



STATE OF **TECH POLICY** IN NIGERIA 2025

Report on Legislations, Regulations, Directives,
Orders, Policies, and Strategies Impacting the
Information Technology Ecosystem

December 2025

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This Report is based on actual monitoring of publicly available information. This report identifies events from Q1 2025 to Q4 2025. It chronicles diverse policy decisions that have impacted Nigeria's technology (ICT) sector, whether disruptive, enabling, or crippling. This Report is not exhaustive and was curated to cover certain policy trends, decisions, and directives across the Nigerian digital and technology ecosystem. All information provided in this report is based on public data, our regulatory intelligence effort, and information available as of the publication of this report.

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About Ikigai Innovation Initiative

Ikigai Innovation Initiative is a non-profit organisation with the vision of becoming Africa's one-stop centre for technology policy. We promulgate diverse research on technology policy and legal frameworks across Africa. We also engage relevant stakeholders at the intersection of law, business, and technology and advocate for better policies for the ecosystem as a whole. As a research and advocacy centre focused on emerging technologies, policy, and research, we often collaborate with leading research institutes, academia, organisations, civil society, and individuals on policies affecting technology.

We also publish and contribute to white papers, reports, policy briefs, infographics, guides and guidance, academic journals and publications. Our researchers work closely with government, stakeholders, and ecosystem players, placing evidence and academic intuition at the heart of policymaking. We combine the latest insights, evidence, and commentary from our researchers with our one-stop-shop vision for policy by connecting policymakers, decision-makers, and practitioners with our industry-leading research. We also deliver evidence-based policy that meets society's grand challenges by advocating for social justice in the face of technology, sensitising the public to technology policies that impact their rights and lives, and promoting digital rights and digital ethics. Contact: policy@ikigaination.org

Editor's Note

In 2025, Nigeria did less talking and more building. As you navigate this report, you will observe something rare in our regulatory landscape: the translation of ambitious frameworks into tangible outcomes. From the 90,000 Nigerians trained through 3MTT to the ₦766 million in data protection fines levied by NDPC and compliance notice issued to over 1000 organisations; from Project Bridge's 90,000 km fibre-optic ambition to the 14-day capital-raising approval that replaced year-long waits, and many others. These aren't aspirations; they're executed realities reshaping Africa's largest economy in real-time.

However, honesty compels me to acknowledge the paradoxes. A stock market rally that delivers ₦35 trillion in gains coexisting with connectivity collapses and 133 million citizens in poverty. The world's largest tech talent programme launches as civic tech organisations lose 67% of their funding. Regulatory fragmentation proliferates even as frameworks consolidate. This report doesn't shy from these contradictions; it interrogates them because understanding Nigeria's digital future requires confronting both the infrastructure we're building and the foundations still cracking beneath our feet.

Every regulatory development, enforcement action, and strategic partnership documented here shapes the environment in which we operate, invest, build, or govern. Whether you're a policymaker calibrating your interventions for 2026, an entrepreneur navigating the compliance maze, or an investor decoding market signals, this report serves as your evidential compass through Nigeria's most transformative digital year yet. The question of whether Nigeria's tech landscape changed in 2025 is moot—as what matters is whether you're positioned to leverage opportunities and navigate the disruptions that change creates.

Finally, this report stands on the shoulders of our exceptional Regulatory Intelligence team, whose rigorous analysis and unwavering commitment to excellence have made this edition possible. Their work transforms regulatory updates into strategic intelligence, and it has been a profound honour to have edited their insights for two consecutive editions.

Precious Nwadike

Team Lead, Regulatory Intelligence

December 2025



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Table of Abbreviations

AfCFTA	African Continental Free Trade Area
AI	Artificial Intelligence
AML	Anti-Money Laundering
ARCON	Advertising Regulatory Council of Nigeria
CAC	Corporate Affairs Commission
CEOs	Chief Executive Officers
CBN	Central Bank of Nigeria
CBPR	Cross-Border Privacy Rules
CFT	Counter Financing of Terrorism
CIT	Company Income Tax
CMOs	Capital Market Operators
DACs	Digital Asset Custodians
DEON	Digital Electronic Online or Non-Traditional
DPA	Data Protection Authority
DPI	Digital Public Infrastructure
DSIBs	Domestic Systemically Important Banks
ESG	Environmental Social and Governance
FCCPC	Federal Competition and Consumer Protection Commission
FEC	Federal Executive Council
FMCIIDE	Federal Ministry of Communications, Innovation, and Digital Economy
FMIIs	Financial Market Infrastructures
FMIST	Federal Ministry of Innovation, Science and Technology, Nigeria
FRC	Financial Reporting Council of Nigeria
FX	Foreign Exchange
GAID	General Application and Implementation Directive
GEMC	Growth and Emerging Markets Committee
ICPC	Independent Corrupt Practices Commission
IOSCO	International Organisation of Securities Commissions
IoT	Internet of Things
ISSB	International Sustainability Standards Board
LLM	Large Language Model
MDs	Managing Directors
MEST	Ministry of Environment, Science and Technology, Ghana
MNOs	Mobile Network Operators
MOSIP	Modular Open Source Identity Platform
NATEP	National Talent Export Programme
NCRIB	Nigeria Council of Registered Insurance Brokers
Ng-DPIC	Nigeria Digital Public Infrastructure Centre
NGDX	Nigeria Data Exchange Platform

NGX	Nigerian Exchange Group
NHDI	Nigeria Digital Health Initiative
NIMC	National Identity Management Commission
NIBSS	Nigeria InterBank Settlement System
NIMS	National Identity Management System
NIN	National Identity Number
NITDA	National Information Technology Development Agency
NOA	National Orientation Agency
NOP	Net Open Position
NRIF	National Research and Innovation Fund
NRNIA	Non-Resident Nigerian Ordinary Account
NRNOA	Non-Resident Nigeria Investment Account
NSCI	National Sovereignty Cloud Initiative
NSR	Nigeria Revenue Service
PKI	Public Key Infrastructure
PLC	Public Limited Liability Companies
PPP	Private Public Partnership
PSV	Payment System Vision
PTSA	Payment Terminal Service Aggregation
R & D	Research and Development
SEC	Security Exchange Commission
SIM	Subscriber Identity Module
SPIEs	Significant Public Interest Activities
UK FCDO	United Kingdom Foreign, Commonwealth and Development Office
UNESCO	United Nations Educational, Scientific and Cultural Organisation.
VASP	Virtual Asset Service Provider
VAT	Value Added Tax
WHT	Withholding Tax

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Executive Summary

The Nigerian technology landscape in 2025 has been marked by significant regulatory advancement, enhanced enforcement mechanisms, and a concerted push towards aligning with global digital economy standards. This executive summary highlights the key findings provided in this report on the developments that have shaped Nigeria's information technology sector throughout the year.

This report provides an in-depth analysis of key thematic areas, including consumer protection, cybersecurity and telecommunications, data protection, emerging technologies, digital identity and health, corporate sectors, and intellectual property. Each area is examined through the lens of regulatory developments, enforcement actions, strategic partnerships, and their implications for Nigeria's digital transformation agenda.

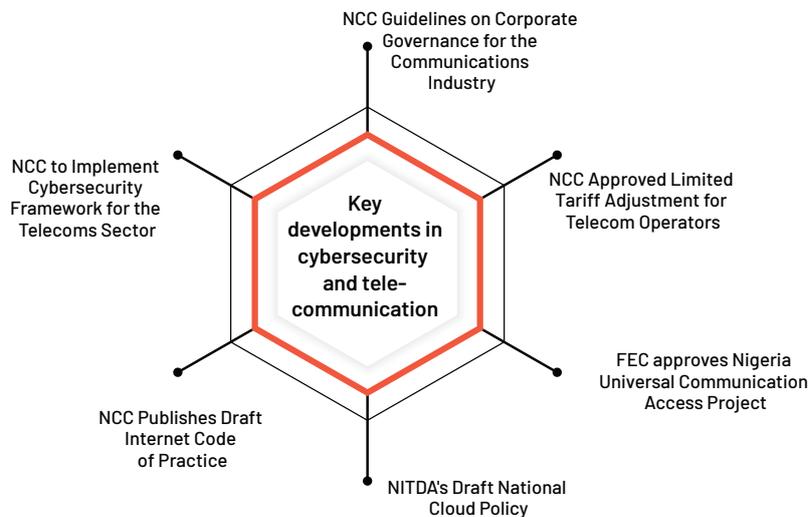
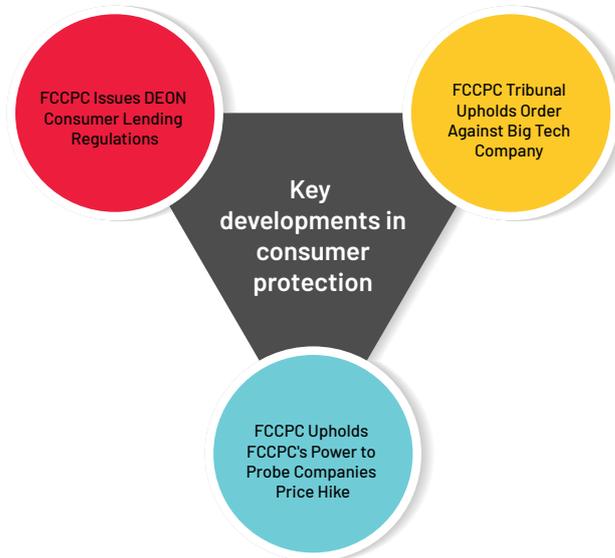
The year 2025 witnessed Nigeria's continued evolution as a significant player in Africa's digital economy, with proactive regulatory frameworks, increased enforcement actions, and strategic international partnerships positioning the country for sustained technological advancement. However, alongside these achievements, certain challenges in macroeconomic stability, infrastructure development, and regulatory consistency continue to impact the ecosystem.

Some of the key findings in this report include:

