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AFRICA RISK CONSULTING

Nigeria Monthly Briefing May 2026

Nigeria Summary 26 May 2026

President Bola Tinubu (2023-present) wins the ruling All Progressives Congress (APC) presidential primary election, officially securing the party's nomination for the January 2027 presidential election. United States-headquartered S&P Global Ratings upgrades Nigeria's long-term foreign and local currency sovereign credit ratings to 'B' with a stable outlook, citing sustained economic reforms and expanding domestic refining capacity. Tinubu says Nigeria will spend about $11.6 billion servicing its debt in 2026, as Nigeria seeks a $1.25 billion loan from the World Bank. State-owned Nigerian National Petroleum Company Limited (NNPCL) signs agreements with China's Sanjiang Chemical Company Limited and Xingcheng (Fuzhou) Industrial Park Operation and Management Co., Ltd. to drive the rehabilitation, restart, and expansion of the Port Harcourt and Warri refineries. Government withdraws its $32.8m penalty against US-headquartered Meta over alleged data protection violations after reaching a confidential settlement.

Tinubu wins APC presidential primaries election

Nigeria's political landscape is gradually intensifying ahead of the January 2027 general elections, with political parties beginning internal processes to select candidates for various elected positions across the country. On 24 May, President **Bola Tinubu** (2023-present) emerged as the presidential candidate of the ruling **All Progressives Congress (APC)** for the 2027 general election following the party's primary vote. Tinubu secured 10.9 million votes from 11,069,756 accredited party members, defeating his sole rival, **Stanley Osifo**, who received 16,504 votes. The primary election, which was restricted to APC members, effectively clears the way for Tinubu to seek a second and final four-year term during the January 2027 presidential election.

Similarly, former vice president **Atiku Abubakar** remains a frontrunner of the presidential primary election of the opposition **African Democratic Congress (ADC)**, conducted nationwide on 25 May. Abubakar is facing off against former transport minister, **Chibuike Amaechi**, and economist, **Mohammed Hayatu-Deen**. Other political parties are also expected to conclude their respective primary elections by 30 May. **Peter Obi** is another strong candidate and has emerged as the sole presidential candidate for the opposition **Nigeria Democratic Congress (NDC)**.

The ongoing primary elections are serving as an early indicator of the political alignments, rivalries, and campaign trends likely to shape the coming months leading up to the presidential vote. However, political analysts have already raised concerns over the credibility and transparency of some of the figures released during the APC primary process, particularly regarding voter accreditation and turnout figures.

The emerging political landscape suggests that the upcoming election could mirror the same dynamics witnessed during the 2023 presidential election, with the same political figures and established power blocs once again positioning themselves as leading contenders. The developments also indicate that political tensions, intensified party mobilisation, and increased campaign activities are likely to accelerate nationwide in the months ahead as parties consolidate support bases and prepare for a highly competitive electoral cycle.

S&P upgrades Nigeria's credit rating citing improving macroeconomic outlook

United States (US)-headquartered **S&P Global Ratings** upgraded Nigeria's long-term foreign and local currency sovereign credit ratings from "B-" to "B" on 15 May, citing sustained economic reforms, improving foreign exchange market conditions, and the expansion of domestic refining capacity. The upgrade, Nigeria's first since 2012, was issued with a stable outlook and follows a similar positive reclassification by **United Kingdom (UK)**-based global index provider **FTSE Russell** in April, signalling a gradual improvement in international investor confidence and global perceptions of Nigeria's economic outlook *(see ARC Briefing Nigeria Apr 2026).*

S&P stated that Nigeria's improved creditworthiness reflects "*three years of sustained structural reforms*," particularly the dismantling of the multiple exchange rate system, which the agency said had improved access to foreign currency and helped restore investor confidence. The agency also noted that the reforms, such as the removal of fuel subsidies, broadening the tax base, and increasing petroleum revenue transfers to the federal account contributed to stronger fiscal performance.

