

## AFRICA RISK CONSULTING

### Nigeria Monthly Briefing May 2025

---

#### Nigeria Summary 22 May 2025

*Government launches its 'Nigeria First' policy on 5 May, designed to prioritise and promote local content and businesses, particularly in public procurement and expenditure. Nigeria's economy records its highest growth in a decade, a development World Bank attributes to bold economic reforms, and projects continued growth despite high inflation. Competition and Consumer Protection Tribunal upholds a \$290m fine against United States-headquartered Meta, as the social media company warns of potential disruptions to its operations and social media services for Nigerian users. Economic and Financial Crimes Commission (EFCC) opens an investigation against former Nigerian National Petroleum Company Limited (NNPCL) management over financial misappropriation allegations amounting to \$2.95 billion, amid growing demands for accountability from civil society groups.*

---

#### Government unveils 'Nigeria first' policy

During the **Federal Executive Council (FEC)** meeting held at the **State House** in **Abuja** on 5 May, the government approved the 'Nigeria First' economic policy, a sweeping strategy that aims to prioritise Nigerian businesses, locally manufactured goods, and services in all government procurement processes, marking a major shift toward economic nationalism.<sup>1</sup>

Information and national orientation minister **Mohammed Idris** announced that the policy will be enforced through an executive order, with the attorney general tasked with drafting the necessary legal framework. Idris explained the policy mandates that Nigerian-made goods and solutions must take precedence in all government procurement processes and that no foreign products or technologies with local alternatives can be procured without a clear, justified reason.<sup>2</sup> He outlined immediate steps approved by the FEC to operationalise the policy, including a directive to the **Bureau of Public Procurement (BPP)** to promptly revise and enforce procurement guidelines across all ministries, departments and agencies.

Under the new rules, any attempt to procure foreign alternatives will require written justification and prior approval from the BPP and non-compliance will attract sanctions, such as the cancellation of procurement processes and disciplinary action against the responsible officials.<sup>3</sup> The policy is unfolding within the context of broader economic reforms introduced by the **Bola Tinubu** (2023-present) administration, such as fuel subsidy removal, a revamped foreign exchange framework, and efforts to restore investor confidence. By prioritising local content in government spending, the administration seeks to drive job creation, industrial growth, and long-term economic sustainability.<sup>4</sup>

The **Manufacturers Association of Nigeria (MAN)** welcomed the directive as a long-awaited boost for the country's manufacturing sector and noted that, if effectively implemented, the policy could drive increased investment, boost GDP by up to 56%, cut unemployment by 37%, and increase employers' willingness to hire from 1.5% to 22.6% in the medium term.<sup>5</sup>

---

<sup>1</sup> ThisDay, 6 May 2025

<sup>2</sup> Channels, 6 May 2025

<sup>3</sup> The Nations, 6 May 2025

<sup>4</sup> ThisDay, 6 May 2025

<sup>5</sup> Tribune, 6 May 2025

Though framed as patriotic, Nigeria has previously introduced similar initiatives - such as the 'Buy Nigerian to Grow Naira' campaign in 2016 and repeated local content policies - which have largely failed to curb the country's persistent reliance on imports. The current policy may face even greater hurdles, especially in terms of productivity, as Nigeria must first be able to produce at scale to support such strategies.<sup>6</sup>

As such, for the initiative to succeed, it must confront the core issues that have derailed past efforts, such as corruption, limited industrial capacity, quality assurance gaps, and the economic reality that imported goods are often more affordable and readily available. However, if effectively implemented, this policy has the potential to boost local industries, generate employment, and lessen reliance on imports.

