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The Reforms
Championing good governance, Driving Development

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How Nigeria Rebuilt Its Capital Market Credibility

Nigeria's return to the FTSE Russell Frontier Market, effective from the opening of trading on September 21, 2026, is more than a change in global market classification. It is a reflection of the reforms undertaken to address the foreign exchange, capital repatriation, settlement and market-access challenges that previously weakened investor confidence. From its 2023 exclusion to the reforms that improved FX liquidity and market accessibility, and the scrutiny surrounding the transition to T+1 settlement, the journey offers a measure of how far Nigeria's capital market has come. Yet, as the country seeks to convert renewed global confidence into deeper liquidity, stronger participation and eventual Emerging Market status, the bigger question is whether the gains can be sustained. ***Enam Obiosio*** *writes.*

For nearly three years, Nigeria occupied an uncomfortable position on the global investment map. Its capital market was removed from the FTSE Russell Frontier Market universe in September 2023 after persistent difficulties with foreign exchange execution and capital repatriation made the market increasingly difficult for international investors to access.

The exclusion exposed a problem deeper than an index classification. It raised questions about the reliability of Nigeria's investment environment and whether foreign investors could enter the market, execute transactions and repatriate their funds with sufficient certainty.

Three years later, that narrative is changing.

FTSE Russell has confirmed that Nigeria will be reclassified from "Unclassified" to "Frontier Market" status, effective from the opening of trading on September 21, 2026.

The decision provides an external validation of the improvements recorded across Nigeria's foreign exchange market, capital-market infrastructure and regulatory environment.

For the federal government, the development is evidence that the reform programme is beginning to translate into stronger international confidence.

Honourable Minister of Finance and Coordinating Minister of the Economy, Mr. Taiwo Oyedele, described the reclassification as "an important validation of Nigeria's reform trajectory and a foundation for the next phase of the country's capital market development."

He stated that it was "a meaningful signal to global capital that our market is open, orderly and improving."

The significance of that statement lies in what Nigeria had to fix before the market could regain its place within the global investment universe.

At the centre of the challenge was foreign exchange.

International investors need predictable access to FX to execute transactions and repatriate investment proceeds. When that process becomes uncertain, the attractiveness of an otherwise potentially profitable market diminishes sharply.

Nigeria's FX reforms therefore became an important part of rebuilding market confidence. Improved liquidity and the clearing of FX backlogs addressed some of the constraints that had contributed to the country's 2023 exclusion.

FTSE Russell subsequently recognised improvements in Nigeria's FX market and the clearing of FX backlogs when it approved the country's return to Frontier Market status earlier in 2026.

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But restoring confidence required more than resolving FX challenges.

Nigeria also had to demonstrate that its capital-market infrastructure could operate efficiently and in line with international expectations.

This was particularly evident in the transition from a T+2 to a T+1 settlement cycle on June 1, 2026.

The shift shortened the settlement period for securities transactions from two business days to one. It represented an important step towards modernising Nigeria's market infrastructure and aligning its settlement framework more closely with developments in major international markets.

However, the reform also produced an unexpected test.

FTSE Russell placed Nigeria's planned reclassification under further review in June after concerns that T+1 could effectively require international investors to prefund equity trades.

For a market seeking to regain international confidence, the issue was significant.

Under FTSE Russell's Quality of Markets assessment, settlement arrangements and the Delivery versus Payment framework are important considerations in determining market accessibility.

The Securities and Exchange Commission (SEC) subsequently clarified that foreign portfolio investors were not required to prefund their accounts. Transactions settled through the Central Securities Clearing System remained subject to the standard Delivery versus Payment framework.

That clarification helped resolve an important point of uncertainty. It also demonstrated that reform credibility is not built only through policy announcements. It depends on how effectively regulators and market institutions communicate the practical implications of those policies to global investors.

The Nigerian Exchange Group (NGX) and other capital-market stakeholders engaged with international investors and custodians to clarify the operation of the new settlement regime.

The outcome was significant. FTSE Russell ultimately allowed the reclassification to proceed, with Nigeria scheduled to return to the Frontier Market universe from September 21.

The journey therefore represents a broader institutional effort involving the federal government, the Central Bank of Nigeria (CBN), the SEC, NGX, the Central Securities Clearing System and market operators.

Oyedele specifically acknowledged their contribution, noting that their coordinated efforts across "regulatory reform, market infrastructure modernisation and investor engagement" had been central to restoring Nigeria's standing among global index providers.

The return also carries implications for the Nigerian capital market itself.

Global index classifications influence how international institutional investors identify and assess investment destinations. Re-entry into the FTSE Frontier Market universe could increase Nigeria's visibility among global frontier-market funds and potentially improve the prospects for foreign portfolio inflows.

However, classification alone does not guarantee capital inflows.

A credible market can attract capital. A deeper market can allocate that capital more efficiently. And a competitive market can help businesses raise the resources required to expand, create jobs and contribute to economic growth

Investors ultimately respond to market conditions, returns, liquidity, policy consistency and the ease with which they can enter and exit investments.

This is why Nigeria's next challenge may be more important than the reclassification itself.

The country must convert restored confidence into a deeper, more liquid and more competitive capital market.

That will require sustained improvements in FX liquidity, investor protection, market transparency and regulatory certainty. It will also require broader domestic participation, stronger institutional investment and a larger pipeline of investible Nigerian companies.

The opportunity extends beyond attracting portfolio investors. A deeper capital market can provide Nigerian companies with more avenues to raise long-term financing, reduce excessive dependence on bank credit and support expansion across productive sectors of the economy.

This is the larger economic significance of rebuilding capital-market credibility.

A credible market can attract capital. A deeper market can allocate that capital more efficiently. And a competitive market can help businesses raise the resources required to expand, create jobs and contribute to economic growth.

For NGX, the return to the Frontier Market category therefore represents an opportunity to accelerate the next phase of market development. Its Group Managing Director and Chief Executive Officer, Mr. Temi Popoola, described the development as "an important moment for Nigeria's capital market", while stressing that the real significance lies in what comes next.

"The real significance of returning to Frontier Market status is the opportunity it creates for the next phase of our market's development," Mr. Popoola said.

That next phase will determine whether the FTSE decision becomes a temporary improvement in international perception or part of a sustained transformation.

For Mr. Oyedele, the destination is already clear.

"We see this as a milestone, not a destination," he said, stressing the government's ambition to build a capital market "deep, liquid and competitive enough to earn Emerging Market status in the near term."

That ambition places a new responsibility on policymakers and market institutions.

Frontier Market status can restore visibility, but Emerging Market status would require a considerably stronger demonstration of depth, liquidity, accessibility and institutional resilience.

Nigeria must therefore guard against reversing the gains that made the FTSE decision possible.

The experience of the past three years offers an important lesson. International investors do not assess markets solely by economic potential. They assess whether the systems supporting that potential work predictably.

Nigeria has vast companies, a large consumer market and significant investment opportunities. But these advantages become more valuable when investors have confidence in the mechanisms through which capital enters the economy, participates in its growth and is eventually repatriated.

The return to the FTSE Russell Frontier Market universe suggests that Nigeria has made measurable progress on that front.

It is also a reminder that credibility is earned incrementally.

The 2023 exclusion exposed the weaknesses. The subsequent reforms addressed some of them. The T+1 episode tested whether the new systems could withstand international scrutiny. The final reclassification now offers a measure of the progress.

But the real verdict will come from the behaviour of investors.

