

AFRICA RISK CONSULTING

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Nigeria Summary 23 July 2025

The United States (US) and United Arab Emirates introduce stricter visa policy and requirements for Nigerians, citing security and diplomatic considerations, reflecting ongoing bilateral tensions. Nigeria exports \$1.34 billion of crude oil to the US between January and May, maintaining its position as the largest African oil supplier to the US despite a noticeable decline in both volume and value compared to the same period in 2024. Nigerian National Petroleum Company (NNPC) group CEO Bayo Ojulari reviews possibilities to sell the NNPC's refineries due to persistent operational challenges and underwhelming results from multi-billion dollar rehabilitation efforts. President Bola Tinubu (2023-present) signs off on four tax bills aimed at transforming Nigeria's revenue collection system, enhancing fiscal transparency, improving the ease of doing business, and attracting both domestic and foreign investments.

US and UAE governments reverse visa policy for Nigerians

The **United States (US)** embassy in Nigeria announced via its website on 8 July that it will immediately begin issuing single-entry visas valid for three months to Nigerian applicants in the non-immigrant and non-diplomatic categories. Existing US non-immigrant visas issued before the change will remain valid until their original expiration dates.¹ This marks a significant shift from the previous policy, which allowed for multiple-entry visas with validity periods ranging from two to five years.²

The embassy explained the decision as part of its global visa reciprocity policy, stating that Nigeria does not offer US citizens visa terms equivalent to those previously granted to Nigerian applicants. The embassy described the move as a reciprocal adjustment in response to Nigeria's visa policies for US travellers.³ The Nigerian government challenged the US' claims, arguing that the assessment of reciprocity does not accurately reflect the current reality. Senior government officials clarified that the 90-day single-entry visa applies solely to the recently introduced e-visa system, designed as a simplified option for tourists and business travellers seeking to bypass traditional visa procedures.⁴ Further dismissing the justification of reciprocity, Nigeria's foreign affairs minister, **Yusuf Tuggar**, suggested that the move may be part of broader diplomatic pressure. He claimed that the US is pressuring African nations to accept deported **Venezuelan** nationals and firmly stated that Nigeria will not succumb to such demands.⁵

On 14 July, the US government officially notified the Nigeria government of the decision stating it was based on rate of visa overstay by Nigerian nationals and the need for reliable access to their records.⁶ Earlier in June, US President **Donlad Trump** (2025-present) added Nigeria to a list of 36 countries at risk of facing travel restrictions unless they resolve specific security and diplomatic concerns within a two-month period. The policy is part of a broader immigration crackdown aimed at addressing national security risks, visa overstays, and documentation issues.⁷

¹ ng.usembassy.gov, 8 Jul 2025

² Premium Times, 8 Jul 2025

³ Punch, 10 Jun 2025

⁴ Premium Times, 13 Jul 2025

⁵ Reuters, 11 Jul 2025

⁶ Premium Times, 15 Jul 2025

⁷ Reuters, 11 Jul 2025

In a similar move, the **United Arab Emirates (UAE)** implemented stricter entry requirements for Nigerian citizens, targeting both transit and tourist visa categories in a notice sent to travel agents. The new policy includes a complete ban on transit visa applications from Nigerian nationals, effectively removing the UAE as a stopover option for travellers en route to other international destinations.⁸ Under the revised rules, Nigerians between the ages of 18 and 45 are no longer permitted to travel alone and must be accompanied to qualify for a UAE tourist visa. Additionally, applicants aged 45 and above are required to submit personal bank statements for the past six months, with each month showing a minimum closing balance of \$10,000 or its equivalent in Nigerian currency.⁹

These simultaneous travel restrictions have heightened diplomatic tensions and will affect future travellers particularly those who rely on multiple entries permits for business, study or tourism. In November 2024, US consul general **Will Stevens** pointed to deepening tech sector collaboration between the US and Nigeria, noting that 60% of Nigerian tech startups choose to incorporate in the US.¹⁰ This collaboration is further reflected in visa statistics, with the US State Department indicating that Nigeria accounted for nearly one-fifth of non-immigrant visas issued to African nations in 2024.¹¹

In the case of the UAE, the **Observatory of Economic Complexity (OEC)** reports that Nigeria and the UAE had a trade relation worth over \$750m as of 2022.¹² The restrictive visa policies are likely to raise travel costs for Nigerians due to higher visa fees and the need for frequent renewals, creating additional barriers for legitimate travellers. These measures could have a broader economic impact by discouraging business travel, reducing diaspora remittances, and hindering educational and professional exchanges that are essential for driving economic growth and international collaboration.

