by the federal government to the personnel responsible for defending the country.

NESG Finds Stronger Business Confidence As Energy Costs Threaten Recovery

By Kingsley Benson

Nigeria's business environment strengthened in July, but rising operating costs are leaving companies cautiously optimistic about whether the improvement can be sustained.

The Nigerian Economic Summit Group (NESG), in its August 2026 Business Confidence Monitor, reported that business activity expanded more strongly during the month, with the overall Current Business Performance Index rising to 108.6 points from 104.6 points in June and 105.4 points in July 2025.

The improvement was broad-based, with Non-Manufacturing recording the strongest expansion. The NESG said: "Nigeria's business environment recorded stronger expansion in July 2026. The overall Current Business Performance Index stood at 108.6 points, up from 104.6 points in June 2026 and 105.4 points in July 2025. This was driven by broad-based expansion across subsectors led by Non-Manufacturing."

The improvement suggests that businesses are operating in a somewhat stronger environment than a year earlier. But the underlying conditions remain difficult, particularly for firms facing high input and operating costs.

On the main constraints confronting businesses, the group stated: "Key constraints persisted, especially limited access to finance, energy shortages, high rental costs, insecurity, and infrastructural challenges during the month."

The combination of stronger activity and persistent constraints creates a mixed picture. Businesses are expanding, but the cost of maintaining that expansion remains significant.

The outlook reflects that tension. The Future Business Expectations Index stood at 128.3 points in July, virtually unchanged from 128.4 points in June. The NESG described the marginal movement as evidence of continuing, though measured, confidence.

"The Future Business Expectations Index stood at 128.3 points in July 2026, declining marginally from 128.4 in the previous month. This reflects sustained but cautious optimism about short-term business conditions," the report said.

Confidence was not evenly distributed across the economy. Trade and Manufacturing recorded the strongest optimism, while the cautious outlook reflected concerns that higher energy costs could place additional pressure on businesses in the months ahead.

"Sentiment was uneven across sectors, with Trade and Manufacturing recording the strongest optimism during the month. The cautious outlook reflects renewed cost pressures that could result from elevated energy prices in the coming months," the NESG said.

The broader business indicators also pointed to improvement. According to the report, all sectors except Services remained in expansion territory, although Services itself moved into expansion during the month.

"All sectors except Services remained in the expansion territory. Remarkably, Services moved into the expansion region during the month. Key BCM sub-indices, including general business situation, production, demand conditions, operating profit, financial results, supply order, access to credit, cash flow, and employment, remained in the expansion territory," the report noted.

However, stronger operating conditions have not yet translated into a broader investment revival. The NESG said investment remained in contraction territory, even as other indicators improved.

"The access-to-credit index recorded only a marginal decline. Notably, sub-indices including export and trade stockpiling expanded during the month, whereas investment remained in the contraction territory," it said.

That divergence is significant. Businesses may be experiencing stronger demand and improved operating conditions, but continued financing constraints can limit their willingness or ability to commit capital to new capacity.

The NESG's principal concern is therefore the sustainability of the recovery. It warned that energy costs could become a more significant constraint following the recent shift to dollar-denominated petrol pricing by Dangote Refinery.

"The cautious optimism signals firms' concerns over cost pressures that could emanate from the recent shift to dollar-denominated petrol pricing by the Dangote Refinery, which could keep energy prices elevated in the coming months," the group warned.

The July data consequently presents a business sector that is expanding, but not yet sufficiently confident to commit fully to investment. The central challenge is whether improved business activity can withstand higher energy costs, limited credit and persistent infrastructure constraints without losing momentum.