If Nigeria can sustain FX liquidity, deepen its market, strengthen investor protections and maintain predictable regulation, the country could move from merely regaining international recognition to establishing a stronger position within the global capital-market architecture.

For now, the journey from "Unclassified" back to "Frontier Market" is an important marker of progress.

The greater opportunity is to ensure that the confidence being restored today becomes the foundation for the next transformation of Nigeria's capital market.


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EDITORIAL

After A Decade Of Export Dialogue, Nigeria Needs Delivery

For a decade, Nigeria has talked about the promise of non-oil exports. The conversation has produced policies, strategies, seminars and ambitious targets. Yet the real test of the country's diversification drive is no longer how convincingly it discusses exports, but how effectively it converts those discussions into competitive products, stronger industries and sustainable foreign exchange earnings.

The 10th International Trade Seminar on Non-Oil Export, hosted by Zenith Bank Plc, has once again brought the issue into sharp focus. Its theme, 'Unlocking Value and Harnessing Growth,' captures precisely where the national conversation must now move.

We believe Nigeria has reached a point where dialogue must give way to delivery.

The progress recorded should not be dismissed. Non-oil exports reached a record $6.1 billion in 2025, up from $5.46 billion in 2024 and a remarkable $612 million a decade earlier. This trajectory suggests that Nigerian businesses are increasingly finding opportunities beyond crude oil.

But the figures also raise a more important question: how much greater could those earnings be if Nigeria processed more of what it produces before exporting?

We understand the structural challenges. Poor logistics, unreliable power, limited access to affordable finance, certification bottlenecks, inadequate market intelligence and other constraints continue to increase the cost of doing business. These are not new discoveries. They have been repeatedly identified at conferences and policy meetings.

The time has come to fix them.

We are of the opinion that Nigeria's next phase of export development must focus on value addition. Exporting cocoa is useful; exporting chocolate creates considerably more economic value. Producing agricultural commodities matters, but processing, packaging and branding them for regional and global markets creates stronger industries, jobs and wider opportunities.

This is where the African Continental Free Trade Area (AfCFTA) becomes particularly important. Africa has a market of more than 1.4 billion people. Nigeria cannot afford to approach that market merely as a large consumer economy. It must become a competitive supplier.

We urge the federal government to treat export competitiveness as a whole-of-economy responsibility. Trade policy cannot operate in isolation from electricity, transport, ports, taxation, industrial policy, skills development and financial-sector reforms.

We also urge financial institutions to move beyond financing individual export transactions. As highlighted at the seminar, exporters need financing for machinery, processing, certification, technology, inventory and market expansion. Export capability requires patient capital.

Most importantly, implementation must become the new measure of success.

After 10 years of dialogue, Nigeria does not need another decade of identifying the same obstacles. It needs measurable progress in the number of exporters scaling, products being processed locally, Nigerian brands entering foreign markets and value retained within the economy.

We believe Zenith Bank's decade-long trade dialogue has helped keep the issue alive. The responsibility now extends beyond the seminar room.

Nigeria has the resources, entrepreneurs and market opportunity. What remains is the institutional discipline to convert those advantages into an export economy capable of competing, creating wealth and reducing dependence on crude oil.

The next decade should therefore be remembered not as another period of talking about Nigeria's export potential, but as the decade when that potential was finally delivered.

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.

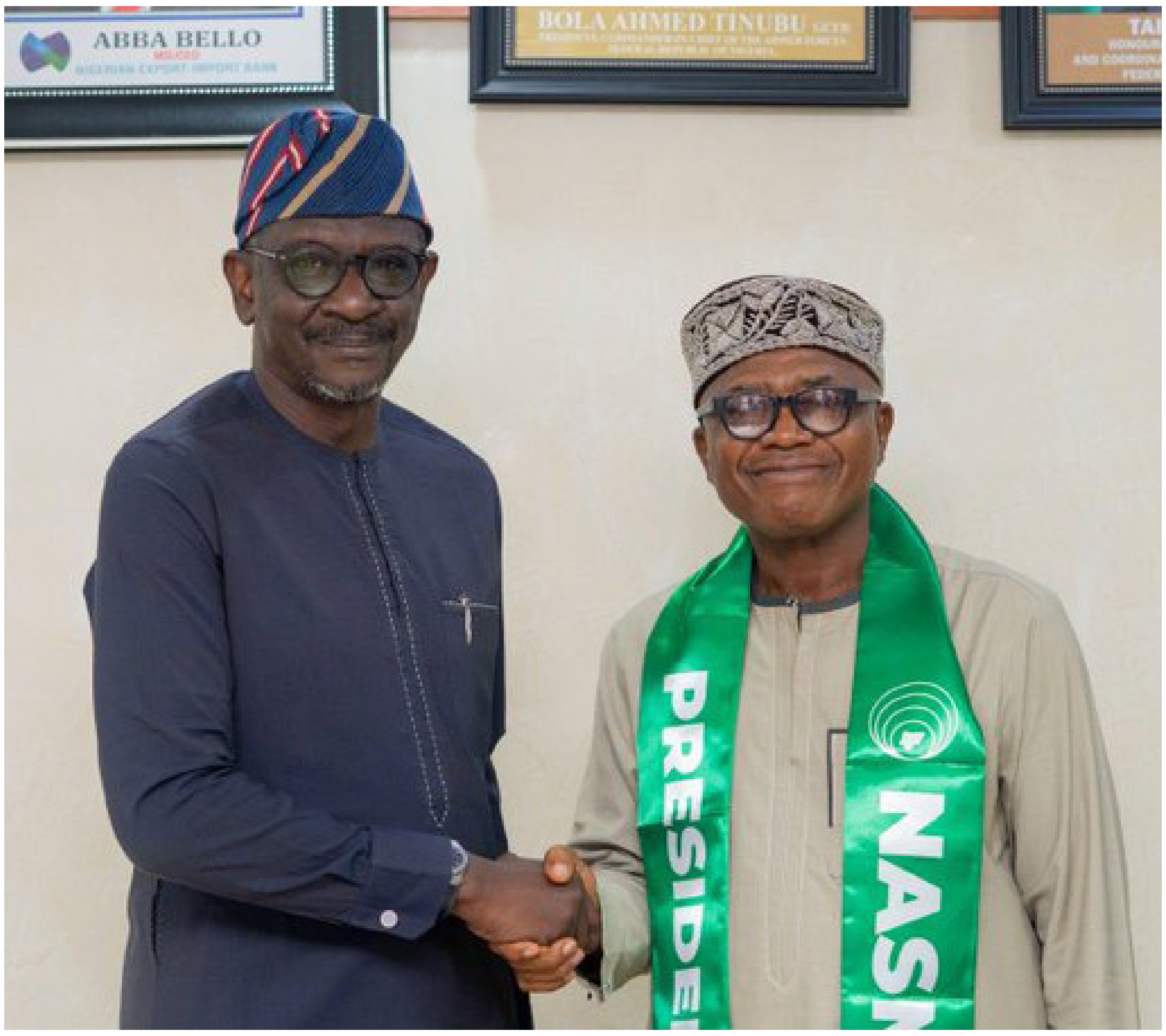
To the private sector: You are stakeholders in the reform process. Let your voice be heard. Let your innovations and contributions to national development be documented in a newspaper founded on the principle of national interest above noise.

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.