Nigeria's exports \$1.3 billion crude oil to the United States in five months

Nigeria exported 17.39 million barrels of Nigerian crude oil, worth \$1.34 billion, to the US between January and May 2025, maintaining its position as the leading African crude supplier to the US and reaffirming Nigeria's continued relevance in transatlantic energy trade despite growing pressure on global trade flows.¹³ The figures represent a 12.7% year-on-year decrease in export volume and an 11.8% drop in value, underscoring shifting dynamics in the US oil market, driven by rising domestic production and evolving sourcing strategies.¹⁴

While crude oil and other energy-related commodities remain exempt from the flat 10% import tariff Trump introduced, in April, the volume of crude exports still declined compared to the same period in 2024, when Nigeria exported 20.4 million barrels valued at \$1.52 billion, as the US' increasingly protectionist trade policies and energy independence strategy begin to erode traditional commercial ties.¹⁵

In May, Nigeria exported 4.2 million barrels of crude to the US worth \$311m, from \$368m recorded in April. Figures from the US **Customs and Cost, Insurance, and Freight (C.I.F.)** sources reported similar figures, placing Nigeria's oil exports to the U.S. at \$1.34 billion and \$1.38 billion, respectively. Total US imports from Nigeria declined to \$2.12 billion between January and May, from \$2.65 billion during the same period in 2024, a decrease of \$527m. This contraction comes in the wake of the April tariffs.¹⁶ Most notably, Nigeria's non-oil exports, especially agriculture and manufacturing, have

⁸ Punch, 9 Jul 2025

⁹ Daily Trust, 9 Jul 2025

¹⁰ Punch, 16 Nov 2024

¹¹ DW, 9 Jul 2025

¹² Daily Trust, 10 Jul 2025

¹³ Punch, 20 Jul 2025

¹⁴ Punch, 20 Jul 2025

¹⁵ Guardian, 20 Jul 2025

¹⁶ The Nigerian Observer, 15 Jul 2025

experienced reduced demand from US buyers. In May, US imports from Nigeria totalled \$400m, a sharp drop from \$517m recorded in the same period in 2024.¹⁷

These figures reflect growing vulnerabilities in Nigeria's export diversification strategy, as the country's non-oil sectors struggle to maintain competitiveness under shifting global trade policies and rising tariff barriers. While Nigeria's exports to the US declined, imports from the US have increased significantly – the US exported goods valued at \$2.42 billion between January and May, up from \$2.05 billion during the same period in 2024.¹⁸ However, overall the country accounted for just 10.8% of total US imports from Africa during the month, falling behind **Egypt** and **South Africa**, indicating that its position as one of the US' leading African trading partners appears to be slipping.¹⁹

NNPC considers refineries sales despite rehabilitation efforts

State-owned **Nigerian National Petroleum Company (NNPC) Limited** group CEO **Bayo Ojulari** hinted at the possible sales of three refineries during an interview with US-based **Bloomberg** on the sidelines of the **9th Organisation of the Petroleum Exporting Countries (OPEC) International Seminar** held in **Austria**, on 10 July.²⁰ Ojulari acknowledged that despite investing an estimated \$18 billion and technological interventions over the years, refinery rehabilitation efforts have not delivered the anticipated results. He described the process as complex, citing outdated infrastructure and underperforming technologies as major setbacks, but clarified that any decision regarding the sale would depend on the outcome of ongoing assessments.²¹

Ojulari's remarks came a day after **Dangote Group** president, **Aliko Dangote**, publicly expressed doubt about the viability of reviving the state-owned refineries in **Port Harcourt**, **Warri**, and **Kaduna**. Dangote argued that the turnaround maintenance of these facilities was increasingly unrealistic due to advancements in refining technology that have rendered their systems obsolete.²²