Reforms Nuggets

UK Appoints Seymour Deputy High Commissioner To Nigeria

- The United Kingdom has appointed Vicky Seymour as its new Deputy High Commissioner to Nigeria, with the diplomat officially assuming office in Abuja.
- Seymour succeeds Gill Lever, who completed her posting in June 2026. Her appointment was announced by the British High Commission in Abuja.
- Her mandate will focus on strengthening UK-Nigeria cooperation across economic growth, trade and investment, security, migration, development, international collaboration and people-to-people relations.
- Seymour brings more than 20 years of diplomatic and government experience, having worked across international development, trade diplomacy, security and economic cooperation.
- She previously headed the East Africa Department at the UK Foreign, Commonwealth and Development Office, a role she held from 2023.
- Her African experience spans Uganda, the Democratic Republic of Congo and Mozambique, where she served in senior leadership and development roles. She also worked in Afghanistan on governance, development and security issues.
- Seymour's portfolio includes climate policy, economic development and international security, alongside diplomatic engagement and migration-related work.
- The new Deputy High Commissioner said she looks forward to building on the existing relationship between both countries, particularly by expanding collaboration and strengthening people-to-people links.
- The appointment comes as the UK seeks deeper engagement with Nigeria in trade, investment, education, security, migration and development.
- Nigeria remains one of the UK's key strategic partners in Africa, with both countries maintaining longstanding diplomatic, economic and cultural ties.

The Reforms
Championing good governance, Driving Development

thereforms | @thereforms | thereforms | www.thereforms.ng | Monday 10 - Sunday 16 August, 2026 | 59th Edition

Regional Security Cooperation Is Emerging As Nigeria's Next Economic Reform Multiplier

REFORM TALKS
with
Enam Obiosio

For decades, Nigeria's security and economic policies have largely travelled on separate tracks. Defence discussions were often confined to military operations, border protection and the fight against terrorism, while economic reforms focused on fiscal policy, investment promotion, industrialisation and trade. I believe this compartmentalised approach no longer reflects the realities of today's interconnected economy. The recent commitment by Nigeria and the Republic of Benin to deepen defence cooperation points to an emerging policy direction where regional security is increasingly recognised as an essential pillar of economic transformation.

I argue that this shift deserves greater attention, not merely as a diplomatic or military development, but as an economic reform in its own right. Sustainable growth cannot be achieved in an environment where insecurity disrupts production, discourages investment and weakens trade. If Nigeria is serious about unlocking the full benefits of its ongoing reforms, then strengthening regional security partnerships must become an integral part of the country's economic strategy.

The President Tinubu administration has embarked on a series of ambitious reforms aimed at restoring macroeconomic stability, improving public finances, attracting investment and positioning Nigeria as a competitive player within the African Continental Free Trade Area (AfCFTA). These reforms have begun to reshape the economic landscape. However, I believe that their long-term success depends on more than fiscal discipline and regulatory improvements. It depends equally on whether businesses, investors and trading partners have confidence in Nigeria's security environment.

Security is often viewed through the narrow lens of national defence. I believe that perspective is outdated. Today's security challenges transcend national borders and increasingly affect economic outcomes. Terrorism, banditry, arms trafficking, piracy, smuggling and organised crime do not merely threaten lives. They disrupt supply chains, inflate the cost of doing business, reduce government revenue and undermine investor confidence. Addressing these threats therefore becomes an economic necessity as much as a security obligation.

The renewed cooperation between Nigeria and Benin demonstrates an appreciation of this reality. Their commitment to harmonise security frameworks, enhance intelligence sharing and coordinate border operations reflects a broader understanding that regional prosperity depends on regional stability. I see this as a practical recognition that neighbouring countries cannot pursue economic integration while confronting security challenges in isolation.

One area where this connection becomes particularly evident is border management. Nigeria shares extensive commercial activities with Benin, making the border one of the country's most significant trade corridors. Yet it has also served as a conduit for illegal trade, smuggling, arms movement and other criminal activities. I believe that securing this corridor should not simply be viewed as a law enforcement objective. It should also be regarded as an important economic reform.

Effective border security creates multiple economic benefits. It reduces the inflow of smuggled goods that undermine domestic industries. It improves customs administration and enhances government revenue collection. It facilitates legitimate cross-border commerce while discouraging illicit trade. It also creates greater certainty for businesses operating within the formal economy. When legitimate businesses compete against illegal imports entering through porous borders, industrial policy loses much of its effectiveness. Stronger regional cooperation therefore complements broader efforts to strengthen Nigeria's manufacturing sector and support local production.

I also believe the renewed partnership carries significant implications for the implementation of AfCFTA. Much attention has been given to the opportunities presented by the continental free trade agreement, including expanded markets, increased exports and stronger regional value chains. Yet trade agreements alone cannot guarantee increased commerce. Goods must move safely across borders, transport corridors must remain secure and businesses must operate without constant fear of disruption.