NEXIM Bank, NASME Deepen Partnership To Expand MSME Finance, Export Opportunities



Mr. Abba Bello, MD/CEO of NEXIM Bank (left), with Sir Theo Norom, the newly elected President of NASME

By Jennete Ugo Anya

The Nigerian Export-Import Bank (NEXIM Bank) and the National Association of Small and Medium Enterprises (NASME) have moved to deepen their partnership, with both institutions reaffirming the importance of stronger financial and institutional support for micro, small and medium enterprises (MSMEs) seeking to expand their businesses and compete in domestic and international markets.

The renewed commitment followed a courtesy visit by the newly elected leadership of NASME to the Managing Director/Chief Executive Officer of NEXIM Bank, Mr. Abba Bello, where the association formally introduced its new President, Sir Theo Norom, alongside members of his leadership team.

NEXIM Bank disclosed the development in a post on its official X handle, noting that the meeting provided an opportunity for both organisations to strengthen their existing relationship and identify areas for mutually beneficial collaboration.

The engagement comes at a time when access to finance, market opportunities, business capacity and export readiness remain critical to the ability of Nigerian MSMEs to scale beyond survival and become more competitive businesses.

For many small and medium-sized enterprises, financing is not only required to establish or sustain operations. It is also necessary for acquiring equipment, expanding production, meeting larger orders, improving product standards and accessing markets beyond Nigeria.

This makes the partnership between NEXIM Bank and NASME significant, particularly given NEXIM Bank's mandate to support Nigeria's non-oil export sector and provide financial instruments that can help businesses participate more effectively in international trade.

During the visit, the NASME delegation acknowledged NEXIM Bank's support for the development and growth of MSMEs. The association specifically highlighted the bank's contributions in areas including access to finance, export development, capacity building and business expansion.

The acknowledgement underscores the growing importance of financial institutions in helping Nigerian businesses overcome some of the structural barriers that limit their ability to scale.

Beyond access to credit, MSMEs require knowledge, market intelligence, technical capacity and stronger institutional networks to translate financing into sustainable growth. Collaboration between business associations and development-oriented financial institutions can therefore provide a broader support structure for entrepreneurs.

The visit also provided a platform for NASME's newly elected President, Sir Norom, to outline the priorities of his administration.

According to NEXIM Bank's account of the engagement, Sir Norom emphasised the need to advance the interests of MSMEs and strengthen partnerships with key financial institutions and other stakeholders.

His vision places collaboration at the centre of efforts to improve the operating environment for small and medium-sized businesses. For NASME, stronger relationships with institutions such as NEXIM Bank could provide opportunities to connect members with financing, export support and other interventions capable of improving business performance.

The emphasis on export development is particularly relevant as Nigeria seeks to expand the contribution of non-oil businesses to economic growth and foreign exchange earnings.

MSMEs account for a significant share of economic activity and employment, but their participation in international markets can be constrained by limited access to finance, inadequate capacity, quality and standards challenges, and difficulties navigating export procedures and markets.

Stronger institutional partnerships could help bridge some of these gaps by linking businesses to financing and the technical support required to prepare them for larger and more competitive markets.

The NEXIM Bank-NASME engagement therefore goes beyond a ceremonial introduction of a new association president. It signals an opportunity to build a more structured relationship between a major business membership organisation and a specialised financial institution focused on supporting trade and export development.

At the conclusion of the visit, both parties reaffirmed their commitment to continued engagement and collaboration in promoting entrepreneurship, strengthening Nigerian businesses and supporting MSMEs to become more competitive both locally and internationally.

For many small and medium-sized enterprises, financing is not only required to establish or sustain operations. It is also necessary for acquiring equipment, expanding production, meeting larger orders, improving product standards and accessing markets beyond Nigeria

NDIC Warns Banks Capital Alone Won't Prevent Failure

By Jennete Ugo Anya

Nigeria's banking sector may have emerged from the latest recapitalisation exercise with stronger balance sheets, but the Nigeria Deposit Insurance Corporation (NDIC) has warned that bigger capital buffers alone will not guarantee financial stability.

The corporation said banks must combine stronger capital positions with effective risk management, regulatory compliance and sound corporate governance if the fresh capital is to translate into sustainable growth rather than create new vulnerabilities.

The NDIC Managing Director and Chief Executive Officer, Mr. Thompson Oludare, gave the warning in Lagos at a three-day workshop for senior management and executive staff of the Corporation, organised in collaboration with the Bureau of Public Procurement (BPP).

The workshop, themed 'Driving Excellence through Transparency, Compliance, and Efficiency,' came shortly after the banking industry's recapitalisation deadline of March 31, which saw banks work to meet higher capital requirements set by the Central Bank of Nigeria (CBN).

Mr. Oludare described the recapitalisation as a significant development for financial-system resilience but stressed that raising capital was only the beginning.

"Capital is a very important aspect in banking," he said, adding that regulators and examiners were equally concerned about "risk management, compliance and governance."

His message is particularly relevant as banks begin to deploy the additional capital into lending, investments, technology and business expansion. According to the NDIC chief, the quality of that deployment will determine whether recapitalisation strengthens the banking system over the long term.

Banks, he said, must demonstrate that the additional funds are being applied prudently and in ways that reinforce institutional resilience rather than simply increasing their financial capacity.

The warning also comes against the backdrop of the NDIC's continuing responsibility for resolving failed financial institutions and protecting depositors.

The corporation is currently handling the liquidation of 46 microfinance banks whose operating licences were revoked by the CBN on July 1. As official liquidator, the NDIC has commenced verification and payment of insured deposits to eligible customers.

Mr. Oludare said the corporation had already begun paying verified depositors, with the process supported by Bank Verification Numbers (BVN) and alternative bank accounts.

The approach is designed to reduce the burden on depositors by allowing verified customers to receive their insured funds without necessarily visiting NDIC offices.

Mr Thompson Oludare, MD/ CEO of NDIC

The NDIC chief stressed that licence revocation remained the last resort available to regulators. Before reaching that stage, authorities could deploy resolution options including purchase-and-assumption arrangements, bridge banks, financial support and changes in management.

"Revocation of licence is the last thing that we consider, and we do not take those things lightly," he said.

He explained that the affected microfinance banks had failed to meet conditions attached to their operating licences, leaving revocation as the most viable resolution option in the circumstances.

The experience of Heritage Bank further illustrates why preventing bank failure remains preferable to managing its consequences.

The CBN revoked Heritage Bank's licence on June 3, 2024, after which the NDIC commenced liquidation and payment of insured deposits. The Corporation has since continued recovering assets, realising investments and pursuing debtors to generate funds for depositors whose balances exceeded the statutory insurance limit.

NDIC records show that it declared a first liquidation dividend of N46.6 billion in April 2025 and a second dividend of N24.3 billion in January 2026. The cumulative liquidation dividend reached 14.4 kobo for every N1 outstanding balance above the insured limit.

Mr. Oludare said the corporation would continue selling recovered assets and pursuing outstanding debts to generate additional funds. Some assets, however, remain tied up in legal disputes, potentially slowing the recovery process.

Nigeria Moves To Capture $7tn Halal Market With $12bn Investment Push

By Ahmed Ahmed

Nigeria is opening another front in its economic diversification drive, this time targeting a global halal economy valued at about $7 trillion. The federal government's ambition is not simply to increase Nigeria's participation in halal consumption, but to build an investment, production and export ecosystem capable of attracting more than $12 billion in capital, creating jobs and positioning Nigerian businesses for a larger share of global trade.

The opportunity is significant. Halal has long been associated with food produced according to Islamic requirements, but the global industry has evolved into a broad economic ecosystem covering Islamic finance, pharmaceuticals, cosmetics, tourism, logistics, manufacturing and digital commerce.