### Work Bank confirms Nigeria's strongest economic growth in a decade

During its bi-annual **Nigeria Development Update (NDU)**, in **Abuja** on 12 May, the **World Bank's** lead economist for Nigeria, **Alex Sienaert**, reported that Nigeria's economy grew by 4.6% year-on-year in the fourth quarter of 2024, resulting in full-year growth of 3.4% for 2024—the highest since 2014, excluding the 2021-2022 Covid-19 recovery period.<sup>7</sup> This is Nigeria's fastest growth rate in a decade in 2024, strengthened by ambitious reforms and the robust fourth-quarter performance.<sup>8</sup>

This growth acceleration primarily stemmed from improved performance in the oil and gas industry and the services sector, as the non-oil sector recorded modest growth in 2024. Manufacturing remained stagnant at 1.4%—and unchanged from 2023, hampered by challenges including high costs of imported materials, limited credit access, unreliable electricity, and costly transportation. Agriculture, which also saw limited growth constrained by persistent insecurity in key farming regions, grew by just 1.2%.<sup>9</sup>

The World Bank attributed Nigeria's improved fiscal position to a series of key reforms. These included the removal of costly fuel subsidies, reduction of electricity subsidies, unification of exchange rates, and two devaluations of the naira. These measures boosted the country's foreign reserves to over \$37 billion.<sup>10</sup> The World Bank projects Nigeria's economy will grow by 3.6% in 2025 but warned that persistent high inflation poses a significant challenge.<sup>11</sup> Inflation was 23.71% in April, down from 24.23% in March, but still significantly above the **Central Bank of Nigeria's (CBN)** target band of 6% to 9%.

The World Bank emphasised the need for strict monetary and fiscal discipline to preserve macroeconomic stability. However, the bank also expressed doubt about Nigeria achieving its \$1 trillion economy goal, stating that it would require the country to increase its current growth rate fivefold.<sup>12</sup> Achieving such a pace is unlikely in the short term, given Nigeria's ongoing struggles with inadequate infrastructure, low public revenue, and other obstacles that hinder business performance and tax revenue.<sup>13</sup>

The World Bank also raised concerns about Nigeria's ability to meet the \$37 billion budget targets outlined for 2025 and predicated on oil prices maintaining \$75 per barrel.<sup>14</sup> It described the budget as overly ambitious, especially given the ongoing decline in global oil prices.<sup>15</sup> While the bank acknowledged that a growth strategy driven by the private sector and supported by the public sector could help promote inclusive growth, it emphasised the need for Nigeria to tackle key infrastructure

<sup>6</sup> Tribune, 6 May 2025

<sup>7</sup> Guardian, 13 May 2025

<sup>8</sup> Arise News 13 May 2025

<sup>9</sup> DW, 13 May 2025

<sup>10</sup> Ecofinagency, 13 May 2025

<sup>11</sup> CNBC Africa, 12 May 2025

<sup>12</sup> Ecofinagency, 13 May 2025

<sup>13</sup> CNBC Africa, 12 May 2025

<sup>14</sup> Guardian, 13 May 2025

<sup>15</sup> Pressreader, 13 May 2025

gaps, particularly in electricity and transportation.<sup>16</sup> It also called for improved market competition, a more business-friendly environment, and access to finance for new and existing firms to stimulate economic activity. These reforms are essential if Nigeria hopes to achieve its goal of becoming a \$1 trillion economy by 2030.<sup>17</sup> The World Bank's outlook presents a cautiously optimistic view of Nigeria's economic path, dependent on the government's ability to control inflation and sustain its current pace of reforms.

### Competition tribunal Upholds \$290m fine against Meta over data privacy breach

The **Competition and Consumer Protection Tribunal** on 25 April upheld the \$290m fine imposed on **United States**-based **Meta**, the parent company of **Facebook**, **Instagram**, and **WhatsApp**, over discriminatory data practices.<sup>18</sup> In July 2024, three government oversight agencies sanctioned Meta for violating competition, advertising, and data protection laws. The **Federal Competition and Consumer Protection Commission (FCCPC)** ordered the company to pay a \$220m penalty after determining that the companies engaged in discriminatory and exploitative practices against Nigerian consumers. The **Advertising Regulatory Council of Nigeria (ARCON)** also fined the company \$37.5m for unapproved advertising and alleged anti-competitive practices, while the **Nigerian Data Protection Commission (NDPC)** penalised Meta \$32.8m for violating data privacy laws, bringing the total fine to nearly \$290m.<sup>19</sup>

