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CBN, Finance Ministry Formalise Policy Coordination As Nigeria Targets Greater Economic Stability

Nigeria's fiscal and monetary policies increasingly operate on the same pressure points: inflation, borrowing costs, liquidity, exchange rates, government financing and economic growth. The recent Memorandum of Understanding (MoU) between the Central Bank of Nigeria (CBN) and the Federal Ministry of Finance seeks to bring these two policy arms into a more structured working relationship. Its significance lies not in creating a new partnership, but in formalising how two institutions with separate mandates exchange information, plan and respond to economic shocks. As Nigeria moves towards inflation targeting, the effectiveness of this framework will depend on how consistently it translates coordination into coherent economic decisions. ***Enam Obiosio*** *writes...*

Mr. Olayemi Cardoso, Governor of CBN (right), with Mr. Taiwo Oyedele, Minister of Finance and Coordinating Minister of the Economy, during the signing of the MoU in Abuja.

The Central Bank of Nigeria (CBN) and the Federal Ministry of Finance recently signed the MoU in Abuja, formalising a framework for closer fiscal and monetary policy coordination.

Mr. Olayemi Cardoso, Governor of CBN, described the agreement as a significant step towards stronger macroeconomic management, lasting economic stability and sustainable prosperity.

He stressed that the MoU was more than a document. It represents a commitment to deeper collaboration between institutions whose decisions frequently affect the same economic outcomes.

"Fiscal and monetary policies remain two important and confidential instruments for the management of a modern economy," Mr. Cardoso said.

Fiscal policy operates through government expenditure, taxation and borrowing, while monetary policy influences liquidity, interest rates and monetary conditions. Although their instruments and mandates differ, their effects often overlap.

Government borrowing, for instance, can influence liquidity and interest rates. Monetary tightening can increase government financing costs. Public spending can affect demand, while exchange rates and tariffs can influence prices and government revenue.

"When these policies work together in harmony, their combined impact is far greater than their individual efforts," he said.

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The new framework does not create a relationship that previously did not exist. The CBN and the Ministry of Finance have collaborated for decades on inflation, debt sustainability, budget financing, exchange rate stability and responses to economic shocks.

What changes is the structure around that relationship.

“This memorandum provides for a structured framework for regular consultation, information exchange, and policy coordination,” Mr. Cardoso said.

The arrangement will cover government cash management, debt issuance planning, liquidity forecasting, macroeconomic analysis and periodic policy consultations.

These areas matter because fiscal decisions can alter the monetary environment in which businesses, households and investors operate. Better coordination could allow both institutions to anticipate the effects of major financing and spending decisions rather than responding after pressures have already emerged.

The agreement also comes as the CBN advances its transition towards an inflation-targeting framework.

Mr. Cardoso argued that inflation targeting requires more than an effective central bank. It also depends on a fiscal environment that does not undermine monetary objectives.

“Across the world, the success of inflation targeting is known to rest not only on the effectiveness of monetary policy, but also on the existence of a supportive fiscal environment,” he said.

This places fiscal discipline and monetary credibility within the same policy conversation. If government spending, borrowing or cash injections generate additional demand or liquidity pressures, monetary policy may face a heavier burden in containing inflation. Conversely, more predictable fiscal operations can support clearer monetary transmission.

On his on part, Mr. Taiwo Oyedele, Minister of Finance and Coordinating Minister of the Economy, emphasised that coordination should not be confused with a loss of institutional independence.

“Good economic management requires independent institutions, but independence does not mean isolation,” he said.

“Fiscal and monetary authorities have distinct mandates, but we serve the same economy.”

Mr. Oyedele's argument points to the central principle behind the MoU. Independence determines who makes particular policy decisions. Coordination determines how those decisions are informed and how their consequences are managed across the economy.

He identified several areas where the two policy spheres naturally intersect.

“Government borrowing affects liquidity and interest rates. Monetary policy affects the government’s financing costs. Tariffs and exchange rates affect prices and revenue. Spending affects demand. Agricultural quality affects food inflation,” he said.

“So, our mandates are distinct, but our outcomes are interconnected.”

That interconnection becomes more important when Nigeria faces external shocks.

Mr. Muhammad Abdullahi, CBN Deputy Governor, Corporate Services, cited developments in the Middle East as an example of how a single international event can generate simultaneous fiscal and monetary consequences.

Disruptions to energy and shipping routes can affect oil prices, insurance costs, global inflation expectations and international financing conditions.

For Nigeria, higher oil prices can strengthen export earnings, government revenue and foreign exchange inflows. But higher energy and insurance costs can also increase domestic production and transportation expenses. If global inflation rises, international interest rates and financing conditions may tighten.

“One external shock can arrive simultaneously at the doors of fiscal and monetary policy,” Mr. Abdullahi said.

The implication is straightforward. Fiscal authorities need to assess the effect of an external shock on revenue, expenditure, financing and debt. Monetary authorities must simultaneously consider inflation, liquidity, reserves, exchange rates and broader financial conditions.

Mr. Olayemi Cardoso, Governor of CBN (left), with Mr. Taiwo Oyedele, Minister of Finance and Coordinating Minister of the Economy

A coordinated response can help prevent these assessments from occurring in isolation.

The new agreement seeks to strengthen these relationships through clearer processes and defined areas of engagement.

For businesses, the potential importance is largely indirect but significant. Fiscal and monetary decisions influence the cost of capital, consumer demand, foreign exchange conditions, government contracts and investment decisions. Greater policy coherence could therefore reduce some of the uncertainty created when major economic decisions move in different directions.

Good economic management requires independent institutions, but independence does not mean isolation

For investors, the issue is similarly tied to predictability. Fiscal sustainability, monetary credibility and foreign exchange management are interconnected components of the macroeconomic environment used to assess investment risk.

For government, improved coordination could strengthen debt planning and cash management while helping policymakers understand the monetary implications of fiscal decisions.

But the signing itself does not guarantee these outcomes.

The effectiveness of the framework will depend on implementation. Regular consultations must produce useful information. Shared data must improve forecasts. Debt issuance and government cash management must be coordinated with liquidity conditions. Policy discussions must take place early enough to influence decisions.

The distinction between coordination and control will also remain important. The CBN must retain its statutory monetary responsibilities, just as fiscal authorities retain responsibility for taxation, expenditure and public borrowing.

The value of the agreement, therefore, will be seen in how effectively the two institutions manage this balance.