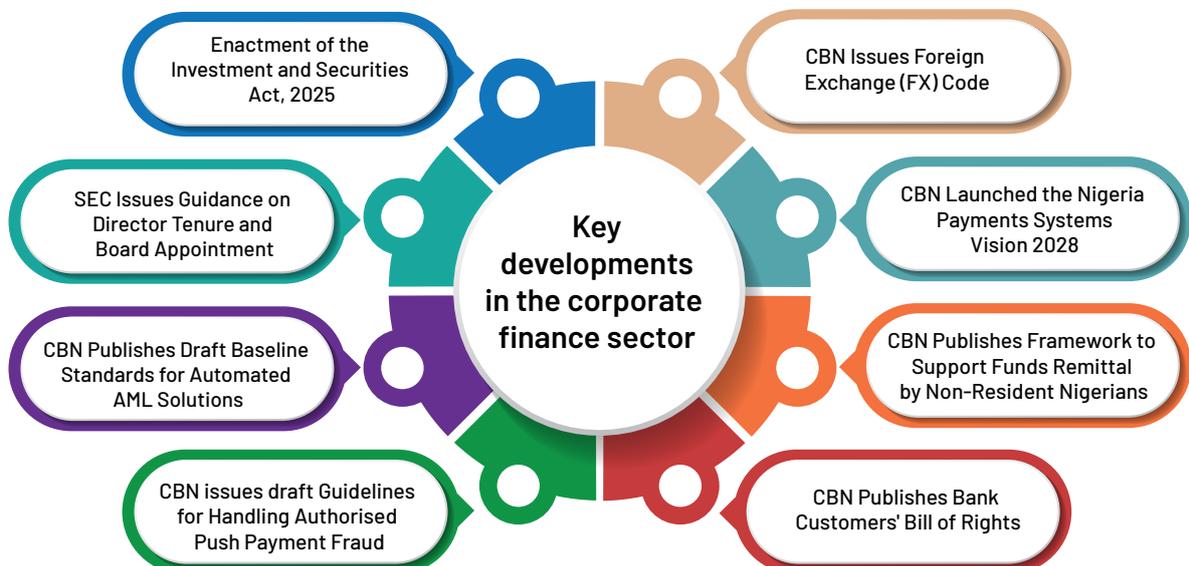
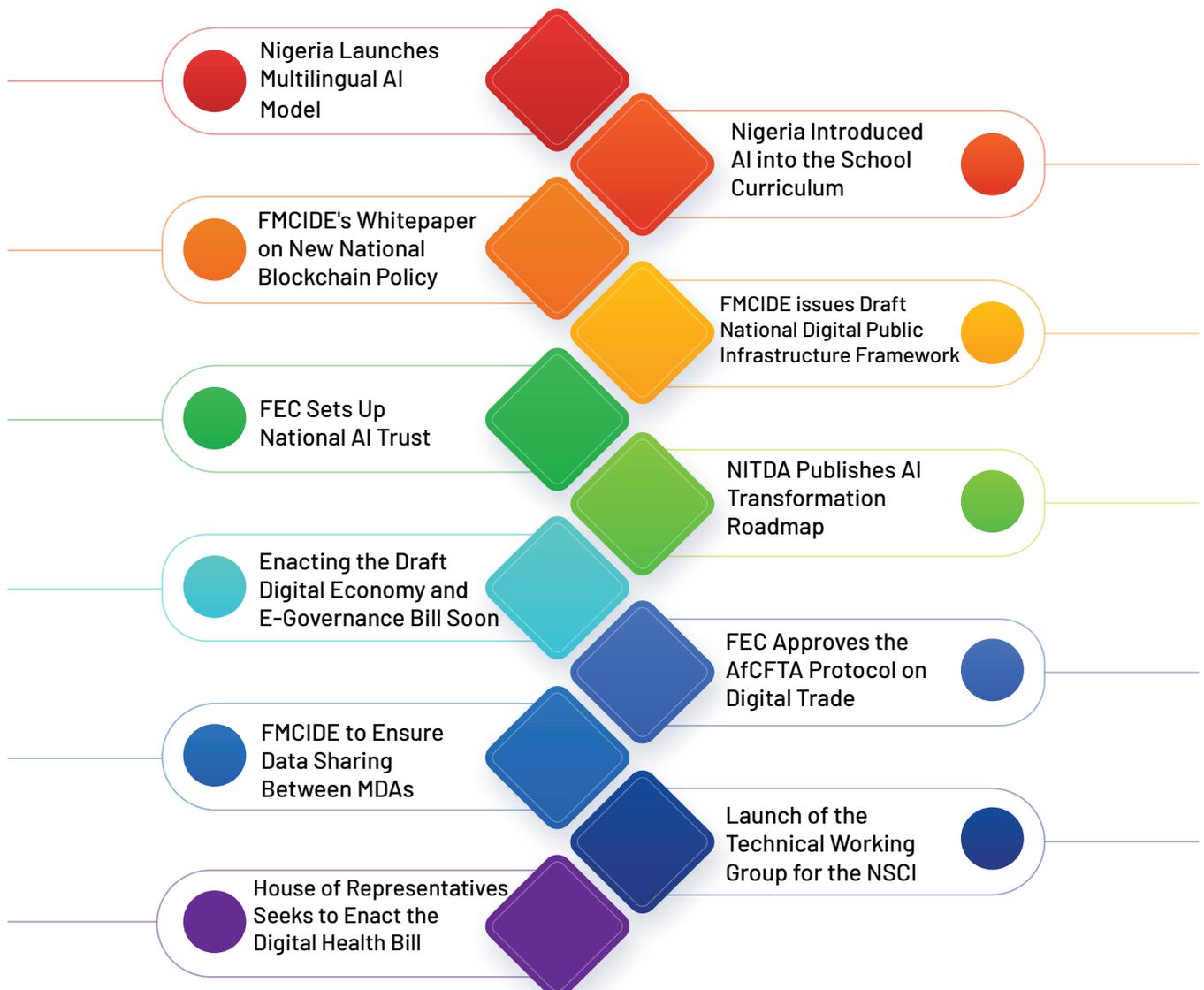
Some of the key findings in this report include:

- The Competition and Consumer Protection Tribunal affirmed the FCCPC's statutory power to investigate exploitative pricing practices, strengthening consumer protection mechanisms in the digital economy;
- NITDA published the draft National Cloud Policy to guide secure and efficient cloud computing adoption across sectors;
- The Nigeria Data Protection Act General Application and Implementation Directive officially took effect in September 2025, providing comprehensive data protection compliance guidance;
- Proposing a bill amending the Data Protection Act 2023 to mandate physical offices for social media platforms and enhance accountability of application developers;
- The NDPC issued compliance notices to over 500 organisations across multiple sectors as part of its intensified enforcement efforts;
- The integration of AI and digital literacy into Nigeria's school curriculum for junior and senior secondary schools;

- Under the newly enacted tax regime, digital assets and cryptocurrency transactions became subject to taxation, with profits classified as chargeable gains;
- The launch of an \$83 million international tender to modernise the NIMS using the MOSIP;



Key developments in emerging technologies, digital Identity, and digital Health



Introduction: Navigating the Future Nigeria's Digital Landscape in 2025



Building on the innovative strides of 2024, 2025 has accelerated Nigeria's regulatory evolution through heightened enforcement, strengthened governance frameworks, and deeper global digital integration. As Africa's largest economy advances its digital transformation agenda, Nigeria continues to balance bold leadership ambitions with pragmatic responses to enduring structural challenges.

Three defining themes have shaped Nigeria's technology sector in 2025: regulatory consolidation, enforcement acceleration, and international integration. Nigeria's admission as an associate member of the Global CBPR Forum, the launch of the country's first multilingual AI model at the United Nations General Assembly, and the reduction of capital market approval timelines to 14 days signal a fundamental shift in how Nigeria positions itself within the global digital economy, the enactment of the Investments and Securities Act 2025 to the implementation of the Nigeria Data Protection Act GAID, the year witnessed the translation of policy frameworks into actionable implementation mechanism, and increased enforcement actions.

At the heart of Nigeria's 2025 technology advancements has been the FMCIDE's systematic execution of its five-pillar Strategic Blueprint encompassing Knowledge, Policy, Infrastructure, Innovation, Entrepreneurship & Capital (IEC), and Trade. The Ministry has orchestrated transformative initiatives that fundamentally reshape Nigeria's digital infrastructure, human capital development, and regulatory environment, championing the National Digital Economy and E-Governance Bill 2025, Africa's first comprehensive legal framework establishing validity for electronic transactions and ethical AI frameworks.

The Nigerian technology ecosystem in 2025 demonstrates potential digital transformation under FMCIDE's integrated approach spanning infrastructure, human capital, legislative reform, and international partnerships. The ultimate success of Nigeria's digital transformation will depend on sustained implementation excellence, continued infrastructure investment, and collaborative relationships between the government, private sector, and civil society.

For stakeholders across Nigeria's technology landscape, from policymakers and regulators to entrepreneurs and investors, this report serves as both a record of progress achieved and a roadmap for navigating the complexities ahead. As Nigeria consolidates its position as Africa's leading digital economy, the developments of 2025 provide crucial insights into the policy frameworks that will shape the coming years and the evidence base for charting the future.

Thematic Areas of Focus



**Consumer
Protection**

Maintaining stringent regulatory oversight is essential to mitigate risks amid evolving consumer and business dynamics. In 2025, the FCCPC undertook proactive measures including regulatory and enforcement measures to protect consumer rights, focusing on enforcing equitable pricing practices and curbing misleading promotional activities by leading corporations.



● Regulatory Developments

FCCPC issues Regulation to cater to digital lending

In September, the FCCPC [issued](#) the [Digital, Electronic, Online, or Non-Traditional \(DEON\) Consumer Lending Regulations, 2025](#). The Regulation establishes a comprehensive regulatory framework for unsecured digital lending in Nigeria. It mandates lender registration and sets clear standards for transparency, fair interest rates, data protection, ethical debt recovery, and responsible lending practices. The Regulation is designed to protect consumers from exploitative practices while ensuring effective oversight and redress mechanisms. It includes significant penalties for non-compliance—fines of up to ₦100 Million or 1% of turnover, and potential director disqualification for up to five years. The Regulations took effect on July 21, 2025. The FCCPC also [issued a directive](#) setting January 5, 2026 as the date organisations must ensure full compliance.

● Sanctions and Enforcement

FCCPC makes an order against a big tech company

In April, 2025, the Competition and Consumer Protection Tribunal [delivered judgment](#) in the appeal filed by a big tech company against the FCCPC. The Tribunal affirmed the FCCPC's authority and imposed an administrative penalty of \$220 million against two platforms of the company along with \$35,000 in investigation costs.

FCCPC maintains power to probe company price hikes

In May, the Federal High Court in Abuja dismissed the suit filed by a multinational company seeking to restrain the FCCPC from investigating its subscription price increases. This development followed the company's refusal of the FCCPC's invitation in February 2025 and its subsequent legal action to prevent an inquiry into repeated price hikes. The judgment confirmed the FCCPC's statutory authority to investigate exploitative pricing and enforce price regulation delegated by the President when necessary.

FCCPC summons airline over customers complaints

In June, the FCCPC took formal action by [summoning](#) an erring airline in response to widespread consumer complaints about delayed refunds for cancelled services. This intervention aims to uphold consumers' rights to timely reimbursement for unfulfilled transactions, ensure adherence to legal refund requirements, protect consumers from unfair business practices, and require the airline to furnish comprehensive records on service cancellations and refund processes. This action follows [earlier inquiries](#) in December 2024 into the airline's alleged of exploitative ticket pricing.

The courts' decisions on the scope of ARCON's authority

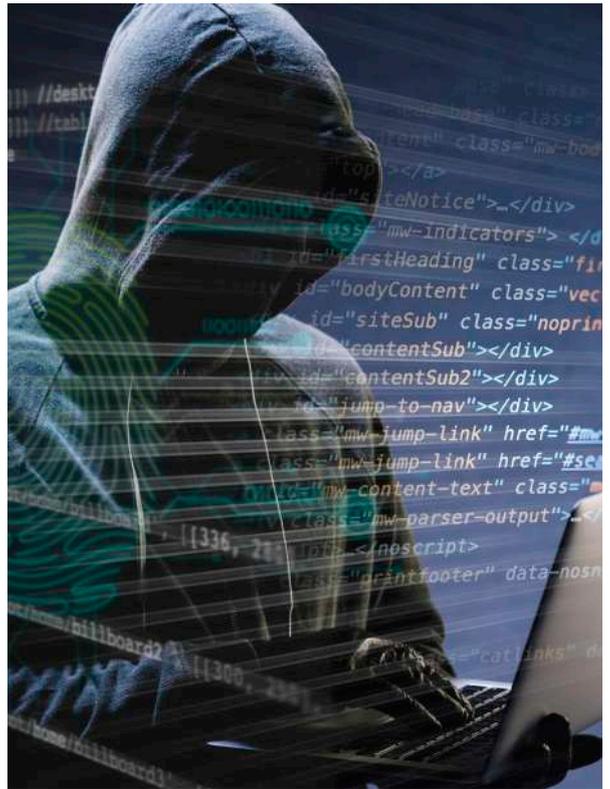
In November 2025, the Federal High Court in Lagos, in its judgement, declared that the authority to regulate outdoor advertising and hoardings [lies exclusively with local government councils](#) under the Constitution, thereby rendering ARCON's attempts to exert control over outdoor advertising unconstitutional. However, a few days later, the Federal High Court in Lokoja, delivered a contrasting judgment, upholding the constitutional [validity of the ARCON Act](#) in its entirety. With these conflicting decisions, it is anticipated that the matter may eventually be referred to the Supreme Court for definitive clarification.

