

## AFRICA RISK CONSULTING

### Nigeria Monthly Briefing January 2026

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#### Nigeria Summary 23 January 2026

*President Bola Tinubu (2023-present) hires a United States (US)-based lobbying firm to manage Nigeria's image and counter growing pressure from the US government over allegations of targeted killings of Christians. Tinubu approves the cancellation of \$1.42 billion of Nigerian National Petroleum Company Limited's (NNPCL) outstanding debts owed to the Federation Account as its subsidiaries indebtedness reaches \$21 billion as of December 2024. Nigerians raise concerns over discrepancies between gazetted tax reform laws and the versions the National Assembly passed. France-headquartered TotalEnergies Nigeria signs a sale and purchase agreement to divest its 10% non-operated interest in the Renaissance joint venture licences to Vaaris.*

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#### Government hires US lobbyists to defend its interest with US government

Local media confirmed on 14 January that President **Bola Tinubu** (2023-present) approved a \$4.5m lobbying [contract](#) with **United States (US)**-based lobbying firm **DCI Group** to manage Nigeria's international image. The contract seeks to persuade the US administration and key US lawmakers that Nigeria is taking concrete steps to address worsening insecurity, particularly the killings of Christians in the northern parts of the country.

National security adviser **Nuhu Ribadu** facilitated the engagement through **Aster Legal**, a **Kaduna**-based law firm that acted as an intermediary in retaining the lobbying firm. Filings with the US Department of Justice indicate that the government paid DCI Group an initial \$4.5m on 12 December under the agreement. The payment covers a six month retainer, with a second tranche of \$4.5m due in July 2026. This brings the total [value](#) of the contract to \$9m, or about \$750,000 per month, making it one of the most expensive lobbying agreements ever signed by an African government.

Aster Legal's managing director, **Oyetunji Olalekan Teslim**, and DCI Group's managing partner, **Justin Peterson**, a prominent Republican [strategist](#) and close ally of President **Donald Trump** (2017-2021; 2025-present), signed the agreement. The parties finalised the contract after Trump redesignated Nigeria as a 'country of particular concern' in November, citing the alleged government's failure to curb widespread killings of Christians (*see ARC Briefing Nigeria Nov 2025*).

Beyond DCI Group, Nigeria has reportedly pursued additional lobbying channels in Washington. US Department of Justice records show that a US attorney and former congressional foreign policy official, **Johanna Blanc**, received \$5,000 to draft a letter to congressman **Chris Smith**, chair of the US House Foreign Affairs subcommittee on Africa, ahead of a congressional hearing on Nigeria's deteriorating security situation. Although the filings listed Blanc as working under Nigeria's finance ministry, she later clarified that she wrote the letter on behalf of Nigeria's Senate President, **Godswill Akpabio**. In the letter, Akpabio invited members of the house subcommittee to visit Nigeria and engage with government officials, civil society organisations, and religious leaders on security and interfaith issues.

The reported lobbying arrangement raises serious questions about foreign policy judgment and fiscal discipline in the Tinubu administration's external engagements as well as possible corruption related concerns due to the conflicting payment documentation. The size of the contract also highlights the administration's urgency to repair strained relations with the US and address growing international scrutiny over Nigeria's security challenges.

## Tinubu approves \$1.42 billion debt write-off for NNPC

Tinubu on 29 December approved the cancellation of approximately ₦5.57 trillion (\$1.42 billion) in outstanding debts the **Nigerian National Petroleum Company Limited (NNPCL)** owed the **Federation Account** with the aim of improving transparency in Nigeria's oil sector and recalibrating fiscal relations between the NNPC and a government that remains highly dependent on crude oil revenues. The [write-off](#) covers legacy obligations up to 31 December 2024, including production sharing contracts (PSC), domestic supply obligations, repayment agreements, modified carry arrangements, and joint venture and PSC royalty receivables. The decision followed Stakeholder Alignment Committee recommendations and reconciliation work the **Nigerian Upstream Petroleum Regulatory Commission (NUPRC)** conducted, with the corresponding accounting adjustments already reflected in the Federation Account.

Unpaid obligations covering January to October 2025 are still being pursued, while a long-running dispute over an alleged \$42.37 billion under remittance between 2011 and 2017 remains unresolved, with NNPC maintaining that all revenues were fully accounted for.