S&P projected a slight moderation in Nigeria's economic growth in 2026 to 3.7% due to inflationary pressures associated with global oil market volatility and the ongoing **Middle East** conflict. The agency nevertheless highlighted the positive impact of the **Dangote Petroleum Refinery** and expanding domestic refining capacity, noting that increased local production would strengthen Nigeria's current account position and reduce dependence on imported refined petroleum products. Despite the upgrade, Nigeria's sovereign rating remains within speculative territory at "B", still five notches below investment grade status, meaning Nigeria is classified as high risk for global investors.

In a related development, the agency on 19 May also upgraded the credit ratings of seven Nigerian banks. The long-term global ratings of **Access Bank Plc**, **Bank of Industry**, **Guaranty Trust Bank Limited**, **Stanbic IBTC Bank Plc**, **Standard Chartered Bank Nigeria Limited**, **United Bank for Africa Plc**, and **Zenith Bank Plc** were raised from "B-" to "B", with stable outlooks assigned to these financial institutions.

The latest rating action represents one of the strongest endorsements so far of the economic reforms **Central Bank of Nigeria (CBN)** and fiscal authorities have introduced since 2023 to rebuild Nigeria's economic buffers and improve macroeconomic resilience. However, despite the positive assessment from international financial institutions, the benefits remain largely intangible for many Nigerians who continue to face high inflation, rising transport costs, and rapidly declining purchasing power.

Nigeria to spend $11.6 billion on debt servicing in 2026

Tinubu disclosed during the **Africa Forward Summit** in **Nairobi (Kenya)** on 12 May that Nigeria is expected to spend approximately $11.6 billion on debt servicing in 2026, representing nearly half of the country's projected revenue, while attributing **Africa**'s slow economic development to the unfair global financial architecture. Tinubu stated that high borrowing costs and limited access to long-term financing continue to divert critical resources away from industrial development, infrastructure, and skills acquisition, creating a structural disadvantage for African economies.

The statement coincides with fresh reports indicating that the government has entered discussions with the **World Bank** over a proposed $1.25 billion loan facility intended to support economic reforms, job creation, and competitiveness programmes across Nigeria. A World Bank document titled 'Nigeria Actions for Investment and Jobs Acceleration' indicated that the facility has reached an advanced stage in the institution's approval process and is expected to be presented before the World Bank's board on 26 June.

If approved, the facility would become Nigeria's second-largest World Bank financing package after the $1.5 billion **Reforms for Economic Stabilisation to Enable Transformation Development Policy Financing**, approved in June 2024.

The proposed borrowing comes amid opposition parties growing scrutiny over Nigeria's increasing reliance on multilateral financing under the current administration. Available findings indicate that the World Bank approved $9.35 billion in loans and credits for Nigeria between June 2023 and May 2026.

The approved facilities span several sectors, including power, education, healthcare, agriculture, social protection, renewable energy, Micro, Small, and Medium Enterprises (MSME) financing, and broader economic reform support programmes. If the proposed loan facility is eventually approved and disbursed, Nigeria's total public debt stock could rise from approximately ₦159.28 trillion ($115.8 billion) to about ₦160.98 trillion ($116.5 billion).

This lending lends credence to concerns that Nigeria could become increasingly trapped in a cycle of borrowing to service existing debt obligations, thereby deepening fiscal vulnerabilities. The **Nigerian Economic Summit Group** has warned that Nigeria's debt outlook remains fragile despite indications of short-term macroeconomic improvement, stressing that underlying fiscal pressures remain elevated and could deteriorate further with continued external borrowing.

NNPCL signs MoU with Chinese firms to revive Warri and Port Harcourt Refineries

State-owned **Nigerian National Petroleum Company Limited (NNPCL)** announced on 4 May a new effort to revive two state-owned refineries through the signing of a Memorandum of Understanding (MoU) with two **Chinese** companies for a potential Technical Equity Partnership (TEP). The MoU signed with **Sanjiang Chemical Company Limited** and **Xingcheng (Fuzhou) Industrial Park Operation and Management Co. Ltd** on 30 April is aimed at supporting the completion and operation of **Port Harcourt** and **Warri** refineries. NNPCL CEO **Bashir Bayo Ojulari**, stated that the agreement followed over six months of intensive technical and commercial discussions with both Chinese firms.