Vice President Kashim Shettima, speaking in Lagos, said Nigeria could no longer afford to occupy the consumer end of the halal value chain while other countries capture the greater economic value generated by the sector.

Represented by the Honourable Minister of State for Budget and Economic Planning, Dr. Doris Uzoka-Anite, the Vice President said the country had the resources and market strength required to compete for a meaningful share of the expanding global halal economy.

"Nigeria must not remain a consumer of halal products while other countries capture the greater value generated from the sector," he said.

That statement captures the central economic argument behind the Federal Government's new approach. Nigeria already has many of the inputs required to compete. What has been missing is a coordinated framework capable of connecting production, certification, finance, standards, investment and access to export markets.

The administration of President Bola Tinubu is therefore placing the halal economy within the wider objectives of the Renewed Hope Agenda, particularly economic diversification, non-oil export expansion and job creation.

The strategy is beginning to move from policy discussion to implementation. The Nigeria Halal Economy Strategy Implementation Committee was inaugurated on March 3, 2026, with responsibility for coordinating the development and execution of the national strategy.

According to Vice President Shettima, the committee's four workstreams have been activated, while its Secretariat has consolidated implementation into 13 delivery clusters with defined milestones. The immediate target is to mobilise more than $12 billion in investment.

The significance of this target extends beyond the size of the proposed capital. If successfully deployed, the investment could stimulate businesses across several stages of the value chain, from agricultural production and food processing to pharmaceuticals, personal care products, logistics, financial services and technology.

It could also create a pathway for Nigerian raw materials to generate greater domestic value before reaching international markets.

This is particularly important in agriculture, where Nigeria remains a major producer of several commodities but often captures a smaller portion of the value created through processing, branding and international distribution.

The Secretary General of the Islamic Chamber of Commerce and Development, Sheikh Yousef Hassan Khalawi, drew attention to this gap by highlighting Nigeria's position in shea butter production.


Vice President Kashim Shettima

His argument was straightforward. Nigeria should not be satisfied with exporting raw materials when it has the capacity to process, brand and manufacture products for higher-value markets.

The challenge, therefore, is not whether Nigeria has resources. It is whether the country can build the systems needed to convert those resources into globally competitive products.

That is where certification and standards become critical.

The federal government is considering a Nigeria Halal Accreditation and Verification Platform that could eventually serve as a continental model. Discussions are also advancing on the establishment of a regional capacity-building centre in Nigeria with international partners.

Government is further working to present a Governance Framework, National Halal Mark, Halal Accreditation and Verification Platform, as well as a related fees architecture, to the Federal Executive Council.

These institutional mechanisms could provide businesses with greater certainty while helping consumers and international buyers identify products that meet recognised halal standards.

Nigeria already has many of the inputs required to compete. What has been missing is a coordinated framework capable of connecting production, certification, finance, standards, investment and access to export markets

The federal government is also widening the financing and international partnership architecture around the strategy. Nigeria is engaging institutions including the Islamic Development Bank (IsDB), the Arab Bank for Economic Development in Africa, the D8 Halal Forum and other international organisations.

This external engagement matters because the halal economy is inherently international. Capturing even a modest portion of the global market will require more than domestic production. Nigerian businesses will need financing, certification, distribution networks, export intelligence and access to markets across Africa, the Middle East, Asia and other regions.

The African Continental Free Trade Area (AfCFTA) could provide an important platform.

With the right production capacity, Nigerian manufacturers could use the continental market as a springboard for expansion. Rather than viewing halal solely through the lens of religious compliance, businesses can approach it as a structured trade and investment opportunity with a large and growing consumer base.

National President of the Nigerian Association of Chambers of Commerce, Industry, Mines and Agriculture, Dr. Jani Ibrahim, made this point clearly, urging Nigeria to move beyond discussions about the sector's potential.

"Halal should be regarded as a trade and investment opportunity rather than merely a certification issue," Dr. Ibrahim said.

His position reflects one of the most important tests facing the strategy. government can establish frameworks, but private businesses must ultimately build the factories, develop the products, employ workers and win customers.

There are early signs of subnational interest. the federal government has taken the strategy to the National Economic Council (NEC), while Osun, Katsina and Kano States have expressed interest in domesticating it.

Such participation could strengthen the strategy because many of the assets required for a successful halal economy sit outside Abuja. Agricultural production, manufacturing clusters, tourism, small businesses and local value chains are largely driven at state and community levels.

For Nigeria, the opportunity is ultimately about moving up the value chain.

The $7 trillion global halal economy offers a large market, but market size alone will not create prosperity. Nigeria must produce competitively, meet international standards, process more of its raw materials, build trusted brands and establish reliable export channels.

IMF Calls For Deeper Fiscal, Monetary Reforms

By Jennete Ugo Anya

The International Monetary Fund (IMF) has called Nigeria and other major African economies to deepen fiscal, monetary, financial and governance reforms to strengthen macroeconomic stability and create the conditions for more inclusive and sustainable economic growth.

The reforms seek to eliminate duplicate taxes, harmonise tax administration, improve compliance and reduce the burden on smaller businesses.

However, the IMF's call for stronger fiscal reforms comes as businesses continue to raise concerns over multiple taxes and government levies.

The Central Bank of Nigeria (CBN)'s July 2026 Business Expectations Survey showed that 70.8 percent of respondents identified high and multiple taxation as the biggest constraint to business operations. Insecurity and high interest rates followed among the major concerns.

President Bola Ahmed Tinubu

The call formed part of the fund's latest assessment of reform priorities across the eight largest economies in the African Union, where it identified fiscal reforms as a high priority in all but one of the countries reviewed.

For Nigeria, the IMF highlighted the need to improve tax policy, revenue administration, public financial management and spending efficiency, while also strengthening the monetary policy framework and its transmission to the wider economy.

The fund further identified governance reforms as critical, particularly through greater fiscal transparency, stronger public financial management and improved anti-corruption practices.

The IMF said implementing the recommendations would help African economies strengthen their domestic institutions while creating greater capacity to finance development.

"Adopting these recommendations can help support strong, sustainable, balanced, and inclusive growth by mobilizing domestic revenue and strengthening macroeconomic institutions," the Fund stated.

For Nigeria, the recommendations come against the backdrop of an ongoing economic reform programme by the federal government aimed at improving revenue mobilisation and simplifying the country's tax system.

The new tax framework, which took effect in January 2026, introduced the Nigeria Tax Act, Nigeria Tax Administration Act, Nigeria Revenue Service (Establishment) Act and Joint Revenue Board (Establishment) Act.

This suggests that while tax reform has moved forward at the policy level, implementation remains an important test for the government, particularly in ensuring that revenue mobilisation does not undermine business activity and private-sector investment.

The IMF also called for stronger monetary policy frameworks and transmission in Nigeria, Egypt and Ethiopia.

Nigeria's recommendation comes after an aggressive monetary tightening cycle undertaken by the CBN in response to elevated inflation, liquidity pressures and foreign exchange market instability.

Following the appointment of Mr. Olayemi Cardoso as CBN Governor in 2023, the apex bank adopted tighter monetary and liquidity conditions alongside foreign exchange reforms designed to restore market confidence and strengthen macroeconomic stability.

The Monetary Policy Rate (MPR) stood at 18.75 percent in 2023 before a series of increases began in 2024. The benchmark rate rose to 22.75 percent in February 2024 and reached 27.5 percent by the end of that year.