Meta challenged the decision, arguing that the fine was excessive and that the FCCPC's directives were ambiguous and technically impossible to implement under Nigerian law.<sup>20</sup> However, the tribunal in its latest ruling maintained the penalty, rejecting Meta's appeal and mandating compliance within 60 days, specifically by the end of June. Additionally, Meta is required to reimburse the FCCPC \$35,000 to cover investigation expenses.<sup>21</sup>

In delivering its ruling, the tribunal emphasised that the FCCPC operated within its legal authority and that WhatsApp and Meta received a fair hearing throughout the proceedings. It ordered WhatsApp and Meta to, among other things, restore Nigerian users' rights to control their personal data, return to its 2016 data-sharing policy, and immediately halt unauthorised data sharing with Facebook and other third parties without securing the necessary consent from users.<sup>22</sup> The ruling stemmed from a joint FCCPC and NDPC investigation between May 2021 and December 2023 into WhatsApp's updated privacy policy.<sup>23</sup> The agencies subsequently informed Meta of their findings, after which the company proposed a "*remedy package*" that failed to adequately address the initial concerns.<sup>24</sup>

Although Meta has not yet publicly announced its next course of action, it cautioned through a court document widely reported on 2 May that it might be compelled to discontinue Facebook and Instagram operations in Nigeria due to increasing regulatory pressure and what it characterised as "*unrealistic*" government demands.<sup>25</sup> From a regulatory perspective, the FCCPC's action reflects a global trend where regulatory bodies are increasingly taking firm measures against major technology companies for violations of data protection and competition laws.<sup>26</sup> However, more concerning is the implied threat that these platforms could face shutdown in Nigeria if compliance issues continue.

As of March, Nigeria had 164.3 million internet subscriptions, with over 35 million Facebook users, 12 million Instagram users, and 90 million WhatsApp users, representing one of Meta's largest markets

<sup>16</sup> Vanguard, 13 Apr 2025

<sup>17</sup> Guardian, 13 May 2025

<sup>18</sup> fccpc.gov.ng, 25 Apr 2025

<sup>19</sup> Techpoint Africa, 2 May 2025

<sup>20</sup> Punch, 3 May 2025

<sup>21</sup> The Cable, 3 May 2025

<sup>22</sup> Africa Business Insider, 25 Apr 2025

<sup>23</sup> Daily Trust, 25 Apr 2025

<sup>24</sup> AP, 19 Jul 2024

<sup>25</sup> The Nation, 3 Apr 2025

<sup>26</sup> Opinion Nigeria, 3 May 2025

in Africa.<sup>27</sup> If both sides proceed with their implied measures, the consequences could disconnect millions of Nigerians from the digital ecosystem with significant economic repercussions, including economic disruption, diminished investor confidence, breakdown in social communication, and threats to freedom of expression. Many Nigerian businesses, from small and medium enterprises to social media influencers, depend on these platforms for marketing, sales, and customer engagement. A shutdown could potentially impact on billions in revenue.<sup>28</sup>

The government is asserting its regulatory authority over global tech giants while Meta weighs the commercial implications of either compliance or market exit. The outcome will likely influence how other African nations approach digital regulation and how multinational tech companies operate across the continent.