Nigeria's recent economic experience has demonstrated that fiscal and monetary pressures rarely remain within institutional boundaries. Inflation affects household purchasing power and business costs. Interest rates affect both private investment and government debt servicing. Exchange rate movements influence import costs, revenue and monetary conditions. Oil prices affect public finances while simultaneously influencing foreign exchange supply.

These connections make fragmented policy responses increasingly difficult to sustain.

That is the central significance of the agreement.

It does not introduce fiscal or monetary policy to Nigeria. It formalises the channel through which the two sides are expected to understand, anticipate and manage their interaction.

EDITORIAL

FG Must Turn Economic Stability Into Jobs And Shared Prosperity

Nigeria's economic story is entering a more demanding phase. The country has spent considerable political and economic capital addressing inflation, foreign exchange distortions, revenue weakness and other longstanding imbalances. The Nigerian Economic Society's 67th Annual Conference Presidential Address recognises these gains while making an important distinction: stabilisation is a platform, not the destination.

We believe this distinction deserves serious attention. An economy cannot be judged only by improving macroeconomic indicators if households and businesses continue to struggle to translate those improvements into better incomes, productive opportunities and greater economic security.

The federal government must therefore begin to demonstrate more clearly how economic stability will translate into jobs and shared prosperity. Stabilising the economy is necessary, but it becomes meaningful only when businesses can expand production, investors can deploy capital with greater confidence and Nigerians can find sustainable opportunities to earn.

The NES is right to acknowledge both sides of the adjustment. Reforms may have helped restore greater macroeconomic stability, but they have also imposed significant costs. Higher living expenses, energy and transport costs, weaker consumer demand and pressure on businesses have shaped the experience of adjustment. The question now is how quickly the benefits of stability can reach the productive economy and, ultimately, the household.

We are of the opinion that this is where Nigeria's next economic challenge lies. The country needs to move from managing instability to deliberately expanding productive capacity. Growth must increasingly be connected to employment, enterprise expansion, productivity and real improvements in living standards.

The NES paper's discussion of the "Jobs Illusion" is particularly instructive. Economic growth does not automatically guarantee sufficient employment. Nigeria must therefore pay closer attention to where investment is directed and whether public spending strengthens sectors capable of absorbing large numbers of workers.

We position agriculture, manufacturing, trade, logistics and digital services not as isolated policy compartments, but as interconnected parts of a productive economy. The NES analysis of agriculture demonstrates why this matters. Agricultural expansion can generate employment beyond the farm through processing, transportation, wholesale and retail. At an assumed 8% agricultural growth rate, the paper estimates about 1.47 million direct and downstream agrifood jobs.

But ambition must be matched by implementation. Nigeria has no shortage of economic strategies, programmes and targets. The harder task is building the institutions, infrastructure, skills and accountability systems required to deliver them consistently.

The same principle applies to the digital economy. Digital employment cannot be built on ambition alone. Reliable electricity, broadband, data infrastructure and relevant skills remain fundamental requirements. Manufacturing and agriculture face similar constraints, particularly around energy, logistics, access to finance, market access and human capital.

We therefore believe the federal government must make employment and productive capacity more explicit measures of the next phase of economic management. Inflation, reserves, exchange-rate stability and fiscal performance remain important indicators, but they cannot be the only measures of progress.

The stronger test is whether stabilisation is creating an environment in which businesses can produce more, firms can employ more workers, investors can commit capital for the long term and households can experience a meaningful improvement in economic security.

We urge the federal government to turn the gains from stabilisation into a deliberate programme for job creation and broad-based productivity. This requires more than new announcements. It requires consistent implementation, infrastructure investment, targeted support for productive sectors, stronger institutions and measurable accountability for outcomes.

Nigeria may have built a more stable economic platform. We are of the opinion that the federal government must now make that platform productive, employment-generating and broadly shared. Stability should not become the end of the reform conversation. It should become the foundation on which Nigerians can earn more, businesses can grow and prosperity can reach a wider share of society.

That is the harder work ahead.

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 Expands Export Finance Across Nigeria's Non-Oil Economy

Mr. Abba Bello, Managing Director of NEXIM

By Jennete Ugo Anya

The federal government's drive to expand non-oil exports increasingly depends on the ability of businesses outside the petroleum sector to produce competitively, meet international standards and access markets beyond the country's borders. This is where the Nigeria Export-Import Bank (NEXIM Bank), under the leadership of Mr. Abba Bello, positions its financing and support across a broad range of economic sectors.

According to a post on NEXIM Bank's official Instagram page, its export support extends beyond physical commodities to agriculture, manufacturing, solid minerals, creative industries, services and other export-oriented businesses. The approach reflects the changing structure of international trade, where services, intellectual property and creative products are becoming increasingly important alongside traditional merchandise exports.

Agriculture remains a major component of Nigeria's non-oil export value chain. Businesses involved in agricultural production, processing and related export activities form part of the sector supported by NEXIM Bank. Access to finance can be important for businesses seeking to move beyond domestic markets and meet the volume, quality and operational requirements associated with international trade.

Manufacturing represents another important part of the export equation. Support for manufacturing activities connected to non-oil exports can help businesses add value to Nigerian raw materials before they reach international markets. For manufacturers, export finance can also help build the production capacity needed to meet orders consistently and compete in overseas markets.

The solid minerals sector provides another avenue for expanding Nigeria's export base. The country's mineral resources can contribute to foreign exchange earnings when developed and connected to formal markets. NEXIM Bank's support for businesses within the sector places solid minerals within the wider framework of export-oriented economic activity.

The scope also extends to the creative economy. Nigeria's film, music, fashion and other creative industries have developed significant international audiences, demonstrating that exports are not restricted to agricultural commodities or manufactured goods. Export-oriented creative businesses can participate in international trade through products, intellectual property and other commercially valuable outputs.

Services further broaden the definition of what Nigeria can sell to the global market. Eligible businesses in the services sector can participate in cross-border trade without necessarily exporting a physical product. Value can be delivered through professional expertise, technology, specialised capabilities and other service-based activities.

NEXIM Bank also recognises that the non-oil export economy extends beyond these defined categories. Other businesses operating within the non-oil export space may also qualify for support, creating room for enterprises with export potential across different segments of the economy.

This broad sectoral coverage highlights the diversity of Nigeria's export opportunity. It cuts across agricultural production, manufacturing and value addition, natural resources, services and creative output. The common thread is the capacity to connect Nigerian businesses with demand in international markets.