This judicial contradiction directly affects digital advertising platforms that rely on outdoor advertising for customer acquisition, forcing them to navigate conflicting compliance requirements across jurisdictions.



Cybersecurity and Telecommunication

In 2025, Nigeria's telecommunications and cybersecurity sectors experienced transformative regulatory advancements aimed at strengthening digital infrastructure resilience, promoting consumer protection, and ensuring robust compliance with emerging cyber threats to stimulate sustainable industry growth. Central to these efforts was the NCC's launch of Corporate Governance Guidelines. Complementing this, the NCC is preparing to roll out a comprehensive cybersecurity framework in 2026 and is considering revisions to the Nigeria Communications Act 2003 to address the evolving digital landscape. Meanwhile, the National Information Technology Development Agency is advancing the draft National Cloud Policy and enforcing data protection and cybersecurity statutes to safeguard digital assets and support a secure, interoperable ecosystem. Collectively, these initiatives demonstrate a coordinated, multi-layered regulatory approach designed to protect and propel Nigeria's digital economy amid rapid technological change.



● Regulatory Developments

NCC approves limited tariff adjustment for telecom operators

In January, the NCC [approved](#) limited tariff adjustments for telecommunications operators in response to prevailing market conditions. The decision followed [consultations](#) with stakeholders to balance consumer protection with industry sustainability. The adjustment proposed to enable operators to maintain service quality, invest in infrastructure, and expand network coverage. To ensure fairness to consumers, the NCC mandated transparency and public awareness between operators and consumers on the new rates. By reinforcing stability and encouraging continued investment, the initiative will help sustain the delivery of reliable connectivity and advance Nigeria's digital economy.

NCC issues directive on public notification and reporting of major network outages

The NCC [issued](#) a directive requiring mobile network operators to report major network outages to consumers, including the cause, affected areas, and estimated restoration time. This directive mandates public notification for unplanned outages and at least one week's notice for planned ones. The directive will potentially strengthen regulatory oversight and align Nigeria's telecom sector with global best practices in service accountability.

FEC approves project to facilitate mobile connectivity to millions of unserved people

The Federal Executive Council [approved](#) the Nigeria Universal Communication Access Project spearheaded by the FMCIDE. The project is a public-private partnership aimed at bridging the digital divide by facilitating mobile connectivity to over 21 million people in unserved communities, particularly in remote rural areas. The initiative complements the ongoing **Project Bridge**, a 90,000km fibre fund by deploying additional base stations. The project will seek to improve the quality of life for millions of Nigerians who currently lack basic mobile access.

NCC moves to implement a comprehensive Cybersecurity Framework for the Telecom Sector

In August, NCC announced plans to implement a comprehensive cybersecurity framework to strengthen digital infrastructure and enhance online safety for telecom users. The framework, supported by the World Bank, is expected to be finalised by the third quarter of 2025 and rolled out in early 2026. The initiative aims to refine and validate the design and implementation of the framework, address evolving cyber threats targeting Nigeria's telecommunications sector and promote collaboration between public and private stakeholders.

NCC launches 2025 Corporate Governance Guidelines for the telecom sector

Still in August, NCC [launched](#) its 2025 [Corporate Governance Guidelines](#) to strengthen regulatory compliance, transparency, and sustainability across Nigeria's telecommunications sector. The framework builds on the 2014 voluntary code and incorporates stakeholder feedback from [consultations](#) held in 2023 and 2024, mandating stronger board oversight, enhanced risk management, and compulsory ESG disclosures. It is expected that implementing these guidelines would boost investor confidence, drive ethical conduct, and improve service quality, positioning the industry for long-term growth and resilience.

NCC makes draft code to govern internet access

In October, the NCC [published](#) a draft Internet Code of Practice 2025, which significantly expands regulatory reach beyond traditional Internet Access Service Providers to encompass "impacted entities" such as digital platforms, application service providers, and online communications platforms operating in Nigeria. The Code also establishes comprehensive governance rules upholds consumers' rights to open internet access sets standards for transparency, non-discrimination, and prohibits practices such as blocking, throttling, and preferential data prioritisation, with exceptions only for reasonable network management.

NCC proposes review of its enforcement processes regulations

The NCC [announced](#) plans to review its Enforcement Processes Regulations to emphasise non-monetary sanctions and to introduce asymmetric enforcement measures that consider operator size and market impact. The proposals aim to strengthen compliance, address emerging infractions such as call masking and SIM boxing, and hold boards and management accountable for repeated breaches, enhancing fairness, deterrence, and sustainability within the telecom sector.



Data Protection

The NDPC took robust steps to ensure compliance through publishing the GAID, stakeholder engagements, sanctions, and strategic partnerships. This year also marks Nigeria's enhanced commitment to international data standards through its associate membership in the Global CBPR Forum, signalling a move towards facilitating secure cross-border data flows. As data protection becomes integral to digital innovation and governance, policy efforts in Nigeria's rapidly digitising environment focus on balancing individual privacy rights with technological advancement and economic growth.

Regulatory Developments

Nigeria proposes significant amendments to the NDPA

The National Assembly introduced the Nigeria Data Protection (Amendment) [Bill](#). The bill seeks to amend the Nigeria Data Protection Act (NDPA) to enhance the accountability of application developers, regulate third-party data sharing, and strengthen the enforcement powers of the Nigeria Data Protection Commission (NDPC). Simultaneously, the National Assembly is still deliberating a previously [proposed](#) amendment to the NDPA that would require social media platforms to establish physical offices in Nigeria.

The NDP Act-GAID takes effect

On March 20, 2025, the NDPC published the Nigeria Data Protection Act General Application and Implementation [Directive](#) (NDP-Act GAID). This follows the publication of the [draft](#) directive and stakeholder consultation on the draft in 2024. The GAID aims to provide the NDPA with a practical compliance directive. On September 19, 2025, the GAID officially [took](#) effect

Nigeria joins the Global CBPR Forum as an associate member

The NDPC officially [became](#) an [associate member](#) of the Global Cross-Border Privacy Rules (CBPR) Forum. This development follows the NDPC's application to join the forum in July. In response to its admission, the NDPC [reaffirmed](#) Nigeria's commitment to aligning with international data protection standards and stated its plan to adopt a PPP model to implement the CBPR framework. This approach will involve strengthening awareness programs, regulatory sandboxes, and capacity-building initiatives to support secure cross-border data flows. This move aligns with Nigeria's [joint statement](#) with the US Department of Commerce to enhance participation in the Global CBPR Forum, as well as Nigeria's previous participation in the forum in [Taiwan](#) in 2024 and the [United Kingdom](#) in 2023.

However, adoption may experience delays, considering the provision of the NDPA that mandates the National Assembly's approval for the adoption of the certification mechanism.

● Enforcement Actions

NDPC takes a stance on non-compliance

At the start of the year, the NDPC [indicated](#) that enforcement will be one of its priority areas for the year. Given this, there was an uptick in enforcement action in the data protection landscape this year. The NDPC issued its largest fine totalling the sum of ₦766,242,500 (approximately USD 500,481) against a multinational for violating the NDPA. The NDPC also [announced](#) its investigations into two additional multinational companies for privacy violations. Additionally, the NDPC issued a [compliance notice](#) to over 500 organisations across the insurance, banking, hospitality, pension, and gaming sectors, as part of its investigation into compliance practices in these sectors. Beyond financial penalties, the Commission has signalled its intention to escalate enforcement effort by considering criminal action against directors of non-compliant companies.

● Partnerships and Collaboration

The NDPC establishes partnerships with organisations in Nigeria and with other Data Protection Authorities (DPA). The NDPC extended its partnership to organisations, including the Independent Corrupt Practices Commission (ICPC), the National Orientation Agency (NOA), the Nigerian Council of Registered Insurance Brokers (NCRIB), and the Regional Economic Department Nigeria-Ghana at the French [Embassy](#) . On a continental level, the NDPC held strategic partnership meetings with the DPAs from [Cape Verde](#), [Somalia](#), and [Uganda](#).

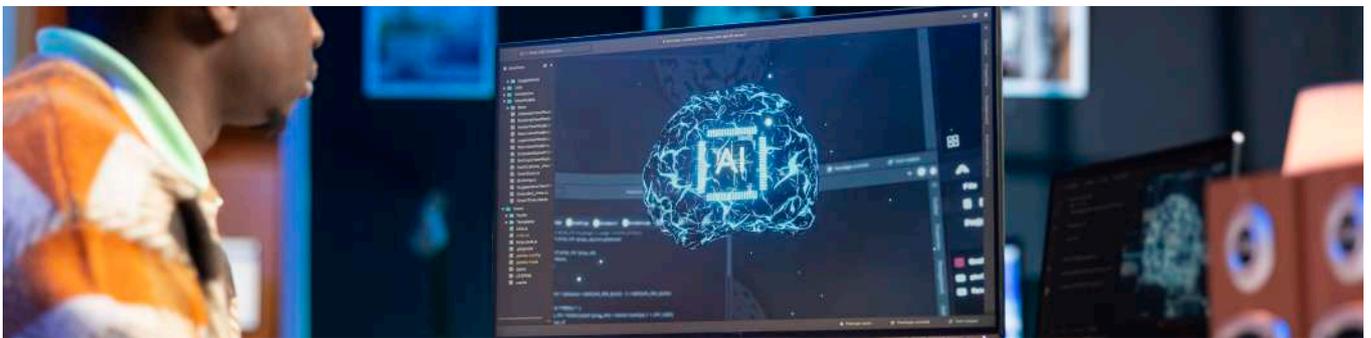


**Emerging Technologies,
Digital Identity, and
Digital Health**

There have been various significant developments in emerging technologies in Nigeria, including stakeholder engagements and public consultations aimed at regulatory reforms, partnerships, the enactment of new laws, and the launch of initiatives to strengthen the development of emerging technologies.



1. Artificial Intelligence (AI)



● Technical Development

Nigeria launches a multilingual AI model, N-ATLAS V1

In September 2025, the FMCIDE [launched](#) N-ATLAS V1, Nigeria's first open-source multilingual and multimodal AI model at the 80th United Nations General Assembly - UNGA80. Initially [unveiled](#) in April 2024, and highlighted in our [2024 report](#), the model puts African languages at the centre of AI development by supporting key local languages. This launch marks a significant step in positioning Nigeria as an active contributor and leader in shaping the future of AI's focus on capacity-building.

● Capacity Building

Nigeria introduces AI into school curriculum

The Federal Government has [introduced](#) a new school curriculum for basic and secondary schools in Nigeria. The new curriculum incorporates new subjects, including digital literacy and coding for Junior Secondary School and Technology, Innovation, and AI for Senior Secondary School. This move aligns with the the draft national AI strategy.

● Regulatory Developments

FEC sets up National AI trust

In February, the FEC [established](#) the National AI Trust. This first-of-its-kind body comprises ten AI experts, including the Minister of Communications, Innovation & Digital Economy and the Minister of Innovation, Science and Technology.

The aim of setting up the Trust is to mobilise resources, provide oversight, and guide AI development in Nigeria. It will ensure strategic investment in AI across key economic sectors, recognising the technology's transformative potential for job creation and foreign direct investment. This move reinforces Nigeria's ambition to become a leading voice in the global AI landscape.

NITDA publishes its AI transformation roadmap

In March 2025, NITDA [released](#) its AI Transformation Roadmap, outlining strategies for integrating AI across various sectors. The roadmap emphasises ethical AI deployment, capacity building, and research and development. By fostering AI adoption, NITDA aims to drive innovation, improve service delivery, and position Nigeria as a leader in the global AI landscape. The successful implementation of the roadmap will transform NITDA and serve as a model for other government agencies in Nigeria and across Africa.