### EFCC investigates former NNPC management

The **Economic and Financial Crimes Commission (EFCC)** launched an investigation into alleged financial mismanagement of \$2.96 billion within the state-owned **Nigerian National Petroleum Company Limited (NNPCL)** by former senior officials.<sup>29</sup> In a letter addressed to NNPCL's group managing director **Bashir Ojulari** on 28 April, the EFCC formally requested documentation related to the ongoing probe. The EFCC identified 14 individuals involved in the investigation, including former group CEO (GCEO) **Mele Kyari** and ex-managing directors of key subsidiaries including **Ibrahim Onoja** of **Port Harcourt Refining Company** and **Mustapha Sugungun** of **Kaduna Refining and Petrochemical Company**, among others across NNPC's operational structure.<sup>30</sup>

The funds in question were allocated for refinery rehabilitation projects during these individual's tenure, including \$1.56 billion for the Port Harcourt refinery, \$740.6m for Kaduna, and \$656.9m for the **Warri Refinery**.<sup>31</sup> The probe follows the recent removal of Kyari as the GCEO, following a presidential directive dissolving the NNPCL board and management in April. Tinubu appointed Ojulari as the new GCEO and **Ahmadu Kida** as non-executive chairman of NNPCL, tasking them with improving efficiency, restoring investor confidence, and conducting a strategic review of the company's asset portfolio.<sup>32</sup> Amid ongoing allegations, former Group CEO Mele Kyari has maintained his commitment to accountability, stating he remains available to respond to all lawful inquiries.

Kyari, who served from July 2019 to February 2025, has been at the centre of serious accusations of financial misappropriation. These include alleged involvement in fuel subsidy fraud, tax evasion, economic sabotage, and abuse of office. In April, the civil society group **Guardians of Democracy and Rule** submitted a petition to the EFCC, citing irregularities in the Port Harcourt Refinery project.<sup>33</sup> The petition claims that under Kyari's leadership, NNPCL spent \$1.5 billion for the rehabilitation of all three refineries, well above the initial \$1 billion estimate. It also alleged that crude oil allocations were diverted and financial transactions were disguised as "*pipeline security*" expenses, allegedly involving 80,000 barrels per day, with no transparent oversight or accountability.<sup>34</sup> Furthermore, the petitioners expressed concerns over fuel subsidy fraud, pointing to repeated allegations of inflated import figures and fraudulent claims.<sup>35</sup> On 18 May, another group - the **Socio-Economic Rights and Accountability Project (SERAP)** called on Ojulari to provide a detailed account of the ₦500 billion (\$314.4m) the company allegedly failed to remit to the Federation Account between October and December 2024.<sup>36</sup>

<sup>27</sup> Nigerian Communications Commission (NCC), Mar 2025

<sup>28</sup> Opinion Nigeria, 3 May 2025

<sup>29</sup> Vanguard, 4 May 2025

<sup>30</sup> BusinessDay, 3 May 2025

<sup>31</sup> Channels, 4 May 2025

<sup>32</sup> BusinessDay, 3 May 2025

<sup>33</sup> The Nation, 25 Apr 2025

<sup>34</sup> The Nation, 25 Apr 2025

<sup>35</sup> The Nation, 25 Apr 2025

<sup>36</sup> Guardian, 18 May 2025

The EFCC's probe is one of the most in-depth reviews of NNPC's finances in recent years, focusing not only on individuals but systemic failures in governance and oversight in Nigeria's biggest source of income. Still, many remain doubtful, as past high-profile investigations in Nigeria have rarely led to real consequences or lasting changes in how the country's oil money is handled.

## Planner

5 June 2025 **Abuja (Nigeria) Small Business Economics, Finance and Entrepreneurship Conference**

7 June 2025 **Lagos (Nigeria) e-Government Conference**

19 – 21 June 2025 **Lagos (Nigeria) African Futures Conference**

26 - 27 June 2025 **Lagos (Nigeria) Customer Experience Week Africa**

28 – 29 June 2025 **Lagos (Nigeria) Hotel Managers Conference Africa**

21 – 22 June 2025 **Lagos (Nigeria) Central Bank of Nigeria (CBN) Monetary Policy Committee**

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

2027 **(Nigeria) Presidential election**

## Chronology

21 May 2025 **Lagos (Nigeria) BusinessDay. Dangote Refinery and Petrochemicals** enters an exclusive partnership with **United States**-based **Premier Product Marketing** to export its polypropylene to global markets;

