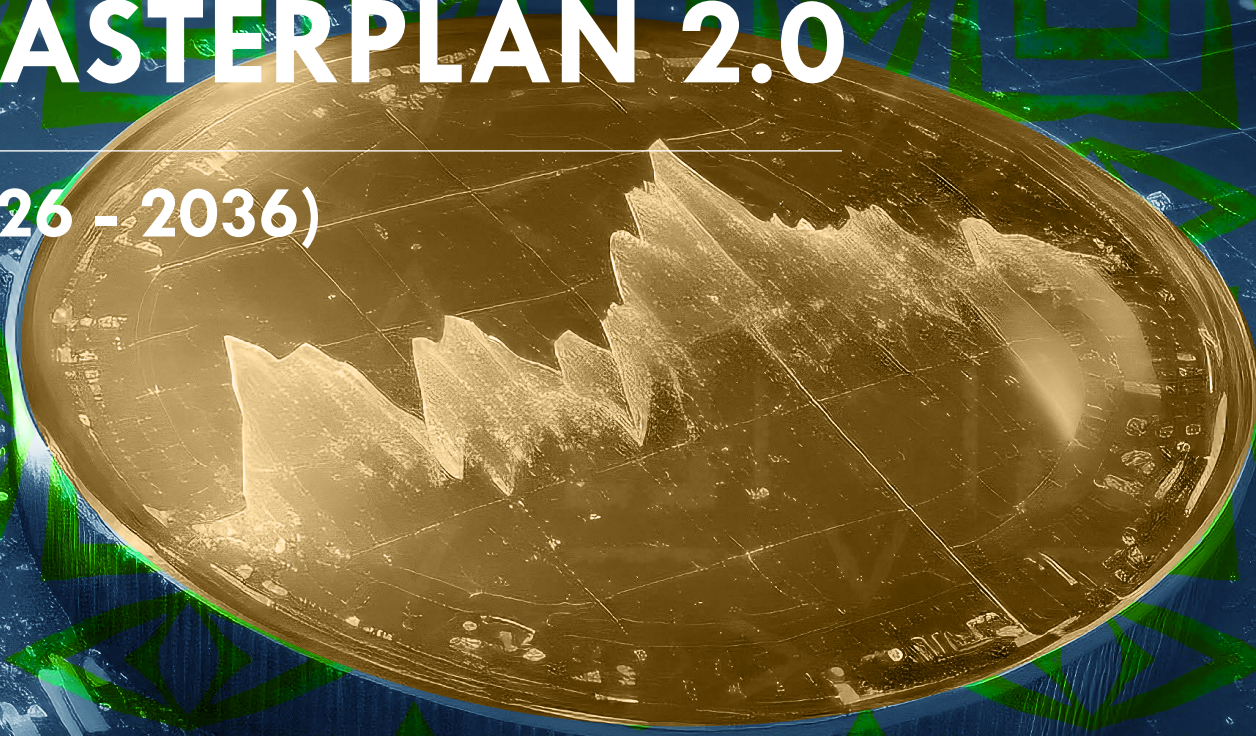


NIGERIA CAPITAL MARKET MASTERPLAN 2.0

(2026 – 2036)



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Nigeria Capital Market Masterplan 2.0 2026–2036
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The expertise, guidance, and dedication of the entire team have ensured that the NCMMP 2.0 attains the highest standards of quality and aligns with national economic development priorities. We extend our sincere appreciation to all partners and contributors for their commitment to the successful completion of this work.



Foreword

Every generation of market builders is handed a moment. Ours has arrived.

Nigeria stands today at an inflection point unlike any in our recent economic history. The courageous structural reforms of the past three years — the unification of our foreign exchange windows, the removal of distortionary subsidies, and the restoration of macroeconomic discipline — have reset the foundations of our economy, charting a path to sustainable real growth. Upon those foundations, the Investments and Securities Act 2025 has conferred on the Securities and Exchange Commission the most expansive regulatory mandate in its history, bringing systemic risk oversight, digital and tokenised assets, and enhanced enforcement powers firmly within the perimeter of our capital market. The question before us is no longer whether Nigeria can build a world-class capital market. It is whether we will seize this moment with the ambition it demands. The Nigeria Capital Market Masterplan (NCMMP) 2.0 is our answer.

This Masterplan is a ten-year covenant between the Commission, the market, and the Nigerian people. It builds honestly on the lessons of its predecessor. The first Capital Market Masterplan (2015–2025) delivered landmark achievements — the enactment of the ISA 2025, the market-wide transition to a T+2 settlement cycle, the growth of collective investment schemes from ₦263 billion to ₦7.7 trillion, and the formal onboarding of digital asset businesses into our regulatory framework. Improvements have continued into 2026; in June, the market advanced to a T+1 settlement cycle, and collective investments exceeded ₦9.3 trillion.

Yet we do not shy away from this first plan's unfinished business. While the previous iteration was at times a technical exercise, the NCMMP 2.0 is deliberately positioned as a strategic instrument of national economic transformation — in direct alignment with Nigeria Agenda 2050 and the Renewed Hope Development Plan (2026–2030) — squarely focussed on achieving our national aspiration of a USD 1 trillion economy by 2030.

The vision that animates this document is clear: a diverse, efficient, transparent and innovative capital market that positions Nigeria as a regional financial hub and drives the capital mobilisation and wealth creation our nation requires. That vision is given life through five interlocking pillars — fostering regulatory clarity, coordination

and enforcement; modernising our market infrastructure; broadening issuance and diversifying products and instruments; deepening and diversifying our investor base; and building the institutional capability and professional depth on which everything else depends. Behind each pillar lies a sequenced implementation plan, with clear owners, timelines and measures of success, because a masterplan that cannot be measured cannot be delivered.

As the Director-General of the SEC, I wish to be candid about what that delivery will require. No regulator, however empowered, can build a capital market alone. The reforms in these pages call for unprecedented collaboration — with the Central Bank of Nigeria, the Federal Ministry of Finance, the Debt Management Office, PenCom, NAICOM, our exchanges and market infrastructures, our capital market operators, issuers and, above all, the investing public whose trust is the true currency of any market. This Masterplan was forged through extensive consultation with stakeholders, and it will be delivered through their continued partnership. I invite every institution named in this document to see itself not as a stakeholder consulted, but as a co-author of Nigeria's financial future.

To the young Nigerian saver opening her first investment account; to the SME founder seeking capital to grow; to the state government financing infrastructure for its people; to the pension contributor building a dignified retirement; and to the global investor looking upon Africa's largest market with renewed confidence — this plan was written for you. Capital markets are not an abstraction. They are the machinery by which a nation converts its savings into its ambitions, its ideas into enterprises, and its enterprises into shared prosperity.

I am profoundly grateful to the Board of Commissioners, the management and staff of the Commission, our development partners, and the many market participants whose insights shaped this document. Their labour reflects a shared conviction that Nigeria's best economic chapter is still ahead of us.

With faith in our nation, confidence in our market, and an unshakeable commitment to the investing public, I commend the Nigeria Capital Market Masterplan 2.0 to the market and to the nation. The work begins now — and by the grace of God, and the diligence of all who serve this market, we shall deliver on it.

Dr. Emomotimi Agama, PhD, FCMA, CGMA, FCIS, MCSI

Director-General

Securities and Exchange Commission, Nigeria

List of Abbreviations

Abbreviation	Full Form
AACN	Association of Assets Custodians of Nigeria
AAOIFI	Accounting and Auditing Organisation for Islamic Financial Institutions
ABS	Asset-Backed Securities
ACT	Association of Corporate Trustees
ADR	African Depositary Receipts
AELP	African Exchanges Linkage Project
AfDB	African Development Bank
AFEX	Africa Exchange
AIF	Alternative Investment Fund
AIHN	Association of Issuing Houses of Nigeria
AMA	Arbitration and Mediation Act
AML / CFT	Anti-Money Laundering / Combating the Financing of Terrorism
ANAN	Association of National Accountants of Nigeria
APC	Administrative Proceedings Committee
API	Application Programming Interface
ARIP	Accelerated Regulatory Incubation Program
ASEA	African Securities Exchanges Association
ASHON	Association of Securities Dealing Houses of Nigeria
AUM	Assets Under Management
BCP / DRP	Business Continuity Plan / Disaster Recovery Plan
BPE	Bureau of Public Enterprises
BVN	Bank Verification Number
CAC	Corporate Affairs Commission
CAGR	Compound Annual Growth Rate
CAMMIC	Capital Markets Masterplan Implementation Committee / Council
CBI	Climate Bonds Initiative
CBN	Central Bank of Nigeria
CCP	Central Counterparty
CFA	Chartered Financial Analyst
CFAN	Crowdfunding Intermediaries Association / Crowdfunding Association of Nigeria
CFTC	Commodity Futures Trading Commission
CIS	Collective Investment Schemes / Chartered Institute of Stockbrokers

Abbreviation	Full Form
CITA	Companies Income Tax Act
CMC	Capital Markets Committee
CMF	Complaints Management Framework
CMMP (2015-2025)	Capital Market Masterplan (2015-2025)
CMO	Capital Market Operator
CMSA	Capital Market Solicitor's Association
CPD	Continuing Professional Development
CSCS	Central Securities Clearing System Plc
CSD	Central Securities Depository
CTP	Consolidated Tape Provider
DFI	Development Finance Institution
DFSP	Digital Financial Service Provider
DMO	Debt Management Office
DTT	Double Taxation Treaty
e-KYC	Electronic Know Your Customer
eCCI	Electronic Certificate of Capital Importation
EDI	Economic Development Incentive
EFCC	Economic and Financial Crimes Commission
ESG	Environmental, Social, and Governance
ESMA	European Securities and Markets Authority
ETF	Exchange-Traded Fund
EWR	Electronic Warehouse Receipt
FAAC	Federation Account Allocation Committee
FATF	Financial Action Task Force
FCT	Federal Capital Territory
FMAN	Fund Managers Association of Nigeria
FMDQD	FMDQ Depository
FMI	Financial Market Infrastructure
FMoF	Federal Ministry of Finance
FRC	Financial Reporting Council
FSD Africa	Financial Sector Deepening Africa
FSRCC	Financial Services Regulation Coordination Committee
FX	Foreign Exchange
GCF	Green Climate Fund
GDP	Gross Domestic Product
GMRA	Global Master Repurchase Agreement

Abbreviation	Full Form
GSS	Green, Social, and Sustainable
GWP	Gross Written Premiums
HNWI	High Net Worth Individual
ICAN	Institute of Chartered Accountants of Nigeria
ICMA	International Capital Market Association
IFC	International Finance Corporation
IFRS	International Financial Reporting Standards
IFSB	Islamic Financial Services Board
IGR	Internally Generated Revenue
IMF	International Monetary Fund
IOSCO	International Organisation of Securities Commissions
IPO	Initial Public Offering
IPPF	Insurance Policyholders' Protection Fund
ISA	Investment and Securities Act
ISDA	International Swaps and Derivatives Association
ISPO	Irrevocable Standing Payment Order
ISSB	International Sustainability Standards Board
IST	Investment and Securities Tribunal
JRBA	Joint Revenue Board Act
KID	Key Information Document
KYC	Know Your Customer
LCFE	Lagos Commodities and Futures Exchange
LEI	Legal Entity Identifier
MEL	Monitoring, Evaluation, and Learning
MMoU	Multilateral Memorandum of Understanding
MNO	Mobile Network Operator
MOFI	Ministry of Finance Incorporated
MRA	Mutual Recognition Agreement
MSME	Micro, Small, and Medium Enterprise
MTO	Money Transfer Operator
NAFEM	Nigerian Autonomous Foreign Exchange Market
NAICOM	National Insurance Commission
NASD	National Association of Securities Dealers
NCC	Nigerian Communications Commission
NCCC	National Cybersecurity Coordination Centre
NCMI	National Capital Markets Institute

Abbreviation	Full Form
NCMMP 2.0	Nigeria Capital Market Masterplan 2.0
NCX	Nigeria Commodity Exchange
NDP	National Development Plan
NDPC	Nigeria Data Protection Commission
NFIU	Nigerian Financial Intelligence Unit
NGFS	Network of Central Banks and Supervisors for Greening the Financial System
NGX	Nigerian Exchange Group
NIA	Nigerian Insurers Association
NIBSS	Nigeria Inter-Bank Settlement System
NiDCOM	Nigerians in Diaspora Commission
NIIRA	Nigeria Insurance Industry Reform Act
NIPC	Nigerian Investment Promotion Commission
NIPF	National Investor Protection Fund
NIRSAL	Nigeria Incentive-Based Risk Sharing System for Agricultural Lending
NRS	Nigeria Revenue Service
NRSA	Nigeria Revenue Service Act
NSIA	Nigeria Sovereign Investment Authority
NSS	National Savings Strategy
NTA	Nigeria Tax Act
NTAA	Nigeria Tax Administration Act
NUC	National Universities Commission
NUJ	Nigeria Union of Journalists
ONSA	Office of the National Security Advisor
OTC	Over-the-Counter
PE / VC	Private Equity / Venture Capital
PEA	Political Economy Analysis
PenCom	National Pension Commission
PenOp	Pension Fund Operators Association of Nigeria
PEVCA	Private Equity and Venture Capital Association of Nigeria
PFA	Pension Fund Administrator
PFMI	Principles for Financial Market Infrastructures
PIE	Public Interest Entity
PITA	Personal Income Tax Act
PIU	Project Implementation Unit (SEC PIU)
PSB	Payment Service Bank
PSC	Project Steering Committee

Abbreviation	Full Form
QIB	Qualified Institutional Buyer
RACI	Responsible, Accountable, Consulted, Informed
RBS	Risk-Based Supervision
RCMMP (2021-2025)	Revised Capital Market Masterplan (2021-2025)
RegTech	Regulatory Technology
REIT / REITs	Real Estate Investment Trust / Real Estate Investment Trusts
RTGS	Real-Time Gross Settlement
S4	Scripless Securities Settlement System
SAIFM	South African Institute of Financial Markets
SEC	Securities and Exchange Commission
SFF	Sustainable Finance Framework
SIIN	Single Investor Identification Number
SIM	Subscriber Identity Module
SLA	Service Level Agreement
SME	Small and Medium Enterprise
SMEDAN	Small and Medium Enterprises Development Agency of Nigeria
SOE	State-Owned Enterprise
SPV	Special Purpose Vehicle
SRC	Systemic Risk Council
SRO	Self-Regulatory Organisation
STP	Straight-Through Processing
SupTech	Supervisory Technology
T+1	Trade Date Plus One Day (Settlement Cycle)
TC	Technical Committee
TCC	Tax Credit Certificate
TFSA	Tax-Free Savings Account
ToC	Theory of Change
TR	Trade Repository
TWG / TWGs	Technical Working Group / Technical Working Groups
UBO	Ultimate Beneficial Ownership
UFTF	Unclaimed Funds Trust Fund
UI / UX	User Interface / User Experience
USSD	Unstructured Supplementary Service Data
VAC	Virtual Asset Council
VASP	Virtual Asset Service Provider
VAT	Value Added Tax
WFE	World Federation of Exchanges
WHT	Withholding Tax





Executive Summary

Executive Summary

Introduction and background

Nigeria is among the continent's largest economies by GDP and population, and has recently undergone a series of structural reforms, including the elimination of the fuel subsidy and the unification of foreign exchange windows. Nigeria's economy has entered a phase of increased stability, setting the nation on a path towards long-term, sustainable growth. It is within this economic landscape that the Nigeria Capital Market Masterplan (NCMMP) 2.0 is introduced as a ten-year strategic roadmap designed to guide the continuous evolution and modernisation of the country's capital markets and financial ecosystem at large.