In my view, security cooperation is becoming one of the hidden foundations of successful continental integration. Without coordinated efforts to combat cross-border crime and insurgency, the promise of AfCFTA risks being undermined by persistent instability. Nigeria's collaboration with Benin therefore reflects an understanding that economic integration requires parallel investments in regional security architecture.

> **Goods must move safely across borders, transport corridors must remain secure and businesses must operate without constant fear of disruption**

Another noteworthy aspect of the agreement is its emphasis on intelligence sharing and technology-enabled defence. Rather than relying solely on reactive military responses, both countries have expressed a commitment to real-time intelligence fusion and coordinated security operations. I believe this represents an important evolution in regional security policy.

Modern security threats are increasingly sophisticated, mobile and transnational. Criminal networks exploit gaps in communication between neighbouring countries, often crossing borders faster than security agencies can respond. By improving intelligence cooperation, Nigeria and Benin can enhance their capacity to detect emerging threats before they escalate into larger security crises. This preventive approach is likely to prove more effective and more cost-efficient than responding after attacks have occurred.

The discussions on securing the Gulf of Guinea also deserve recognition within the broader economic reform conversation. Maritime security is no longer simply a naval concern. It directly affects international trade, shipping costs, energy exports and port competitiveness. Nigeria's aspiration to expand its blue economy depends on creating a secure maritime environment that encourages commercial activity while discouraging piracy and organised maritime crime.

I argue that improvements in maritime security could strengthen Nigeria's attractiveness as a regional logistics hub. Lower security risks often translate into lower insurance premiums for shipping companies, improved port efficiency and greater confidence among international trading partners. These outcomes reinforce broader government efforts to diversify the economy beyond oil by expanding trade, logistics and maritime services.

Another encouraging dimension of the visit was the linkage between defence cooperation and industrial development. The Nigerian delegation's visit to the Glo-Djigbe Industrial Zone underscores the growing recognition that economic infrastructure and security planning should reinforce one another. Industrial parks, manufacturing clusters and export processing zones cannot achieve their full potential without stable operating environments and secure transport networks.

I believe this integrated approach reflects a more mature understanding of national development. Rather than treating defence and economic planning as separate policy domains, governments are increasingly acknowledging that one supports the other. Investors do not evaluate tax incentives alone. They also consider political stability, supply chain resilience, border security and the government's capacity to manage emerging risks.

Nevertheless, I urge policymakers to recognise that security cooperation, while essential, is not sufficient on its own. Lasting security requires complementary investments in economic inclusion, education, employment opportunities and institutional governance. Border communities that experience economic deprivation remain vulnerable to criminal recruitment and illicit activities. Military collaboration should therefore be accompanied by targeted development initiatives that improve livelihoods and strengthen trust between governments and local populations.

Transparency and accountability should also remain central to expanded security cooperation. Greater coordination between neighbouring countries must be supported by clear legal frameworks, respect for national sovereignty and adherence to human rights standards. Public confidence in regional security arrangements depends not only on their effectiveness but also on their legitimacy.

Ultimately, I believe Nigeria's evolving partnership with Benin signals a broader policy lesson. Economic reforms cannot succeed in isolation from security reforms. The two are becoming increasingly intertwined in a world where investment, trade and development are shaped as much by stability as by macroeconomic indicators.

As Nigeria continues to implement reforms aimed at restoring growth and improving competitiveness, I argue that regional security cooperation should be viewed not merely as a diplomatic achievement but as an economic multiplier. Secure borders strengthen trade. Effective intelligence protects investment. Maritime security supports exports. Regional stability enhances industrialisation. Together, these outcomes create an environment where economic reforms have a greater chance of delivering sustainable and inclusive growth.

In the years ahead, I believe policymakers should continue to deepen regional partnerships that align security objectives with economic priorities. Such cooperation will not eliminate every challenge confronting Nigeria's economy, but it can provide the stable foundation upon which lasting reforms are built. Security should no longer be regarded solely as the responsibility of defence institutions. It should be recognised as a strategic investment in Nigeria's economic future and a critical enabler of the country's long-term development agenda.

Published by **The 1065 Publishing**
All correspondence to Editor -in-Chief: (0703 382 8294); D2-32 Atiku Abubakar Crescent, Cityview Estate, Dakwo, Abuja.
Email: info@thereforms.ng; **Website**: www.thereforms.ng