For businesses, however, entering international trade requires more than having a product or service that can be sold abroad. Exporters must contend with production capacity, financing, logistics, market requirements, quality standards and the ability to fulfil international orders. Access to appropriate finance can therefore be an important part of building the capacity required to compete beyond the domestic market.

NEXIM Bank's sector-focused approach places these businesses within a broader export finance framework. For enterprises looking beyond Nigeria, understanding the sectors covered and the support available can be an important first step towards identifying relevant financing opportunities.

The wider objective is to broaden the sources of Nigeria's export earnings by enabling more businesses to participate in global commerce. From agricultural products and manufactured goods to solid minerals, creative output and services, the country's non-oil export opportunity increasingly lies in the diversity of businesses capable of connecting domestic production with international demand.

Businesses involved in agricultural production, processing and related export activities form part of the sector supported by NEXIM Bank

For businesses seeking finance for export activities, NEXIM Bank provides a dedicated channel through which eligible enterprises can explore available support.

Products. Industries. Services. Global Market.

For more information, visit www.neximbank.gov.ng.

Bolloré Plans Deeper Nigeria Investment As President Tinubu Pushes Creative, Digital Economy


President Bola Ahmed Tinubu (right), and Vincent Bolloré, French businessman

By Anita Dennis

Nigeria's creative and digital economy has emerged as a fresh focus of investment discussions between President Bola Ahmed Tinubu and French businessman Vincent Bolloré, with the Bolloré Group signalling plans to deepen its operations in the country across entertainment, film and fibre-optic infrastructure.

President Tinubu held talks with Bolloré in Paris recently during the second phase of his working vacation in Europe. The discussions involved the group's media and digital interests, including Canal+, MultiChoice and Universal Music Group. According to the Presidency, Bolloré and his executives outlined new investments centred on Nigeria.

The proposed expansion would deepen the localisation of the group's operations across film, entertainment, fibre-optic infrastructure and related sectors. The Presidency said the investors view Nigeria as a major driver of Africa's cultural economy, supported by the international reach of Nollywood and Afrobeats.

For Nigeria, the discussions come as the government seeks to position the creative and digital sectors as sources of jobs, investment and export opportunities. Rather than treating cultural influence simply as a soft-power asset, the administration is seeking to connect it more directly with production, infrastructure and commercial activity.

President Tinubu welcomed the proposed expansion, saying Nigeria's growing global cultural influence creates an opportunity to bring more production, investment and jobs into the country.

He said the government would continue supporting investments that expand the creative and digital economy, develop local talent and strengthen infrastructure, while positioning Nigeria as a base for companies serving African and international markets.

The President linked the strategy to the Renewed Hope Agenda, saying the government wants an economy where Nigeria's talent, enterprise and global cultural reach can generate greater opportunities and improved livelihoods.

The investment discussions also place infrastructure alongside content and entertainment. Fibre-optic networks are critical to the digital economy, supporting broadband connectivity, streaming, digital services and other technology-enabled businesses. Deeper investment across these areas could therefore connect Nigeria's cultural production with the infrastructure required to distribute and monetise it at scale.

The Bolloré Group's interest is significant because its Nigerian footprint already spans important parts of the media and digital ecosystem. Its interests include Canal+, MultiChoice and Universal Music Group, giving the group exposure to television, entertainment and music.

The Presidency said the group described Nigeria as the "spearhead of Africa's cultural renaissance", citing the global success of Nollywood and Afrobeats and international demand for Nigerian creative content.

That proposition reflects a broader shift in how Nigeria's creative economy is being positioned. The country's music and film industries have built substantial international audiences, but converting that reach into larger domestic production capacity, infrastructure investment and employment remains a key challenge.

The Paris discussions therefore place localisation at the centre of the investment conversation. Bringing more production and related operations into Nigeria could increase demand for local talent, technical services, creative professionals and supporting businesses.

However, the announcement does not yet provide details on the value, timeline or specific structure of the new investments. The economic significance will ultimately depend on the projects that emerge from the discussions and their implementation in Nigeria.

The investment talks formed part of a wider engagement between Nigeria and France during Tinubu's stay in Paris.

In another development, the French President Emmanuel Macron hosted President Tinubu for a private dinner at the Élysée Palace. The Presidency described the engagement as reflecting the longstanding relationship between Nigeria and France and their shared commitment to strengthening bilateral cooperation.

President Tinubu said the conversation with Macron reaffirmed "the strong friendship between Nigeria and France" and their commitment to deepening cooperation and building a mutually beneficial partnership. He also thanked the French president for his hospitality and friendship.

The sequence of engagements gives the Paris leg of the President's working vacation an economic and diplomatic dimension. While the Macron meeting centred on bilateral relations, the Bolloré discussions focused more specifically on private investment and Nigeria's creative and digital economy.

For Nigeria, the immediate opportunity lies in converting international interest in its cultural output into deeper local investment, stronger digital infrastructure and more commercially sustainable creative businesses. The challenge will be ensuring that announced investment translates into production capacity, skills, jobs and long-term value within the Nigerian economy.

NES Urges Nigeria To Turn Macroeconomic Stability Into Jobs, Shared Prosperity

By Kingsley Benson

The Nigerian Economic Society (NES) has called for a shift in the country's economic priorities from macroeconomic stabilisation to production, productive employment and improved household incomes, arguing that stronger economic indicators will mean little if they do not translate into better living conditions.

The call is contained in the Presidential Address delivered by the NES President and Chairman of its Governing Council, Dr. Baba Y. Musa, at the Society's 67th Annual Conference in Abuja on September 8, 2026.

Titled 'Nigeria's Next Economic Frontier: Turning Macroeconomic Stability into Jobs, Production and Shared Prosperity', the paper acknowledges the progress made through recent economic reforms but argues that stabilisation should be treated as a platform rather than an end in itself.

According to Dr. Musa, reforms including petrol subsidy reform, changes to the foreign exchange framework, tax reforms and a more disciplined monetary policy have strengthened the foundation for macroeconomic stability.

The paper cited a decline in headline inflation from 34.80 percent in December 2024 to 15.15 percent in December 2025, while food inflation fell from 39.83 percent to 10.84 percent over the same period. It also reported that gross external reserves rose to about $50.45 billion by mid-February 2026, while net reserves stood at $34.80 billion at the end of 2025, compared with $3.99 billion at the end of 2023.

However, the NES president said these improvements had not yet translated sufficiently into household welfare.