Building on the foundations laid by the previous CMMP (2015–2025), the NCMMP 2.0 defines the strategic baseline for reform and provides a structured framework for the modernisation of the country's capital markets. The development of the new plan arrives at a critical turning point, driven by the passage of the updated Investment and Securities Act (ISA) 2025, which grants the Securities and Exchange Commission (SEC) sweeping new powers to mitigate systemic risk and enforce regulatory standards, while integrating emerging digital, virtual, and tokenised assets into traditional capital market structures. The NCMMP 2.0 aims to ensure that the capital market becomes a driver for economic growth in Nigeria, directly funding vital national development needs across infrastructure, energy, climate adaptation, and small and medium enterprise (SME) formalisation.

Market realities and dynamics

The overarching context and status of Nigeria's capital markets are underpinned by a variety of factors. These include the current institutional position of the SEC, the nature of the FX regime, the market's current positioning following the completion of the CMMP 1.0, and a broader set of market challenges.

The SEC's institutional position

The SEC's institutional position, in turn, is also shaped by its context. The first of these is the regulator's funding model; it is entirely market funded, with no budgetary appropriation from the federal government. Further, the market-funded model lacks the statutory protections seen in peer markets. This setup provides the SEC with financial autonomy, but means its revenue is procyclical, leaving it vulnerable to diminished revenue during market downturns, as well as limiting its ability to invest in advanced market surveillance technology and human capacity. The second important influence on the SEC's institutional position is its relationship with the Federal Ministry of Finance (FMoF), which acts as the apex political entity overseeing the regulator's environment. At present, the SEC is viewed as a private-sector-facing entity rather than a member of

the national economic planning environment, leaving it vulnerable to policy isolation.

Further, the SEC's senior executive positions are subject to political selection, which may create vulnerabilities in leadership continuity as a result of political reshuffling or general elections — and affect capital-market development overall. This influence can be direct, such as the SEC's leadership appointments, or indirect; the CMMP 1.0 was politically orphaned in 2018 after the Minister of Finance changed during implementation.

The SEC's institutional position has material implications for the NCMMP 2.0's delivery: if the regulator remains underfunded and bandwidth-constrained, it cannot effectively play its role as champion of Nigeria's capital markets.

Nigeria's foreign exchange framework

The operational depth, pricing efficiency, and predictability of the foreign exchange (FX) framework serve as the primary conduits through which international capital is mobilised into the domestic capital markets, and therefore warrant special mention. Historically, the FX market operated on a multi-tiered pricing regime, which was replaced with a unified, market-driven model in 2023 by the establishment of the Nigerian Autonomous Foreign Exchange Market (NAFEM), which operates on a "Willing Buyer, Willing Seller" price discovery mechanism. At present, administrative verification of capital entry is governed by the electronic Certificate of Capital Importation (eCCI) regime.

Sustained FX availability at market-clearing rates is essential for foreign portfolio flows, so the experience of foreign investors in dealing with Nigeria's FX framework is of substantial importance. In practice, while FX unification efforts have successfully resolved exchange rate distortions, foreign investors still face operational bottlenecks. These include fragmented eCCI databases, uncoordinated onboarding rules, and the lack of standardised clearing pathways for foreign currency trades.

The market's position after NCMMP 1.0

Following a mid-term evaluation of the previous CMMP, a revised CMMP (RCMMP, 2021–2025) was developed to ensure the strategy reflected market realities. Key successes under the previous CMMP include the formal enactment of the ISA 2025, the market-wide transition to a T+1 settlement cycle by June 2026¹, and significant growth in the Collective Investment Scheme (CIS) Net Asset Value (NAV) from ₦1.4 trillion in 2021 to ₦7.7 trillion in December 2025.² The SEC brought digital assets into the regulatory perimeter by admitting 56 additional firms into its Regulatory Incubation Programme and registering two digital exchanges.³ The Nigerian Capital Market Institute (NCMI) was also reconstituted, and the Financial Action Task Force (FATF) removed Nigeria from its

¹ SEC, 2026. Available [here](#)

² SEC, 2026. Available [here](#)

³ Aelix, 2025. Available [here](#)

grey list following completion of an action plan to tackle money-laundering and terrorist financing.

Despite these achievements, just 63% of the first CMMP's planned activities were completed. Of its 21 macro-objectives, only two were fully achieved, leaving 19 in various states of execution by the end of 2025.⁴ Longstanding gaps in inter-agency cooperation, complex legislative dependencies, and macroeconomic volatility linked to initial currency liberalisations slowed progress. Furthermore, a lack of alignment with Nigeria's national development blueprints reduced broader buy-in by policymakers, highlighting a clear need to position the NCMMP 2.0 as a strategic economic enabler rather than a technical exercise.

Nigeria's capital markets challenges

Nigeria's capital markets made notable progress over the course of the previous CMMP, but still face a number of challenges.

The first of these is inherent in the market's institutional environment. While the SEC is the market's regulator and the driving force behind its growth, capital markets development depends on the alignment of a number of institutional actors, each with their own mandates and potential friction points. From a policy, legal and regulatory perspective, these include the Central Bank of Nigeria (CBN), the Federal Ministry of Finance (FMOF), the Debt Management Office (DMO), the Ministry of Finance Incorporated (MOFI), the National Pension Commission (PenCom) and the National Insurance Commission (NAICOM). Additional important agencies include the Financial Reporting Council of Nigeria (FRC), the Nigerian Revenue Service (NRS), the Investments and Securities Tribunal (IST), the Office of the National Security Advisor (ONSA), the Corporate Affairs Commission (CAC) and the Capital Market Masterplan Implementation Committee (CAMMIC). Finally, capital markets development will also depend on the cooperation of the market's financial infrastructure.

These actors have varying levels of alignment with capital-market development, depending on their own mandates and incentives. However, all of them, to a greater or lesser extent, influence how well the NCMMP 2.0's intended reforms can be implemented. For this reason, they will all have a role to play in the practical implementation and design of the NCMMP 2.0's activities.

Beyond the institutional environment, Nigeria faces challenges across its capital markets ecosystem.

Notwithstanding the expansive mandate envisaged by the Investment and Securities Act (2025), Nigeria's **legal/regulatory environment** faces inter-agency coordination challenges, fragmented subsidiaries rules, the limited technical and operational capacity of the SEC, as well as ambiguous investor-protection, market-conduct and restitution mechanisms, which undermine investors' confidence and participation.

The market has multiple providers across most layers of its core **financial market infrastructure**, with multiple trading venues and post-trade infrastructures, both for central securities depositories (CSDs) and central counterparty clearinghouses (CCPs). This

creates fragmentation, including for market data, while the CBN's oversight of the S4 adds further structural complexity. Furthermore, there is little integration between Nigeria's market infrastructure and those of the wider region and the rest of the world. The commodity and derivatives markets also remain shallow due to the absence of a robust electronic warehouse receipt (EWR) ecosystem, low CCP usage, non-final mandatory clearing rules and a small end-user base for derivatives. The Nigerian market's focus on infrastructure resilience is also underdeveloped relative to its size and international expectations, resulting in operational risk.

The market's **investor base** contains growing institutional investors, including in the pensions and insurance industries. However, overall penetration across both of these facets remains low, and the majority of these portfolios are concentrated in sovereign debt due to limited bankable alternatives. Direct retail investor participation is also limited due to access and trust challenges, while the market's local collective investment schemes (CIS) are concentrated in short-term, money-market funds. Foreign investors have returned to the market following the liberalisation of the foreign exchange (FX) regime, but their role remains limited compared to their historical participation owing to access/onboarding challenges and currency-convertibility concerns, among other issues. Finally, while Nigeria boasts a sizable diaspora, because of limited participation pathways, only a small share of the overseas population's remittances is channelled into the national capital markets.

On the issuer side, federal government securities form the most active segment of Nigeria's issuance base. However, high yields and tax advantages create a crowding-out effect for non-sovereign debt issuers, including for vanilla corporate debt and labelled issuances, which have seen declines in issuance activity. Sub-national debt is relatively less developed, owing to low internally generated revenues (IGR), poor fiscal discipline and financial reporting challenges. Further, while the market has 146 listed companies across the NGX Main and Premium Boards, listing activity has slowed in recent years, owing to rigid free float and shareholder requirements, as well as a slowdown of SOE privatisation via public markets. SMEs have limited avenues to raise funding through the capital markets, while a lack of cross-border listing frameworks have constrained general corporate equity activities. Finally, the use of diverse instruments (non-interest instruments and vehicles, sustainable bonds, REITs, ABS, commodities, non-interest alternative investment vehicles) are limited by a combination of underdeveloped regulatory frameworks, de-risking architecture and a lack of clearly identified projects or assets for their use.

Nigeria has an active **intermediary and capital market operator (CMO) landscape**, spanning broker-dealers, fund managers, issuing houses, custodians, registrars, trustees, investment advisers, solicitors, and credit ratings agencies. However, the market faces capacity constraints, technology adoption barriers that limit market efficiency, and overlap in certain intermediary roles.

Overall, fragmented capacity-building efforts create a thin pipeline of capital markets professionals, while capacity constraints across issuers limit capital market participation for states and SMEs.

⁴ SEC, Revised Capital Markets Masterplan 2021 - 2025

The NCMMP 2.0

The NCMMP 2.0 seeks to address the market's binding constraints through a number of ambitious reforms, designed to address these restrictions while taking due consideration of the political-economy environment in which the market operates.

In line with Nigeria's national development priorities, as set out in Nigeria Agenda 2050 and the Renewed Hope Development Plan 2026–2030, the vision for the NCMMP 2.0 is:

“A diverse, efficient, transparent and innovative capital market that positions Nigeria as a regional financial hub and drives the capital mobilisation and wealth creation required to achieve a US\$1 trillion economy by 2030”.

This vision is operationalised across a series of reforms, embedded across five distinct but interrelated pillars. Each pillar has three primary objectives, each with a distinct number of workstreams under which the pillar's activities are organised.

The first pillar focuses on the market's legal and regulatory environment, aimed at removing bottlenecks and giving expression to the SEC's expanded mandate under the ISA 2025. The pillar is organised into three objectives and seven workstreams. The workstreams under Pillar 1 include a push to enhance inter-agency cooperation, including by fostering a more streamlined regulatory environment for market participants to navigate on the domestic front, while also promoting collaboration between the SEC and international regulators.

The NCMMP 2.0, under Pillar 1, seeks to further strengthen the core regulatory environment across two main fronts. The first of these involves clarifying a number of disparate subsidiary SEC rules, as well as codifying certain principles that are unwritten, but affect the market's practical functioning. The second front requires establishing new regulatory frameworks for sustainable finance, sub-national issuance and disclosure (including the integration of credit enhancement regulations), and netting and financial collateral frameworks for derivatives.

Further, the NCMMP 2.0 aims to enhance the market's supervisory architecture and enforcement, while also enhancing investor protection, compensation and restitution mechanisms. In addition, the NCMMP 2.0 recommends the development of market-conduct and consumer-protection frameworks, as well as a number of systemic risk management initiatives, in accordance with the SEC's mandate under ISA 2025. Finally, the NCMMP 2.0 recommends activities aimed at strengthening the oversight of digital, virtual and tokenised assets.

The second pillar focuses on modernising Nigeria's financial markets infrastructure, with three main objectives and three corresponding workstreams in view.

Firstly, the NCMMP 2.0 seeks to promote open, efficient and competitive securities markets with a focus on interoperability and connectivity between infrastructures, seamless connectivity across these, competition neutral access to trading, clearing and settlement systems, market data transparency, and streamlined, more automated post-trade processes.

At the same time, the new plan aims to create deeper, more developed commodity and derivatives markets by strengthening

CCPs, boosting foreign participation in domestic derivatives and repurchase (repo) markets, implementing an end-to-end warehouse receipts system, and formalising the OTC derivatives market.

The final financial markets infrastructure workstream put forward under the NCMMP 2.0 concerns overall infrastructure resilience. The focus is on cybersecurity and operational resilience, underpinned by assessments against the Principles for Financial Markets Infrastructures (PFMI) and the cybersecurity standards as set out by the Committee on Payments and Market Infrastructures (CPMI) and the International Organisation of Securities Commissions (IOSCO).