In recent years, NNPC has faced sustained criticism over transparency and accountability in the execution of its mandates, against the backdrop of Nigeria's energy security challenges. In a [report](#) submitted to the **National Assembly** in September, the auditor general highlighted systemic breaches of financial regulations, weak internal controls, and unexplained payments linked to controversial contracts. The report accused NNPC of fund misappropriation, inflated contracts, irregular payments, and failure to deduct statutory taxes. These irregularities, recorded between 2020 and 2021, involved over \$51m in questionable settlements.

Additionally, NNPC is under mounting financial strain as unviable and underperforming subsidiaries intensify inter-company indebtedness, driving outstanding obligations owed to the company to ₦30.30 trillion (\$21 billion) as of 31 December 2024. Findings from NNPC's 2024 audited financial statements show that debts owed by subsidiaries, joint ventures, and other related entities increased by ₦12.52 trillion (\$8.7 billion), rising from ₦17.78 trillion (\$12 billion) in 2023 to the ₦30.30 trillion in one year. The debt increase sparked renewed concerns over the company's liquidity management and long-term financial sustainability. While the national oil company operates 32 subsidiaries, the report indicates that only eight are not indebted to the parent company, leaving the majority carrying varying levels of debt.

The **Port Harcourt** refinery tops the list of [subsidiaries](#) owing NNPC, reporting inter-company debts of ₦4.22 trillion (\$2.9 billion) in 2024, an increase from ₦2 trillion (\$1.4 billion) in 2023, reflecting persistent financial pressure linked to years of rehabilitation spending and extended periods of operational downtime. Similarly, the **Warri** and **Kaduna** refineries remain heavily reliant on continued financial support from NNPC, despite undergoing multiple rounds of turnaround maintenance.

The scale and persistence of inter-company indebtedness, particularly among refining subsidiaries, highlight deeper structural inefficiencies that continue to undermine NNPC's financial sustainability and raise questions of repeated rehabilitation investments without corresponding operational gains.

## Controversy over new tax reforms as KPMG highlights inconsistencies

The **Nigeria Tax Act (NTA)**, **Nigeria Tax Administration Act (NTAA)**, **National Revenue Service Establishment Act (NRSE)**, and **Joint Revenue Board Establishment Act (JRBEA)**, which Tinubu signed into law on in June 2025 as part of the tax reform act, came into effect on 1 January.

The 2025 tax reform act aimed to consolidate key tax laws into a single charging statute, the NTA, supported by a unified administrative code under the NTAA. The reforms sought to remove multiple taxes from small businesses, while expanding the tax base to include high-net-worth individuals and digital economy activities.

However, controversy has emerged over alleged differences between the laws as [gazetted](#) and the versions the National Assembly passed. After presidential assent, reports indicated that the executive branch published versions of the bills that differed from the harmonised texts approved by lawmakers. These discrepancies have raised concerns about legislative procedure, legal certainty, and the validity of the tax laws currently in effect.

In response to public criticism and allegations of unauthorised changes, the National Assembly released certified true copies of the acts in early January to replace the flawed gazetted versions. For instance, the National Assembly-passed [version](#) explicitly assigns the **Nigeria Revenue Service (NRS)** responsibility for administering key federal taxes, including taxation of income from petroleum operations and Value Added Tax (VAT). However, these two items do not appear in the gazetted version of the act. Further discrepancies are evident in Section 29, which governs financial disclosures by banks and other financial institutions. Under the version passed, institutions were required to submit annual returns, with reporting triggered where cumulative monthly transactions reached ₦50m (\$35,000) for individuals and ₦250m (\$176,000) for corporate entities.

The National Assembly version also provided safeguards, including limits on the nature of information to be disclosed and a requirement that additional disclosures be backed by a formal notice. In contrast, the gazetted acts replaces annual returns with quarterly reporting, lowers the thresholds to ₦25m (\$17,500) for individuals and ₦100m (\$70,000) for companies, and remove provisions that allowed taxpayers and institutions to rely on notice-based protections.

The changes significantly expand reporting obligations while narrowing procedural safeguards, a shift now confirmed by the absence of such provisions in the certified copies the National Assembly released.

Differences were also confirmed in Section 39, dealing with currency computation for tax purposes. The National Assembly-passed version allows taxes, including those relating to petroleum operations, to be assessed and paid in the currency of the transaction. The gazetted version mandates that petroleum-related tax computations be made in US dollars, a change with implications for compliance costs, foreign exchange exposure, and financial planning for operators in the sector.