The government has consistently expended resources on the refineries, which went moribund many years ago. It approved \$1.4 billion for the rehabilitation of Port Harcourt refinery in 2021; \$897m for Warri and \$586m for Kaduna. In addition, \$65 billion was reportedly spent on refinery rehabilitation in 2021, while \$396.3m was spent on turnaround maintenance between 2013 and 2017. Despite all the financial allocations, the refineries remain unproductive as of July.²³ The Port Harcourt refinery was recommissioned in late November 2024 after a \$1.5 billion rehabilitation, with initial projections of operating at 70% capacity. However, operational challenges persisted until the facility was closed again in May 2025.²⁴ Its closure intensified calls for the privatisation of the government-owned refineries. Similarly, the Warri refinery reportedly resumed operations at 60% capacity in December 2024, following an \$897m revamp, though details remain unclear. This facility is currently believed inactive after shutting down in January 2025 due to a critical fault in the Crude Distillation Unit main heater - a major safety hazard that necessitated processing suspension.²⁵

This comes as OPEC disclosed on 15 July in its monthly oil market report that Nigeria's average daily crude oil production rose to 1.505 million barrels per day (bpd) in June. The output represents a 3.58% increase from the 1.453 million bpd recorded in May and marks the highest production level since January. It also signifies the second time Nigeria has met OPEC's 2025 production quota of 1.5 million bpd.²⁶

¹⁷ Naira Metrics, 20 Jun 2025

¹⁸ Punch, 20 Jul 2025

¹⁹ Economic Confidential, 14 Jul 2025

²⁰ Punch, 12 Jul 2025

²¹ Economic Confidential, 11 Jul 2025

²² ThisDay, 12 Jul 2025

²³ Punch, 12 Jul 2025

²⁴ Vanguard, 24 May 2025

²⁵ Business Day, 29 Apr 2025

²⁶ Naira Metrics, 16 Jul 2025

The repeated shutdowns and incomplete rehabilitation reflect a systemic issue within state-run oil infrastructure. Despite substantial funds on upgrades and technical faults, poor operational outcomes persist, raising questions about accountability and the long-term viability of public investment in these facilities.

President Tinubu signs new tax act

President **Bola Tinubu** (2023-present) signed four major tax reform bills into law on 26 June, representing a critical move to enhance revenue generation and improve fiscal governance. The newly enacted laws include the **Nigeria Tax Act**, **Nigerian Tax Administration Act**, **National Revenue Service (Establishment) Act**, and **Joint Revenue Board (Establishment) Act**, and are scheduled to take effect on 1 January 2026. These reforms aim to streamline tax administration, expand the tax base, and improve coordination among revenue-generating agencies at both federal and subnational levels.²⁷

An overview of these bills are as follows:

- Nigeria Tax Bill streamlines the country's tax framework by consolidating numerous tax regulations into a single, simplified code. It eliminates over 50 minor and overlapping taxes, reducing complexity and duplication, and making it easier for businesses to comply;
- Nigeria Tax Administration Act introduces standardised rules for tax collection across federal, state, and local governments, promoting consistency and minimising administrative conflicts. It emphasises automation and digital filing to reduce delays and limit reliance on manual processes;
- Nigeria Revenue Service (Establishment) Act replaces the **Federal Inland Revenue Service (FIRS)** with a more autonomous, performance-driven national agency. The new agency is mandated to oversee the collection of both tax and non-tax revenues with enhanced transparency and accountability;
- Joint Revenue Board (Establishment) Act establishes a formal coordination mechanism among federal, state, and local governments. It also introduces a **Tax Ombudsman** and a **Tax Appeal Tribunal** to ensure fair and efficient resolution of tax disputes.²⁸

Some reforms include individuals earning up to ₦1m (approximately \$652) annually benefiting from a rent relief of ₦200,000 (\$130), effectively reducing their taxable income to ₦800,000 (\$520). In addition, sellers of essential goods and services such as food, healthcare, education, rent, electricity, and baby products will be exempt from charging Value Added Tax (VAT). This measure is designed to ease the financial burden on households and improve access to necessities.²⁹