A key priority of the plan's third pillar — via three primary objectives and six corresponding workstreams — is to broaden Nigeria's issuer base.

The NCMMP 2.0's recommended interventions in this regard aim to address the binding constraints limiting or hindering the participation of the full gamut of issuers, including sovereign issuance, sub-national debt, corporate equity and debt, and small and medium enterprises (SME). In particular, the NCMMP 2.0 focuses on the role of sovereign issuance as a risk-free benchmark, requiring a robust yield curve, secondary market liquidity (including a robust primary dealer framework) and an active repo market for short-term liquidity management.

Similarly, the new plan seeks to encourage greater sub-national debt issuance through modernising regulatory approval paths, deploying specialised credit enhancement, and executing targeted technical capacity enhancements at the state level. Finally, from a private sector perspective, the NCMMP 2.0 seeks to remove the structural barriers facing corporate equity and debt issuance, while also encouraging financing for Nigeria's vibrant SME environment. The NCMMP 2.0 also recommends a number of product and instrument enhancements. These include positioning Nigeria as a competitive destination for non-interest finance, promoting sustainable finance instrument issuance across issuer types, developing a market for priority commodities, and fine-tuning the required regulatory frameworks that underpin the issuance of real estate investment trusts (REITs), asset-backed securities, and listing frameworks for alternative investment funds.

The NCMMP 2.0's fourth pillar aims to expand and deepen the investor base across three objectives and five workstreams.

This includes enhancing how the market's institutional investors channel their capital via appropriate, de-risked or credit-enhanced projects that align with both national development priorities and their own needs, supported by a complementary regulatory framework. In a similar vein, the NCMMP 2.0 aims to broaden institutional investor access to SME-related instruments, as well as to commodities.

The new plan also promises to unlock the potential of Nigeria's retail investor base. Priorities include making it easier for individuals to open investing accounts — including tax-free savings accounts (TFSAs) — while promoting mobile network operator (MNO) and fintech integration, as well as ensuring safe access to emerging asset classes such as digital, virtual and tokenised assets. These initiatives should be supported by retail investor education.

The NCMMP 2.0 hopes to build a qualified investor framework, aimed at leveraging capital from the market's 7,200 high net worth individuals (HNWIs). It also seeks to increase foreign investor

participation by streamlining account-opening rules for foreign investors, addressing settlement risk, and ensuring their ability to repatriate foreign currency. These actions will be further supported by establishing custody arrangements with global custodians and enhancing the tax treatment of foreign investors.

Finally, the plan aims to develop a clearer pathway for the Nigerian diaspora to participate in the country's capital markets, underpinned by a sub-national diaspora bond programme, appropriate regulatory frameworks for foreign-currency retail vehicles, and digital cross-border conduits offered in partnership with intermediaries.

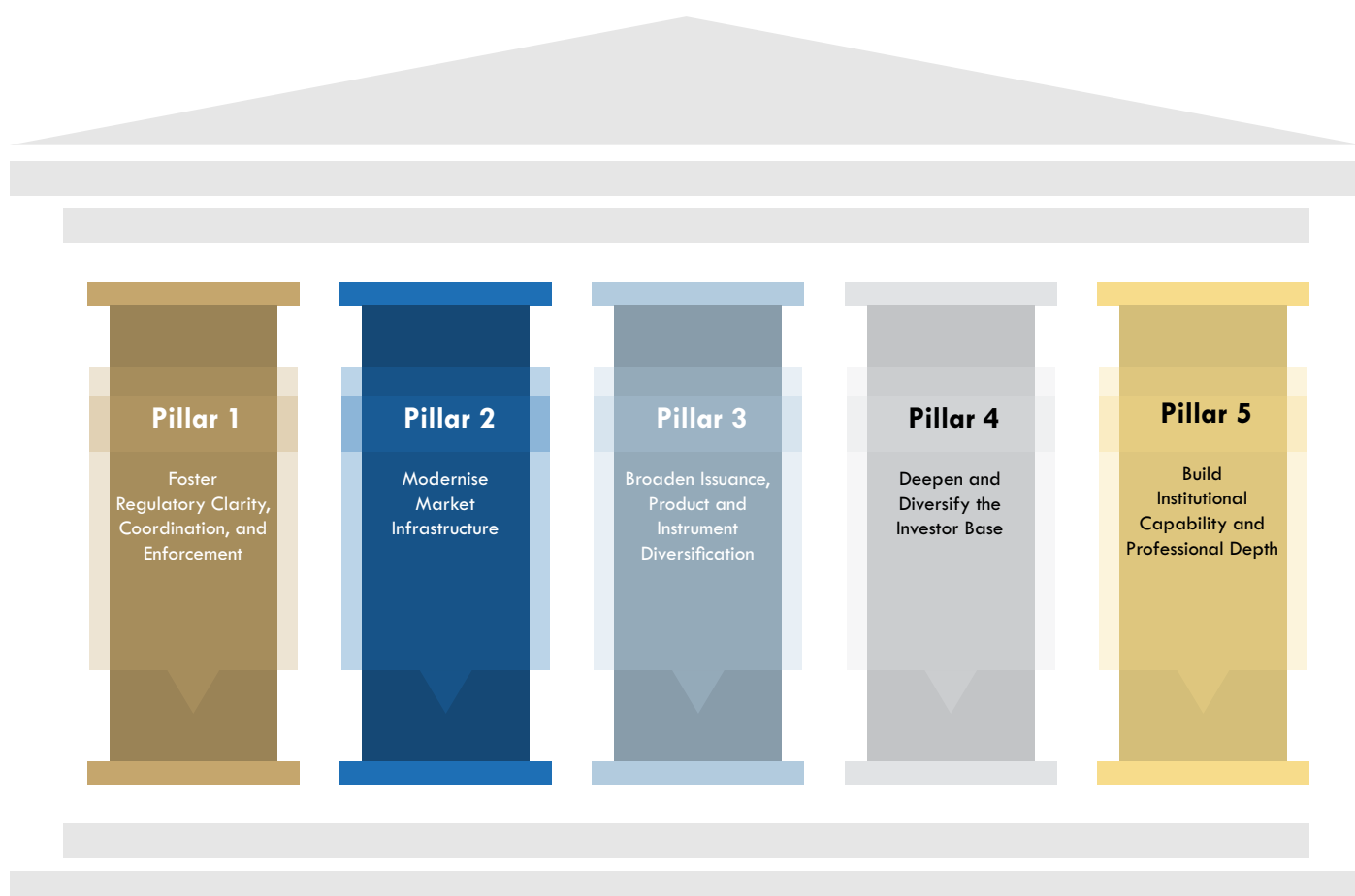
The NCMMP 2.0's fifth and final pillar focuses on building institutional capacity and professional depth across three objectives and five workstreams.

At its core, this pillar focuses on the SEC's capacity, to ensure it can fulfil its core mandates under the ISA 2025. The pillar also aims to boost supervision over evolving aspects of the markets, such as the digital, virtual and tokenised assets and sustainable finance spaces. The NCMMP 2.0 expands the emphasis on capacity building across the regulatory perimeter, envisaging targeted capacity building for several important institutional actors, including PenCom, NAICOM and the DMO.

Improved capacity and competence is needed across the sector. Hence, the NCMMP 2.0 aims to strengthen the resilience, efficiency and competitiveness of intermediaries. Proposed activities include assisting with technology adoption, reviewing the rules that underpin their operations, and monitoring their health following recapitalisation.

The Nigerian market requires ongoing efforts to create and maintain a pipeline of trained capital markets professionals. Therefore, the NCMMP 2.0 recommends modernising the Nigerian Capital Market Institute (NCMI), consolidating various capital markets capacity-building initiatives and placing a renewed focus on mandatory certification for market practitioners.

The plan also aims to enhance the market participation of issuers, spanning SMEs, larger private sector issuers and state governments via capacity-building efforts delivered through a structured incubation programme, tailored to the needs of each issuer group. Finally, the NCMMP 2.0 provides for stronger capacity among capital markets journalists, to ensure accurate and high-quality reporting of the capital markets.





1. Introduction

Introduction

1.1 Background to the NCMMP 2.0

Nigeria stands at a critical juncture in its economic trajectory. It is Africa's most populous nation, and has one of the continent's largest economies, with a GDP of US\$377 billion in 2025. The economy is increasingly stable as a result of aggressive structural reforms initiated in 2023.⁵ These reforms, including the removal of the petrol subsidy and the unification of foreign exchange windows, have been designed to set the economy on a path of sustainable growth moving forward.

This Nigeria Capital Market Masterplan (NCMMP) 2.0 sets out Nigeria's ten-year strategic roadmap for the continued evolution and modernisation of its capital markets. Building on the foundations established by the previous CMMP (2015–2025), the NCMMP 2.0 defines the long-term direction for reform and provides a structured framework to guide action across the entire capital market ecosystem. The NCMMP 2.0 is intended to support the coordinated implementation of high-impact reforms, ensuring that the capital markets remain a major contributor to Nigeria's economic development. To effectively support Nigeria's growth trajectory, the NCMMP 2.0 is anchored against the country's long-term overarching planning blueprint, Nigeria Agenda 2050 (NA 2050), ensuring that capital market progression closely mirrors national economic development.

The NCMMP 2.0 comes at an opportune time, with Nigeria's Securities and Exchange Commission (SEC) granted sweeping new powers under the updated Investment and Securities Act (ISA) 2025. The emergence of innovations in capital markets, including the emergence of digital, virtual and tokenised assets, requires a coordinated response if these novelties are to be integrated into traditional capital markets. Most crucially, Nigeria's development needs remain pressing, with the country requiring substantial investment in areas such as infrastructure, climate adaptation, energy, and the formalisation its extensive ecosystem of small and medium enterprises (SMEs).

The NCMMP 2.0 translates diverse and wide-ranging insights —shared by a representative set of contributors across the market ecosystem — into a structured reform programme. During its development, stakeholder consultations with ecosystem participants explored the current state of Nigeria's capital market and identified strengths, gaps, and constraints affecting its progress. The consultations also explored the dynamics between market participants and the regulator as well as difficulties that emerged during the implementation of Nigeria's first CMMP.

This report is organised into the following sections.

- **Market Realities and Dynamics** — Summarises the principal challenges that the NCMMP 2.0 seeks to address, separated by the different aspects of the capital markets ecosystem. Also sets out the status quo in terms of the SEC's institutional position, the CMO landscape and the FX framework.
- **Strategic Vision and Nigeria's Development Priorities** - Sets out the long-term vision for Nigeria's capital markets, and highlights the different ways Nigeria's capital markets can support national development, as well as how the NCMMP 2.0 contributes to these development needs.
- **The Nigeria Capital Market Masterplan 2.0** — Presents the core reform programme, outlining the strategic pillars, primary objectives, workstreams and activities proposed to address identified constraints and support the development of the market.
- **The Implementation Plan** — Sets out the sequence, timelines, and institutional responsibilities required to deliver the proposed reforms over the NCMMP 2.0's ten-year horizon.
- **Governance and Monitoring & Evaluation Framework** — Defines the institutional arrangements for implementation and provides the framework for tracking progress, evaluating outcomes, and ensuring accountability.

A sequencing plan is provided in the [Appendix](#) (Section 6.1), illustrating the indicative timing and broad phasing of activities across the decade-long implementation period. Additionally, a list of stakeholders consulted during the development of the NCMMP 2.0 is presented in the [Appendix](#) (Section 6.2).

While the NCMMP 2.0 is structured around core pillars, the various activities within each pillar are grouped in workstreams. In alignment with the Theory of Change (ToC) in section 7, each workstream in the NCMMP 2.0 is assigned to a primary objective block, with each of the pillars having three of these blocks. Across the NCMMP 2.0, the five core pillars comprise a total of 15 primary objective blocks.

⁵ IMF, 2026. Available [here](#)

The background is a complex digital collage. On the left, a vertical orange bar contains faint, semi-transparent bar charts. The rest of the image is a deep blue field filled with various financial data visualizations: line graphs, area charts, and bar plots in shades of green and yellow. A large, semi-transparent petri dish is centered in the upper half, containing a detailed line graph with multiple peaks and valleys. The overall aesthetic is high-tech and analytical, suggesting a focus on market data and scientific observation.

2. Market Realities and Dynamics

Market Realities and Dynamics

2.1. Summary Review of the Previous CMMP

The original Nigerian Capital Market Master Plan (CMMP) 2015–2025 was a 10-year blueprint designed to position the Nigerian capital market as an efficient, internationally competitive hub capable of supporting the country's emergence as a top 20 global economy.⁶

The original CMMP was structured in three distinct parts. **Part A: The Overall Capital Market Master Plan** was the core document that articulated the 10-year journey for the general capital market, focusing on structural transformation and market liquidity. **Part B: Non-Interest Capital Market (NICM) Products Master Plan** was a specialised sub-plan aimed at developing Shari'ah-compliant financial products and establishing Nigeria as a regional hub for non-interest finance, and **Part C: The Capital Market Literacy Master Plan** focused on increasing market participation by educating the Nigerian populace and integrating capital market studies into various educational levels. Overall, the masterplan had a total of 167 initiatives, anchored by the vision "To be Africa's most modern, efficient and internationally competitive market that catalyses Nigeria's emergence."⁷

The previous CMMP underwent a strategic recalibration in the aftermath of the Covid-19 pandemic, also taking into account changing global regulatory standards and an altered technological landscape. The result was the Revised CMMP (RCMMP), which served as the capital market's roadmap between 2021 and 2025. The RCMMP introduced an updated vision: "To be Africa's most modern, efficient and internationally competitive market that catalyses Nigeria's economic growth and development". The elements of this updated vision included economic growth, innovation, ease of access to markets, and a robust and clear legal and regulatory framework.