The paper identified what it described as a disconnect between economic growth, employment and household welfare. It noted that only about 17 percent of Nigerian workers hold formal wage jobs, while much of the workforce remains engaged in informal and low-productivity activities. It also reported that poverty rose from about 56 percent in 2023 to 63 percent in 2025, equivalent to roughly 140 million people, even as inflation moderated.

Dr. Musa said the distinction between falling inflation and falling prices was particularly important. While disinflation means prices are increasing more slowly, it does not reverse previous increases or automatically restore lost purchasing power.

For households, the paper said the adjustment period had brought pressure through food, transport, energy and other essential costs. Businesses, particularly micro, small and medium-sized enterprises (MSMEs), also faced higher input and financing costs, weaker consumer demand and pressure on margins.

The NES therefore proposed a Jobs and Production Compact as the next phase of the economic reform agenda. The proposed framework would bring together the federal government, state governments, the private sector, labour and citizens around eight pillars designed to improve productive employment and economic opportunity.

Among the priorities are employment-intensive sectors, productivity in SMEs and the informal economy, human capital and skills development, industrial and export expansion, social protection, sub-national development, security for productive peace and state-led agricultural transformation.

Agriculture occupies a central position in the proposal because of its large employment base and relatively low productivity. The paper said agriculture, trade and manufacturing account for 52 percent of national output and employ about 59 million people, compared with roughly 30 percent of output and 1.2 million workers across real estate, information and communication, oil and mining, and finance.

The NES argues that improving productivity in agriculture could have significant employment and export effects. Its policy demonstration estimates that stronger agricultural and livestock growth could generate approximately nine million jobs by 2030, with about half created outside farming through processing, aggregation, logistics, wholesale, retail and export services. The paper stresses that these figures are policy calculations based on its employment assumptions, rather than an official forecast.

Dr. Baba Musa, NES President and Chairman of its Governing Council,

> **...only about 17 percent of Nigerian workers hold formal wage jobs, while much of the workforce remains engaged in informal and low-productivity activities**

The proposal also places technology and youth employment within the economic transition. An Open Digital Area, comprising six zonal hubs and 18 state nodes, is proposed to connect young Nigerians to skills, enterprise and investment opportunities. The target is five million credentialed young people and two million linked jobs by 2030.

For accountability, the NES proposed a Shared Prosperity Dashboard, a Rural Safety Index, a Labour Market Information System and a Compact Delivery Authority. These mechanisms are intended to track employment, productivity, household welfare and implementation at regular intervals rather than relying solely on GDP.

The central test, Dr. Musa said, should ultimately be whether Nigerian households are better off in terms of work, income and dignity.

The paper makes clear that the Jobs and Production Compact is a proposed policy framework, not an established government programme. Its broader argument is that Nigeria's next economic challenge is to ensure that the gains from stabilisation reach the factory floor, farm, workplace and household.

$12m Abuja Entrepreneurship Centre Targets Jobs, Startups, Investment

By Jennete Ugo Anya

The federal government says it has the financial capacity to fund priority projects, with the $12 million Abuja Centre for Entrepreneurship (ACE) positioned as a strategic investment in youth enterprise, innovation and job creation.

Vice-President Kashim Shettima recently stated this at the groundbreaking ceremony of the centre in Abuja, where he was represented by his Special Adviser on General Duties, Sen. Aliyu Modibbo.

He said the project aligned with the Renewed Hope Agenda and the administration's efforts to address unemployment by creating conditions for young Nigerians to build sustainable businesses.

"Our ambition is to make the youth employers of thousands, creators of lasting value and sources of national pride," he said.

The Vice-President said the expansion of the Small and Medium Enterprises Development Agency of Nigeria (SMEDAN) and the establishment of ACE reflected the government's broader strategy to strengthen entrepreneurship and enterprise development.

He said the administration's focus extended to sectors including FinTech, AgriTech and HealthTech, with the expectation that businesses emerging from these areas would support wider economic activity among traders, farmers and other economic actors.

For Shettima, ACE is intended to provide more than physical infrastructure. It is expected to help young entrepreneurs transform ideas into viable enterprises while connecting them to business support, infrastructure and investment.

The Vice-President also challenged entrepreneurs who had already received training to demonstrate the value of such interventions by building businesses capable of earning trust and meeting their obligations.

He urged beneficiaries to remain patient and committed to sustainable enterprise building, stressing that the ultimate measure of the centre's success would be the businesses created and opportunities generated through it.

Frm right: Sen. Aliyu Modibbo, Special Adviser on General Duties; representative of Korea International Cooperation Agency; Elsie Attafuah, UNDP Resident Representative in Nigeria; Sen. Abubakar Bagudu, Honourable Minister of Budget and Economic planning, and Mr. Charles Odii, DG of SMEDAN, during the ceremony.

The project is being funded by the Korea International Cooperation Agency (KOICA), with a $12 million contribution, while SMEDAN serves as the government partner and the United Nations Development Programme (UNDP) as infrastructure delivery partner.

The centre is being developed at SMEDAN's Idu Industrial Development Centre in Abuja after the completion of feasibility studies, site selection, partnership formalisation and site preparation.

UNDP Resident Representative in Nigeria, Elsie Attafuah, said ACE could help convert Nigeria's large youthful population into sustainable businesses and decent jobs.

"Nigeria has more than 75 million people aged between 15 and 35," she said, describing the demographic as a significant potential driver of economic transformation.

That potential, however, comes alongside structural constraints. Attafuah said young people and MSMEs continued to face limited access to finance, digital infrastructure, business support and suitable innovation spaces.

ACE is designed to respond to some of those constraints through a dedicated platform that combines physical facilities with institutional connections.

The centre is expected to support 500 prospective young entrepreneurs and 400 startups operating in FinTech, EdTech, HealthTech and AgriTech. It will also serve MSMEs in Abuja and surrounding cities.

Its facilities will include time-share offices, hot-desking spaces, meeting rooms, training facilities and incubation areas, allowing businesses at different stages of development to access support within the same ecosystem.

The centre will also connect entrepreneurs to institutions involved in business registration, digital innovation, skills development, investment, export promotion, finance and enterprise support.

According to Attafuah, the project's value will depend partly on the strength of the network built around it. UNDP, SMEDAN and KOICA plan to engage incubators, universities, financial institutions, private-sector organisations and entrepreneur networks to develop an ACE Incubation Pipeline.