The CBN also tightened liquidity conditions through changes to banks' Cash Reserve Ratio (CRR), raising it from 32.5 percent to 45 percent in early 2024 and subsequently to 50 percent.

The tightening cycle has since shifted towards gradual easing as inflationary pressures moderated and economic conditions improved.

However, debate continues over how quickly monetary conditions should be relaxed. Presidential aide, Mr. Tope Fasua , has called for a rethink of the tight monetary policy stance, arguing that prolonged high interest rates could constrain economic growth without necessarily delivering the desired reduction in inflation.

The IMF's latest recommendations also reinforce the importance of governance and fiscal transparency as Nigeria seeks to make its reforms durable.

Greater transparency in public finances, more efficient spending and stronger institutional controls could improve confidence in government policy while ensuring that increased revenue translates into better public services and infrastructure.

The fund's intervention follows previous cautions over Nigeria's approach to sovereign financing. In June, the IMF raised concerns about Nigeria's plan to raise up to $5 billion through a derivatives-based financing arrangement with First Abu Dhabi Bank.

The fund warned that derivative-based sovereign financing could expose countries to significant risks because the terms and potential obligations can be difficult to assess.

Nigeria has continued to pursue alternative sources of financing for infrastructure and development. In December, the federal government secured about $1.2 billion in financing from the United Arab Emirates to support construction of a key segment of the Lagos-Calabar Coastal Highway.

For Nigeria, the IMF's latest message therefore comes at a critical stage of the reform programme. The government has already undertaken significant changes in taxation, monetary policy and foreign exchange management. The next phase will require strengthening the institutions that implement those reforms.

The challenge is to ensure that fiscal reforms increase government capacity without placing excessive pressure on businesses, while monetary reforms support price stability without suppressing productive investment.

FirstBank, MREIF Target Nigeria's N60trn Housing Gap

By Musa Ibrahim

Nigeria will require about N60 trillion to bridge its housing deficit, as the federal government and private-sector partners deepen efforts to expand access to affordable mortgages and increase housing supply across the country.

The National Coordinator of the MOFI Real Estate Investment Fund (MREIF), Mr. Sani Yakubu, disclosed this last Wednesday during a webinar organised by FirstBank of Nigeria Ltd.

The webinar, themed 'Beyond Rent: The Path to Home Ownership Leveraging FirstBank-MREIF Home Loan Scheme to Build Long-Term Wealth,' focused on how long-term mortgage financing can help more Nigerians transition from renting to home ownership.

Mr. Yakubu said Nigeria's housing deficit had exceeded 20 million homes, while annual housing delivery remained at about 100,000 units. He noted that the country would need to increase annual housing construction to approximately 700,000 units to make significant progress in closing the gap.

The scale of the deficit, he explained, highlights the need for stronger collaboration between government, financial institutions, investors, developers and other stakeholders across the housing value chain.

MREIF was established through a public-private partnership to tackle challenges around housing affordability and supply. According to Mr. Yakubu, the fund's first N250 billion tranche comprises N150 billion from the federal government and N100 billion from private investors.

The initial tranche forms part of the broader N1 trillion MREIF programme registered with the Securities and Exchange Commission.

At the heart of the initiative is the partnership with FirstBank, which is designed to improve Nigerians' access to long-term mortgage financing for residential property acquisition.

Yakubu said the intervention was intended to catalyse the housing market without displacing existing mortgage providers, creating additional financing capacity for prospective homeowners.

... Nigeria's housing deficit had exceeded 20 million homes, while annual housing delivery remained at about 100,000 units

Providing further insight into the scheme, the Head of Real Estate Investment at ARM Investment Managers, Mr. Olubiyi Adekunbi, said MREIF had deployed more than N140 billion to over 2,000 beneficiaries since mortgage disbursements began in April.

Mr. Sani Yakubu, National Coordinator of the MOFI Real Estate Investment Fud (MREIF)

He said beneficiaries had accessed mortgages across 27 states, demonstrating the potential for the initiative to extend home ownership opportunities beyond major urban centres.

Under the scheme, eligible applicants can access loans of up to N100 million at an interest rate of 9.75 percent, with a maximum repayment tenure of 20 years, subject to the applicant's retirement age.

Applicants are required to provide a minimum 10 percent equity contribution. Eligible contributors may also augment their equity contribution with up to 25 percent of their Retirement Savings Account (RSA) balance.

The scheme is open to Nigerians resident in the country and those in the diaspora, provided the property being financed has a valid registered title.

Mr. Adekunbi urged prospective beneficiaries to approach FirstBank to begin the application process and receive guidance on eligibility and documentation requirements.

For FirstBank, the initiative is positioned as a response to some of the structural barriers that have historically kept home ownership out of reach for many Nigerians.

The bank's Head of Personal Banking, Mr. Chukwuka Okonkwo, said the partnership with MREIF would help democratise access to affordable home ownership.

According to him, the mortgage scheme addresses key challenges including affordability, access to mortgage finance, property verification and documentation.

He said FirstBank would finance completed properties with clean and verifiable titles, helping to reduce some of the risks associated with property acquisition.

Mr. Okonkwo stated that applicants must be at least 18 years old, resident in Nigeria, have a stable income and demonstrate sufficient repayment capacity.

Beyond mortgage financing, he said FirstBank was working with property developers and state housing corporations to expand the supply of affordable housing and improve access to suitable properties.

The pension industry is also playing a role in the emerging home ownership ecosystem. Mr. Olufemi Adebayo, Executive Director, Sales and Investments, Leadway Pensure PFA Ltd., said eligible pension contributors could access up to 25 percent of their RSA balance towards purchasing a home.

He said applicants must have contributed for at least five years, remain in active employment and have at least three years before retirement.

Mr. Adebayo disclosed that Leadway Pensure had processed more than 70,000 applications and disbursed over N70 billion under the initiative.

The collaboration between FirstBank and MREIF comes as Nigeria faces the dual challenge of a significant housing shortage and limited access to long-term financing.

With the estimated deficit exceeding 20 million homes, closing the gap will require not only more houses but also financing mechanisms that allow households to purchase them.

The FirstBank-MREIF partnership therefore represents an effort to connect public capital, private investment, mortgage finance and pension resources around a common objective: expanding sustainable home ownership.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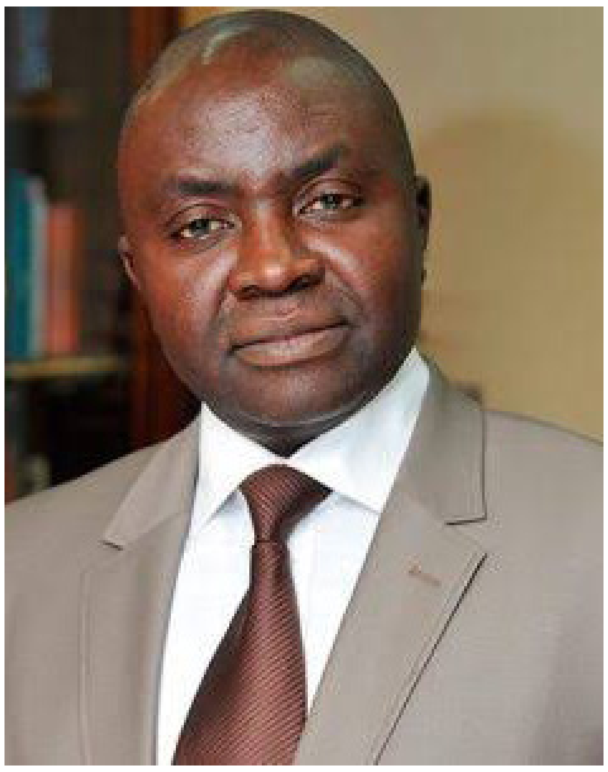
Economists Back FG's $1bn Social Protection Programme



Dr. Muda Yusuf, CEO of CPPE

Dr. Uju Ogubunka, Former Executive Secretary of CIBN

By Ahmed Ahmed

Economists have welcomed the federal government's launch of a $1 billion social protection programme, describing it as a timely intervention that could cushion economic hardship, reduce poverty and move vulnerable Nigerians towards sustainable economic empowerment.