As of the end of 2025, the RCMMP had helped the market achieve a number of important milestones. Highlights include:⁸

- The Investment and Securities Act (ISA, 2025) being formally passed into law, providing a major update of the capital market's foundational legislation.
- The market's successful transition to a T+2 settlement cycle in 2025, with T+1 achieved in June 2026.
- Growth in the collective investment scheme (CIS) net asset value (NAV), from ₦1.4 trillion (2021) to ₦7.7 trillion December 2025.
- 56 additional firms under the SEC's Regulatory Incubation (RI) Programmes, two digital exchanges and five start-ups registered.
- Securing funding for the NASDAQ SaaS-based market surveillance system.

- Reconstituting the Nigerian Capital Market Institute (NCMI).
- Completing the National Savings Strategy (NSS) roadmap.
- Exiting the Financial Action Task Force (FATF) grey list.

The above achievements represent material progress for Nigeria's capital markets, driven by stakeholder collaboration, government support, technology adoption, a more modern legislative/regulatory framework and the SEC's leadership. However, of the RCMMP's 21 major objectives, just two were completed, with 19 in various states of progress as of the end of 2025.⁹ When considering the activities underlying the objectives, the RCMMP's total completion rate was 63%, indicating that it had achieved a majority, but not all, of its most critical aims.¹⁰ Financial inclusion, the channelling of capital to critical sectors, regional integration, promotion of ESG and commodities and stronger market risk oversight remain the areas that require most urgent attention.

More specifically, the limited delivery of the previous Commodities Trading Ecosystem Implementation Committee highlights that commodity market reform requires clearer mandates, dedicated resourcing, a functioning secretariat, binding milestones and stronger cross-agency implementation authority under the NCMMP 2.0.

The RCMMP's progress was hampered by a number of challenges. These now present learning opportunities for the NCMMP 2.0., and include:

- An ongoing need for interagency cooperation between the SEC and other relevant capital markets stakeholders (see subsection 2.2 below).
- Legislative dependencies for the introduction of some of the RCMMP's intended interventions.
- The absence of a centralised capital market data repository, which makes data collection challenging.
- Macroeconomic volatility, including short-term disruptions from exchange-rate reforms.
- Limited alignment with Nigeria's national development priorities, which reduced national buy-in and support.

The NCMMP 2.0 acknowledges the previous CMMP's achievements, challenges, and unfinished business. Not all of these challenges, including macroeconomic volatility, fall within the capital markets' direct purview. Facing them will require strong inter-agency cooperation, a key priority of the NCMMP 2.0. Finally, the plan aligns its core pillars with Nigeria's medium-term and long-term national development priorities rather than positioning the plan merely as a technical exercise for its own sake.

⁶ SEC, 2023. Available [here](#)

⁷ [Ibid](#)

⁸ [Ibid](#)

⁹ SEC, 2023. Available [here](#)

¹⁰ [Ibid](#)

2.2. The SEC's Institutional Position

The following sub-section details the overall positioning of the SEC within Nigeria's broader governance and public finance ecosystems. Grounded in the findings of the Political Economy Analysis (PEA), this overview evaluates a range of variables (e.g. statutory, financial, and political) that dictate the SEC's regulatory autonomy and direct capacity to oversee implementation of the NCMMP 2.0.

The funding model

The SEC is entirely market-funded, deriving its operational budget from fees, transaction levies, and registration charges imposed on CMOs and capital market transactions. Currently, the institution receives no annual budgetary appropriation from the federal government. While conceptually designed to grant financial autonomy to the regulator, the practical execution of this model has resulted in an observable funding deficit that undermines both regulatory capacity and institutional independence.

This constraint triggers a perverse-incentive dynamic in which market operators actively resist regulatory fee increases, while the SEC lacks the consistent capital base required to procure advanced market surveillance technology or sustain the human resource capacity necessary to process complex regulatory filings at international speed. Furthermore, because transaction fee volumes contract during market downturns, the SEC's revenue stream is highly pro-cyclical, exposing its regulatory and market development ambitions to the volatility of macroeconomic market cycles.

Relationship with the Federal Ministry of Finance (FMoF)

The SEC maintains a direct statutory relationship with the FMoF. Under the ISA 2025, the FMoF serves as the apex political and policy-enabling institution overseeing the fiscal environment in which the SEC operates. However, stakeholder insights and desktop research indicate that this relationship has been constrained by macro-policy fragmentation and policy isolation. The SEC is predominantly viewed as a private-sector-facing entity rather than an integral part of national economic planning, thereby necessitating an integration of Nigeria's national development priorities in the NCMMP 2.0 as presented in section 3.

This isolation of the institution typically leaves the SEC exposed to uncoordinated cross-agency decisions. For instance, fiscal policies managed by the FMoF (such as tax code changes administered by the Nigeria Revenue Service) or monetary actions by the Central Bank of Nigeria (CBN) are frequently deployed without prior SEC consultation or alignment, potentially risking disruption to capital market operations. Strengthening the SEC-FMoF relationship is therefore vital to aligning the FMoF's Investment Budgeting framework with the SEC's capital mobilisation pipelines.¹¹ This would also promote a more effective relationship between the SEC and the FMoF.

Political appointment cycles and leadership continuity

Based on the PEA, a core vulnerability threatening capital-market governance in the long-term is the alignment of the SEC's leadership tenure with national political appointments and electoral cycles. Because senior executive appointments at the SEC are subject

to political selection, leadership continuity is vulnerable to cabinet reshuffles, executive realignments, and general election cycles — such as the upcoming 2027 national election. Market stakeholders see the effects of political appointments and gaps in leadership continuity as one of the key constraints to the successful implementation of the previous CMMP.

The previous CMMP was established under a specific Minister of Finance and became institutionally orphaned when that minister departed. The incoming political leadership did not inherit or champion the plan, and the CMMP's administrative status gave it no basis to compel institutional continuity.¹² This highlighted that when regulatory governance is dependent on individual political figures rather than being structurally anchored in statute, long-duration policy implementation is constrained.

Legal and budgetary constraints on the SEC's autonomy

Although the ISA 2025 grants the SEC sweeping statutory powers over digital assets, commodities, and alternative investment vehicles, its operational autonomy is legally and financially constrained. Unlike international peer regimes, Nigeria's market-funded model lacks the statutory protections necessary to insulate the regulator from operator pressure. For example, South Africa's Financial Sector Conduct Authority (FSCA) utilises a statutory levy determined by the Minister of Finance and set by Parliament under the Financial Sector and Deposit Insurance Levies Act, 2022. The levy is calculated against the balance-sheet size of supervised entities, rather than transaction volumes, thereby giving the FSCA a stable, counter-cyclical revenue base that does not compress in bear markets. This structure also bypasses bilateral regulator-operator fee negotiations, which can sometimes introduce friction between CMOs and the regulator.

Similarly, the Securities and Exchange Board of India (SEBI) maintains an independent investment portfolio of government securities that insulates its budget from market-cycle revenue drops. Lacking these institutional safeguards, the SEC currently faces budgetary hurdles that affect its ability to regulate the ecosystem. The SEC remains structurally dependent on the very entities it is mandated to regulate, creating a governance bottleneck when enforcing risk-based market-conduct standards.

Implications for CMMP delivery

The SEC's institutional position has direct and immediate implications for the delivery of the NCMMP 2.0. An underfunded, bandwidth-constrained regulator cannot effectively lead the implementation of a decade-long masterplan. If the SEC's underlying funding model is left unaddressed, its capacity to enforce post-issuance reporting, operate regulatory sandboxes, or process rapid listings could deteriorate, causing implementation timelines to stall. As such, resolving these structural deficits is a necessary prerequisite for the new plan's execution and delivery.

On this basis, across all five pillars, the NCMMP 2.0 recommends initiatives that are designed to strengthen not only the CMOs, investors and issuers, but also the SEC's institutional position. This includes a comprehensive capacity audit of the regulator, improvements in inter-agency cooperation, as well as a revision of the SEC's funding model.

¹¹ Federal Ministry of Finance, 2026. Available [here](#)

¹² Stakeholder Interviews, Genesis Analytics Primary Research, April–May 2026

2.3. Nigeria's Foreign Exchange Framework

The operational depth, pricing efficiency, and predictability of the foreign exchange (FX) framework serve as the primary conduits through which international capital is mobilised into the domestic capital markets. The structural architecture of Nigeria's FX market is defined by a unified, market-driven model that replaced the historical, multi-tiered pricing regime. The Investors' and Exporters' (I&E) Window, originally established by the Central Bank of Nigeria (CBN)¹³ was later abolished in June 2023¹⁴. In accordance with the CBN's statutory mandates under Sections 15 and 16 of the CBN Act 2007, this intervention collapsed all previous independent segments to establish the Nigerian Autonomous Foreign Exchange Market (NAFEM).¹⁵ NAFEM operates on a unified "Willing Buyer, Willing Seller" price discovery mechanism, which serves as the exclusive, legally operative FX architecture for capital market transactions.

The administrative verification of capital entry is governed by the electronic Certificate of Capital Importation (eCCI) regime.¹⁶ While licensed global custodians perform delegated KYC on behalf of foreign clients, the statutory origination and electronic processing of the eCCI remain strictly restricted to Authorised Dealer Banks under Memorandum 20 of the CBN Foreign Exchange Manual, which enforces strict automated tracking within 24 to 48 hours of capital entry.

Under Sections 24 and 25 of the NIPC Act, Cap N117 LFN 2004, foreign portfolio investors (FPIs) hold an unconditional statutory guarantee for the 100% repatriation of capital, dividends, and investment income in freely convertible currency.¹⁷ Operationally, this guarantee is processed under Memorandum 20, which requires that all divestment and repatriation applications executed by Authorised Dealers be strictly backed by a valid eCCI and verifiable evidence of the redemption of the underlying investment.¹⁸ Notably, the macro-prudential cash-pooling limits introduced in 2024 via CBN Circulars 001/004 and 005 target upstream energy-sector corporate treasury funds to manage domestic market liquidity, and they do not apply to standard capital market FPI flows, as explicitly reconfirmed by the restoration of full immediate repatriation flexibility¹⁹.

Sustained FX availability at market-clearing rates remains the primary structural determinant of foreign portfolio flows, directly influencing how international investors price currency risk premiums

and exit liquidity. To manage the systemic liquidity and inherent volatility of these portfolio flows, the CBN applies active macro-prudential settings under the CBN Act 2007, utilising Open Market Operations (OMO), Cash Reserve Ratio (CRR) calibrations, and policy rate corridors as permanent features of the monetary framework. On the market side, the clearing and settlement of foreign currency-denominated trades (such as Eurobonds admitted to trading on domestic exchanges) are routed through authorised dealers under the Foreign Exchange Act 2004. The current operational landscape reflects a split regulatory perimeter where trade execution, exchange listing rules, and market conduct fall under SEC jurisdiction, while systemic clearing-house settlement guarantees, counterparty clearing cycles, and foreign currency liquidity backstops remain within the statutory purview of the CBN.

Ultimately, while FX unification has successfully resolved exchange rate distortions, the practical experience for foreign investors is still hindered by operational bottlenecks. Fragmented bank eCCI databases, poorly-coordinated onboarding rules, and the lack of standardised clearing pathways for foreign currency trades collectively limit market efficiency. To translate these macroeconomic reforms into sustained foreign capital inflows, the NCMMP 2.0 must bridge existing gaps in Nigeria's FX framework. Establishing a modern, digital onboarding and repatriation infrastructure, co-designed by the SEC and CBN, will streamline entry, lower transaction costs, and guarantee settlement certainty.

2.4. Overview of the Capital Market Operator (CMO) Landscape

The Nigerian capital market consists of a range of intermediaries registered under specific operational licenses. Following the SEC's issuance of Circular No. 26-1 in January 2026, minimum capital requirements across all license categories have been modernised, and a compliance enforcement deadline set for June 30, 2027.²⁰ The current distribution of primary active operators by license category and their corresponding capital requirements is structured as follows.

¹³ Circular FMD/DIR/CIR/GEN/08/007 in 2017 under the regulatory ambit of Sections 15 to 17 of the Foreign Exchange Act, Cap F34 LFN 2004

¹⁴ CBN Circular TED/FEM/PUB/FPC/001/001

¹⁵ CBN Reforms and Initiatives, 2026. Available [here](#).

¹⁶ CBN, 2017. Available [here](#)

¹⁷ DIA Piper, 2018. Available [here](#)

¹⁸ DIA Piper, 2018. Available [here](#)

¹⁹ CBN Circular TED/FEM/FPC/PUB/001/003 in March 2026

²⁰ SEC Circular Number 26-1, 2026. Available [here](#)

Table 1: CMO Landscape by License Category^{21,22}

Institution Category	No. of Licenses as of July 2026	Capital Requirement	
		Previous (₦)	Revised (₦)
Broker-dealers	274	300 million	2 billion
Fund/portfolio managers	159	Tier 1: 150 million Tier 2: 150 million Tier 3: 150 million (PE) 20 million (VC)	Tier 1 Level 1: 5 billion Level 2: 10 billion (for AuM above 250 billion) Tier 2: 2 billion Tier 3: 500 million (PE) 200 million (VC)
Issuing houses	122	Tier 1: 200 million Tier 2: 200 million	Tier 1: 7 billion Tier 2: 2 billion
Custodians (bank)	13	200 million	As prescribed by CBN
Registrars	20	150 million	2.5 billion
Trustees	39	300 million	2 billion
Investment advisers	76	Corporate: 5 million Individual: 2 million	Corporate: 50 million Individual: 10 million
Solicitors	132	N/A	N/A
Credit rating agencies	4	150 million	500 million
Second-party opinion (SPO) providers	0 locally domiciled	N/A	N/A

The recapitalisation deadline of June 2027 should be regarded as the beginning of a more comprehensive evaluation of intermediary resilience, rather than as an end in itself. The SEC will have to evaluate the compliance of CMOs with the revised requirements on a category-by-category basis after this deadline. This evaluation should include — the source and quality of capital, liquidity, profitability, leverage, client-asset exposures, operational risk, and business-model sustainability. The findings should be used to support targeted remediation actions, the potential introduction of fine-tuned risk-based capital and liquidity requirements, and, if necessary, consolidation, specialisation or orderly exit rules.