The new tax regime represents a relief for small and medium and enterprises (SMEs). Under the new framework, businesses with annual earnings below ₦50m (\$32,400) are exempt from Company Income Tax (CIT). This allows entrepreneurs and freelancers to reinvest more into their operations while easing the administrative burden of tax compliance. The exemption also encourages informal businesses to register formally, giving them access to funding opportunities, grants, and legal protections.³⁰

Large businesses will see a reduction in corporate tax rates from 30% to 27.5% in 2025, and further down to 25% in subsequent years. Additionally, they will be eligible to claim tax credits for VAT paid

²⁷ Punch, 27 Jun 2025

²⁸ National Assembly Library Trust Fund, 26 Jun 2025

³²BBC, 26 Jun 2025

³³Office Phase, 4 Jul 2025

³⁴ BBC, 26 Jun 2025

³⁵ Punch, 27 Jul 2025

³⁶ Andersen Nigeria, 20 May 2025

on expenses and capital assets, allowing them to recover the 7.5% VAT previously incurred.³¹

Presidential Fiscal Policy and Tax Reform Committee head **Taiwo Oyedele**, described the bill as “*pro-poor*” saying that the reforms received 90% public support, particularly from small business owners who welcomed the exemptions, but he emphasised that the reforms' success will ultimately depend on public awareness and trust in the system.³²

However, the new tax reforms have raised concerns over certain provisions that may adversely affect smaller businesses. Notably, companies offering professional consultancy services were excluded from the small company category and will be subject to CIT regardless of their turnover. While most SMEs benefit from CIT exemptions, those with annual turnovers between ₦50m (\$32,400) and ₦100m (\$65,296) will face a CIT rate of 27.5% in 2025, which will reduce to 25% in 2026. This marks a significant increase from the previous 20% rate. The higher tax burden could hinder reinvestment into business growth, and potentially disincentivise SMEs from expanding beyond threshold to avoid higher taxation.³³

Nigeria’s new tax reform bills reflect government’s commitment to modernising the country’s tax system in line with global best practices. Once fully implemented, the reforms have the potential to unlock substantial revenue, stimulate economic growth, and strengthen public trust in government institutions.

Planner

4 – 6 Aug 2025 **Lagos (Nigeria) Nigeria Annual International Conference & Exhibition**

6 Aug 2025 **Lagos (Nigeria) Africa Fintech Forum**

6 Aug 2025 **Lagos (Nigeria) Lagos Blockchain Week**

11 – 14 Aug 2025 **Abuja (Nigeria) Africa Climate Change Summit**

13 Aug 2025 **Lagos (Nigeria) Finnovex West Africa Conference**

8 Nov 2025 **Anambra (Nigeria) Anambra State** governorship election

2027 **(Nigeria)** Presidential election

Chronology

22 Jul 2025 **Abuja (Nigeria) Gazette**. State-owned **Nigerian National Petroleum Company (NNPC) Limited** remits ₦6.96 trillion (\$4.5 billion) to the federation account in the first five months of 2025, declares ₦905 billion (\$590m) profit for June;

21 Jul 2025 **Abuja (Nigeria) Independent**. **Egypt’s** foreign minister, **Badr Abdel Aaty** leads an entourage of 30 CEOs on a visit to Nigeria to explore investment opportunities in agriculture, pharmaceuticals, industry, energy, mineral, oil and gas sectors;

22 Jul 2025 **Abuja (Nigeria) Legit**. **Senate** approves President **Bola Tinubu’s** external borrowing plan of over \$21 billion for the 2025 – 2026 fiscal period;

22 Jul 2025 **Abuja (Nigeria) Cable**. **Central Bank of Nigeria (CBN)** governor **Yemi Cardoso** say only eight commercial banks have met their recapitalisation requirement;

22 Jul 2025 **Abuja (Nigeria) ICIR**. **Central Bank of Nigeria (CBN)** holds its benchmark interest rate at 27.5% during its 301st **Monetary Policy Committee (MPC)** session for the third consecutive time;

22 Jul 2025 **Abuja (Nigeria) Naira Metrics**. **Central Bank of Nigeria (CBN)** reports external reserves increased to \$40 billion in July, the highest level recorded since November 2024;