Fast-tracking the implementation and operationalisation of the NRIF

The FMIST is pushing for the [enactment of the NRIF Bill](#), which would pave the way for innovative reforms. The NRIF aims to form a National Research and Innovation Council for centralised funding, increase research investment from 0.2% to 0.5% of GDP, and foster collaboration in agriculture, energy, and healthcare. The House of Reps has approved the Bill and it has already passed the first reading in the

Partnerships and Funding

Nigeria and Ghana collaborate with the UK's FCDO to advance national technology research and innovation

In March 2025, the UK FCDO, in collaboration with Nigeria's FMIST and, Ghana's MEST, [launched the Sankore initiative](#), a £1.9 million programme that aims to strengthen science, technology, and innovation (ST&I) ecosystems in West Africa.

FMCIDE partners with the Gates Foundation to launch the AI Scaling Hub

In June 2025, the FMCIDE [launched](#) the Nigeria AI Scaling Hub in partnership with the Gates Foundation. The Hub will convene government agencies, private sector tech companies, academia, and development partners to support the large-scale implementation of mature AI innovations. The Gates Foundation is supporting the Nigeria AI Scaling Hub with a commitment of up to \$7.5 million over three-years. The Hub is positioned to advance the government's efforts to identify, develop, and scale high-impact AI solutions that address innovation in these key sectors, as well as position Nigeria as a model for emerging technologies in Africa.

2. Blockchain



● Regulatory Developments

FMCIDE outlines plans for a new National Blockchain Policy in a whitepaper

The FMCIDE [published](#) a Whitepaper outlining its plans for a comprehensive National Blockchain Policy. The Policy aims to foster a structured, inclusive blockchain [adoption](#) to drive innovation and deliver practical, real-world solutions that contribute to national development. The whitepaper emphasises the need for collaboration, public trust, and broad-based support to ensure that the Policy reflects Nigeria's unique socio-economic context.

Cryptocurrencies to be taxed in the new tax regime

Under the newly [enacted](#) Nigerian Tax Act and Nigerian Tax Administrations Act, profits made from transacting with digital assets will now be regarded as 'chargeable gains' and liable to income tax charged up to 25% for individuals. This implies that any gain from the sale or liquidation of a digital asset is subject to income tax. Virtual Asset Service Providers are liable to pay a 30% corporate income tax on profits from their operations, mostly through transaction fees.

3. Digital Economy



● Regulatory and legislative updates

NITDA publishes draft National DPI framework

Earlier in 2025, the NITDA released a [draft of the Technical Standards for Digital Public Infrastructure \(DPI\)](#). This initiative represented a significant milestone in Nigeria's digital transformation journey, providing a structured blueprint for DPI development and deployment, detailing essential technical requirements, integration protocols, and best practices to ensure interoperability, data protection, cybersecurity, and operational efficiency across government platforms. A central feature of the framework is the establishment of the Nigerian Digital Public Infrastructure Centre (Ng-DPIC), which will serve as the national implementation office coordinating development, research, education, and knowledge-sharing efforts to support a resilient DPI ecosystem.

NITDA hosts a public engagement on draft digital regulations

In September 2025, the National Information Technology Development Agency [hosted](#) a public review of the draft Digital Public Infrastructure Live Environment Framework and draft Technical Standard for Nigerian Data Exchange. The Standard outlines the core principles guiding the development and implementation of a technical standard for data exchange within Nigeria's DPI including interoperability, scalability, inclusivity, and data protection and security. The session provided an opportunity for stakeholder contributions to the development of regulatory instruments that will strengthen e-government service delivery, spur private-sector innovation, and align Nigeria's digital transformation with global best practices.

FMCIDE's continued stakeholder engagement and push for the enactment of the Digital Economy and E-governance bill

As part of ongoing efforts to enact the Digital Economy and E-Governance Bill, the FMCIDE held a series of stakeholder sessions across different states in Nigeria. Furthermore, the FMCIDE [engaged](#) stakeholders across the public and private sectors including the NDPC and, NITDA, among others. These engagements aim to ensure that the perspectives of different sectors are reflected in the bill and to secure stakeholder buy-in, which will, in turn, support the effective implementation of the law. The bill aims to guide Nigeria's digital economy and establish a governance framework to address emerging technologies, digital infrastructure, and literacy while fostering innovation.

It also seeks to enable the digitalisation of government records, support comprehensive digital transformation across sectors, and enhance efficiency in public service delivery and national digital development

The "Super-Regulator" Friction in the Digital Economy and E-Governance Bill

While the bill's objectives are laudable, its structure sparked significant concern regarding the centralisation of power. The bill effectively positions the **NITDA** as a "super-regulator" with sweeping oversight over the entire digital economy, including areas previously under the purview of other bodies.

Areas of Regulatory Conflict:

- **NITDA vs. NCC:** While the NCC regulates telecommunications infrastructure, the new bill gives NITDA oversight over "digital economy" matters. This creates a fear of jurisdictional overlap where NITDA could attempt to regulate data transmission or over-the-top (OTT) services, leading to "turf wars" and double regulation.
- **NITDA vs. Data Protection:** With the establishment of the NDPC in 2023, the distinction between "technology regulation" and "data protection regulation" remains porous. The broad powers granted to NITDA in the 2025 bill could undermine the independence of the NDPC if not carefully demarcated.

Lagos state pursues innovation leadership through a dedicated innovation bill

Lagos State is advancing a **bill** to institutionalise innovation investment, committing at least 1.5% of its annual capital budget, over ~~₦~~31 billion in 2025—to research and development. The draft innovation bill establishes a framework for structured academia-industry collaboration, positioning Lagos as Nigeria's innovation hub through sustained public funding and formal partnerships that commercialise research. The bill is currently in the drafting and public review phase.

FEC approves policies for digital transformation

In November 2025, the FEC **approved** three landmark policies to accelerate Nigeria's transition to a digital, knowledge-based economy. The policies are designed to unlock new opportunities in intellectual property, digital trade, and services exports. One of the policies ratifies Nigeria's adoption of the AfCFTA protocol on digital trade, marking a major milestone in regional integration. This protocol sets continent-wide standards for e-commerce, data governance, cybersecurity, and consumer protection. Also another approved policy introduces the National Coordination Mechanism for Services Exports, anchored by the National Talent Export Programme (NATEP), with a goal to create one million jobs and contribute \$10 billion annually to GDP by 2030. This initiative aims to position Nigeria as Africa's hub for digital outsourcing and professional services, leveraging its skilled workforce across sectors like technology, finance, and healthcare.

● Technical Support

FMCIDE to ensure data sharing between MDAs

The Minister of Communications and Digital Economy [announced](#) plans to deliver the Nigerian Data Exchange Platform. The NGDX aims to enable secure, seamless data sharing across government and business. The [platform](#) will promote innovation and inclusive economic growth and deliver more innovative services to citizens under a framework of privacy, security, and accountability. Through the NGDX, there will be harmonised data sharing among Ministries, Departments and Agencies, addressing the issue of multiple data collection. The NGDX will also aid innovation as startups across sectors will have access to anonymised public data. The initiative is developed in partnership with the European Union in Nigeria, NITDA, and other key stakeholders.

Nigeria launches technical working group for the National Sovereign Cloud Initiative (NSCI)

Nigeria has [launched](#) a Technical Working Group for its National Sovereign Cloud Initiative, led by NITDA, to strengthen digital infrastructure and assert data sovereignty. The NSCI is part of a broader strategy to localise cloud services, enhance cybersecurity, and position Nigeria as a regional cloud hub in West Africa.

Industry stakeholders including local data centres, global hyper-scalers, and cloud service providers collaborated to elect the TWG leadership. The TWG will develop a regulatory framework and roadmap to guide Nigeria's role in shaping trusted cloud infrastructure across Africa.

● The FMCIDE and FMIST: Ministry Divergence



**FEDERAL MINISTRY OF
COMMUNICATIONS, INNOVATION
& DIGITAL ECONOMY**



**FEDERAL MINISTRY OF
INNOVATION, SCIENCE
& TECHNOLOGY**

Both the FMCIDE and the FMIST made a strategic push in 2025 toward Nigeria's technological self-reliance and economic diversification. FMCIDE emphasises rapid scaling of digital infrastructure and ecosystem building to compete globally, while FMIST prioritises foundational research and STEM capacity to underpin long-term industrial growth. Their directions complement each other: FMCIDE drives applied, market-facing digital acceleration, and FMIST builds the scientific base for sustainable innovation.

FMCIDE's 2025 direction: Digital infrastructure and global competitiveness

FMCIDE directed efforts toward immediate expansion of the digital economy. Key thrusts include broadband projects like the 90,000km fibre-optic rollout and Project Bridge, alongside 5G deployment for nationwide access.

The ministry advanced policy frameworks including the National Digital Economy and E-Governance Bill 2024, and regulations on digital transactions, e-signatures, and cybersecurity to foster a competitive digital marketplace. It also strengthened oversight of the Galaxy Backbone to regulate telecoms, ISPs, and fintech, ensuring compliance and seamless services.

The FCMIDE ensured talent development by creating the 3MTT Programme for 3 million skilled Nigerians in AI, data science, and software; and global partnerships with Google, Microsoft, and Meta, for commercialisation.

This positions FMCIDE as the engine for 2025 digital transformation, prioritising speed, scalability, and economic impact through infrastructure and skills.

FMIST's 2025 Direction: Foundational Research and Industrial Application

The FMIST focused on deepening scientific foundations across 17 research institutes for sector-wide solutions in various sectors – with the Sankore project being its 2025 initiative to strengthen research commercialisation, innovation policy, and technology transfer.

The FMIST implemented the 2022 National Science, Technology and Innovation Policy to coordinate research priorities, promote indigenous capacity, and enable technology transfer from labs to industries. It manages IP protection through patents, ensuring research standards compliance, and aligning activities with constitutional STEM mandates.

The FMIST also enhances post-basic science education, trains technicians through NISLT, builds researcher capacity with tertiary institutions, and funds basic research in renewables, bio-resources, and adaptations for practical applications.

FMIST's trajectory emphasises enduring R&D investment, targeting 2025 breakthroughs in core sciences to support national industrialisation.

Comparative Analysis and Synergies

Aspect	FMCIDE (Digital Acceleration)	FMIST (Scientific Foundations)
Core Focus	Infrastructure, Broadband, 5G, Fintech Regulation	Basic/Applied Research in Energy, Bio-Resources, Labs
Policy Emphasis	Digital Economy and E-governance Bill, Blockchain	STI Policy 2022, Tech Transfer, IP Protection
Talent Strategy	Mass Training (3MTT) in AI/Software	STEM Education, Researcher Capacity Building
Funding/Output	Startup Ecosystems, Global Partnerships	Grants for Long-term Research Applications
2025 Impact	Economic/Digital Competitiveness	Industrial/Agricultural Modernisation

The ministries converge on talent development and policy alignment but diverge in pace: FMCIDE's agile, deployment-heavy approach accelerates short-term gains, while FMIST's methodical research builds resilience. Together, they form a dual-track strategy—FMCIDE for digital leapfrogging, FMIST for innovation sustainability—potentially ensuring synergy through joint tech transfer (e.g., FMIST labs feeding FMCIDE startups).

4. Digital Identity



FGN seeks to modernise the NIMS

As part of efforts to transform the National Identity Management System and to align it with global best practices, Nigeria **launched** a \$83 million international tender to modernise the NIMS under the Nigeria ID4D initiative, building on prior World Bank support.

The upgrade will implement NIMS 2.0 by using the Modular Open Source Identity Platform, integrating biometric systems, government relationship tools, and disaster recovery infrastructure. The project includes data migration, hardware commissioning, and training for NIMC staff to ensure long-term sustainability.