While the primary CMO categories (e.g. broker/dealers, issuing houses, trustees, etc.) are more established and consist of multiple locally licensed providers, the infrastructure for independent risk and verification services remains nascent with only four credit rating agencies (CRA) and no locally domiciled SPO providers. The domestic credit rating agency ecosystem features concentrated capacity across four active, SEC-registered local firms (Agusto & Co., DataPro, Intelligence Africa, and GCR Ratings) operating under the updated prudential parameters of the ISA 2025 and SEC Guidelines on Revised Minimum Capital for Regulated Entities.

While these local entities possess strong analytical track records for traditional corporate and banking sector debt, international linkages remain a double-edged sword. For example, GCR's integration into the global Moody's ecosystem has improved risk-modelling techniques, yet global rating methodologies routinely penalise domestic corporations by capping their scores at Nigeria's macro-fiscal sovereign ceiling, artificially driving resilient local issuers into speculative grades on international scales.

In contrast, **the capacity for Second-Party Opinion (SPO) providers — which are necessary for verifying the environmental frameworks and use-of-proceeds for green, social, and sustainability (GSS) instruments — is currently absent** in Nigeria, with zero active local licenses currently registered by the SEC. Consequently, Nigerian issuers are largely dependent on foreign-domiciled ESG verification agencies such as S&P Global, Sustainalytics, or DNV, which introduces a foreign-exchange cost burden for issuers.

Scaling across both the CRA and SPO segments remains constrained by various challenges including the rigid sovereign-ceiling bottleneck, the absence of a centralised corporate default database to standardise historical loss-given-default metrics, and a domestic shortage of accredited carbon accountants and ESG risk engineers capable of verifying international benchmarks like the International Capital Market Association (ICMA) guidelines. Based on this context, the NCMMP 2.0 recommends a range of initiatives aimed at understanding the CMO landscape, building operators technical capacity, as well as establishing localised accreditation pathways for domestic SPO providers. Overall, these actions seek to improve the efficiency and effectiveness of the CMO landscape in Nigeria.

2.5. Nigeria Capital Markets Baseline Data

The following capital markets baseline data form the quantitative starting point for the NCMMP 2.0. These baseline figures reflect the situation as at end-2025 (or the latest available data point where noted) and will be used to track progress against the NCMMP 2.0's objectives, workstreams and prioritised interventions.

²¹ SEC Guidelines on Revised Minimum Capital for Regulated Entities, March 2026. Available [here](#).

²² SEC, List of Registered Operators, 2026. Available [here](#).

Table 2: Baseline data on key capital market indicators

No.	Metric	Unit	Value	Reporting period	Source
1.	GDP (nominal)	₦ Trillion	442	2025	IMF
2.	GDP (nominal)	USD Billion	377.4	2025	IMF WEO
3.	Equity market capitalisation (total)	₦ Trillion	146.5	2026	NGX
4.	Equity market capitalisation	% of GDP	33%	2026	Genesis Calculation
5.	Number of listed companies (total)	#	146	2026	NGX
6.	Turnover ratio	%	2.8%	2024	World Bank
7.	Total outstanding bonds — (all issuers)	₦ Trillion	76.6	2025	DMO
8.	Collective investment schemes AUM	₦ Trillion	8.6	2026	SEC
9.	Number of CIS unitholders	Million	1.2	2026	SEC
10.	Pension fund AUM	₦ Trillion	27.5	2025	PenCom
11.	Insurance sector AUM	₦ Trillion	4.8	2025	NAICOM
12.	Retail investor count	#	6,000,000+	2025	NGX
13.	Foreign investor share — daily traded value	(%)	22%	2025	Punch NG
14.	Number of digital assets listed	#	56	2025	SEC
15.	Number of registered VASPs	#	2	2024	ALN
16.	Gender disaggregated data				CSCS
	16.1 CSCS Tradable accounts	#	1,053,776 (F) 1,613,230 (M)	2026	
	16.2 CSCS Active accounts	#	1,042,861 (F) 1,589,775 (M)	2026	
	16.3 CSCS Non-tradeable accounts	#	223,473 (F) 321,175 (M)	2026	

2.6. Summary of current market constraints

The transition from the RCMMP (2021-2025) to the NCMMP 2.0 requires an understanding of the market's current position and the principal constraints it faces. This section synthesises these, leveraging insights from stakeholder interviews and additional desktop research to highlight the most pertinent factors that currently limit the depth, diversification, and the effective functioning of the country's capital markets.

These constraints are grouped thematically in line with the overarching capital markets ecosystem. They reflect interrelated challenges across the institutional, legal and regulatory environment, market infrastructure, the investor base, the issuers, and the broader ecosystem of intermediaries and professional services.

The institutional environment

The SEC is Nigeria's capital market regulator and the driving force behind the country's efforts to develop its capital markets in service of its national development priorities, including Nigeria Agenda 2050 and the Renewed Hope Development Plan 2026-2030. However, for it to be an effective champion of this mandate, it will require the support and collaboration of a number of other stakeholders.

To build explicit, mandate-aligned coordination pathways, the NCMMP 2.0 establishes baseline mapping of each institution's primary strategic priorities, its specific operational friction points

with the capital market, and the collaboration strategy required to promote effective inter-agency collaboration. **The institutions include, among others:**

- The Central Bank of Nigeria (CBN) — Its influence as the driver of monetary policy and its mandate for targeting inflation means that it directly dictates the cost of capital. Furthermore, the Bank's position in the FSRCC and its direct management of the S4 system contributes to an ongoing boundary dispute over independent market infrastructure governance. The CBN's primary incentives centre on protecting systemic financial stability and maintaining control over payment rails, which drives resistance to any policy perceived as diluting its oversight of settlement systems. Resolving this friction will involve early, consultative dialogues through the FSRCC, in which capital market depth is positioned as a supportive mechanism for monetary policy transmission, rather than an administrative challenge to central bank regulatory jurisdiction.
- The Federal Ministry of Finance (FMoF) — Its role as the market's largest issuer (via the DMO) and its need to finance fiscal deficits means it can crowd out private issuers, creating a natural tension with the NCMMP 2.0's market expansion goals. This is compounded by the ministry's role in setting fiscal policy and its ability to wield the legal levers of state.²³ Aligning FMoF's interests with the NCMMP 2.0's goals will require direct coordination and dialogue between tax and financial policy authorities to demonstrate how private capital mobilisation channels can reduce long-term budgetary strain on the Federal treasury by shifting public infrastructure costs off the government balance sheet.

²³ In 2023, President Bola Tinubu unbundled the previously merged Federal Ministry of Finance, Budget and National Planning into two separate ministries: the Federal Ministry of Finance (FMoF) and the Federal Ministry of Budget and Economic Planning (FMBEP). This separation restored distinct institutional roles for fiscal management and for economic planning and budgeting. Specifically, The FMoF is mandated to manage and control the public finances of the Federation while the FMBEP is mandated to determine and advise the government on matters of national development and overall management of the national economy.

- The Ministry of Finance Incorporated (MOFI) – Its mandate to optimise state-owned assets gives it the potential to act as a powerful catalyst for supplying investable assets to the market. While MOFI is incentivised to maximise the commercial value of federal holdings, public listings require transparency, regular disclosures, and compliance audits. Because legacy state-owned enterprises historically operate under bureaucratic rather than commercial models, meeting these listing criteria sometimes requires restructuring, which could lead to administrative resistance. Aligning MOFI's interests with the NCMMP 2.0's goals therefore requires collaboration and engagement through the FSRCC, in order to demonstrate how public markets and structured vehicles like real estate trusts can act as commercial valuation drivers. This approach positions the capital market as a supportive tool to help MOFI professionalise governance and meet its asset growth targets, rather than as a deterrent to achieving its mandate.
- Debt Management Office (DMO) – Because of its mandate to centrally coordinate all aspects of public debt, including policy formulation, borrowing, servicing, risk management and reporting, the DMO interacts with the SEC as the sovereign debt issuer, setting the risk-free curve benchmark that anchors pricing across the market. And since the DMO is expected to fund approximately 72% of the ₦23.85 trillion 2026 fiscal deficit domestically, its existing borrowing programme introduces a crowding-out effect that drains institutional capital away from private corporate debt. Aligning the capital markets with the DMO's interests involves close collaboration aimed at demonstrating how enhancements to secondary market liquidity and market infrastructure can expand the overall domestic investor base. This frames capital market development as a mutual benefit that lowers the sovereign's long-term borrowing costs rather than as a competitor for a fixed pool of domestic capital.
- The National Pension Commission (PenCom) – Due to PenCom's position as the regulator of the market's largest pool of institutional capital, and its focus on its fiduciary mandate, a regulatory lag could foreseeably develop, in which legislative permission may not immediately translate into changes to operational guidelines. In turn, this could mean that legislative permissions do not immediately change the flow of institutional capital. Ensuring alignment with PenCom will involve setting up joint collaboration platforms between PenCom and the SEC to allow for co-evaluation and pre-structuring of new instruments before they are introduced to the market. This approach frames capital market diversification as a risk-controlled tool to match long-term liabilities with high-quality, pre-vetted assets, with the aim of safely reducing the administrative lag that could otherwise delay the deployment of institutional capital.
- The National Insurance Commission (NAICOM) – The regulator of the market's other sizable institutional capital pool, focussed on implementing its mandate under the Nigeria Insurance Industry Reform Act (NIIRA) 2025, which includes the recapitalisation of insurance companies. While the recapitalisation exercise expands the capital markets, NAICOM's focus on implementing NIIRA 2025 may reduce its available bandwidth for engaging with further capital markets development initiatives under the NCMMP 2.0.
- Financial Reporting Council of Nigeria (FRC) – The FRC is responsible for driving corporate governance architectures, setting auditing frameworks, and enforcing corporate disclosure standards across the market. FRC's relationship with the SEC is anchored in upgrading market transparency, currently spearheaded by the active implementation roadmap for International Sustainability Standards Board (ISSB) benchmarks which mandates IFRS S1 and S2 disclosures for public-interest entities from January 2028. The historical lack of cross-institutional integration means compliance pathways must be built to link the FRC's reporting mandates directly with the SEC's sustainable instrument rules and PenCom's asset allocation guidelines.
- The Nigerian Revenue Service (NRS) – In June 2025, Nigeria enacted a historic legislative suite comprising four interconnected laws: (a) the Nigeria Tax Act (NTA), (b) the Nigeria Tax Administration Act (NTAA), (c) the Nigeria Revenue Service Act (NRSA), and (d) the Joint Revenue Board Act (JRBA). Effective January 1, 2026, this framework represents the most significant fiscal overhaul since independence, transitioning Nigeria from a cycle of annual, incremental Finance Acts to a permanent, unified tax code. By repealing legacy statutes — including the Companies Income Tax Act (CITA), Personal Income Tax Act (PITA), and the Value Added Tax (VAT) Act — and replacing the Pioneer Status Incentive with the Economic Development Incentive (EDI), the framework provides a modernised, predictable, and sustainable fiscal environment essential for long-term growth. The NRS will serve as a continuous stakeholder given the significance of the tax system in supporting the development and evolution of the capital market ecosystem. Ensuring alignment with this institution will mean leveraging a dedicated fiscal working group to engage the NRS, with the aim of codifying cross-cutting tax neutrality across equities, derivatives and non-interest instruments to protect market turnover.
- The Investments and Securities Tribunal (IST) – Functions as a specialised judicial body with statutory jurisdiction over capital market dispute resolution, administrative sanctions enforcement, and market-conduct adjudication. The IST operates as the legal mechanism underpinning the enforcement architecture of the ISA 2025, with the institution serving as the formal destination for complex regulatory referrals, disciplinary appeals, and investor restitution actions. The primary coordination challenge centres on judicial capacity bottlenecks and extended case processing durations, which could delay dispute resolution and limit investor confidence in Nigeria's capital market.
- Office of the National Security Advisor (ONSA) – Given its role in granting security clearance for digital assets platforms and operations, its response time directly influences time to market for virtual assets service providers (VASPs), affecting the development of this market segment. Building alignment with ONSA requires including the institution in the FSRCC boundary mapping process to align national security tracking with the upcoming Virtual Asset Service Providers (VASP) Regulation Bill 2026 and ensuring that national-security tracking works hand-in-hand with the SEC's licensing rules for digital asset providers.
- Corporate Affairs Commission (CAC) – Serves as the national business registry responsible for corporate formalisation, company filings, and capitalisation rules under the Companies and Allied Matters Act. CAC's relationship with the SEC is centred on managing primary market entry gates, ensuring that companies transitioning from private to public configurations maintain uncompromised governance baselines. While the CAC is integrated into the SEC's Regulatory Hub to facilitate inter-agency information sharing, transaction-level alignment remains fragmented. Addressing this misalignment involves leveraging

technology to promote API-driven transactional synchronisation. This technical integration will ensure that capital adjustments and corporate restructurings verified by the SEC automatically update within the CAC's national database, establishing a seamless, secure primary issuance pipeline while preserving the statutory accuracy of the public corporate registry.

- **Capital Market Masterplan Implementation Committee (CAMMIC)** – The market-wide coordination and monitoring body tasked with guiding the execution of the NCMMP 2.0. Its relationship with the SEC is integral, as implementation responsibilities have historically fallen disproportionately on the SEC Secretariat due to the absence of independent professional resources. Stakeholder insights highlight that CAMMIC's previous cycle faced several governance failures, including a lack of binding authority to compel action from sister regulators and a vulnerability to political appointment cycles that left the plan institutionally orphaned after ministerial transitions.
- **Financial Market Infrastructures (FMIs)** – While these stakeholders lack direct regulatory power, their ongoing success depends on the market's development, meaning they can either support or slow any reforms. Building alignment with FMIs involves engaging these institutions as co-designers of the implementation roadmap as well as mandating binding technical interoperability standards across clearing houses and CSDs to ensure healthy commercial competition does not result in systemic market fragmentation.