The experts, who spoke in separate interviews with the News Agency of Nigeria (NAN) in Lagos recently, said the initiative could provide a critical bridge for households struggling with the rising cost of living while creating opportunities for entrepreneurship and self-reliance.

The federal government launched the Household Prosperity and Empowerment Social Protection Project (HOPE-SP) recently at the State House Banquet Hall in Abuja. The programme is designed to shift vulnerable Nigerians from temporary relief towards sustainable economic empowerment.

The launch formed part of a broader set of five programmes aimed at strengthening Nigeria's humanitarian response and poverty reduction framework.

Former Executive Secretary of the Chartered Institute of Bankers of Nigeria, Dr. Uju Ogubunka, described the initiative as commendable, particularly against the backdrop of persistent cost-of-living pressures facing households.

"The programme launch is commendable, particularly now that a lot of our people are grappling with economic hardship caused by the cost-of-living crisis," he said.

Dr. Ogubunka, however, stressed that the success of the intervention would depend largely on effective targeting and accurate beneficiary data.

He called for the initiative to be replicated by sub-national governments, arguing that stronger coordination at the grassroots level would expand its reach and impact.

"This policy should also be replicated by sub national governments to bring more benefits to the grassroots," he said.

According to him, previous government interventions have sometimes struggled to reach the people they were designed to support because of weaknesses in data and beneficiary identification.

"Previous experiences have shown that without adequate data, government efforts do not really get to the targeted people who need such support for their livelihoods," Dr. Ogubunka said.

He noted that ensuring that assistance reaches the right beneficiaries would be particularly important in an economy where many young Nigerians are attempting to establish businesses and create livelihoods.

Also, Dr. Muda Yusuf, the Chief Executive Officer (CEO) of the Centre for the Promotion of Private Enterprise (CPPE), commended the federal government for the intervention, particularly its potential to support entrepreneurship.

Dr. Yusuf said high borrowing costs and expensive digital lending platforms had made it difficult for many Nigerians to access capital to establish or expand small businesses.

"We need to support our citizenry to get out of poverty and create businesses because bank interest rates are expensive and loan apps are too exorbitant," he said.

He argued that government-backed interventions could provide an important source of support for small businesses, given their contribution to economic activity, employment and household incomes.

"But this government intervention will go a long way, considering the role small businesses play in the general economy," Dr. Yusuf stated.

Beyond direct financial assistance, Dr. Yusuf urged the government to sustain investment in critical infrastructure, particularly electricity, as part of a broader strategy for economic empowerment.

He said reliable electricity would reduce some of the operating constraints confronting young entrepreneurs and create an environment in which innovation and wealth creation could thrive.

"Government investment in regular electricity will encourage the youth to be more innovative and create wealth," he said.

The economists' comments highlight an important distinction in the government's social protection approach: providing immediate relief while creating pathways for beneficiaries to become economically productive.

For the intervention to achieve that objective, however, effective implementation will be critical. Accurate data, transparent beneficiary selection and coordination between federal and sub-national authorities will determine whether resources reach the households and entrepreneurs most in need.

Quotes of the Week

Dr. Jumoke Oduwole, Honourable Minister of Industry, Trade and Investment

Our focus at the Ministry is straightforward: produce more competitively in Nigeria, process more in Nigeria, connect Nigerian businesses to bigger markets, and ensure that the financing, infrastructure and trade systems exist to help them scale.

Mrs. Patricia Poku-Diaby, Founder/Executive Chair of Plot Enterprise Ghana Limited

Let us make no mistake: the future of our economy will not be determined simply by what we grow or what we mine, but by what we transform. We need to move from being suppliers of raw materials to becoming producers, processors, manufacturers, exporters and owners of strong African brands. Our focus should be on creating more value before our products leave our shores.

Dr. Muda Yusuf, CEO of CPPE

We need to support our citizenry to get out of poverty and create businesses because bank interest rates are expensive and loan apps are too exorbitant. But this government intervention will go a long way, considering the role small businesses play in the general economy.

FG Unveils New Water Roadmap, Pushes States To Deliver

By Anita Dennis

Nigeria is moving to overhaul its fragmented water-sector policies and interventions through a proposed National Water Compact, with the federal government seeking stronger commitments from state governments to turn long-standing plans into investment, reform and measurable improvements in water services.

The initiative comes amid growing concerns over access to safe water, sanitation and hygiene, as population growth, rapid urbanisation, climate change and weak institutional coordination place increasing pressure on the country's water infrastructure.

At a nationwide stakeholders' consultation in Abuja last Thursday, the Acting Country Director of the World Bank, Mr. Taimur Samad, said Nigeria's challenge was not a shortage of policies, plans or roadmaps, but the absence of a unified platform capable of converting those commitments into sustained action.

"There is no want of plans, agendas, roadmaps," Mr. Samad said, urging stakeholders to bring existing commitments under "a single unified platform" capable of changing the approach to water-sector development.

He said state governments must assume a leading role because water supply and sanitation services are largely delivered at the sub-national level.

According to him, the states will need to make difficult decisions around investment, reforms and prioritisation if Nigeria is to improve water and sanitation outcomes.

Mr. Samad also challenged governments to confront the economics of water provision, warning that public funding alone would not be sufficient to address the country's infrastructure and service-delivery needs.

"Public financing will not be enough," he said, stressing the need for sustainable revenue systems that can finance both new infrastructure and the long-term operation and maintenance of existing facilities.

The Minister of Water Resources and Sanitation, Prof. Joseph Terlumun Utsev, said the proposed Compact was being developed following the adoption of the African Union's Africa Water Vision and Policy 2025–2063.

Nigeria, he explained, is domesticating the continental framework while adapting it to national development priorities.

The first draft has already been prepared by a National Technical Working Committee comprising representatives of federal and state governments, development partners, academia, professional bodies, civil society and the private sector.

Prof. Utsev, however, acknowledged that the framework would have little impact without state ownership.

He said the Ministry had written to the Chairman of the Nigeria Governors' Forum to secure early political commitment from the 36 state governors and the Federal Capital Territory (FCT).

President Bola Ahmed Tinubu has also been briefed on progress in developing the Compact, according to the minister.

The objective is to ensure that the initiative does not become another policy document without corresponding implementation.

"It is a national commitment to transform Nigeria's water future," Prof. Utsev said.

The proposed framework is built around three broad pillars: Water for People, Water for Food Security and Water for Planet.

The structure is intended to bring domestic water supply, sanitation, agriculture, environmental protection and climate resilience into a coordinated national framework.

For the health sector, the proposed Compact is also being viewed as a disease-prevention strategy.

The Minister of State for Health and Social Welfare, Dr. Iziaq Adekunle Salako, said investment in water and sanitation should be regarded as an investment in public health rather than merely infrastructure development.