Separately, global advisory firm [KPMG](#) identified gaps, errors, omissions, and inconsistencies in the new NTA, and has called for an urgent review to ensure the reforms achieve their stated objectives. KPMG highlighted that Section 3(b)&(c) of the NTA, which specifies taxable persons, omits 'community', creating uncertainty over whether communities are liable to pay tax. KPMG also raised concerns that non-residents could face unclear obligations regarding tax registration and withholding taxes under Section 17(3)(b) and (c). In its newsletter titled 'Nigeria's New Tax Laws: Inherent Errors, Inconsistencies, Gaps and Omissions', KPMG acknowledged the laws' potential to transform tax administration in Nigeria and that many provisions could boost government [revenue](#) if effectively implemented, but stressed the need to balance revenue generation with sustainable economic growth.

The controversy surrounding Nigeria's tax reforms underscores that their success will hinge on the quality of implementation. Nigerians are already grappling with severe economic pressures including persistent inflation, diminished purchasing power, and high cost-of-living stemming from fuel subsidy removal. Many households and businesses are suffering from reform fatigue after absorbing multiple policy shocks in rapid succession. In this fragile context, poorly executed tax implementation risk intensifying social and economic tensions, especially if the fiscal gains fail to translate into improved public infrastructure, better services, or tangible benefits for citizens.

### TotalEnergies diverts interest in Renaissance JV

France-headquartered **TotalEnergies** announced on 14 January that its subsidiary had signed a sale and purchase agreement (SPA) with Nigeria-based **Vaaris Resources** for the divestment of its 10% non-operated interest in the **Renaissance Joint Venture** licence. The Renaissance JV, formerly the **Shell Petroleum Development Company (SPDC) JV**, is an unincorporated joint venture comprising NNPC with a 55% stake, **Renaissance Africa Energy Company Limited** with 30% and operator

status, TotalEnergies with 10%, and Italy-headquartered **Agip Energy** and **Natural Resources Nigeria** holding the remaining 5%. The JV [controls](#) 18 licences in the **Niger Delta**. TotalEnergies did not disclose the financial terms of the transaction, nor did it provide details on the ownership structure or funding arrangements backing Vaaris Resources.

The transaction marks TotalEnergies' second attempt to divest the asset, after regulators blocked a proposed \$860m sale to Mauritius-based **Chappal Energies** in 2025. Nigerian authorities cited concerns about the buyer's [financial](#) capacity, a decision that derailed TotalEnergies' plans to exit ageing onshore assets and scale back exposure to operational and security risks.

Under the agreement, TotalEnergies will transfer its 10% stake in 15 oil producing licences and three gas producing licences, OML 23, OML 28, and OML 77, to [Vaaris](#). These assets contributed approximately 16,000 [barrels](#) of oil per day on a net basis to the company in 2025. TotalEnergies will retain full economic interest in the gas licences, thereby ensuring continued support for Nigeria LNG, which currently derives about 50% of its gas supply from these assets. The transaction remains subject to customary closing conditions, including the receipt of all necessary regulatory approvals.

The divestment comes over a month after TotalEnergies sold a partial stake in two offshore exploration licences to **Star Deep Water Petroleum Limited**, a subsidiary of US-headquartered Chevron, as part of efforts to strengthen its portfolio (*see ARC Briefing Nigeria Dec 2025*). This shift is reshaping Nigeria's oil and gas landscape, with local and regional companies increasingly taking on greater responsibility for legacy assets previously controlled by multinational oil firms.

## Planner

3 – 4 Feb 2026 **Lagos (Nigeria) Africa Business Convention**  
 2 -5 Feb 2026 **Abuja (Nigeria) Nigeria International Energy Summit**  
 10 -11 Feb 2026 **Lagos (Nigeria) Africa Revenue Summit**  
 26–29 Oct 2026 **Lagos (Nigeria) Africa International Defence Exhibition (AFRIDEX)**  
 2027 **(Nigeria)** Presidential election

## Chronology

20 Jan 2026 **Dakar (Senegal)** *Business Insider Africa*. **Senegalese** government revokes offshore exploration rights held by **Atlas Oranto Petroleum**, a privately owned Nigerian energy company, due to unmet operational and financial commitments;

20 Jan 2026 **Abuja (Nigeria)** *News Agency of Nigeria*. **United States (US)** ambassador **Richard Mills**, ends his tour of duty following President **Donald Trump**'s recall of about 30 US envoys from countries globally;

19 Jan 2026 **Lagos (Nigeria)** *La Nouvelle Tribune*. **Dangote Group** signs a \$350m contract with **Engineers India Limited (EIL)** for the expansion of the Dangote refinery and petrochemical complex in the **Lekki** free zone in Lagos;

19 Jan 2025 **Davos (Switzerland)** *Punch*. Vice president **Kashim Shettima** commissions the **Nigeria House** in Davos Promenade, at the **World Economic Forum (WEF)** meeting;