The challenge that the SEC faces is that while these stakeholders may be generally supportive of capital markets development, this support is secondary to their core mandates. But because these institutions' actions and policies together influence the underlying supply, pricing, and regulation of capital, their active co-ownership is a necessary prerequisite for the NCMMP 2.0 to achieve its overarching goals. Therefore, one of the NCMMP 2.0's principal challenges is to ensure that the SEC and these entities collaborate on areas of mutual interest, with due regard for their respective institutional boundaries, in the service of positioning capital markets as an engine of Nigeria's broader development.

The legal and regulatory environment

Nigeria recently updated the capital market's legal foundation through the ISA 2025, representing the most significant shift in the country's market supervision framework since the ISA 2007. The ISA 2025 modernises the market by bringing digital assets into the regulatory perimeter, labelling private equity and venture capital investment vehicles (PE/VC) as collective investment schemes (CIS), enhancing the SEC's enforcement powers, establishing a netting framework for derivatives, mandating that the SEC apply a risk-based model for market supervision, and mandating the SEC to reduce systemic risk.

However, the ongoing effectiveness of this legal and regulatory framework depends on the SEC's institutional capacity, inter-agency coordination, and the clarity of the market's existing rules and regulations. Several challenges continue to constrain the effectiveness of the regulatory environment in this regard.

Inter-agency coordination challenges limit market efficiency and introduce ambiguity. The ecosystem is currently characterised by overlapping jurisdictions and a lack of alignment among apex regulators, such as the SEC, the CBN, PenCom, and

NAICOM, when it comes to both information-sharing and joint decision-making. An example of this misalignment is the current uncertainty around the most appropriate operational perimeter for the regulation of the digital and virtual assets space.

Subsidiary rules remain fragmented and lack legal certainty.

While the ISA 2025 provides the legal foundation for the SEC's role in regulating Nigeria's capital markets, the regulator still relies on a base set of rules from 2013 with the addition of scattered, inconsistent amendments added between then and 2026. For example, the Mergers and Acquisitions rules were amended in 2013, 2017, and 2022, but those rules are not codified in one document. The lack of a consolidated body of regulations limits transparency and clarity for market participants who need to understand and comply with these mandates. In other cases, the market is governed by unwritten principles — understood as custom by some operators, but not formally publicised. There is also room to strengthen investor and consumer protection, market conduct and restitution mechanisms, in line with the SEC's broadened mandate under the ISA 2025.

The SEC's institutional capacity deficits limit the regulator's ability to adapt to evolutions in the market.

Transitioning fully to Risk-Based Supervision (a mandate set out in the ISA 2025) requires addressing interconnected gaps across supervisory methodology, technology, and internal capability. Methodologically, the regulator requires a more structured risk taxonomy and calibrated core cycles. Strategically, the SEC lacks certain technological infrastructure such as real-time web crawlers and the analytics required for digital data surveillance. Finally, human capacity and cultural constraints limit supervisory reach, particularly in the oversight of emerging asset classes and sustainable finance. To resolve these gaps, the Toronto Centre is supporting the SEC as a core methodology-and-capability partner, collaborating to set up a comprehensive risk-based framework and establish on-the-job mentoring. However, a formalised funding structure is necessary to ensure this transition can be implemented.

Market infrastructure

Nigeria has multiple providers across most layers of core capital market infrastructure. This includes several trading venues, including the NGX, FMDQ and NASD; multiple post-trade infrastructures, including CSCS, FMDQ Depository and the CBN's Scripless Securities Settlement System (S4); and two central counterparty clearinghouses, NG Clearing and FMDQ Clear. Market participants generally regard the existing infrastructures as technologically capable, and the market has made important progress through dematerialisation and the transition to a T+1 settlement cycle. However, Nigeria's infrastructure landscape remains structurally fragmented, with operational, commercial and governance frictions that affect the efficiency of trading, clearing, settlement, safekeeping and market-data access.

A key feature of the current landscape is the presence of vertically linked FMI ecosystems.

The NGX Group ecosystem includes NGX, its significant shareholding in CSCS and its interest in NG Clearing, while the FMDQ Group ecosystem includes FMDQ Exchange, FMDQ Depository and FMDQ Clear. The 2023 FMDQ Holdings transaction involving a 21.61% stake in CSCS further illustrates the strategic importance of post-trade infrastructure ownership and control within the Nigerian market.²⁴ These ownership and commercial dynamics matter because interoperability is not

²⁴ Vanguard, 2023. Available [here](#).

only a technical question. Each infrastructure group has incentives to retain flows, data, settlement activity and client relationships within its own value chain. As a result, market-wide interoperability can redistribute revenues and reduce the commercial advantages of vertical integration, even where it would lower costs and reduce friction for investors and intermediaries.

This has several practical consequences. Market participants must still navigate separate account structures and operational processes across CSCS and FMDQ Depository, which are not yet fully interoperable. Transaction frictions also remain across the market's CCP landscape, particularly as NG Clearing and FMDQ Clear develop around different product and venue ecosystems. Without a stronger interoperability framework, investors, custodians, brokers and issuers may continue to face duplicated onboarding, settlement and reporting processes, while new products may be channelled through infrastructure arrangements that reflect group-level commercial incentives rather than market-wide efficiency.

Market data is also fragmented. Nigeria does not yet have a consolidated tape that brings together pre-trade and post-trade data across trading venues. This limits market-wide price transparency, weakens best-execution discipline, and makes it harder for investors to compare liquidity and pricing across venues. In a market with multiple exchanges and product segments, the absence of consolidated market data can reinforce venue silos and reduce the ability of intermediaries and investors to make informed routing and execution decisions.

The CBN's S4 is another important source of structural complexity. S4 supports the settlement of federal government securities and reflects the CBN's historic and continuing role in monetary policy implementation, financial stability and the federal government debt market. At the same time, the location of a critical settlement function within the CBN means that a significant part of the post-trade environment sits outside the broader capital market infrastructure perimeter. This creates additional interfaces between trading venues, securities settlement, RTGS cash settlement and market participants, and reinforces the need for clear SEC-CBN coordination.

The relationship between capital market infrastructure and the broader payments system is therefore central to the infrastructure reform agenda. Securities settlement depends on reliable links with RTGS cash settlement, settlement banks and payment-system providers such as NIBSS. As the market moves toward real-time connectivity, digital onboarding, mobile investment channels and broader retail participation, weaknesses in the payments-capital markets interface could lead to operational risk, settlement delays, reconciliation issues, and investor-service frictions.

The resilience of FMIs is also a binding market-infrastructure issue. The market's focus on infrastructure resilience is currently underdeveloped relative to its size and international expectations. A more interconnected market increases the potential impact of operational failures, cyber incidents and third-party outages. Cybersecurity and operational resilience therefore need to be considered at the FMI level, not only at the level of individual broker portals, digital access channels or regulatory filing platforms. Similarly, central counterparty (CCP) capital adequacy, default fund

resources and management, liquidity arrangements, and recovery planning are essential to market confidence, particularly as Nigeria seeks to develop more complex and centrally cleared products such as derivatives, repos and commodity-linked instruments. The issue is therefore not only whether the CCPs are technologically capable or PFMI-disclosed, but whether their financial resources and recovery tools are proportionate to the products, volumes and risks envisaged under the NCMMP 2.0.

Commodity and derivatives markets remain shallow because the supporting market infrastructure and participation base are still underdeveloped. Gaps in the electronic warehouse-receipt ecosystem, limited use of CCPs and the absence of fully operational mandatory clearing arrangements constrain market confidence, liquidity and risk management. Participation is further limited by the small number of end-users actively using derivatives for hedging and price discovery. Deepening these markets will therefore require stronger infrastructure, clearer and more consistent rules, wider use of central clearing and broader participation from producers, financial institutions and other commercial users.

Finally, Nigeria's infrastructure is not yet sufficiently integrated with the regional and international market infrastructure. Cross-border custody, settlement, CCP recognition, supervisory cooperation and links with peer African infrastructures or international CSDs remain limited. This constrains Nigeria's ability to position itself as a regional capital market hub, or to support cross-border listings and attract deeper foreign institutional participation. Addressing these market-infrastructure constraints will require the NCMMP 2.0 to treat FMI reform as a market-structure and resilience agenda, not only as a set of technical system upgrades.

Demand side: the investor base

Nigeria's capital market is dominated by institutional investors. Retail investor participation remains limited, with only six million retail accounts in 2025.²⁵ In addition, while the institutional investor base is growing, the majority of its assets remain invested in federal government debt. Foreign investors also participate in Nigeria's capital markets and have demonstrated increased appetite for investment in Nigeria following the structural reforms over the past two years. However, despite recent progress through the SEC's approved minimum know-your-customer (KYC) requirements, foreign investor participation continues to be constrained by fragmented onboarding, duplicative investor-data capture across market participants, and limited transparency of ultimate beneficial ownership where holdings are routed through custodian or nominee structures.

The pension industry holds over ₦28 trillion in assets, but approximately 60% of this capital is invested in sovereign debt.²⁶ While PenCom recently adjusted guidelines to encourage diversification, pension funds lack adequate scalable, de-risked alternative investment options, further reinforcing the concentration of capital in government paper. Pension penetration in Nigeria also remains relatively low — just 9% of the population has a retirement savings account — owing to low levels of formal employment and limited saving options for individuals working in the informal sector.²⁷ Pension funds are therefore small in relation to the size of the country's GDP.

²⁵ NGX Group, 2025. Available [here](#)

²⁶ PenCom, 2026. Available [here](#)

²⁷ Ibid

Nigeria's insurance sector suffers from a trust deficit and an asset-liability mismatch for life insurers, which lack adequate long-term capital market instruments and are forced to either invest in illiquid real estate or default to highly liquid and risk-free government securities. The latter currently make up over 60% of life insurers' portfolios.²⁸ Insurance penetration across the country remains below 3%, due to high levels of illiteracy, the prevalence of inauthentic policies, and a historical reluctance by insurers to pay claims, all of which discourage insurance uptake.²⁹

At the same time, Nigeria's insurance industry is undergoing a period of transition driven by the Nigeria Insurance Industry Reform Act (NIIRA) 2025. Insurers are facing revised capital requirements—from hard limits to a hybrid minimum floor and risk-based capital approach—enhanced conduct and consumer protection rules, including through the establishment of the Insurance Policyholders Protection Fund, expanded permissible product offerings, and adjusted investment and deposit requirements, notably through a requirement that new insurance companies deposit 50% of their minimum capital requirement with the CBN.³⁰ These changes take place across a phased implementation timeline, with insurers given 12 months to recapitalise, followed by further rulemaking and supervisory adjustments.³¹

Beyond pension funds and insurance companies, Nigeria's CIS industry held a total AUM of ₦8.6 trillion.³² The bulk of this pool (about 64% of AUM) is held in money-market funds, which prioritise short-term, low-risk assets such as Treasury Bills, commercial paper and fixed deposits, driven largely by inflationary pressures.³³ Despite being the vehicle through which retail investors in many markets typically access capital markets, Nigeria's CIS industry consists of just 1.2 million unitholders. This low penetration is driven in part by low retail investor awareness and literacy, the use of unregulated investments, and challenging onboarding processes.³⁴ At the same time, PFAs make little use of CIS, with less than 1% of PFA AuM channelled to the CIS industry.³⁵ The result is two-fold: the CIS industry does not act as a material aggregator of retail savings, nor does it enjoy meaningful supply from institutional investors.

Foreign investors historically played an important role in Nigeria's capital markets, representing 51% of transactions on the NGX in 2018 and 49% in 2019.³⁶ However, recent numbers have fallen far short of these figures: 11% in 2023 and 15% in 2024, reaching a relative high of 22% in 2025,³⁷ then falling to 12% in 2026.³⁸ This drop in investment has been driven by persistent high inflation eroding gains, concerns about currency convertibility, and prohibitively rigid onboarding requirements. Though some of these concerns have been addressed through the liberalisation of the FX market and the growing CBN reserve buffers, the return of foreign investors remains subdued. Further, their participation remains largely confined to money-market instruments, rather than longer term capital markets instruments.

Nigeria has a sizable diaspora, sending home remittances in excess of US\$20 billion per year.³⁹ Though dated (2018) and limited in size, a survey of the Nigerian diaspora in the United Kingdom provides some tentative insights.⁴⁰ While 70% of surveyed individuals sent

money to family or friends, 36% of respondents reported no form of savings or investments in the country, while 42% reported use of a deposit account.⁴¹ Capital markets products saw little uptake: shares (14%), government bonds (12%) and pension products (8%) saw substantially lower uptake than deposit accounts.⁴² Apart from perceptions on governance, those surveyed offered physical distance (41%), a lack of reliable investment partners (37%) and a lack of information about savings/investment opportunities (34%) as notable deterrents.⁴³ In aggregate, while Nigeria's diaspora offers a sizable pool of capital, it is not being leveraged fully by the country's capital markets.

In a country with a population of at least 240 million, there are approximately six million active local retail investors, representing only 2% of the population.⁴⁴ Decades of inflation and currency devaluation have discouraged the long-term savings culture, driving retail capital into unregulated pyramid schemes and an unsupervised P2P cryptocurrency market, which could instead be captured by the legitimate, regulated capital markets.

Supply side: the issuer base

Federal government securities form the most active segment of Nigeria's capital markets, anchoring most institutional portfolios. On the other hand, the pipeline of non-sovereign issuances remains relatively shallow, due to the number of corporate bonds notably declining over the past decade coupled with relatively limited debt issuance from state governments, as well as limited new equity listings. Aversion to the listing and issuance of securities on the capital markets is culturally rooted.