The pipeline is expected to allow affiliated incubators and universities to run entrepreneurship programmes while construction is ongoing, creating a pool of potential participants for the centre's first intake.

The project also incorporates inclusion and sustainability considerations. Attafuah said the design would provide accessibility for persons with disabilities and older persons, alongside gender-responsive features.

Green design principles will also feature in the facility, including renewable energy, low embodied-carbon technologies and locally sourced biorenewable materials.

UNDP's involvement builds on an earlier intervention at SMEDAN's Idu facility. Attafuah said the organisation supported its solarisation in 2024 through a 120KVA solar-powered mini-grid, demonstrating its broader approach of working with Nigerian institutions to improve productive environments.

The ACE project consequently represents a test of whether coordinated government and development-partner support can move entrepreneurship programmes beyond training into enterprise formation, investment and job creation.

For the federal government, the immediate commitment is to fund and deliver the facility. For entrepreneurs, the longer-term measure will be whether the centre can help turn skills and ideas into durable businesses that contribute to Nigeria's productive economy.

... ACE is intended to provide more than physical infrastructure. It is expected to help young entrepreneurs transform ideas into viable enterprises while connecting them to business support, infrastructure and investment

Financial Access Must Translate Into Opportunity And Growth, EFInA Says

By Majeed Salaam

Nigeria's financial inclusion agenda must move beyond expanding access to bank accounts and digital financial services to ensuring that participation translates into economic opportunities, stronger household resilience and business growth, stakeholders have said.

The Board Chair of Enhancing Financial Innovation and Access (EFInA), Dr. Agnes Martins, made the call in Abuja recently at the launch of the 2026 Access to Financial Services in Nigeria (A2F) survey report.

Held under the theme, 'Access, Opportunity, Growth: Advancing Financial and Economic Inclusion for All Nigerians', the event examined the next phase of financial inclusion against changes in Nigeria's economy, technology and financial services landscape.

Dr. Martins said the A2F survey had provided nationally representative evidence on Nigerians' experiences with financial services since 2008, making it an important tool for understanding changing patterns of financial participation.

She said EFInA's 2024 to 2029 strategy was designed to ensure that Nigerians were not only financially included but also economically empowered, with greater emphasis on usage, quality and impact.

"Access is only the beginning of the journey. It is not the destination," she said.

According to her, the key question for policymakers and financial service providers should be whether participation in the financial system is expanding opportunities for Nigerians and helping households and businesses manage their finances more effectively.

The 2026 survey, she said, was particularly relevant because Nigerians' financial needs had evolved alongside changes in income patterns, digital channels and the wider economy since the previous survey in 2023.

Dr. Martins cautioned against designing financial policies and products around an "average" consumer, noting that financial needs differ according to income, gender, location, age and economic activity.

"The evidence must help us understand not only where the gaps are, but what is driving them," she said.

She urged policymakers, regulators, financial institutions, governments and development partners to apply the survey findings in developing policies, products and investments that address specific barriers to financial participation.

The emphasis on impact was also reflected in the pension sector, where significant gaps remain despite recent growth in participation.

The Director-General of the National Pension Commission (PenCom), Ms. Omolola Oloworaran, said pension inclusion should be assessed by its contribution to financial security and wellbeing rather than simply by the number of accounts opened.

"Opening a pension account is not by itself pension inclusion," she said.

Ms. Oloworaran disclosed that pension participation had increased from 7.8 percent of Nigerian adults in 2023 to 9.1 percent in 2026. Despite the improvement, she noted that about nine in every 10 adults remained outside formal pension arrangements.

The excluded population cuts across large sections of the informal economy, including traders, farmers, mechanics, drivers, tailors, hairdressers and digital workers.

Ms. Omolola Oloworaran, DG of PenCom (3rd left); Emir Muhammad Sanusi II (3rd right), and other Stakeholders at the event.

For PenCom, expanding coverage will therefore require pension products that reflect how Nigerians actually earn and manage income.

Ms. Oloworaran said the commission was committed to expanding coverage through the Personal Pension Plan (PPP), but called for a dedicated pension inclusion model that would identify what encourages people to begin and sustain pension savings.

... EFInA's 2024 to 2029 strategy was designed to ensure that Nigerians were not only financially included but also economically empowered, with greater emphasis on usage, quality and impact

She also proposed a pension inclusion map showing exclusion patterns by geography, gender, age, occupation and income.

Such evidence, she said, would help policymakers understand why pension gaps persist and design more targeted interventions.

The PenCom chief further advocated experimentation with digital onboarding, accredited pension agents and transaction-based savings. She said matching incentives and behavioural approaches should also be tested and independently evaluated to determine their effectiveness.

An important concern, she noted, is that participation without sustained contributions may create a misleading picture of inclusion.

"An unfunded pension account cannot provide adequate retirement security," Ms. Oloworaran said, stressing that the more meaningful measure was consistent savings and sufficient accumulation for retirement.

Her position mirrors the broader message from the A2F launch: expanding access is only one stage of financial inclusion. The more consequential question is what Nigerians can do with the financial tools available to them.

For the financial inclusion ecosystem, the 2026 A2F findings therefore provide a basis for examining not only who has access to financial services, but who is using them, what benefits they derive and where exclusion continues to limit economic participation.

The challenge ahead is to convert wider financial participation into measurable improvements in livelihoods, enterprise growth and long-term financial security.

...Nigerians' financial needs had evolved alongside changes in income patterns, digital channels and the wider economy since the previous survey in 2023

Nigeria's Inflation Eases To 15.39% As Food Price Pressures Slow

By Ahmed Ahmed

Nigeria's inflation rate eased marginally in August 2026, with the headline rate falling to 15.39 percent from 15.43 percent in July. The modest decline was accompanied by a more pronounced slowdown in monthly price increases, particularly across food items, offering some evidence that the pace of price pressures is beginning to moderate.

The latest figures, released by the National Bureau of Statistics (NBS) in its Consumer Price Index report, show that inflation remains elevated, but the direction of movement in August was softer than in the preceding month.

Headline inflation declined by 0.04 percentage points between July and August. More significantly, the month-on-month inflation rate dropped to 0.71 percent from 1.57 percent in July, a reduction of 0.86 percentage points.

The distinction is important. A lower monthly inflation rate does not mean that prices have fallen across the economy. Rather, it indicates that prices increased at a slower pace during August than they did in July.