NIN becomes mandatory for access to public social services

In February 2025, the FGN **mandated** the use of the NIN for access to all social services, aligning with the World Bank-backed goal of issuing 180 million digital IDs by 2026. The directive aims to strengthen the country's digital identity management system. The increasing NIN **adoption** is a presidential priority and there are calls for strong collaboration between government agencies and the NIMC to expand digital ID coverage and ensure inclusivity.

Nigeria launches the ECOWAS National Biometric Identity Card (ENBIC)

In November 2025, Nigeria **launched** the ECOWAS National Biometric ID Card (ENBIC). The regional ID card was instituted by ECOWAS heads of state in 2014 to strengthen regional trade and development. It includes a security system capable of transforming border control and intelligence gathering, thereby revolutionising travel across West Africa while promoting economic growth and combating trans-border crimes and irregular migration. This move represents Nigeria's commitment to enhance digital inclusion and facilitate seamless movement and commerce across West Africa.

5. Digital Health



● Legislative and Regulatory updates

House of Representatives seeks to pass the Digital Health Bill

The **proposed** Digital Health Services Bill, 2025, aims to establish a comprehensive legal framework for regulating the country's rapidly growing digital health sector. Having had its first reading before the House of Representatives on 19 March 2025, the bill is now awaiting its second reading. The bill seeks to **integrate digital technologies** into the national healthcare system and establish clear guidelines for service providers to improve access, quality, and efficiency of healthcare for all citizens.

Progress on the National Digital Health Initiative (NDHI)

Launched in March 2024, the National Digital Health Initiative **continues** to serve its purpose: improving healthcare outcomes by addressing the lack of real-time data access, poor system interoperability, and siloed service delivery models that currently exist across the country.



Finance and Corporate Sector

The finance and corporate sectors continued to drive significant regulatory and policy innovation in 2025, building on the transformative momentum of previous years. This year witnessed Nigeria's financial sector undergoing advancements through landmark legislative reforms, enhanced regulatory frameworks, and accelerated digitalisation initiatives aimed at strengthening market integrity, improving capital access, and positioning Nigeria competitively within the global financial system.

1. Central Bank of Nigeria (CBN)



● Foreign Exchange

Regulating the Nigerian Exchange Market

The CBN released the [Nigeria Foreign Exchange \(FX\) Code](#) to strengthen integrity and address challenges in the Nigerian FX market. [The FX Code](#), modelled on the principles of the Global FX Code, is structured around six principles: ethics, governance, execution, information sharing, risk management and compliance, and confirmation and settlement processes. The Code imposes obligations, including the implementation of anti-money laundering measures, and sets deadlines for participants to ensure compliance.

The CBN further released a [statement of commitment to the FX Code](#), acknowledging the FX Code as a global standard and reaffirming its commitment to upholding its principles.

Other measures also include;

CBN [commences mystery shopping exercise](#) against bureaux de change. This forms part of the CBN's efforts to combat AML/CFT/CPF and other illicit financial activities in the country.

● Compliance

CBN publishes Baseline Standards for AML Solutions

As part of its mandate to combat financial crimes and ensure the stability and integrity of the Nigerian banking system, the CBN published the draft [Baseline Standards for Automated Anti-Money Laundering \(AML\) Solutions](#), (the "Standards") for stakeholders' comments.

The Standard which aligns with global best practices seeks to promote efficiency and regulatory compliance with AML/CFT/CPT requirements among financial institutions in Nigeria. Its objectives include encouraging the use of emerging technologies to improve the detection and reporting of suspicious transactions and strengthening AML/CFT/CPT capabilities of financial institutions through the adoption of technology-driven approaches.

CBN seeks to protect consumers in the financial system

The CBN also published the [Bank Customers' Bill of Rights](#) which outlines key protections and obligations to strengthen consumer confidence in the financial system. The Bill emphasises customer rights such as the right to be informed, to choose, to safety, privacy, and confidentiality; redress; good service; equality; security; fairness; and accountability in bank-customer relationships. The CBN also set out customer duties, including the duty of knowledge and understanding, fulfilling financial obligations, safeguarding personal information and assets, providing accurate disclosures and promptly reporting fraud or errors. These provisions form the baseline for consumer protection and responsible banking conduct in Nigeria.



CBN publishes draft Guideline on Authorisation Push Payment (APP) Fraud

In November 2025, the CBN released an [Exposure Draft on Authorised Push Payment \(APP\) Fraud](#) that fundamentally shifts fraud liability from victims to financial institutions. The Guidelines mandate 48-hour reimbursement post-investigation (within 14 days), require Early Warning Systems, 24/7 reporting channels, and board-level oversight, while holding institutions liable for failing to detect or freeze fraudulent transactions. By establishing clear eligibility criteria, protecting vulnerable customers, and imposing strict timelines, the guideline transforms fraud prevention from a customer burden into a systemic responsibility that compels proactive institutional investment rather than reactive loss management.

● Corporate Finance

CBN provides support to post-COVID transitioning financial institutions

The CBN [introduced targeted, time-bound measures](#) for a small number of banks still completing the transition from the post-COVID regulatory support provided by the CBN. These measures include temporary restrictions on capital distributions such as dividends and bonuses, to ensure affected banks retain more earnings and strengthen their capital base.

While most banks are already on track to meet the March 31, 2026 recapitalisation deadline, the CBN is providing limited flexibility within the capital framework to support a smooth transition. The Bank stressed that these supervisory steps are routine and aimed at safeguarding sector stability while reinforcing the broader recapitalisation programme.

International Banking Solutions

CBN publishes framework to support funds remittance by non-resident Nigerians

In January, the CBN [introduced a framework](#) on two new [financial instruments](#): the Non-Resident Nigerian Ordinary Account and the Non-Resident Nigerian Investment Account. The NRNOA allows non-resident Nigerians to remit foreign earnings, supports deposits in multiple currencies, and enables unrestricted repatriation of foreign currency balances. Meanwhile, the NRNIA facilitates investment in Nigeria through various assets and simplifies the repatriation of funds without requiring an Electronic Certificate of Capital Importation.

Additionally, the CBN, in partnership with the Nigeria Inter-Bank Settlement System, launched the [NRBVN framework](#), a digital solution designed to enable Nigerians living abroad to access banking services in Nigeria securely. With the NRBVN, Nigerians overseas can obtain BVN remotely through a secure digital process backed by strong KYC and digital verification protocols.

Launch of the Nigeria Payments System Vision 2028

The CBN has [launched the Nigeria Payments System Vision 2028 \(PSV 2028\)](#), a new strategic framework to guide the country's payments ecosystem for the next three years. Building on earlier reforms and the PSV 2020 and 2025 roadmaps, the initiative aims to deepen financial inclusion, improve infrastructure interoperability, and drive innovation. PSV 2028 will be developed through a collaborative, stakeholder-led process involving regulators, banks, fintechs, consumer groups, and other key players.

Five thematic working groups have been established and will focus on infrastructure and interoperability; digital financial inclusion, consumer protection, and financial literacy; innovation, digital identity, and emerging technologies; cross-border payments and CBDC integration; and regulation, risk management, and cybersecurity. Also, a sixth group on strategic communications and stakeholder engagement is being formed to promote awareness and engagement with the framework.

CBN approves open banking implementation

In April, the CBN [approved open banking](#) implementation for August 2025, making it Africa's first country to implement this framework four years after its initial release. Customers can now consent to share data such as account balances, transaction histories, and spending patterns via standardised APIs, with a central registry and BVN-linked consent management to ensure control. However, the go-live date of August has now been shifted to early 2026.

● The Recapitalisation Drive: A 2025 Status Report

The most significant structural development in the Nigerian financial sector in 2024-2025 has been the ongoing banking recapitalisation exercise. While the headline-grabbing activities of banks rushing to the market have dominated 2025, the seed was sown in the preceding year. This report details the journey from policy announcement to market execution, and analyses the progress made by major banks as of November 2025.

Genesis of the Recapitalisation Drive

The current recapitalisation cycle was formally initiated by the CBN on [March 28, 2024](#). The policy was not conceived in isolation but was a cornerstone of the broader strategic agenda to grow the Nigerian economy to a [\\$1 trillion](#) GDP by 2030.

The CBN's rationale was clear: the bank's existing capital base, eroded by inflation and currency devaluation, was insufficient to meet the financing needs of a rapidly expanding economy. The 2004/5 recapitalisation which set a ~~₦25 billion~~ benchmark was no longer fit for purpose two decades later.



The CBN Mandate and Timelines:

The CBN introduced a tiered minimum capital requirement based on the scope of a bank's license:

International Authorisation:
₦500 billion

National Authorisation:
₦200 billion

Regional Authorisation:
₦50 billion

Merchant Banks:
₦50 billion

Non-Interest: ₦20 billion (National);
₦10 billion (Regional)

The CBN provided a 24-month compliance timeline, effective from April 1, 2024, to March 31, 2026. This gave banks a two-year window to shore up their capital through various means, including Rights Issues, Private Placements, Public Offers, and Mergers & Acquisitions.

Market response: A surge in capital raising activities (2024-2025)

Throughout 2024 and intensifying in 2025, banks embarked on aggressive capital-raising campaigns. The following table tracks the progress of 10 major banks, comparing their capitalisation positions at the start of 2024 (before the announcement's full impact) with their estimated positions as of November 2025 following their respective capital raises.

The market has witnessed a surge in activity as banks pursued a variety of strategies available under the law to shore up their capital:

- **Public Offers & Rights Issues:** Many banks returned to the capital market to raise funds from new and existing shareholders.
- **Mergers & Acquisitions (M&A):** The market has been rife with talks of consolidation, as some banks explore mergers to create larger, more resilient entities.
- **Private Placements:** Some institutions have successfully attracted significant investments from institutional and private investors via the NGX.
- **License Re-categorisation:** A few banks have reportedly considered downgrading from an international license to a national license, which has a lower (though still significant) ₦200 billion requirement.

Bank	Licence Category	Share capital (₦bn) ~Dec 2023/ Jan 2024	Share Capital (₦bn) ~Nov 2025 (Post-Raise)	Primary Method(s) Used
Access Holdings Plc	International	₦251.81bn	₦594.90bn	Rights Issue: ₦370.41 (Completed)
FBN Holdings Plc	International	₦251.82bn	₦378.04bn	Rights Issue: ₦187.6bn (Completed)
UBA	International	₦115.82bn	₦350.08bn	Rights Issue: ₦251.bn (Completed) ₦157bn (In Progress)
Zenith Bank Plc	International	₦270.76bn	₦614.65bn	Public Offer: ₦188.38bn Rights Issue: ₦162.08bn
Guaranty Trust Holding Co.	International	₦138.19bn	₦346.30bn	Public Offer: ₦209.41bn

Bank	Licence Category	Share capital (₦bn) ~Dec 2023/ Jan 2024	Share Capital (₦bn) ~Nov 2025 (Post-Raise)	Primary Method(s) Used
FCMB Group Plc	International	₦125.29bn	₦266.23bn	Public Offer: ₦147.5bn
Stanbic IBTC	International	₦109.26bn	₦255.0bn	Public Offer: ₦148.7bn
Fidelity Bank Plc	National	₦129.71bn	₦305.56bn	Public Offer: ₦231.97bn Rights Issue: ₦40.98bn
Wema Bank Plc	National	₦15.13bn	₦211.65bn	Public Offer: ₦150bn
Sterling Financial Holdings	National	₦57.15bn	₦156.98bn	Public Offer: ₦88.07bn; Rights Issue: ₦67.5bn
Union Bank Plc	National	₦148.09bn	₦148.09bn	Merger with Titan Trust Bank

Fig. 1 - Comparative Capitalisation: Major Nigerian Banks (2024 vs. 2025)

(Note: Figures are estimates for illustrative report purposes, based on publicly [available data and market activities](#).)