As at December 2025, the total value of the Federal Government of Nigeria's external and domestic debt amounted to ₦146.8 trillion (US\$102.3 billion), compared to ₦27 trillion (US\$70.8 billion) in December 2020.⁴⁵ In Naira terms, the debt values grew at a CAGR of 40% per annum between 2020 and 2025, while in dollar terms, debt only grew at a CAGR of 7.6% over the same period, with the slower growth rate a result of the depreciation of the Naira over the period.⁴⁶

The portion of Nigeria's debt that was made up of external debt stock as at December 2025 was ₦66.3 trillion (US\$46 billion) and of this amount, 46% came from multilateral funding (e.g. the World Bank and AfDB), 36% was from commercial funding (e.g. Eurobonds), while 13% was raised from bilateral donors (e.g. the Export-Import Bank of China and Agence Française de Développement).⁴⁷ The remaining funding (5.3%) was made up of syndicated loans and private lenders (e.g. Deutsche Bank, Standard Chartered Bank and UniCredit).⁴⁸

The domestic debt portion of the Federal Government of Nigeria's debt stock amounted to ₦80.5 trillion (US\$56 billion) and was primarily made up of FGN Bonds (79%), which are long term in nature, while short-dated Nigerian Treasury Bills made up 17% of domestic debt.⁴⁹ The remaining domestic debt component consisted of FGN Sukuk, FGN Savings Bonds, Promissory Notes, Green Bonds and Unclaimed Funds Trust Fund (UFTF) FGN Security.⁵⁰

²⁸ Annual reports of three largest insurance companies: Available [here](#), [here](#) and [here](#)

²⁹ EFinA, 2023. Available [here](#)

³⁰ Olaniwun Ajayi, 2025. Available [here](#)

³¹ NAICOM, 2025. Available [here](#)

³² SEC, 2026. Available [here](#)

³³ Ibid

³⁴ Ibid

³⁵ PenCom, 2026. Available [here](#)

³⁶ NGX, 2026. Available [here](#)

³⁷ NGX, 2026. Available [here](#)

³⁸ Ibid

³⁹ Vanguard, 2026. Available [here](#)

⁴⁰ The Commonwealth, 2018. Available [here](#)

⁴¹ Ibid

⁴² The Commonwealth, 2018. Available [here](#)

⁴³ Ibid

⁴⁴ NGX 2025. Available [here](#)

⁴⁵ DMO Total Public Debts, 2026. Available [here](#)

⁴⁶ Ibid

⁴⁷ DMO External Debts, 2026. Available [here](#)

⁴⁸ Ibid

⁴⁹ DMO Domestic Debts, 2026. Available [here](#)

⁵⁰ Ibid

The sovereign debt market includes short-term Treasury Bills (maturities of 91, 182 and 364 days), as well as medium and long-term bonds, with tenors of 2, 3, 5, 7, 10, 15, and 20 years, alongside 30-year ultra-long tenors. The market operates a primary dealer system, with 14 banks licensed to fulfil this role.⁵¹ Auctions are conducted in line with the DMO's monthly issuance calendar; the DMO runs auctions for FGN bonds, while the CBN administers Treasury bill auctions. Secondary market trading takes place on an over-the-counter (OTC) basis via an FMDQ platform (the channel of institutional investors), with limited trading on the NGX, providing some access for retail investors.

The market has an active repo market; this is managed via the CBN's S4 system, limiting participation to banks, with no liquidity management avenue for capital market operators.

Given macroeconomic realities and persistent inflation, sovereign debt is issued at high yields, with coupons in the 20% range. This, coupled with the tax advantages that sovereign debt enjoys relative to its corporate counterparts, has a crowding-out effect on corporate debt issuance.

Sub-national debt is made up of external and domestic debt borrowed by State Governments and the Federal Capital Territory (FCT). As at December 2025, it amounted to a total of ₦12.5 trillion (US\$8.7 billion), compared to ₦5.9 trillion (US\$15.6 billion) in December 2020.⁵² While sub-national debt has grown in Naira terms from 2020 to 2025 at a CAGR of 16%, when converted to US dollars, it has actually shrunk over the years as a result of the devaluation of the Naira.

Of the total sub-national debt, ₦8.1 trillion (US\$5.7 billion) was borrowed from external sources. The majority of this funding (92%) came from multilateral sources, while the balance of 8% came from bilateral lenders.⁵³ The rest of the sub-national debt — ₦4.4 trillion (US\$3 billion) — was borrowed from domestic sources.

Lagos State accounted for 28% (₦ 1.2 trillion) of total sub-national borrowing, with other notable states including Rivers State accounting for 9% and Delta State 6%.⁵⁴ According to the DMO statistics, all 36 states in Nigeria and the FCT have issued debt and currently have both external and domestic debt outstanding as at December 2025.⁵⁵

Both external and domestic borrowings by sub-nationals are governed by guidelines which identify the activities, responsible parties and legal frameworks that need to be met before the loans can be issued. All States and the FCT must meet these conditions, which include ensuring that there is a plan for the utilisation of the funds borrowed, securing approval of the State Executive Council or the FCT Executive Committee, and receiving an Approval-in-Principle from the DMO, which conduct a Debt Sustainability Analysis to make sure monthly debt service does not exceed 40% of the total monthly revenue.⁵⁶ The purpose of these conditions is to ensure that sub-national debt remains at a sustainable and serviceable level.

Nigeria's sub-national market remains constrained, operating below its potential to absorb long-term infrastructure funding requirements. Historically, the sub-national issuance pipeline has

been mainly episodic, and concentrated within a narrow cohort of state issuers (highlighted above.) As at Q4 2025, only a handful of Nigeria's 36 states had accessed the bond market through SEC-registered issuances, despite most having infrastructure funding deficits that the capital markets could bridge.

The constraints preventing sub-national market expansion include the statutory and administrative requirements of navigating joint approval tracks across the DMO and the FMoF under the Fiscal Responsibility Act and the ISA 2025. Under this regulatory framework, sub-national debt instruments must be secured by an Irrevocable Standing Payment Order (ISPO) placed on the state's federal transfers. While a large sub-national issuer like Lagos State can meet this statutory requirement due to an internally generated revenue (IGR) baseline that accounts for approximately 85% of its total revenue, smaller states remain reliant on volatile federal allocation transfers.⁵⁷ Consequently, smaller states often lack sufficient IGR to support these deductions at source or to access the public market without dedicated de-risking mechanisms, especially as a federal ISPO remains an established prerequisite for issuance. Within state finance ministries, capacity deficits also affect market access. Meeting the entry criteria mandated by the SEC, including the provision of continuous public disclosures and reliable, three-year audited historical financial records, remains an operational challenge and a technical barrier for some of the smaller state governments. These states sometimes encounter challenges with maintaining fiscal discipline and executing timely financial reporting. If they do not fulfil the statutory reporting requirements, these states are restricted from accessing public platforms and instead default to borrowing in private bond markets or seeking short-term commercial bank lines of credit.

The capacity constraints are also visible when transitioning from vanilla bonds to sustainable instruments. Green issuances introduce distinct operational and reporting requirements. States face specific capacity challenges in project identification, the initial project-selection and data-aggregation phases, and the subsequent execution of post-issuance impact reporting. Navigating certification processes requires a level of technical capacity that some sub-national finance ministries do not currently maintain internally, which limits their ability to effectively structure green issuances or manage sustainable project pipelines without external support. These technical gaps are further compounded by existing political economy dynamics. As state executives are typically more familiar with commercial bank lines of credit (which can be restructured bilaterally without public scrutiny), they tend to default to this method of financing rather than leveraging public bond issuances that demand continuous disclosure and project escrow structures (which some governments are not currently positioned to provide).

With 146 listed companies on the NGX Main and Premium Boards and an equity market capitalisation of approximately US\$68 billion, Nigeria has one of the continent's largest and most active capital markets.⁵⁸ However, listing activity has slowed in recent years: for instance, 6 delistings were reported in H1 2025.⁵⁹ While securities exchanges globally have also found it difficult to encourage listing activity, there are

⁵¹ DMO, 2023. Available [here](#)

⁵² DMO Total Public Debts, 2026. Available [here](#)

⁵³ DMO Sub-National Debts, 2026. Available [here](#)

⁵⁴ Ibid

⁵⁵ Ibid

⁵⁶ DMO, 2020. Available [here](#)

⁵⁷ Genesis Analytics Stakeholder Interview with Lagos State Government, 2026

⁵⁸ NGX 2026. Available [here](#)

Nigeria-specific reasons for low listing activity. These include rigid free float and shareholder requirements, such as the NGX mandate that a company must have a minimum of 300 shareholders and a 20% free float to list.⁶⁰ Founders also avoid listing due to the high cost of regulatory fees, fear of losing control, and a reluctance to subject their operations to continuous public disclosures. There has also been a slowdown in the privatisation of profitable SOEs via the public market.

While the market historically expanded through privatisation of state-owned enterprises (SOEs), the current pipeline remains limited. Utilising the capital market for the partial divestment of state assets represents a lever that could crowd-in retail investors and provide the large-cap investments required to attract global institutional capital.

The capital market lacks an exit pipeline for PE/VC investments. Currently, PE/VC funds rarely utilise public listings as an exit strategy, resulting in a missed opportunity to expand market supply. This is primarily driven by constraints such as the rigid free-float and shareholder requirements that are not always compatible with the staged exit needs of PE investors.

Private equity and venture capital are critical sources of long-term risk capital in Nigeria, supporting business growth, innovation and the pipeline of future listed companies. While Nigeria remains West Africa's largest private capital market, growth has slowed due to macroeconomic challenges, limited domestic institutional capital and weak exit opportunities. Public listings remain an underutilised exit route, largely because existing listing requirements are not well aligned with the staged exit needs of PE/VC investors. Although the ISA 2025 has strengthened the regulatory framework by bringing PE/VC funds within the Collective Investment Scheme regime, further reforms are needed to establish a dedicated framework for closed-ended PE/VC funds and strengthen IPO exit pathways to deepen the private capital ecosystem and expand the supply of listed companies.

Nigeria was one of the first African countries to establish a REIT market. Despite this early start, the sector remains small, underdeveloped, and relatively illiquid, with only a few listed REITs and limited institutional participation. The market currently has three types of REITs: Equity, Mortgage and Hybrid. Recent regulatory changes arising from the enactment of the ISA 2025 have strengthened the legal framework for REITs issuances. Further, Nigeria established an income tax-efficient REIT regime through the Finance Acts 2019 and 2020 by exempting qualifying rental and dividend income from Companies Income Tax (where at least 75% is distributed within 12 months) and by exempting real estate investment companies from withholding tax on distributions. However, further reforms are required to establish a fully tax-neutral REIT framework, including relief for stamp duties, capital gains tax, VAT on property transfers and tax-neutral conversion of property companies into REITs. There remain significant structural constraints, including cumbersome land administration processes, limited liquidity, and a shortage of investment-grade property portfolios, all of which continue to impede market growth. With targeted reforms, Nigeria has significant potential to develop a vibrant REIT market capable of mobilising long-term capital for real estate and infrastructure development.

Nigeria has a robust legal and regulatory framework for Asset-Backed Securities, anchored in the ISA 2025 and SEC Rules on Securitisation 2015. However, the ABS market remains at an early stage, with limited public issuance concentrated mainly in mortgage-backed securities and consumer loan receivables. Future growth will depend less on further legislative reform and more on market development, including expanding the base of assets that can be securitized, improving tax efficiency, broadening institutional investor participation and enhancing secondary market liquidity.

Nigeria's high interest environment constrains the corporate bond market. While the short-term commercial paper market has grown in significance, long-term corporate debt issuances have seen a decline, falling from ₦688 billion in 2022 to ₦86 billion in H1 2025.⁶¹ In addition, the thematic bond market is dormant, with no corporate issuers since 2020.

Institutional and intermediary capacity

Capital market transactions benefit from a range of intermediaries and information providers that handle the custody, flow, and settlement of funds related to each transaction. Nigeria's intermediary ecosystem is experiencing a period of transition, characterised by revised minimum capital requirements, economic and compliance pressures as well as internal capacity deficits. Certain functions and liability standards are overlapping or outdated, particularly those relating to custodians, trustees and registrars. As a result of the recapitalisation exercise, some intermediaries may become financially vulnerable, which could lead to a push for consolidation or specialisation. This should be addressed through remedial actions, such as establishing orderly exit processes and proportionate arrangements for the transfer of businesses.

Capital market operators (CMOs) face technology adoption barriers that hinder overall operational efficiency. As many intermediaries rely on legacy manual systems for onboarding and reporting, administrative procedures are inefficient. The absence of standardised Application Programming Interfaces (APIs) and a unified technology standard for intermediaries prevents digital integration between brokers, fund managers, and infrastructure providers, leading to manual processes and ultimately raising the cost of participation for retail and institutional investors. This complexity is further exacerbated by overlapping roles and recapitalisation requirements which affect the CMOs' commercial viability.

Professional certifications across the ecosystem are voluntary and inconsistent, leading to a scarcity of specialised skills in areas like derivatives, environmental, social, and governance (ESG) assessment, and digital assets. The absence of a mandatory, industry-wide competency and accreditation framework limits the ability of employers, investors, and market participants to consistently assess professional standards and technical capabilities, potentially constraining market innovation, investor confidence, and the development of new products. Additionally, fragmented capacity-building efforts create a thin pipeline of capital markets professionals, while capacity constraints across issuer's limits market participation for states and SMEs.