The partnership would support the completion of outstanding construction and engineering works at both refineries. NNPCL says the collaboration goes beyond rehabilitation by covering the full operation and maintenance of the facilities to ensure sustainable and internationally competitive performance. It added that the agreement would also explore future expansion projects aimed at enabling the refineries to produce cleaner fuels and higher-value petroleum products in line with evolving global standards.

Since 2021, the government has spent about $2.39 billion on the rehabilitation of the two refineries. While the Port Harcourt Refinery was declared completed and resumed production in November 2024, authorities suspended operations in May 2025 amid controversy over the refinery's production output.

The MoU announcement has triggered renewed criticism from energy experts and stakeholders within the oil and gas sector. The **Organised Private Sector of Nigeria**'s **(OPSN)** former president, **Dele Oye** questioned the financial and technical capacity of the selected Chinese firms to manage projects of such scale and complexity. He stated that investigations the **Alliance for Economic Research and Ethics** conducted found no verifiable record of the companies successfully executing refinery rehabilitation or operational projects globally.

Oye further argued that Sanjiang Chemical Company Limited is not an Engineering, Procurement, and Construction (EPC) firm, but rather a company focused mainly on downstream chemical operations. Although the company is publicly listed on the **Hong Kong Stock Exchange**, he noted that its recent financial indicators reportedly show declining cash reserves and significant short-term debt exposure.

Oye also questioned why NNPCL was pursuing new agreements without first clarifying the status of existing refinery rehabilitation contracts and ongoing investigations by the **Economic and Financial Crimes Commission EFCC)**. He warned that failure to properly terminate or resolve previous refinery contracts before entering into new agreements could expose Nigeria to fresh arbitration and litigation risks.

The latest initiative reflects a shift from Ojulari's previous position, where he hinted in July 2025 that the refineries could eventually be sold due to rising rehabilitation costs and persistent technical challenges. However, given the history of failed turnaround maintenance projects at state-owned refineries, the new agreement is likely to face intense public and industry scrutiny, with growing calls for transparency, accountability, and clearer oversight in the management of strategic national energy assets.

Government reaches out of court settlement with Meta

Nigeria has withdrawn a $32.8m fine previously imposed on US-headquartered **Meta** over alleged data privacy violations following a closed-door settlement agreement reached in October 2025, the details of which were only released in April. In February 2025, **Nigeria Data Protection Commission (NDPC)** fined the parent company of **Facebook** and **Instagram** after a 17-month investigation into alleged breaches affecting over 60 million Nigerian users. On 3 November 2025, a federal high court **in Abuja** turned the October agreement into a formal consent judgment.

Under the agreement, Meta reportedly committed to adopting more ethical practices in handling Nigerians' personal data going forward. The company bore no financial liability, except for agreeing to cover the government's legal costs incurred in relation to the court proceedings challenging the NDPC's final orders.

In response to reports surrounding the settlement, the NDPC clarified on 28 April that the sanction on Meta was not entirely cancelled but reduced as part of a negotiated settlement that includes compliance obligations and public awareness initiatives related to data protection. Under the agreement, Meta is expected to make certain payments to the government, although the exact amount has not been disclosed. The remaining portion of the penalty was reportedly converted into commitments aimed at strengthening data protection standards and improving privacy practices in Nigeria.

The settlement agreement was based on two main principles. First, Meta agreed to provide "*specific remedial considerations*" aimed at supporting the protection of data rights for users in Nigeria. Second, the NDPC agreed to waive its right to enforce or pursue further action regarding the commission's earlier final orders against Meta. The agreement also cleared both parties of liability, stating that the settlement should not be interpreted as an admission of wrongdoing or legal responsibility by either side, nor as acceptance of the opposing party's legal position.