The NBS explained that the August figure means "the rate of increase in the average price level was lower than the rate of increase in the average price level in July 2026."

Food prices provided a stronger indication of the moderation in price pressures.

Food inflation fell to 19.57 percent year-on-year in August, substantially below the 25.30 percent recorded in August 2025. On a month-on-month basis, the decline was even sharper, with food inflation dropping to 1.02 percent from 5.56 percent in July.

The NBS described the movement as evidence that "the average prices of food items are increasing at a decreasing rate in August 2026."

The moderation was associated with changes in the average prices of several food items. These included palm oil, carrots, pepper, onions, cassava flour, beef, yam flour, water yam, melon, fresh ginger, fresh fish, Irish potatoes, wheat grain, frozen chicken and turkey meat.

For households, however, the significance of the figures depends heavily on where they live and what they consume. The national average masks substantial differences in food-price pressures across states.

Adamawa recorded the highest year-on-year food inflation rate in August at 38.85 percent, followed by Zamfara at 37.96 percent and Bayelsa at 36.20 percent. At the other end of the distribution, Borno recorded -4.04 percent, Jigawa -0.23 percent and Kebbi 3.47 percent.

The monthly picture was similarly uneven. Katsina recorded the highest month-on-month food inflation at 9.48 percent, followed by Rivers at 8.86 percent and Osun at 8.32 percent.

Meanwhile, some states recorded significant monthly declines. Taraba posted -12.42 percent, followed by Borno at -12.15 percent and Bauchi at -8.88 percent.

These differences underline an important feature of Nigeria's inflation challenge. National inflation provides a broad measure of price movements, but the pressure experienced by households can vary significantly depending on location, food supply conditions and consumption patterns.

The August figures therefore provide two different messages. At the national level, the slower monthly increase suggests that the intensity of recent price pressures has weakened. At the household level, particularly in states where food inflation remains high, the cost-of-living burden can remain substantial.

The year-on-year food inflation figure also shows why a slowdown should not automatically be interpreted as a return to lower prices. Prices can continue to rise while doing so at a slower rate. For consumers whose incomes have already been squeezed by previous increases, even slower price growth can continue to affect purchasing power.

For businesses, the direction of inflation also matters. Slower price increases can improve the predictability of operating costs, procurement and household demand. Sustained moderation could therefore become more significant if it continues across subsequent months.

The August data consequently shifts attention from whether inflation has fallen to whether the moderation can be sustained. Food prices will remain particularly important because of their direct impact on household welfare and their wider influence on consumer spending.

The latest CPI report offers a measure of relief in the pace of price increases, but the underlying economic question remains whether the moderation can translate into more stable living costs and improved purchasing power over time.

Quotes of the Week

Mr. Olayemi Cardoso, Governor of CBN

Across the world, the success of inflation targeting is known to rest not only on the effectiveness of monetary policy, but also on the existence of a supportive fiscal environment.

Sen. John Enoh, Minister of State for Industry

Government is here to build; we are no longer making a promise, we are here to make things happen.

Vice-President Kashim Shettima

Our ambition is to make the youth employers of thousands, creators of lasting value and sources of national pride. We want to create the conditions in which young Nigerians can develop enterprises that contribute meaningfully to the economy, while providing opportunities for others to earn productive livelihood.

FG Opens Six-Week Review Of Tax Laws As Businesses Seek Clarity

By Musa Ibrahim

The federal government has opened a six-week review of Nigeria's new tax laws, responding to implementation challenges and concerns raised by businesses, while maintaining that the exercise is aimed at improving the reforms rather than reversing them.

The Honourable Minister of Finance and Coordinating Minister of the Economy, Mr. Taiwo Oyedele, recently announced the review in Abuja while inaugurating the Technical Subcommittee on Fiscal Policy and Tax Reforms.

Mr. Taiwo Oyedele Honourable Minister of Finance and Coordinating Minister of the Economy (left), and President Bola Ahmed Tinubu

The review comes months after the Nigeria Tax Act 2025, Nigeria Tax Administration Act 2025, Nigeria Revenue Service (Establishment) Act 2025 and Joint Revenue Board (Establishment) Act 2025 took effect on January 1, 2026.

Mr. Oyedele said the transition from legislation to implementation had exposed areas requiring clarification, refinement and further reform.

"The real test begins when the law meets the economy, as businesses interpret it, administrators implement it, investors respond to it, and citizens experience it," he said.

The subcommittee will examine issues including Value Added Tax (VAT) thresholds, withholding tax, capital gains treatment and multiple taxation. Its mandate will also extend to fiscal policy and management, public financial management, debt, transparency, capital markets and cross-border capital flows.

The review follows growing concerns from the organised private sector over how some provisions of the new framework are being interpreted and administered.

Recall in June, the Manufacturers Association of Nigeria (MAN), Nigerian Association of Small and Medium Enterprises, Nigerian Association of Small-Scale Industrialists, Nigerian Association of Chambers of Commerce, Industry, Mines and Agriculture and Nigeria Employers' Consultative Association jointly wrote an open letter to President Bola Tinubu.

The groups said conflicting interpretations of the new laws had created uncertainty around corporate tax filings. They stressed that their intervention was not opposition to tax reform or lawful revenue mobilisation.

"This Open Letter is not an attack on tax reform or lawful revenue mobilisation," the groups stated, stating that businesses wanted "a clear, lawful and functional framework" through which they could file returns, meet tax obligations, protect jobs and continue investing.

A major point of contention is the treatment of tax obligations arising from accounting periods that ended before January 1, 2026.

The private sector groups relied on the General Transition Guidelines issued pursuant to the new tax legislation, which provide that obligations arising from accounting periods ending before the commencement of the new laws should continue to be governed by the repealed laws, even where filing or payment falls due after January 1, 2026.

The groups, however, alleged that the Nigeria Revenue Service (NRS) had adopted a different interpretation.

The issue became more pronounced after the NRS Emerging Taxpayers Office in Abuja issued a June 23 notice directing companies that had not filed their Companies Income Tax (CIT) returns for the 2026 Year of Assessment to do so under the new framework.

The NRS stated that its authority to process the returns was determined by statute rather than taxpayer choice and said it had no authority to process them under repealed legislation.

The dispute has placed implementation clarity at the centre of the latest review.

Mr. Oyedele said the government was now moving from fundamental tax reform to continuous improvement, with the proposed Finance Bill 2027 serving as a vehicle for addressing issues identified during implementation.