The bank recapitalisation exercise has been the defining theme of Nigeria's financial sector in 2024 and 2025. The proactive response from major banks has demonstrated the sector's resilience and capacity to mobilise domestic and international capital.

As we approach the final quarter before the March 31, 2026, deadline, the focus will shift to the remaining banks that still need to complete their capital raises. Furthermore, the market anticipates a wave of consolidation as smaller banks struggling to meet the new thresholds may seek mergers or be acquired by their larger, well-capitalised counterparts.

As banks strengthen their capital base, they may become better positioned to finance the tech sector (particularly digital banks, digital lending companies, and financial technology-related services companies) that drives a significant portion of the country's economic growth. This is because stronger banks are essential to financing and supporting the infrastructure, businesses (startups), and digital initiatives needed to achieve the Federal Government's goal of creating a \$1 trillion economy by 2030. In other words, the recapitalisation creates an opportunity for banks to redirect their enhanced capital toward productive and progressive lending.

2. Securities and Exchange Commission (SEC)



● Legislative/Regulatory Updates

The Federal Government enacts the Investments and Securities Act 2025

The Federal Government of Nigeria [enacted the Investments and Securities Act 2025](#) (ISA 2025), which provides a modernised framework for the regulation of Nigeria’s capital markets. The Act, which repeals the ISA 2007, was introduced to strengthen investor protection, align Nigeria’s market regulation with international best practices, and provide clarity in emerging areas such as digital finance and private equity.

The ISA 2025 establishes a more comprehensive and transparent regulatory regime by expanding the powers of the SEC, classifying securities exchanges, and formally recognising virtual and digital assets and investment contracts as securities. Although the stricter treatment of collective investment schemes, including private equity and venture capital funds, may increase compliance costs for fund sponsors, the Act offers greater certainty for investors and market participants.

Furthermore, by criminalising Ponzi schemes and prohibiting unlawful investment schemes, ISA 2025 also enhances enforcement mechanisms, fostering a safer investment environment. The management of systemic risk monitoring and the mandatory Legal Entity Identifiers aim to improve market stability and transparency. Overall, the ISA 2025 represents a significant step in strengthening Nigeria’s capital market governance and positioning it for sustainable growth.

● Partnership and Collaboration

SEC joins IOSCO/ISSB Sustainability Network

SEC formally [joined the Growth and Emerging Markets Committee \(GEMC\)](#), a sustainability network under the International Organisation of Securities Commissions. This would align the Nigerian capital market more closely with global sustainability standards and give Nigeria access to capacity-building resources, supervisory frameworks, and guidance on implementing the International Sustainability Standards Board disclosures. By becoming a part of GEMC, the SEC aims to elevate Nigeria’s credibility in the global capital markets and deepen investor confidence.

3. New Tax Regime



In June 2025, the President [signed four pivotal tax reform bills](#) into law. These statutes are framed as a modernisation effort designed to streamline a historically fragmented revenue system, reduce the multiplicity of taxes, and broaden the tax net to include the burgeoning digital and remote-work sectors.

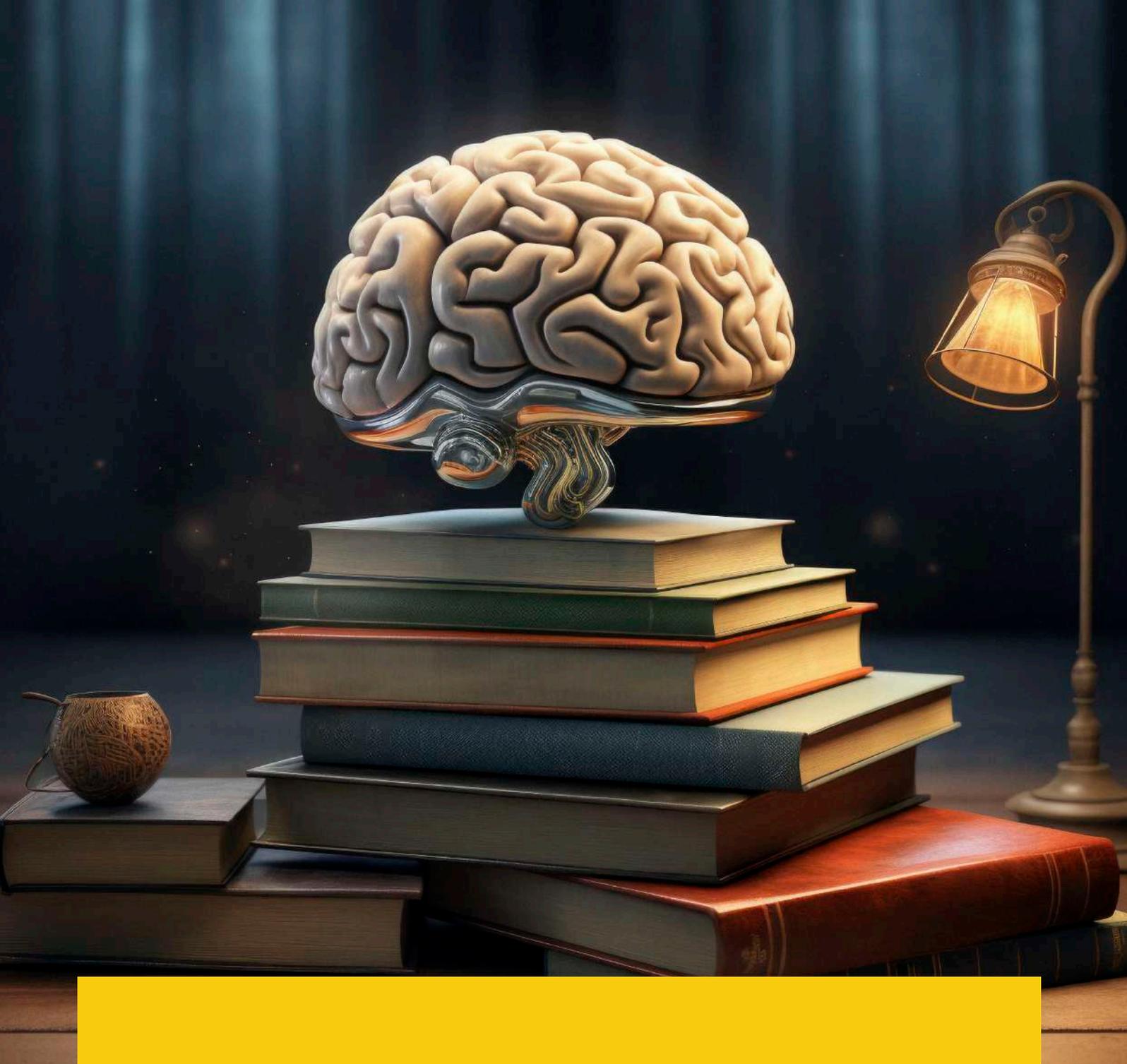
The 4 Acts, which took full effect in January 1, 2026, are:

The Nigeria Tax Act: This omnibus legislation consolidates multiple legacy tax statutes—including the Companies Income Tax Act (CITA), Personal Income Tax Act (PITA), and Value Added Tax (VAT) Act—into a single, unified statute. Its primary objective is to simplify the tax code, but it introduces significant progressive tax rates for high earners. The category that encompasses a significant portion of Nigeria’s senior tech talent.

The Nigeria Tax Administration Act: This Act establishes a uniform legal and operational framework for tax administration across all tiers of government (federal, state, and local). It aims to eliminate the chaotic "multiple taxation" scourge that has long plagued telecom operators and tech startups, in which right-of-way charges and levies are arbitrarily imposed by sub-national actors.

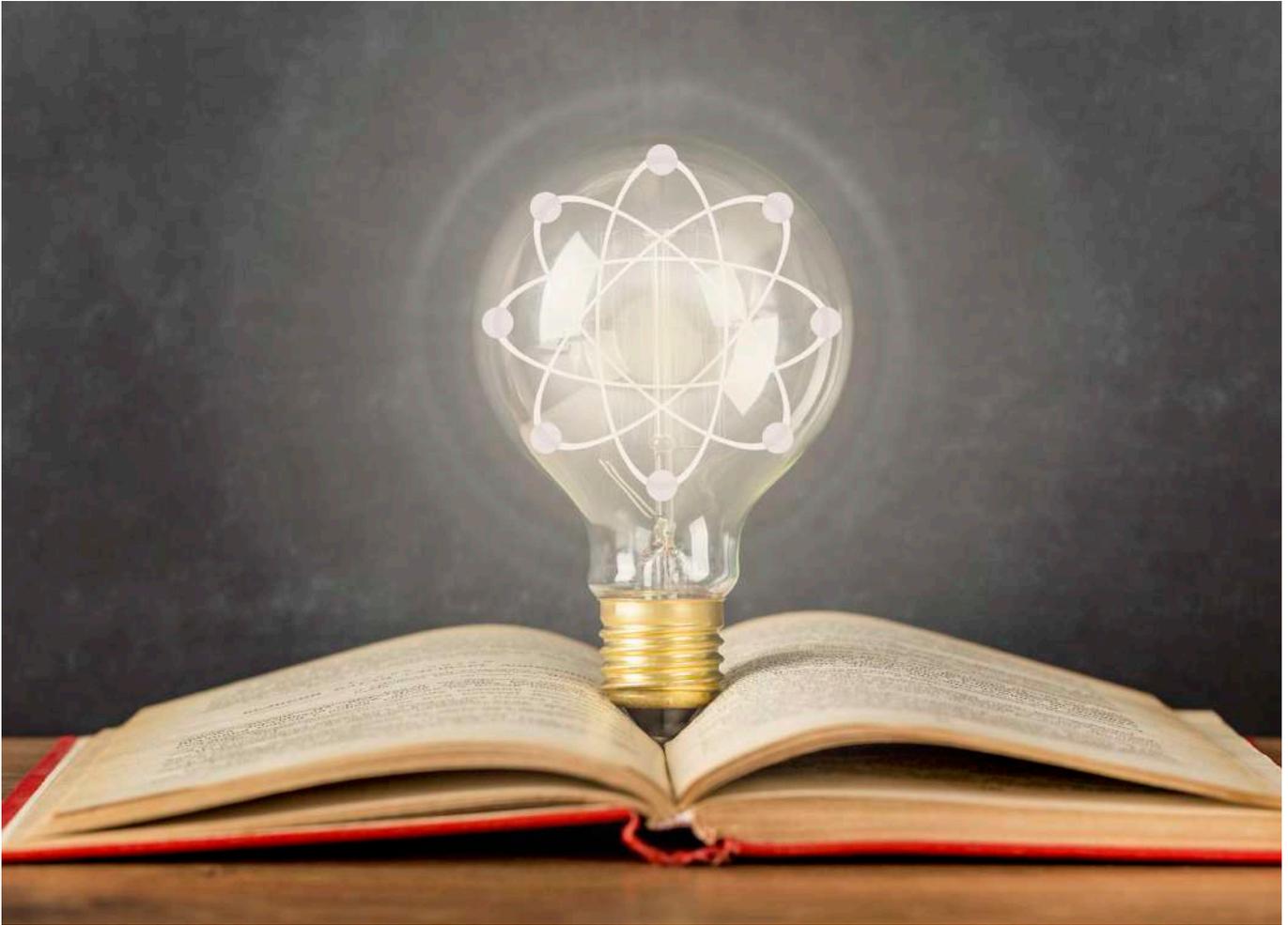
The Nigeria Revenue Service (Establishment) Act: This legislation repeals the Federal Inland Revenue Service (FIRS) Act, effectively renaming the agency the Nigeria Revenue Service (NRS). The renaming is more than cosmetic; the NRS is granted greater autonomy and an expanded mandate to collect non-tax revenues, placing it at the centre of the government’s aggressive revenue drive.