Under the original final orders, NDPC directed Meta to immediately obtain "*express, specific, and unambiguous consen*t" from Nigerian users in all cases where personal data would be processed for behavioural advertising purposes. The commission also instructed Meta to conduct a comprehensive **Data Processing Impact Assessment** examining how its algorithms and other systems facilitate and amplify the processing of personal data, particularly regarding the potential effects on human rights, public safety, and Nigeria's democratic development. In addition, Meta was required to update its privacy policy and provide users with information, including expert assessments, on the possible consequences of profiling and the risks associated with personal data processing, especially potential health-related risks.

However, under the settlement agreement, these specific compliance measures were replaced with broader commitments requiring Meta to use its "*best endeavours*" to strengthen its technical and organisational safeguards in line with the **Nigeria Data Protection Act 2023 (NDP Act)** and comply with other obligations established under Nigerian data protection laws.

The original final orders issued by the commission also directed Meta to immediately stop transferring personal data outside Nigeria without prior approval from the commission, in accordance with the NDP Act. However, under the settlement agreement, this requirement was replaced with a broader obligation for Meta to maintain "*appropriate safeguards*" for cross-border data transfers.

The quiet waiver has damaged trust with the public, raised questions of transparency, and created perceptions that large tech companies can negotiate around penalties. However, the settlement also

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demonstrates the NDPC's ability to engage directly with major global platforms and secure compliance commitments. This approach suggests that the commission may be prioritising long-term improvements in corporate data protection practices and regulatory cooperation rather than relying on punitive measures.

Planner

2 - 3 Jun 2026 **Lagos (Nigeria) Offshore West Africa Conference**

8 – 9 Jun 2026 **Lagos (Nigeria) Invest in Lagos 3.0 Summit**

23 - 25 Jun 2026 **Abuja (Nigeria) African Natural Resources & Energy Investment Summit**

28 Jun – 2 Jul 2026 **Abuja (Nigeria) Nigeria Oil and Gas Energy Week Conference and Exhibition**

26 – 27 Oct **Abuja (Nigeria) 32nd Nigerian Economic Summit**

26–29 Oct 2026 **Lagos (Nigeria) Africa International Defence Exhibition (AFRIDEX)**

16 Jan 2027 **(Nigeria)** Presidential election

Chronology

25 May 2026 **Abuja (Nigeria)** *The Nation.* Government enters partnership with a **Chinese** firm, **New Power Technology (NPT)**, to localise the manufacturing and assembly of Compressed Natural Gas (CNG) and electric vehicle (EV) infrastructure in Nigeria;

21 May 2026 **Abuja (Nigeria)** *Channels*. **Dangote Industries Limited** president, **Aliko Dangote,** discloses the planned Initial Public Offering (IPO) of **Dangote Petroleum Refinery and Petrochemicals** will launch in September after attracting $2 billion private investor placement;

20 May 2026 **Abuja (Nigeria)** *Guardian.* **Central Bank of Nigeria (CBN) Monetary Policy Committee (MPC)** retains its benchmark interest rate at 26.5%;

20 May 2026 **Ogun (Nigeria)** *Reuters*. **National Drug Law Enforcement Agency (NDLEA)** dismantles a **Nigerian-Mexican** methamphetamine production syndicate operating a clandestine laboratory inside a forest, arresting three Mexican nationals and seven Nigerian collaborators and seized methamphetamine and chemical substances valued at over ₦480 billion ($349m);

19 May 2026 **Kaduna (Nigeria)** *Premium Times.* **Economic and Financial Crimes Commission (EFCC)** arrests former power minister, **Saleh Mamman,** at a hideout in **Rigasa** area; a federal high court sentenced Mamman in absentia to 75 years in prison for diverting ₦22 billion ($16m) earmarked for the **Zungeru** and **Mambilla** hydroelectric projects;

19 May 2026 **Abuja (Nigeria)** *The Nation.* **United States (US) Trade and Development Agency** concludes arrangements to install approximately 1,500 turnkey mobile communications base stations for wireless technology across Nigeria**, Benin**, **Côte d'Ivoire**, and **Ghana**;