20 May 2025 **Abuja (Nigeria) Punch. Central Bank of Nigeria (CBN)** retains the **Monetary Policy Rate (MPR)** at 27.5%, marking its second consecutive hold since November 2024;

15 May 2025 **Abuja (Nigeria) Ecofin Agency. International Finance Corporation (IFC)** in partnership with the **Canadian** government invests \$5m in **United States**-headquartered **Husk Power Systems** for the installation of 108 hybrid solar mini-grids, to provide energy to 115,000 people in northern Nigeria;

15 May 2025 **Abuja (Nigeria) Ecofin Agency. Government** approves \$615m for the rehabilitation and upgrade of airport infrastructure and security equipment as part of ongoing national aviation improvement plan;

14 May 2025 **Lagos (Nigeria) Techpoint. Lagos**-based digital financial platform **PalmPay** emerges as **Africa's** fastest-growing fintech in the **Financial Times'** annual list of Africa's fastest-growing companies;

10 May 2025 **Abuja (Nigeria) Proshare. International Monetary Fund (IMF)** confirms that Nigeria cleared the \$3.4 billion **Covid-19** emergency loans collected in April 2020 during the pandemic, thus exiting the list of countries indebted to the international lender;

9 May 2025 **Abuja (Nigeria) Punch. United Arab Emirates (UAE)** agrees to invest in the **Morocco-Nigeria Gas Pipeline** project valued at \$25 billion;

9 May 2025 **Abuja (Nigeria) Reuters. Senate** passes four tax reform bills including the **Nigeria Revenue Service (Establishment) Bill 2025**, the **Nigeria Tax Administration Bill 2025**, the **Nigeria Tax Bill**, the **Joint Revenue Board (Establishment) Bill**, and the **Nigeria Revenue Service (Establishment)**;

8 May 2025 **Abuja (Nigeria) Naira Metrics. Federal High Court** in **Abuja** dismiss **South Africa**-headquartered **MultiChoice Nigeria Limited's** suit seeking to uphold DSTv and GOTv's increased subscription price in Nigeria;

5 May 2025 **Lagos (Nigeria) Punch**. **South Africa**-headquartered **MTN**'s local subsidiary's data revenue overtakes voice earnings in the first quarter of 2025, rising to ₦529.4 billion (\$330m), a 51.5% increase from ₦349.5 billion (\$217m) recorded in Q1 2024, highlighting the growing shift in consumer preference towards internet-based services;

2 May 2025 **Abuja (Nigeria) Business Day**. **African Development Bank (AfDB)** invests \$614m in Nigeria's **Investment in Digital and Creative Enterprises (I-DICE)**, projected to generate \$6.4 billion in economic value and create over six million jobs;

2 May 2025 **Abuja (Nigeria) Small Business Insights**. **Central Bank of Nigeria (CBN)** grants **Abuja – based Preferred Finance Company Limited** an operational license, positioning it to provide structured financial solutions for micro, small, and medium enterprises (MSMEs);

1 May 2025 **Abuja (Nigeria) Cable**. **Economic and Financial Crimes Commission (EFCC)** traces funds linked to the failed **CryptoBank Exchange (CBEX)** scheme to at least four countries and says the main parties behind the scheme are foreigners with efforts ongoing to recover stolen funds;

30 Apr 2025 **Abuja (Nigeria) Vanguard**. **Rural Electrification Agency (REA)**, managing director **Abba Aliyu** says Nigeria needs approximately \$410 billion to achieve a complete energy transition and at least \$40 billion to bridge its electricity access gap

30 Apr 2025 **Abuja (Nigeria) Punch**. **House of Representatives'** public accounts committee recovers ₦11.49 billion (\$7m) from oil and gas companies with outstanding obligations to the Federal Government, bringing total recovery to ₦61.5 billion (\$38m);

30 Apr 2025 **Abuja (Nigeria) Tech Cabal**. **Central Bank of Nigeria (CBN)** fines **Paystack**, a fintech company, ₦250m (\$190,000) for allegedly operating its newly launched consumer product, **Zap** as a wallet in violation of its regulatory licence;