- 21 Jul 2025 **Abuja (Nigeria)** *Arise News*. Nigeria's major carrier, **Air Peace Limited**, commences direct flights between Abuja and **London (United Kingdom)**;
- 18 Jul 2025 **Lagos (Nigeria)** *Punch*. **London's (United Kingdom)** mayor, **Sadiq Khan**, leads a trade delegation to **Lagos** on the invitation of the state government, to strengthen collaboration in fintech, innovation and creative industries;
- 18 Jul 2025 **Abuja (Nigeria)** *Punch*. **Brazil's** vice president **Geraldo Alckmin**, arrives in Nigeria for the second session of the **Nigeria-Brazil Strategic Dialogue Mechanism (SDM)** during which over 30 bilateral agreements are signed;
- 18 Jul 2025 **Abuja (Nigeria)** *Punch*. **National Bureau of Statistics (NBS)** notes that headline inflation fell to 22.22% in June down from 22.97% in May;
- 17 Jul 2025 **London (United Kingdom)** *Arise News*. Leading global financial markets magazine **Euromoney's Awards for Excellence 2025** names **Lagos-based Zenith Bank Plc** as Nigeria's Best Bank;
- 11 Jul 2025 **Lagos (Nigeria)** *BusinessDay*. Lagos-based **Guaranty Trust Holding Company (GTCO)** list shares on the **London Stock Exchange (LSE)**, marking the first Nigerian financial institution to do so;
- 13 Jul 2025 **Abuja (Nigeria)** *Business Day*. Former president **Muhammadu Buhari** dies in **London (United Kingdom)** at the age of 82 after a prolonged illness;
- 9 Jul 2025 **Abuja (Nigeria)** *Reuters*. **Dangote Petroleum Refinery** announces plans to construct a 1.6 million barrel storage capacity facilities for gasoline and diesel in **Namibia**;
- 9 Jul 2025 **Abuja (Nigeria)** *Channels*. **Senate** approves the **Electricity Act (Amendment) Bill, 2025** aimed at overhauling the **2023 Electricity Act** by addressing regulatory gaps;
- 7 Jul 2025 **Abuja (Nigeria)** *Arise New*. **World Bank** classifies Nigeria among Lower-Middle Income Economies (LMIEs) in its 2025/2026 country income classification;
- 7 Jul 2025 **Lagos (Nigeria)** *Reuters*. Nigerian banks resume the use of naira debit cards for international transactions and online payments, after financial institutions suspended the service due to **United States (US)** dollar shortages in 2022;
- 7 Jul 2025 **Abuja (Nigeria)** *ICIR*. **Central Bank of Nigeria (CBN)** direct banks with unresolved 'forbearance exposures' to submit a **Capital Restoration Plan** as part of a regulatory measure;
- 5 Jul 2025 **Abuja (Nigeria)** *Cable*. **Nigerian Upstream Petroleum Regulatory Commission (NUPRC)** generates ₦12 trillion (\$7.8 billion) revenue in 2024;
- 6 Jul 2025 **Rio de Janeiro (Brazil)** *The Nation*. **President Bola Tinubu** travels to Brazil to participate in the 7th **BRICS Summit**;
- 4 Jul 2025 **Abuja (Nigeria)** *The Nation*. **World Bank** appoints **Mathew Verghis** as its new country director in Nigeria;
- 2 Jul 2025 **Abuja (Nigeria)** *Arise News*. Opposition coalition adopts the **African Democratic Congress (ADC)** as its official political platform for the 2027 elections;
- 27 Jun 2025 **Abuja (Nigeria)** *Punch*. **Central Bank of Nigeria (CBN)** say foreign direct investment (FDI) and portfolio inflows into Nigeria fell from \$310m in the last quarter of 2024 to \$250m in the first quarter of 2025;
- 25 Jun 2025 **Abuja (Nigeria)** *Naira Metrics*. **Nigerian Midstream and Downstream Petroleum Regulatory Authority (NMDPRA)** says it will commence license issuance for lubricant importation;

23 Jun 2025 **Lagos (Nigeria)** *ThisDay*. **Dangote Group** president, **Aliko Dangote**, says he is planning a stock market listing for the Dangote crude oil refinery by the end of 2026 to widen the company's investor base.

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