"The Finance Bill 2027 should not be seen as just another annual legislative exercise. Our task is not to rewrite the 2025 reforms, but to preserve their fundamental principles while learning from implementation and responding to new economic realities."

The review is also being shaped by submissions from businesses and other stakeholders. Mr. Oyedele said 134 submissions were received from across Nigeria's geopolitical zones following a public invitation for input, with additional submissions made in hard copy.

Stakeholders also called for greater digitalisation and data sharing so taxpayers do not repeatedly submit information already held by government agencies. Other recommendations cover taxpayer rights, faster refunds and safeguards for small businesses.

Mr. Oyedele instructed the subcommittee to assess the wider economic consequences of proposed changes, particularly their effects on households, workers and businesses.

"Every tax reform produces winners and losers; the question is whether a policy is fair, efficient and competitive, not whether it is popular with everyone," he said.

The committee will also review the Deduction of Tax at Source Regulations 2024 and prepare revised withholding tax regulations. It will examine the Companies Income Tax (Significant Economic Presence) Order 2020 and develop an updated framework aligned with the new tax laws and international practices.

The subcommittee is chaired by the Permanent Secretary of the Federal Ministry of Finance, with Tax Advisory Committee Chairman Albert Folorunsho serving as co-chair. Its membership includes representatives of government agencies, business groups, professional bodies and the Big Four accounting firms.

The review consequently places the first year of the new tax regime under scrutiny, with the government seeking to preserve the architecture of the 2025 reforms while resolving ambiguities that have emerged in actual application.

Our task is not to rewrite the 2025 reforms, but to preserve their fundamental principles while learning from implementation and responding to new economic realities

FAAC Allocation Falls 22% As Statutory Revenue Takes Sharp Hit

By Majeed Salaam

Nigeria's three tiers of government shared N2.338 trillion in August 2026 revenue, a 22.2 percent decline from the record N3.007 trillion distributed in July, as a steep fall in statutory revenue outweighed stronger Value Added Tax (VAT) collections.

The latest distribution was approved at the September meeting of the Federation Account Allocation Committee (FAAC) in Abuja and represents revenue generated in August. The Office of the Accountant-General of the Federation (OAGF) confirmed that the amount distributed was N669 billion below the previous month's allocation.

The reversal is significant because July had produced the highest monthly FAAC distribution recorded in 2026. The N3.007 trillion shared in August from July revenue followed a N658.09 billion increase in gross statutory revenue, which had risen from N3.700 trillion in June to N4.359 trillion in July.

In August, however, gross statutory revenue fell by N1.508 trillion, or 34.6 percent, to N2.850 trillion.

"A total sum of N2.338tn, being August 2026 Federation Account Revenue, has been shared to the Federal Government (FG), States and the Local Government Councils," said Bawa Mokwa, Director of Press and Public Relations at the OAGF.

The decline points to the continued sensitivity of public revenue to fluctuations in statutory collections, particularly revenue streams linked to petroleum and other taxable economic activities.

The composition of August revenue, however, was not uniformly weak. VAT continued its upward movement, providing one of the few areas of strength during the month. Gross VAT collections increased by N40.875 billion to N834.843 billion, up 5.1 percent from N793.968 billion in July.

That increase is notable because VAT has become an increasingly important component of the revenue shared among the three levels of government. States alone received N425.278 billion from the N773.233 billion distributable VAT pool in August, while local governments received N270.632 billion and the FG received N77.323 billion.

Overall, N3.685 trillion in gross revenue was available for the month. After N125.142 billion was deducted as the cost of collection and N1.221 trillion was accounted for through transfers, refunds and savings, N2.338 trillion remained for distribution.

The distributable amount comprised N1.565 trillion in statutory revenue and N773.233 billion in VAT.

The FG received N804.897 billion from the combined distribution, while the 36 states received N794.313 billion. The 774 local government councils received N555.142 billion. In addition, N184.388 billion was distributed to benefiting states as 13 per cent derivation revenue from mineral resources.

The statutory revenue component showed a different distribution pattern. Of the N1.565 trillion available, the FG received N727.573 billion, states received N369.035 billion and local governments received N284.511 billion, alongside the N184.388 billion derivation payment.

The revenue data also reveals an uneven performance across individual tax and petroleum-related sources. Petroleum Profit Tax, Hydrocarbon Tax, VAT, Common External Tariff levies and excise duty recorded increases in August. Companies Income Tax (CIT), Capital Gains Tax (CGT), Stamp Duties Tax, petroleum royalties, mineral royalties, gas-flared penalties, import duty, rental gas-flared fees and miscellaneous oil revenue, however, declined.

For state and local governments, the latest figures reinforce the importance of maintaining revenue buffers as monthly FAAC inflows fluctuate. The contrast between July and August also shows why a single month of exceptionally high federation revenue may not provide a reliable basis for projecting subsequent allocations.

The latest distribution further places VAT in a stronger position within the federation revenue mix. Its August increase came even as statutory revenue suffered a substantial contraction, providing some offset but not enough to prevent the overall allocation from falling sharply.

The OAGF maintains FAAC reports as part of its public financial reporting, although its currently indexed 2026 publication page lists reports through June.

The August figures therefore present a mixed fiscal picture: a sharp contraction in the revenue pool available for sharing, continued dependence on volatile statutory revenue, and a comparatively stronger VAT stream. For governments planning expenditure around FAAC receipts, the immediate issue is not only the size of the latest allocation but the sustainability and composition of the revenue supporting it.

Reforms Nuggets

Nigeria, 163 Other Countries Back UN Resolution For Fairer Representation Of Africa On World Maps

- Nigeria and 163 other countries backed an African-led UN resolution seeking more accurate representation of Africa on world maps.
- The UN General Assembly adopted the "Correct the Map" resolution by 164 votes to one, with six countries abstaining.
- The United States was the only country to vote against the resolution, while Estonia, Georgia, Lithuania, Moldova, Serbia and Ukraine abstained.
- The resolution, formally titled "Correct the Map: Rebalancing global cartographic representation and promoting equitable representation of the world's regions, particularly Africa," was negotiated by Togo on behalf of the African Group.
- The campaign, supported by the African Union, challenges the long-standing use of the Mercator projection, which visually enlarges regions closer to the poles and makes Africa appear smaller relative to its actual size.
- Africa covers about 30 million square kilometres, making it the world's second-largest continent by land area and population.
- Togolese Foreign Minister Robert Dussey said maps influence how people understand geography, education and the world.
- The resolution encourages greater use of the Equal Earth projection and other equal-area maps when comparing the actual sizes of countries and continents.
- Developed in 2018, Equal Earth preserves the relative area of land masses, giving a more proportionate visual representation of Africa and other regions.
- Supporters argue that conventional maps contribute to the "symbolic minimisation" of Africa in global perceptions.
- France supported the resolution and announced plans to move away from the Mercator projection in its official world maps.
- The United States opposed the initiative, arguing that the UN General Assembly should prioritise more pressing global challenges.
- The resolution does not alter geographical reality. Its central argument is that how the world is visually represented can influence how people perceive the relative importance and scale of different regions.