29 Apr 2025 **Abuja (Nigeria) Punch**. **Central Bank of Nigeria (CBN)** approves the launch of open banking, requiring banks to begin sharing customer data with other financial institutions starting in August 2025, marking the first African country to implement the policy;

27 Apr 2025 **Abuja (Nigeria) Naira Metrics**. **NNPC Gas Marketing Limited (NGML)**, a subsidiary of the **Nigerian National Petroleum Company Limited (NNPC)**, is set to acquire a 5.2 million standard cubic feet per day compressed natural gas (CNG) compression and refuelling facility from **Lagos-based Gas Network Services Limited (GNSL)**;

25 Apr 2025 **Abuja (Nigeria) Sweet Crude Reports**. Government bans issuance of waivers for the importation of threaded pipes, a key component in oil and gas operations, to boost local production;

25 Apr 2025 **Lagos (Nigeria) Punch**. **South Africa**-headquartered **MTN** says it experienced a cybersecurity breach that exposed personal data of some customers in certain markets, but its core networks, billing systems, and financial platforms remain secure;

24 Apr 2025 **Washington (United States) Guardian**. **World Bank** appoints **Dangote Group** president and chief executive **Aliko Dangote** to its **Private Sector Investment Lab**, a select group of global business leaders tasked with driving investment and job creation in emerging economies;

24 Apr 2025 **Abuja (Nigeria) Punch**. Government plans to discontinue tax exemption policy for 105 selected local and foreign companies as part of a broader strategy to boost its dwindling revenue base;

23 Apr 2025 **Abuja (Nigeria) Punch**. **Nigerian Customs Service (NCS)** plans to reintroduce a mandatory 4% Free-on-Board payment value on imports after extensive consultation with stakeholders;

22 Apr 2025 **Abuja (Nigeria) Business Day**. **International Monetary Fund (IMF)** project Nigeria's headline inflation will average 26.5% in 2025, following the **National Bureau of Statistics (NBS)** recent rebasing of the Consumer Price Index (CPI);

### About Africa Risk Consulting:

**Africa Risk Consulting (ARC)** is a pan-African consulting company that provides timely, relevant information and advice that enables its clients to take informed investment decisions and to safeguard their reputations.

**ARC's** core consulting services include integrity due diligence and corporate investigations, political advisory and country assessments, opportunity monitoring and reputation risk management. Most relevant to private equity firms is ARC's integrity due diligence and corporate investigations capability. Specifically, ARC offers pre-deal integrity checks to highlight red flags before negotiations start; full detailed multi-jurisdictional reputation due diligence; and supplier and senior hire vetting and repeat due diligence for compliance programmes. ARC is unique in that it offers a 10-day delivery for a routine integrity due diligence. ARC also offers a suite of corporate investigations services from immediate investigation, evidence gathering, e-discovery, forensic accounting and whistleblower support on one end to crisis media management and regular monitoring on the other.

[www.africariskconsulting.com](http://www.africariskconsulting.com)

### About ARC Briefing:

**ARC Briefing** is ARC's essential business information service.

Companies at any stage in their Africa expansion, whether building or communicating an Africa strategy, investing directly, expanding current operations, financing other investors, doing the legal leg-work or researching the Africa growth trend, need ARC Briefing.

**ARC Briefing** is an information service keeping you:

- Up to date with Country Chronologies of business-critical events
- In the know via Country Briefings on political, economic, business and operating trends. Written in-country, ARC experts analyse and comment
- Ahead with Country Planner which details future elections, budgets, regulatory changes etc.

[www.africariskconsulting.com](http://www.africariskconsulting.com)

### Getting in touch

Please contact us by email [info@africariskconsulting.com](mailto:info@africariskconsulting.com)

Africa Risk Consulting (ARC) Pty Ltd expressly forbids the collection of information and content from ARC Briefing as data to train generative artificial intelligence models.

© Africa Risk Consulting (ARC)