19 Jan 2026 **Abuja (Nigeria)** *Punch*. **All Indigenous Contractors Association of Nigeria** holds a protest at the finance ministry to demand payment for completed projects carried out between 2024 and 2025;

16 Jan 2026 **Port Harcourt (Rivers)** *Punch*. Lagos-headquartered **Seplat Energy** commences gas production from its 300 million cubic feet per day ANOH gas project;

15 Jan 2026 **Lagos (Nigeria)** *Punch*. **Nigerian Upstream Petroleum Regulatory Commission (NUPRC)** meets with prospective bidders of the 50 oil and gas blocks currently on offer in the 2025

Oil Licensing Round, during which CEO, **Oritsemeyiwa Eyesan**, announces a reduction in entry costs for the licensing round, including a revision of the signature bonus and other pre-first oil fees, as part of ongoing reforms to attract investment into the upstream sector;

15 Jan 2026 **Abuja (Nigeria)** *Punch*. Nigeria's headline inflation rate eases to 15.15% in December 2025 down from 17.33% in November;

15 Jan 2026 **Brussels (Belgium)** *The Cable*. **European Union (EU)** removes **Nigeria** from its list of high-risk third country jurisdictions for money laundering and terrorism financing;

14 Jan 2026 **Abuja (Nigeria)** *Naira Metrics*. **World Bank** retains Nigeria's economic growth forecast at 4.4% for 2026 - 2027, up from 4.2% in 2025, despite lingering structural challenges;

14 Jan 2026 **Lagos (Nigeria)** *Punch*. **Lagos State** high court awards \$25,000 against **United States**-headquartered **Meta Platforms Inc** for publishing on **Facebook** a false video report that human rights lawyer, **Femi Falana**, was suffering from a terminal illness;

12 Jan 2026 **Abuja (Nigeria)** *ThisDay*. Government expects to raise over ₦189 billion (\$133m) from the sale of national assets and the privatisation of selected public holdings to finance the 2026 budget;

13 Jan 2026 **Abuja (Nigeria)** *Punch*. **United States Africa Command** delivers critical military supplies to Nigeria in support of ongoing security operations;

13 Jan 2026 **Abu Dhabi (United Arab Emirates)** *Premium Times*. **Nigeria** and the **United Arab Emirates (UAE)** signs a **Comprehensive Economic Partnership Agreement (CEPA)** that will eliminate tariffs on over 13,500 products traded between both countries in a move expected to boost exports, attract investment, and support industrial growth;

9 Jan 2026 **Lagos (Nigeria)** *Vanguard*. **Dangote Petroleum Refinery** begins direct petrol sales to independent oil marketers capable of buying a minimum of 250,000 litres;

7 January 2026 **Washington (United States)** *BusinessDay*. United States (US) adds **Nigeria** to a list of countries whose nationals may be required to post a visa bond of \$5,000, \$10,000, or \$15,000 as a condition for B1/B2 (business/tourism) visa issuance;

1 Jan 2026 **Abuja (Nigeria)** *Naira Metrics*. **Nigerian Communications Commission (NCC)** issues licenses to six new Internet Service Providers (ISPs);

30 Dec 2025 **Abuja (Nigeria)** *Guardian*. **Central Bank of Nigeria (CBN)** projects a more stable and resilient economy in 2026, in its 2026 Macroeconomic Outlook, themed 'Consolidating Macroeconomic Stability amid Global Uncertainty';

29 Dec 2025 **Abuja (Nigeria)** *Channels*. State-owned **Nigerian National Petroleum Company Limited (NNPCL)** group chief executive officer, **Bashir Ojulari**, announces that the **Ajaokuta-Kaduna-Kano (AKK)** pipeline worth \$2.8 billion will be operational for export early 2026;

17 Dec 2025 **Abuja (Nigeria)** *Punch*. **Nigerian Midstream and Downstream Petroleum Regulatory Authority (NMDPRA)** executive officer, **Farouk Ahmed**, resigns following allegations of economic sabotage and corruption while **Nigerian Upstream Petroleum Regulatory Commission (NUPRC)** chief executive officer **Gbenga Komolafe** also resigns;

16 Dec 2025 **Washington (United States)** *BusinessDay*. United States (US) President **Donald Trump** imposes visa restrictions for Nigerians seeking to enter the US as immigrants or on several non-immigrant visa categories, including B-1 (business), B-2 (tourism), combined B-1/B-2, F (academic studies), M (vocational studies) and J (exchange programmes);

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