He warned that inadequate water, sanitation and hygiene services continued to expose communities to preventable diseases while undermining nutrition, productivity and general well-being.

Reliable water and sanitation, he added, are particularly important in healthcare facilities, where they are essential for hygiene, infection prevention, cleaning and safe delivery of medical services.

... the states will need to make difficult decisions around investment, reforms and prioritisation if Nigeria is to improve water and sanitation outcomes

Dr. Salako said the health sector would advocate clear accountability mechanisms in the final Compact, including measurable performance indicators, sustainable financing and effective monitoring.

He also called for guaranteed access to safe water in homes, schools, communities and public institutions, alongside stronger WASH services in health-care facilities.

Climate resilience, he said, must form part of the framework to strengthen Nigeria's preparedness for floods, droughts and other water-related emergencies.

The Acting Permanent Secretary of the Ministry of Water Resources and Sanitation, Engr. Ali Ibrahim Dallah, said the consultation was designed to test whether the proposed framework could be translated into practical action across Nigeria's diverse states and communities.

He said states and other stakeholders were being given the opportunity to identify gaps, recommend strategic actions and assess the practicality of the draft Compact.

Development partners also stressed that the initiative should be judged by implementation rather than the quality of the final document.

Speaking on behalf of the WASH Development Partners Group, Emily Kilongi said state ownership would be essential to ensuring that national ambitions reflected local priorities, institutional capacity and realities.

She called for clear commitments, measurable outcomes, mutual accountability and regular reporting, noting that financing alone could not guarantee sustainable service delivery without strong institutions and reliable data.

The emerging Compact is therefore being positioned as more than another long-term policy document. It could become an accountability framework requiring federal and state governments to make concrete decisions on investment, infrastructure maintenance, financing, institutional reform and private-sector participation.

This is particularly important because Nigeria already has several water-sector plans and strategies. The challenge has historically been less about identifying what needs to be done and more about sustaining the institutions, financing and political commitment required to deliver it.

The World Bank's warning that public financing will not be enough also points to a fundamental shift in thinking. Nigeria may need to develop sustainable revenue models that can support water infrastructure throughout its economic life rather than relying repeatedly on government appropriations whenever systems deteriorate.

NIBSS Launches Digest To Drive Nigeria's Payments Future

Premier Oiwoh, Managing Director /CEO of NIBSS

By Majeed Salaam

The Nigeria Inter-Bank Settlement System (NIBSS) Plc has launched NIBSS Digest, a new quarterly digital publication designed to deepen industry dialogue on the infrastructure, policies and technologies shaping the future of payments in Nigeria, Africa and beyond.

The maiden edition, themed 'Redefining the Future of Payments,' brings together perspectives from regulators, commercial banking executives, fintech founders and other stakeholders across the financial services ecosystem.

NIBSS said the publication was created to provide a dedicated platform for industry experts and decision-makers to examine emerging developments influencing digital payments and the broader financial services sector.

The inaugural edition focuses on how interoperable, intelligent and inclusive payment infrastructure can support sustainable economic growth, while examining some of the structural and technological changes reshaping the payments landscape.

Among the issues explored are financial inclusion, operational resilience, customer experience, artificial intelligence, digital identity, payment infrastructure and cross-border integration.

The publication also examines emerging technologies and initiatives including Open Banking, application programming interfaces (APIs), sovereign payment rails and the National Payment Stack (NPS).

According to NIBSS, these developments are increasingly important as financial services move towards greater digital integration and consumers demand faster, safer and more seamless payment experiences.

Adewunmi Oshilaja, Head of Corporate Communications at NIBSS, said the publication was conceived to expand the conversation around payments beyond the mechanics of transferring money.

"NIBSS Digest was conceived to broaden the conversation around payments, shifting the focus from simply moving money to actively moving economies," Oshilaja said.

The statement captures a wider transformation taking place within Nigeria's financial system, where payment infrastructure is increasingly becoming an enabler of commerce, entrepreneurship and financial inclusion rather than simply a channel for transactions.

Oshilaja said the rapid evolution of payment ecosystems also made it necessary to create a platform through which regulators, financial institutions and technology innovators could exchange practical insights.

"Establishing a unified platform where regulators, financial institutions, and tech innovators can share actionable insights is vital," he said.

The publication is therefore positioned as more than a corporate communication product. Its quarterly format is intended to provide a recurring forum for examining developments that could influence the direction of Nigeria's payments industry.

The maiden edition comes at a time when technological innovation is rapidly altering how individuals and businesses access financial services. Artificial intelligence, digital identity, open banking and interoperable payment systems are creating new opportunities, while also raising questions around cybersecurity, data protection, operational resilience and consumer trust.

Oshilaja described the inaugural edition as a reflection of the payments industry's ambition at a defining moment, saying it offers a forward-looking perspective on building a financial system that is more inclusive, secure and interconnected.

He also acknowledged the support of NIBSS' Board and Executive Management, alongside the editorial team and contributors who supported the publication.

"Our sincere appreciation also goes to all contributors for sharing their expertise and commitment to building a payments ecosystem that is open enough to innovate, secure enough to trust, and intelligent enough to protect," he said.

NIBSS Digest will be published quarterly, with each edition focusing on a central theme linked to critical developments within the payments ecosystem.

The publication is available free of charge through NIBSS' official website and can be accessed on desktop, tablet and mobile browsers.

NIBSS has also opened submissions for the second edition, inviting regulators, financial institutions, fintech companies, academics, development partners and technology leaders to contribute articles, case studies and commentary.

Submission guidelines and details for future editions are contained in the maiden issue, providing an opportunity for a wider range of industry voices to contribute to the evolving payments conversation.

NIBSS, incorporated in 1993, is owned by the Central Bank of Nigeria (CBN) and licensed deposit money banks operating in the country. Its infrastructure supports interbank clearing and settlement as well as key financial services infrastructure, including the Bank Verification Number system and point-of-sale payments.

As Nigeria's digital payments ecosystem continues to expand, the role of infrastructure providers is becoming increasingly strategic. The ability to move money efficiently, verify identities, connect financial institutions and enable digital transactions is closely linked to the wider economy's capacity to trade and grow.

Through NIBSS Digest, the company is seeking to place that infrastructure at the centre of a broader conversation about economic development, innovation and financial inclusion.

Reforms Nuggets

China Imports $2.3bn Nigerian Goods In Six Months

- China imported almost $2.3 billion worth of Nigerian goods in the first six months of 2026, representing an almost 80 percent increase compared with the same period in 2025.
- The Chargé d'Affaires of the Chinese Embassy in Nigeria, Zhou Hongyou, disclosed the figure at the Nigeria-China Food Festival held at the China Cultural Centre.
- The increase came as total trade between Nigeria and China rose by 75 percent year-on-year to $18 billion, signalling stronger economic activity between both countries.
- Zhou said China's zero-tariff policy for African countries with diplomatic relations with Beijing presents Nigeria with an opportunity to significantly expand its exports to the Chinese market.
- "This is a great chance for Nigeria to expand exports to China," the diplomat said, urging Nigerian businesses to take advantage of the preferential trade environment.
- The latest figures come as Nigeria seeks to diversify its export base beyond crude oil and unlock greater value from its agricultural, mineral and manufacturing sectors.
- Zhou said the expanding economic relationship was also being supported by stronger cultural and people-to-people exchanges, noting that 2026 marks 55 years of formal diplomatic relations between Nigeria and China.
- He called for deeper cooperation in education, culture, technology, arts and youth development, arguing that stronger people-to-people ties would sustain the bilateral relationship.
- Representing the Minister of Arts, Culture, Tourism and the Creative Economy, Hannatu Musawa, the Permanent Secretary, Abdulkarim Ibrahim, said Nigeria's food industry offered significant opportunities for tourism, hospitality and job creation.
- Ibrahim said food and beverages constitute the largest subsector of Nigeria's tourism economy, calling for stronger Nigeria-China cooperation in gastronomy, tourism, hospitality, culinary education and creative entrepreneurship.
- The Director-General of the National Institute for Hospitality and Tourism (NIHOTOUR), Aare Abisoye Fagade, said Nigeria's diverse culinary heritage could become a globally competitive food-tourism industry if properly packaged, standardised and commercialised.