The Joint Revenue Board (Establishment) Act: This Act addresses inter-agency friction, and creates a governance structure to harmonise tax efforts between federal and state authorities. Crucially, it establishes the Office of the Tax Ombudsman, intended to serve as an independent mediator for taxpayer complaints—a potential shield for businesses against aggressive tax drives.



Intellectual Property

FEC launches National Intellectual Property Policy and Strategy



In November 2025, the FEC officially [approved](#) and launched the National Intellectual Property Policy and Strategy Nigeria's first unified framework for protecting and commercialising intellectual property rights. The policy was developed with technical support from the World Intellectual Property Organisation and contributions from over 200 stakeholders.

The Policy marks a major milestone in strengthening Nigeria's innovation and creative economy. It aims to transform ideas into economic assets, protect original works and inventions, and create new revenue streams for creators and innovators. By aligning with international standards and reinforcing government commitment to innovation,

NIPPS is expected to catalyse growth in the creative and technology sectors, attract investment, and position Nigeria as a regional hub for intellectual property and innovation in West and Central Africa.

Notable Mentions



NCC plans on revising the Nigeria Communications Act, 2003, to address emerging technologies and cybersecurity with the NCA Act (Amendment) Bill 2025, scaling the first reading.

Nigeria's digital broadband penetration reaches an all time high of 49.3%.

CBN mandates financial institutions and payment service providers to migrate to the ISO 20022 payment messaging standard and implement geo-tapping of payment terminals.

Lagos State advances Nigeria's AI Guidelines

Digital Economy and Mainstreaming Bill passes first reading at the House of Representatives.

The Electric Vehicle Transition and Green Mobility Bill Passes Second Reading at the Senate

The Ease of Doing Business Act (Amendment) Bill passes through first reading at the House of Representatives.

The Fintech Regulatory Commission (Establishment) Bill passes the second reading at the House of Representatives.

Trends: Patterns Observed Within the Ecosystem

Several distinct patterns have emerged, ranging from positive developments to more disturbing trends, including:



● Internet Connectivity Counter-Decline

In Q1 2025, Nigeria's telecommunications sector faced a historic downturn marked by sharp declines in data consumption and subscriber numbers, reflecting its most severe contraction to date. However, this trend reversed notably by September, with subscriber counts rising from 169.3 million to 173.5 million. Data consumption reached unprecedented levels in July, hitting 1.13 million terabytes, while broadband penetration achieved a record high of 49.34%.

Despite this progress, broadband adoption remains significantly below the national target of 70% for 2025, with key stakeholders [acknowledging](#) that Nigeria still has substantial ground to cover to meet its connectivity goals.

● Ecosystem Maturation Through Policy Operationalisation

2025 witnessed the operationalisation of certain existing regulations—the NDPC's issuance of ₦766 million in fines, compliance notices to over 1,000 organisations, and the GAID taking effect exemplify this shift. Similarly, the banking sector's recapitalisation drive moved from CBN directive to tangible capital raises totalling hundreds of billions of naira across major institutions. This transition from aspirational policymaking to consequential enforcement signals a maturing regulatory environment in which frameworks are tested in real-world applications rather than remaining theoretical constructs. This trend suggests Nigeria's regulators have moved beyond establishing legitimacy through policy development and are now focused on demonstrating credibility through consistent implementation and measurable outcomes.

● Strategic International Alignment

There has been a deliberate move to embed Nigeria's regulatory culture within global regulatory architectures rather than developing isolated national frameworks, for example, Nigeria's associate membership in the Global CBPR Forum, SEC's integration into the IOSCO/ISSB Sustainability Network, CBN's adoption of ISO 20022 standards and alignment with the Global FX Code, and the FEC's approval of the AfCFTA Protocol on Digital Trade. These moves demonstrate systematic efforts to make Nigerian regulations interoperable with international standards. The approach represents a calculated departure from regulatory nationalism, recognising that in an interconnected digital economy, regulatory isolation imposes competitive disadvantages.

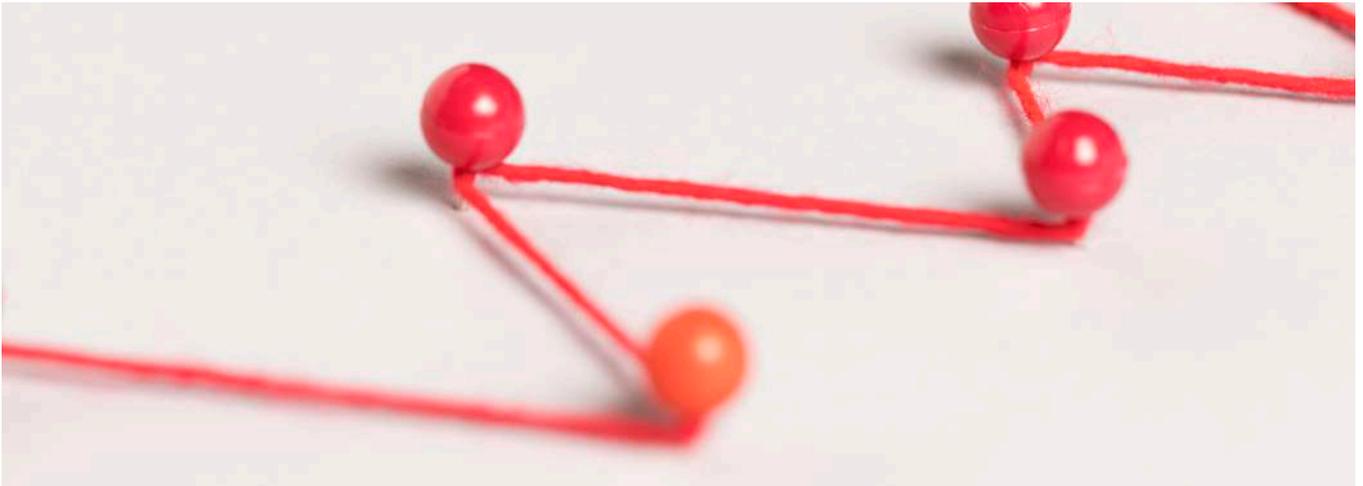
By harmonising with global frameworks, Nigeria is positioning itself as a credible jurisdiction for international capital and regional digital trade—using standards alignment as an economic development strategy to attract investment and facilitate market access for Nigerian firms operating beyond national borders.

● Sovereignty Assertion Through Digital Localisation

Nigeria's 2025 policy trajectory revealed a deliberate shift toward digital sovereignty, asserting national control over critical technology infrastructure and data. The National Sovereign Cloud Initiative's Technical Working Group, the NIMS modernisation using the open-source MOSIP architecture, the Nigerian Data Exchange Platform for secure inter-agency data sharing, and N-ATLAS V1, an indigenous multilingual AI model, collectively demonstrate systematic efforts to reduce dependence on foreign technology providers. This localisation impulse extends to a proposed legislative amendment requiring social media platforms to maintain physical offices in Nigeria and mandatory NIN integration for access to social services. This trend reflects recognition that digital infrastructure constitutes strategic national assets requiring domestic oversight

● Nigeria Capital Market Rallies

The Nigerian stock market sustained a remarkable bullish run in 2025, with a ₦35.07 trillion in capital gains to investors in the first 10 months. Market capitalisation increased by 55.87% from ₦62.763 trillion to ₦97.829 trillion. The rally was driven by successful foreign exchange reforms, which strengthened the Naira to ₦1,421/\$, the banking sector's [recapitalisation](#); undervalued stock [corrections](#); strong corporate earnings; and regulatory reforms, including the Investments and Securities Act 2025. While the rally reflects genuine reforms and investor confidence in select blue-chip companies, it represents a financialised boom occurring amid connectivity collapse, tech ecosystem implosion, and 133 million Nigerians trapped in poverty, raising questions about sustainability and whether capital is flowing to productive sectors that create inclusive growth.



Crossing the red lines: disturbing trends

We also recorded some disturbing trends in the tech ecosystem, including the civic tech funding crisis and regulatory fragmentation.

● Foreign Aids Dwindle as Nigeria's Civic Technology Sector Faces Funding Crisis

Nigeria's civic tech sector faced a crisis following the U.S. government's funding freeze, which [impacted 67% of organisations](#) with some losing up to 50% of their budgets. This crisis exposes dangerous over-reliance on foreign aid in a sector that provides critical democratic infrastructure. The broader economic implications are severe: without civic tech watchdogs, corruption and mismanagement will flourish unchecked, deterring foreign investment and weakening fiscal discipline. The collapse threatens Nigeria's investment climate, erodes accountability mechanisms essential for economic governance, and signals systematic failure to build domestic funding for public goods. This mirrors the 2025 tech funding crisis, both exposing Nigeria's inability to sustain critical infrastructure without external capital, undermining long-term economic stability and democratic foundations.

● Regulatory Fragmentation

Nigeria is currently grappling with a concerning surge in regulatory fragmentation, where multiple agencies assert overlapping authority over key sectors, leading to regulatory ambiguity and heightened compliance burdens. This is exemplified by the [proposed Nigerian Fintech Regulatory Commission](#) aimed at resolving jurisdictional overlaps among regulators such as the CBN, NITDA, FCCPC within the fintech ecosystem. This trend imposes severe economic costs, multiplying compliance burdens, deterring investment through regulatory uncertainty, and wasting scarce government resources on duplicative agencies. As Nigeria's tech ecosystem faces a funding collapse and connectivity crisis, the government's response to create more regulatory bodies rather than streamlining and strengthening existing ones, thereby compounding rather than solving the sector's systemic challenges.

● **Legislative Redundancy and AI Governance Paralysis**

Another concerning pattern in 2025 was the five separate bills proposed to regulate artificial intelligence in Nigeria. This reveals a dangerous trend of legislative fragmentation that threatens to paralyse rather than enable AI development. These multiple competing legislative initiatives: occurring simultaneously with the establishment of the National AI Trust, proposals for a National Artificial Intelligence Council, etc, demonstrate a fundamental absence of coordinated governance strategy. Each bill likely reflects different stakeholder interests, varying technical understanding, and conflicting policy priorities, creating a scenario in which Nigeria may end up with multiple overlapping or incompatible AI legal frameworks rather than a coherent regulatory regime. The disturbing implication is that while Nigeria successfully launched N-ATLAS V1, integrated AI into school curricula, and established the AI Scaling Hub with substantial international funding, the legislative foundation for AI governance remains mired in competing visions and jurisdictional battles. This legislative chaos could create practical problems, as entrepreneurs cannot build AI businesses when they don't know which of the potential legislative frameworks will govern their operations; investors cannot commit capital when the legal environment remains fundamentally uncertain; and international partners cannot engage meaningfully when Nigeria's AI governance architecture remains contested and undefined. Most critically, by the time these legislative conflicts are resolved, Nigeria may miss the narrow window for establishing AI leadership in Africa, as other jurisdictions with clearer regulatory pathways would have attracted the investments, talent, and relevant infrastructure.

● **The Data Sovereignty-Integration Paradox: Conflicting Policy Trajectories**

Nigeria's 2025 tech policy trends reveal a fundamental contradiction between two simultaneous strategic directions that will create severe implementation challenges. On one hand, Nigeria aggressively pursued international integration through associate membership in the Global CBPR Forum, SEC's joining of the IOSCO/ISSB Sustainability Network, CBN's adoption of the Global FX Code, and FEC's approval of the AfCFTA Protocol on Digital Trade; all premised on regulatory harmonisation, cross-border data flows, and interoperability with global standards. On the other hand, Nigeria advanced digital sovereignty initiatives, including the National Sovereign Cloud Initiative, mandating data localisation, etc, all asserting national control over digital infrastructure and data.