19 May 2026 **Lagos (Nigeria)** *The Nation.* **Nigeria Revenue Service (NRS)**, and the **Joint Revenue Board (JRB)**, announces the introduction of a new Taxpayer Identification (Tax ID), serving as a single identity for taxpayers and replacing the multiple identification systems currently in use;

16 May 2026 **Borno (Nigeria)** *CNN.* **United States (US)** and **Nigerian** security forces kills a senior **Islamic State (ISIS)** commander**, Abu-Bilal al-Minuki** in joint operation;

15 May 2026 **Oyo (Nigeria)** *Al Jazeera.* Armed men attack three schools in **Oriire Local Government Area** and kidnap 39 students and seven teachers;

15 May 2026 **Abuja (Nigeria)** *Punch*. Nigeria and **Germany** sign a €365m ($423m) development and investment partnership agreement to support economic growth, energy expansion, agriculture, and private-sector development;

15 May 2026 **Abuja (Nigeria)** *Reuters*. **Dangote Petroleum Refinery and Petrochemicals** files lawsuit against the attorney general in a bid to overturn fuel import licences issued to marketers and state-owned **Nigerian National Petroleum Company Limited (NNPCL)**;

12 May 2026 **Abuja (Nigeria)** *The Nation.* **Nigerian Upstream Petroleum Regulatory Commission (NUPRC**) reveals that Nigeria met 99.2% of its **Organization of Petroleum Exporting Countries (OPEC)** crude oil production quota of 1.5 million barrel per day;

10 May 2026 **Zamfara (Nigeria)** *Reuters*. Military airstrikes kill 100 civilians in **Tumfa** market in **Zurmi Local Government Area** during an operation targeting terrorists, but the **Defence Headquarters (DHQ)** denies claims of civilian casualties;

6 May 2026 **Abuja (Nigeria)** *Npf..gov*. Police repatriate a **Chinese** national to the **People's Republic of China** for allegedly masterminding a ponzi scheme of over $245m in China;

3 May 2026 **Abuja (Nigeria)** *ThisDay*. President **Bola Tinubu** departs Nigeria on a three-nation diplomatic visit to **France, Kenya** and **Rwanda**;

1 May 2026 **Abuja (Nigeria)** *Punch*. President **Bola Tinubu** nominates **Joseph Tegbe** as power minister, subject to **Senate** confirmation, following the resignation former minister, **Adebayo Adelabu,** who stepped down to pursue his governorship ambition;

1 May 2026 **Rivers** (**Nigeria**) *Champion News*. **NNPC Gas Infrastructure Company (NGIC),** a subsidiary of **Nigerian National Petroleum Company Limited (NNPCL),** completes the **River Niger Crossing** of the 130km **Obiafu-Obrikom-Oben (OB3)** gas pipeline, a strategic infrastructure designed to transport up to two billion standard cubic feet of gas daily;

1 May 2026 **Geneva (Switzerland)** *The Nation.* **Council of the International Telecommunication Union (ITU)** appoints communications, innovation, and digital economy minister, **Bosun Tijani,** as chair of the ITU 2026 council during plenary session;

30 Apr 2026 **Abuja (Nigeria)** *Cable.* Government approves $2.99 billion for three major rail projects in **Lagos, Kano, and Kaduna States**;

29 Apr 2026 **Abuja (Nigeria)** *The Cable*. President **Bola Tinubu** dismisses **Nigerian Midstream and Downstream Petroleum Regulatory Authority (NMDPRA)** CEO **Saidu Mohammed**;

29 Apr 2026 **Abuja (Nigeria)** *Premium Times*. **Senate** confirms appointment of **Lamido Yuguda** as deputy governor of the **Central Bank of Nigeria (CBN)**;

27 Apr 2026 **Abuja (Nigeria)** *Premium Times*. Foreign affairs ministe**r, Bianca Odumegwu-Ojukwu**, summons **South Africa**'s high commissioner to Nigeria**, Thamsanqa Mseleku,** over recent xenophobic attacks on Nigerians in South Africa;

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Getting in touch

Please contact us by email info@africariskconsulting.com