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Nigeria's Diaspora Is More Than A Source Of Remittances

REFORM TALKS
with
Enam Obiosio

I have always believed that Nigeria's greatest economic resource is not buried beneath the ground. It is dispersed across the world in the knowledge, capital, networks, enterprise and professional experience of millions of Nigerians who have built successful lives beyond our shores. We have often celebrated this diaspora as evidence of Nigerian ingenuity. I think we must now begin to see it as one of the country's most important engines of economic transformation.

That is why I regard President Bola Ahmed Tinubu's invitation to Nigerians living abroad to invest in Nigeria as more than a routine appeal to patriotism. I see it as an important attempt to reconnect a powerful national asset with the economy from which that asset originated.

At the Nigeria Diaspora Economic Conference (NIDEC 2026) in Toronto, the President, represented by his Chief of Staff, Mr. Femi Gbajabiamila, told Nigerians abroad: "Nigeria sees you. Nigeria values you. Nigeria needs you."

I think those words capture something we have not always said clearly enough. We need our diaspora, not merely because they send money home, but because they possess resources that can help change the quality and scale of economic activity in Nigeria.

For years, our understanding of the diaspora economy has been dominated by remittances. Those remittances remain enormously important. They support families, finance education and healthcare, sustain small businesses and provide a vital flow of foreign exchange. But we should not stop there.

We should be asking what happens when remittance becomes investment, when professional experience becomes technology transfer, when international relationships become export opportunities and when individual success abroad becomes institutional capacity at home. That, to me, is the larger promise of the President's appeal.

I am particularly encouraged that the invitation was not limited to capital. President Tinubu asked Nigerians abroad to bring home their knowledge, technology, networks and international experience. This is a much more sophisticated understanding of development.

We do not need Nigerians in the diaspora to abandon everything they have built abroad. We need them to connect what they have built abroad with what Nigeria is building at home.

A Nigerian engineer working in Canada can contribute to a Nigerian infrastructure project. A banker in London can help structure capital for a Nigerian enterprise. A technology professional in the United States can mentor Nigerian developers or establish a technology partnership. A doctor abroad can support a healthcare enterprise. An entrepreneur in Dubai can open channels for Nigerian products into new markets.

We should therefore stop thinking of "returning home" only in geographical terms. In the modern economy, one can remain abroad and still participate directly in Nigeria's development.

What gives this invitation greater significance is the changing economic environment in Nigeria.

The country is undergoing a difficult but consequential process of economic restructuring. President Tinubu cited real Gross Domestic Product growth of 3.89 percent in the first quarter of 2026, manufacturing growth of 3.29 percent, easing inflation of 15.91 percent and foreign reserves of US$45.4 billion at the end of 2025. The International Monetary Fund has projected Nigeria's economy to grow by 4.1 percent in 2026, while the World Bank has acknowledged progress in restoring macroeconomic stability and strengthening the external and fiscal position. We should recognise what these developments mean.

Nigeria is not a finished economic proposition. It is a large economy undergoing adjustment, reform and repositioning. That inevitably creates challenges, but it also creates opportunities for investors who understand that substantial economic value is often created during periods of structural change.

The federal government's investment in roads, railways, ports, power, digital connectivity, healthcare, housing and agricultural value chains also matters. These are not abstract projects. They are the physical and institutional foundations upon which businesses grow.

Nigeria is not a finished economic proposition. It is a large economy undergoing adjustment, reform and repositioning

We should therefore view diaspora investment as part of a larger investment ecosystem rather than an isolated government campaign.

The President's proposal for professionally managed investment clubs, sector funds, co-investment vehicles and venture networks is especially important. If properly structured, these instruments could mobilise diaspora resources at a scale that individual investments cannot achieve.

Imagine thousands of Nigerians abroad contributing to professionally governed pools that invest in agriculture, manufacturing, housing, technology, healthcare, creative industries and infrastructure. The economic consequences could be substantial.

But we must build these structures properly. I believe Nigerians abroad will invest more confidently when they see transparent governance, audited accounts, professional management, credible investment opportunities and proper mechanisms for accountability. We should not be asking diaspora investors to take blind risks in the name of patriotism. We should be giving them professionally structured opportunities to participate in Nigeria's growth.

Government also has a responsibility, and I think the President was right to acknowledge it. Predictable rules, transparent project pipelines, efficient consular services and stronger protection against fraud are essential. The proposed Non-Resident Nigerian Ordinary Account, Non-Resident Nigerian Investment Account and Non-Resident Bank Verification Number can further simplify participation in Nigeria's financial system. These measures are important because confidence is built through systems.

I also see the emphasis on tax reform as relevant to the diaspora investment proposition. An investment environment becomes more attractive when compliance is simpler, obligations are clearer and small businesses are not unnecessarily burdened. The reforms therefore need to be understood as part of a broader effort to make Nigeria easier to do business in.

The reported N636 billion financing by the Bank of Industry in 2025 also demonstrates that domestic capital mobilisation is already being strengthened. If diaspora capital can be connected to such institutional channels, the potential becomes even greater.

We should also recognise the scale of Nigeria's market. We are not asking Nigerians abroad to invest in an economy without consumers, entrepreneurs or opportunities. We are inviting them into one of Africa's largest markets, with enormous needs across virtually every productive sector.

That is precisely why I think the diaspora should look beyond the familiar practice of sending money home for consumption. We should encourage a gradual transition from family remittances to family businesses, from personal support to productive assets, from individual transactions to investment vehicles.

This is not about abandoning the diaspora's responsibilities to families. It is about multiplying the economic value of their contribution.

I also believe Nigeria should become more confident in telling its own economic story. Too often, we describe ourselves primarily through our problems. We should acknowledge the challenges, certainly, but we should equally recognise the enormous opportunities created by our population, market size, entrepreneurial culture, natural resources, creative economy and emerging infrastructure.

Our diaspora understands this potential because many of them are already succeeding in competitive global economies. They know what Nigerian talent can accomplish.

What we must now build is a stronger bridge between that talent and Nigeria's domestic opportunities.

For me, this is the real significance of NIDEC 2026. It represents an attempt to move the relationship between Nigeria and its diaspora from emotional attachment to economic partnership. We should welcome that transition.

Nigeria does not need charity from its citizens abroad. We need partnership. We need capital that can generate more capital, expertise that can develop more expertise, technology that can create new industries and international networks that can open new markets for Nigerian businesses.

And we, on our part, must continue building the conditions that make such participation worthwhile. I believe Nigeria is capable of doing that.

We are already seeing signs of an economy being repositioned. We are seeing reforms, infrastructure investment, institutional changes and efforts to improve macroeconomic stability. The task before us is to sustain them, deepen them and ensure that their benefits become increasingly visible to citizens and investors.

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