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Mambilla Ruling Should Force Nigeria To Rethink How Public Contracts Become Liabilities

REFORM TALKS *with* Enam Obiosio

Nigeria's victory in the International Chamber of Commerce arbitration over the Mambilla Hydroelectric Power Project is significant. The tribunal's September 17, 2026 award rejected claims by Sunrise Power and Transmission Company Limited that could have exposed the country to more than $3.38 billion in financial liabilities. It also ordered Sunrise and its promoter, Leno Adesanya, to reimburse 75 percent of Nigeria's legal fees and expenses.

For a country facing severe fiscal pressures and a persistent infrastructure deficit, avoiding such a liability is clearly important. Yet I believe the significance of the Mambilla ruling goes beyond the money Nigeria has avoided paying. It exposes a deeper weakness in how public contracts can evolve into prolonged legal, financial and institutional liabilities.

The immediate temptation is to describe the ruling simply as a major victory for Nigeria. That is understandable. But I am of the opinion that the more useful question is what Nigeria should learn from the circumstances that produced the dispute in the first place.

The roots of the Mambilla controversy go back to 2003, when a build-operate-transfer agreement was reportedly awarded for a 3,050MW hydroelectric plant in Taraba State. The federal government has maintained that the Federal Executive Council did not authorise the contract. That question subsequently became central to the legal dispute.

What should concern policymakers is that an agreement whose approval and legal validity became contested decades later was able to generate international arbitration claims running into billions of dollars.

This is where the Mambilla case becomes bigger than Mambilla.

I urge the Federal Government and the National Assembly to treat the outcome as an opportunity to examine the entire architecture surrounding major public contracts. The issue is not merely whether Nigeria can defend itself when a dispute reaches an international tribunal. The more important question is whether Nigeria can prevent poorly structured, insufficiently authorised or inadequately scrutinised agreements from becoming disputes in the first place.

Litigation is expensive. International arbitration is even more demanding. It requires specialist counsel, extensive documentation, witnesses, expert evidence and years of institutional attention. The latest proceedings began in 2017, meaning that the dispute consumed almost nine years before the tribunal reached its decision.

Nigeria may have avoided the larger financial claim, but the process itself demonstrates the opportunity cost of weak contract governance.

This distinction matters for investors too. A serious investment environment requires a state that honours legitimate agreements. It also requires a state whose contracting institutions can give investors confidence that agreements are properly authorised, commercially coherent and legally enforceable.

These are not competing principles. Nigeria should not create the impression that international investors are unwelcome simply because the country is determined to resist claims it considers unjustified. At the same time, the country cannot afford contractual arrangements that leave the public purse exposed to enormous liabilities because of failures in due process.

The President has sought to make that distinction, saying Nigeria remains committed to partnering with genuine investors and honouring its legal obligations while defending the national interest.

I believe that position should become more than a statement. It should become a governing principle for every major infrastructure concession, power agreement, public-private partnership and sovereign-backed investment arrangement.

The tribunal's decision also raises an uncomfortable question about institutional accountability.

Reports on the award indicate that the tribunal examined the circumstances surrounding a 2020 settlement agreement and found that it was not binding on Nigeria because it lacked the required presidential approval. Reports also say the tribunal made serious findings concerning the conduct of former Attorney-General Abubakar Malami and the Sunrise promoter in relation to the settlement. Those are findings attributed to the tribunal and should be treated within the context of its award and any subsequent legal processes.

> **...Nigeria remains committed to partnering with genuine investors and honouring its legal obligations while defending the national interest**

Nevertheless, the broader governance lesson is difficult to ignore.

A contract involving public assets should never depend excessively on the discretion of individual officials. Institutional safeguards exist precisely because governments change, officials leave office and memories fade, while contractual obligations can survive for decades.

The state must therefore ensure that major agreements pass through transparent layers of legal, financial, technical and procurement scrutiny before they become binding commitments.

The Mambilla story also demonstrates the difference between winning a legal dispute and delivering infrastructure. The project has been delayed for decades. Its original 3,050MW conception was subsequently reduced and eventually rescoped to about 1,500MW to improve its financial viability and bankability.

That means the ICC ruling may have removed a major legal obstacle, as President Bola Tinubu has said. But it does not generate electricity, finance construction or complete the project.

The next challenge is execution. Nigeria still needs a credible financing structure, an appropriate contractual framework, transparent procurement, effective project management and continuity across political administrations. If those elements are not secured, the country could celebrate the end of one legal battle while remaining trapped in another cycle of project delays.

This is why I urge the government to separate the celebration of the arbitration victory from the broader question of Mambilla's delivery.

The country should certainly defend its treasury. It should also defend the credibility of its institutions.

There is a wider economic lesson here. International investors pay attention not only to whether governments win or lose arbitration cases. They also watch how contracts are awarded, how disputes are managed, how regulatory decisions are made and whether public institutions speak with one coherent legal and commercial voice.

Predictability is an investment asset.

The Mambilla case therefore presents Nigeria with an opportunity to strengthen its contracting system. Major government agreements should have clear approval trails. Sovereign obligations should be independently assessed before they are assumed. Settlement agreements involving substantial public liabilities should face rigorous scrutiny. And officials who negotiate on behalf of the state should operate within clearly defined institutional mandates.

I am of the opinion that this is the lasting value Nigeria should extract from the Mambilla ruling.

The country has successfully defended itself against a potentially enormous financial claim. That matters. But the greater achievement would be to build a system in which future governments do not have to spend years and millions of dollars defending the consequences of contracts that should have been properly scrutinised at inception.

Mambilla should therefore not end with an arbitration victory. It should begin a more serious conversation about how Nigeria contracts, how it assumes obligations and how it protects public assets.

The legal hurdle may have been cleared. The institutional lesson should not be.

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