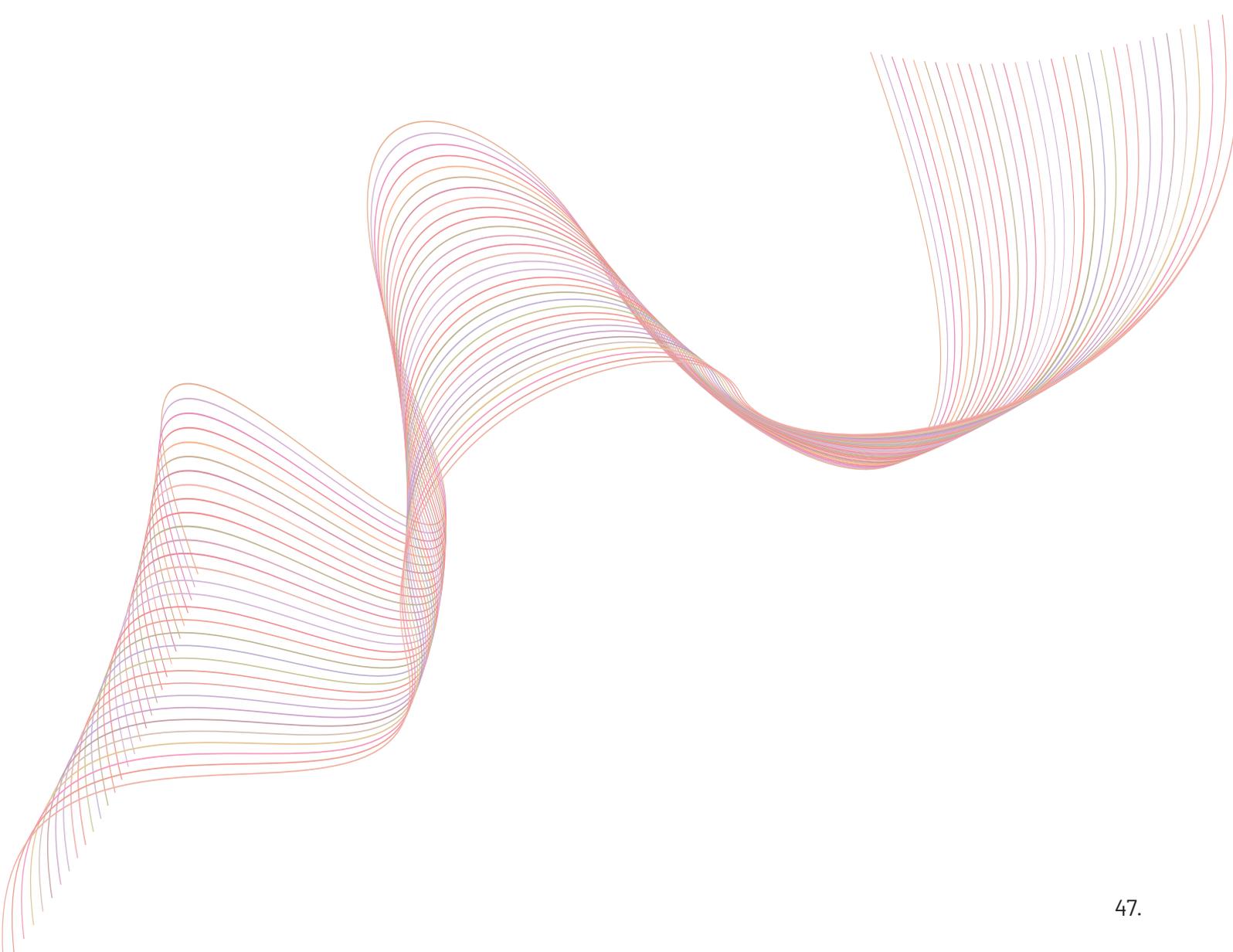
These trajectories are fundamentally incompatible. For example, the CBPR Forum facilitates free cross-border data transfers, while the Sovereign Cloud Initiative promotes data localisation; international standards alignment requires regulatory harmonisation, while sovereignty assertion demands policy autonomy; global integration necessitates openness to foreign technology providers, while localisation initiatives deliberately restrict them. These contradictions will force impossible choices: either Nigeria violates its international commitments by implementing restrictive sovereignty measures, or it abandons sovereignty initiatives to maintain international credibility, with each path undermining the other's strategic objectives.

● Internet Shutdown

There was a prolonged internet shutdown imposed on 4 local government areas in Zamfara North (Birnin Magaji, Kaura Namoda, Shinkafi, and Zurmi). The blackout, which lasted for months starting in late May/June 2025, was ostensibly a security measure against banditry. However, the shutdown weakens local economies, cuts off emergency services, fails to improve security demonstrably, and denies individuals the opportunity to render and enjoy digital services.

● Tax Burden on Resident Remote Worker

The tax reforms, as gazetted, introduce a "worldwide income" taxation principle for residents, meaning tech workers living in Nigeria but earning foreign currency from remote jobs are now fully liable to Nigerian tax authorities. The implication of this is that remote workers may face effective tax hikes due to naira volatility, thereby increasing their liability. There is also the risk of double taxation, and further "brain drain" as skilled tech talent may relocate to low-tax jurisdictions, undermining Nigeria's 3MTT goals and digital economy push under FMCIDE. Furthermore, the introduction of a withholding tax on digital platforms creates a "paperwork nightmare" for freelancers, effectively enforcing double taxation at the source.



Outlook for 2026



Market Consolidations in the Financial Sector: We anticipate that early 2026 will feature strategic mergers between financial institutions seeking to meet the recapitalisation threshold, or gain competitive advantage. By mid-2026, as deadlines loom, defensive mergers and acquisitions will dominate, as struggling institutions may accept unfavourable terms to avoid license revocation. Also, undercapitalised institutions will face depressed valuations, creating opportunities for well-funded acquirers to consolidate market share at attractive prices.

Litigation on the Tax Laws: We anticipate an unprecedented wave of litigation that will likely define 2026 as the most contentious year in Nigerian tax jurisprudence. The litigation arises from three distinct but interconnected sources: alleged post-passage alterations to the enacted laws, constitutional challenges to specific provisions, and renewed federal-state conflicts over fiscal federalism and revenue allocation.

Intensified data protection enforcement: Building on the fines issued in 2025 and the compliance notice it issued, we expect the NDPC to escalate enforcement against non-compliant companies and expand sectoral investigations.

Digital economy bill enactment and regulatory harmonisation: The Digital Economy and E-Governance Bill will likely pass into law, establishing Africa's first comprehensive legal framework for electronic transactions and AI ethics. This enactment will force resolution of the current AI governance paralysis created by five competing legislative proposals, potentially through consolidation under a single omnibus framework.

Improved data-sharing capabilities: In line with the FMCIDE's plans to deliver the Nigerian Data Exchange Platform and the imminent enactment of the Digital Economy and E-Governance bill, we anticipate the development of data-sharing mechanisms among MDAs.

Legislative amendment: We anticipate revisions to the Nigeria Communications Act, 2003, to address emerging technologies in the telecoms industry, and the Cybercrime (Amendment) Act 2025. The Cybercrimes Amendment Act exposed lapses, including vague provisions on surveillance/data retention that risk abuse, and failed constitutional safeguards. These flaws, coupled with criticisms over stifling free speech and inadequate protections against misuse (e.g., against journalists), may necessitate further amendments to the Act to clarify its scope, enhance oversight, and align with evolving digital threats and rights standards.



Conclusion

As 2025 draws to a close, Nigeria's technology landscape stands at a point characterised by unprecedented regulatory maturity, systematic execution of digital infrastructure initiatives, and deepening integration into global technology governance frameworks, yet shadowed by persistent structural vulnerabilities that threaten to undermine these achievements. The year has demonstrated that Nigeria possesses both the institutional capacity and political will to translate ambitious digital transformation agendas into tangible outcomes: from the data protection fines and compliance notice, signaling serious enforcement intent, to the banking sector's mobilisation of hundreds of billions in recapitalisation funds which will further support the tech ecosystem, to the launch of N-ATLAS V1 positioning Nigeria as an AI innovator rather than merely a consumer of foreign technology.

However, the contradictions embedded within Nigeria's 2025 digital trajectory demand honest interrogation. A stock market rally occurred alongside catastrophic connectivity declines and over 133 million citizens trapped in poverty. The country's largest tech talent programme (3MTT) launched as civic technology organisations lost 67% of their funding, threatening the accountability mechanisms essential for sustainable digital governance. Regulatory frameworks consolidated even as fragmentation proliferated through proposed new commissions and overlapping mandates. These paradoxes reveal that Nigeria's digital progress remains characterised by islands of progress within an ocean of systemic dysfunction—where regulatory sophistication coexists with infrastructure deficits, and where government-led capacity building advances even as private sector innovation struggles for capital.

The developments catalogued throughout this report demonstrate that Nigeria's fundamental challenge has shifted from policy formulation to implementation sustainability, from regulatory creation to enforcement consistency, from framework establishment to ecosystem nurturing, and from isolated initiatives to systemic integration.

As we look to the future, a few critical priorities stand out:

Mobilising Domestic Capital: Reducing dangerous over-reliance on foreign aid and external investment requires developing mechanisms such as tax incentives, public-private partnerships, domestic venture funds, and diaspora engagement to mobilise Nigerian capital for digital infrastructure and innovation.

Strengthening Accountability Mechanisms and Democratic Digital Governance: developing sustainable domestic funding mechanisms for civic technology organisations independent of foreign aid volatility, embedding transparency and accountability requirements within all digital infrastructure projects, ensuring meaningful public participation in technology policymaking beyond performative consultations, protecting digital rights and preventing technology-enabled authoritarianism as surveillance capabilities expand, and maintaining independent oversight mechanisms that can scrutinise government digital initiatives.

Building Resilient Digital Infrastructure: Accelerating implementation of existing infrastructure projects with transparent milestone tracking, regulatory incentives for operators to extend coverage to commercially unviable areas through universal service obligations, investment in resilient infrastructure that addresses the Q1 2025 connectivity collapse, strategic deployment of alternative connectivity solutions, including satellite broadband for remote areas, and integration of digital infrastructure planning into broader national development frameworks. Infrastructure development must be understood not as a telecommunications sector issue but as foundational national infrastructure equivalent to roads and electricity—requiring similar levels of public investment, coordination, and long-term planning.

Ensuring Macroeconomic Stability as a Foundation for Digital Investment: Creating a stable, predictable investment climate will attract long-term capital and support the growth of both startups and established tech companies. Yet macroeconomic volatility and foreign exchange challenges underscore that regulatory reform alone is insufficient without broader economic stability and policy consistency.

Resolving Regulatory Fragmentation Through Institutional Consolidation: Establishing clear jurisdictional boundaries among existing agencies, creating formal coordination mechanisms for areas of necessary overlap, and empowering lead regulators for specific domains rather than creating new commissions for every emerging technology. Implementing "Regulatory Impact Assessments" that evaluate whether new regulatory bodies are necessary or whether existing institutions can be strengthened.

Leveraging International Integration While Maintaining Strategic Sovereignty: developing domestic technological capacity that reduces dependence on foreign providers while avoiding inefficient localisation practices, participating actively in international technology governance that shapes global standards rather than merely accepting them, and building regional leadership within Africa that positions Nigeria as a standard-setter rather than standard-taker. The goal is strategic integration, which benefits from global technology flows while maintaining the sovereign capacity to protect national interests and pursue independent development priorities.

This report serves as both a comprehensive record of 2025's transformative year and an analytical foundation for the difficult work ahead. With deliberate planning and focused effort, Nigeria can overcome its challenges and unlock the full potential of the technology ecosystem to advance economic development, create employment, and improve the quality of life. Success will depend on strategic management and embracing innovation to drive transformative growth.



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