⁵⁹ NGX 2026. Available [here](#)

⁶⁰ NGX. Available [here](#)

⁶¹ PwC, 2025. Available [here](#)

A sector-wide brain drain has contributed to the reduction in technical capacity. The Nigerian capital market is facing a growing skills and experience gap as many seasoned professionals exit the industry. This exodus has resulted in the loss of valuable institutional knowledge and practical expertise across critical areas of the market, including product development, transaction execution, risk management, market operations, and regulation. Although new entrants possess the requisite theoretical knowledge, they often lack the hands-on experience needed to structure and manage more sophisticated financial products and transactions. Consequently, the market's ability to innovate, introduce new products, deepen liquidity, and meet the evolving financing needs

of businesses and investors is increasingly challenged. Addressing this issue will require coordinated efforts to strengthen skills development, facilitate knowledge transfer, and build technical capacity across the entire capital markets ecosystem. The market is also subject to capacity constraints across the regulatory perimeter which limit effective mandate execution and efficient market supervision.

The market's most binding constraints are summarised in the table below, along with the effort needed to address them, expected time frame, and where they fall within the NCMMP 2.0 (see section 4).

Table 3: Binding constraints by category

Category	Constraints	Effort to Address	Indicative Timeframe	Pillar
The legal and regulatory environment	Market frictions occur due to low inter-agency cooperation across regulatory bodies, with unclear and unwritten market rules.	Medium - High	Year 1 - 7	Pillar 1
	Market and systemic risk management are hampered by the lack of a risk-based supervisory architecture and systemic risk management processes.	Medium - High	Year 1 - 5	Pillar 1
	Ambiguous investor protection, market conduct and restitution mechanisms undermine market confidence and participation.	Medium - High	Year 1 - 3	Pillar 1, 5
Market infrastructure	Market infrastructure operates in silos, creating friction and limiting visibility and transparency across trading venues.	High	Year 1 - 8	Pillar 2
	Commodity and derivatives markets remain shallow due to the absence of a robust EWR ecosystem, low CCP usage, non-final mandatory clearing rules and a small end-user base for derivatives.	Medium	Year 1 - 10	Pillar 2
	The market's focus on infrastructure resilience is underdeveloped relative to its size and international expectations, creating operational risk.	High	Year 1 - 4	Pillar 2
Supply side: the issuer base	The sovereign debt market's role as a pricing benchmark is somewhat limited by liquidity limitations and CMO access to repo transactions; subnational debt remains underdeveloped relative to its potential to finance local development.	High	Year 1 - 5	Pillar 3
	Rigid listing requirements, owner control concerns, low SOE listing activity and a lack of cross border listing frameworks constrain aggregate corporate equity activity, while corporate debt issuance is crowded out by sovereign issuance; SMEs have limited avenues to raise capital.	Low - High	Year 1 - 6	Pillar 3
	Use of diverse instruments (non-interest instruments and vehicles, thematic and sustainable bonds, REITs, ABS, commodities, alternative investment vehicles) are limited by a combination of underdeveloped regulatory frameworks, derisking architecture and clearly identified projects/assets for their use.	High	Year 1 - 9	Pillar 3
Demand side: the investor base	The market's institutional investors remain concentrated in sovereign paper due to bankable alternative asset availability and regulatory constraints, while qualified investor capital is constrained by lack of a qualified investor framework.	Medium - High	Year 1 - 8	Pillar 4
	Local retail investor participation remains constrained by access and trust challenges, while diaspora capital remains underutilised due to limited participation pathways.	Medium - High	Year 1 - 10	Pillar 4
	Foreign investor participation remains limited owing to access/onboarding challenges and currency convertibility concerns.	Low - High	Year 1 - 7	Pillar 4
Intermediaries and information providers	Regulatory capacity constraints across the regulatory perimeter limit effective mandate execution.	Medium	Year 1 - 5	Pillar 5
	Slow technology adoption, overlapping roles and recapitalisation requirements affect the viability of Nigeria's intermediary ecosystem.	Medium	Year 1 - 6	Pillar 5
	Fragmented capacity building efforts creates a thin pipeline of capital markets professionals, while capacity constraints across issuers limits capital market participation for states and SMEs.	Medium - High	Year 1 - 5	Pillar 5

The background is a dark blue field with a faint, glowing globe in the center. To the left, there is a vertical orange-yellow bar. Overlaid on the blue field are various abstract, semi-transparent elements: a 3D bar chart with green and yellow bars, a line graph with a green trend line, and some faint, illegible text and numbers. The overall aesthetic is high-tech and data-driven.

3. Strategic Vision and Nigeria's Development Priorities

Strategic Vision and Nigeria's Development Priorities

The NCMMP 2.0 aims to be not only a technical roadmap for the financial sector, but also a strategic enabler of Nigeria's broader developmental aspirations as articulated in overarching development plans such as the Nigeria Agenda 2050 (NA 2050), National Development Plan (NDP) 2021–2025, and the Renewed Hope Development Plan 2026–2030.

To ensure close alignment, the NCMMP 2.0 recognises the NA 2050 as its long-term anchor, matching the plan's long-term horizon. For the immediate future, the NCMMP 2.0 adopts the Renewed Hope Development Plan 2026–2030 as its medium-term anchor, aligning the plan's first five years with the government's short to medium term goals. The concluded NDP 2021–2025 is also considered where historical context is relevant to the market's evolution. The above blueprints can be broadly summarised into the following development priority areas:

- **Economic diversification, MSME growth & job creation**, recognising that Nigeria's long-term prosperity depends on reducing oil dependency and scaling a competitive, private sector-led economy supported by over 40 million MSMEs creating employment for the country's youthful population.⁶²
- **Infrastructure, industrialisation & employment**, with an explicit focus on closing critical gaps in physical, digital, energy, and transportation infrastructure to unlock productivity and connectivity across the country, while promoting job creation.
- **Financial inclusion & wealth creation**, emphasising the need to bring underserved populations (particularly youth, women, rural communities and financially excluded populations) into the formal financial system while creating meaningful pathways to individual wealth.
- **Sustainable development & climate resilience**, committing Nigeria to a low-carbon, climate-resilient growth trajectory that targets a 50% reduction in emissions by 2050 while addressing regional environmental vulnerabilities.⁶³
- **Macroeconomic stability & governance**, underscoring the importance of coordinated fiscal and monetary policy, institutional reform, transparency, and the rule of law as the foundation upon which all other development objectives must rest.

In addition to the long-term NA 2050, the recently launched **Renewed Hope Development Plan 2026–2030** serves as a **medium-term strategy** specifically designed to consolidate ongoing macroeconomic stabilisation reforms and provide a practical roadmap to achieve a US\$1 trillion economy by 2030.⁶⁴ The plan has the same overarching priorities highlighted above as it builds on existing policies, deepens continuity, and aligns Nigeria's medium-term growth trajectory with the long-term goals of NA 2050.

While many sectors contribute to the achievement of Nigeria's development priorities, capital markets have the potential to play an instrumental role. As a key pillar of the financial system, the capital market supports the real economy by mobilising long-term capital and directing it towards productive sectors. Through efficient capital allocation and the provision of diverse financing solutions, it enables businesses to grow, governments to fund development priorities, and investors to participate in wealth creation. Accordingly, the development of the NCMMP 2.0 is aligned with the long-term targets of NA 2050 and the near-term operational steps of the Renewed Hope Development Plan 2026–2030, building upon the structural foundations inherited from the historical NDP 2021–2025. The table below illustrates the link between Nigeria's priority development objectives and the role of the capital market in supporting their achievement. It also identifies the NCMMP 2.0 interventions that can contribute to advancing these national development priorities.

In line with some of the work that Nigeria is undertaking in the NA 2050, the NCMMP 2.0 also aims to position Nigeria as a regional and continental leader. A number of activities and operational steps in the plan seek to assist in this positioning, including the encouragement of bilateral cooperation arrangements to facilitate cross-border capital raising, prospectus passporting, alignment with the African Continental Free Trade Area (AfCFTA) to position Nigeria as a leading market, and the development of cross-border and dual-currency listing frameworks to facilitate the raising of regional capital and attract international investors.

⁶² PwC, 2024. Available [here](#)

⁶³ Federal Ministry of Environment, Nigeria. Available [here](#)

⁶⁴ Federal Ministry of Budget and Economic Planning. Available [here](#)

Table 4: National development priorities and the role of capital markets in Nigeria

Development priority	Contribution of capital markets	Illustrative NCMMP 2.0 initiatives
Economic diversification, MSME growth & job creation	Capital markets reduce over-reliance on the oil sector by providing non-bank equity and debt financing for high-growth sectors like technology, financial services and agribusiness, including enabling Nigeria's 40 million+ MSMEs to scale.	Within Pillar 3, the NCMMP 2.0 recommends reducing constraints to SME listings and exploring listed SME debt/equity funds to mobilise capital for smaller enterprises. This includes a review of current SEC crowdfunding rules and NGX Growth Board listing requirements. Improving SMEs' ability to raise funding on the capital markets ultimately strengthens them to continue being the key engines for job creation in Nigeria. Across Pillars 3 and 4, increasing the number of listings and issuances as well as encouraging the expansion (in size and diversity) of the investor base are key workstreams that ensure an increase in activity on both the supply and demand sides of the market.
Infrastructure, industrialisation & employment	Capital markets provide avenues for formation of infrastructure debt funds and infrastructure bond issuances, accelerating projects in transport, telecommunications, and fintech through long-term, patient capital that traditional bank lending cannot sustain.	As a majority of institutional capital is invested in government securities, Pillar 4 of the NCMMP 2.0 recommends creating mechanisms to channel institutional capital into national priorities (e.g. power or roads) through de-risking vehicles like InfraCredit or a state-backed fund of funds. This promotes direct investment of institutional capital in visible infrastructure projects. With government entities contributing to industrialisation in Nigeria, Pillar 3 of the NCMMP 2.0 recommends facilitating the listing of selected State-Owned Enterprises (SOEs). This provides SOEs involved in industrial activity with direct access to funding, reducing reliance on federal budget allocations. Ultimately, expanding infrastructure investment and industrialisation position the capital market as a core contributor to employment creation in Nigeria, in alignment with the long term goals of the Nigeria Agenda 2050 (NA 2050).
Financial inclusion & wealth creation	Capital markets provide an avenue for Nigerian households to build generational wealth by owning stakes in the nation's productivity, moving beyond undeployed savings into diversified investment vehicles.	The NCMMP 2.0 recognises the need to leverage existing channels with access to Nigeria's households as demonstrated in Pillar 4, which recommends implementing e-KYC single-window onboarding portals and mobile interoperability integration to capture young, digitally-native investors. Promoting easier access to the capital markets raises their potential for building wealth through investment. Additionally, the initiative is focused on operationalisation and rollout of Tax-Free Savings Accounts (TFSAs) in alignment with the previous CMMP's focus on a National Savings Strategy (NSS) that aims to aggregate domestic retail capital into Nigeria's capital markets. Further, Pillar 4 recommends ongoing, targeted retail investor education in addition to partnership with PenCom and NAICOM to broaden pension and insurance penetration as a way of increasing both direct and indirect retail investor participation.
Sustainable development & climate resilience	Capital markets create financing pathways for Nigeria's climate commitments, enabling the financing of activities that have a positive impact on social, gender, adaptation, mitigation, transition and nature outcomes through sustainable finance products.	Pillar 1 includes actions on enforcing post-issuance impact reporting for sustainable finance products, strengthening Nigeria's climate resilience efforts. Additionally, establishing IFRS S1 and S2 (ISSB) as the primary reporting standards across regulators is recommended to promote the sustainable finance space. The expansion of the regulation of new categories of sustainable capital markets instruments, such as sustainable and transition bonds, is recommended. Pillar 3 seeks to unlock development financing opportunities for state governments, SOEs and private sector entities through the increased use of sustainable finance instruments to mobilise capital for state-level development priorities, including climate resilience, environmental sustainability, inclusive growth, gender empowerment, and critical infrastructure projects. Pillar 4 proposes refining or updating investment allocation guidelines for institutional investors including implementation mechanisms for ESG mandates to encourage demand for sustainable finance products.
Macroeconomic stability & governance	A strong domestic capital market with clear rules and standards as well as high market awareness of the rules promotes economic growth while reducing the likelihood of limitations in governance affecting the economy's short and long-term stability.	As well-functioning capital markets require a regulatory environment that is transparent, predictable, and consistently applied, Pillar 1 proposes a series of measures to improve regulatory clarity. These include strengthening interagency cooperation across the capital markets, formalising unwritten regulatory principles, consolidating regulatory requirements into a single accessible source, and publishing a policy framework that explains the hierarchy and purpose of different regulatory instruments such as rules, circulars, and guidelines. By improving regulatory transparency and reducing uncertainty, these initiatives will strengthen corporate governance, enhance market confidence, and support more efficient capital formation.

The NCMMP 2.0's alignment with national development priorities strengthens the role of capital markets in driving Nigeria's sustainable economic growth. Taken together, the NCMMP 2.0's aims can be summarised in an overarching vision for Nigeria's capital markets, namely:

"A diverse, efficient, transparent and innovative capital market that positions Nigeria as a regional financial hub and drives the capital mobilisation and wealth creation required to achieve a US\$1 trillion economy by 2030".

The NCMMP 2.0's vision needs to be aspirational, yet practical. To that end, the NCMMP 2.0's pillars exist to give practical expression to the vision. As shown in the table below, each aspect of the vision is operationalised through a combination of pillars and their underlying activities. Even where a given pillar is not mapped to a specific vision element, the nature of capital markets means that the various pillars underpin each other, and hence, all pillars indirectly feed into the various vision elements.

Table 5: Operationalisation of the vision

Vision element	Operationalisation
"Diverse, efficient, transparent and innovative"	Within Pillar 1, the NCMMP 2.0 mandates substantial reforms to Nigeria's legal and regulatory environment to promote confidence, transparency and provision for innovation. Within Pillar 2, the NCMMP 2.0 envisages modern, competitive and resilient financial market infrastructure across a variety of activities. Within Pillars 3 and 4, the NCMMP 2.0 envisages a substantial broadening of both existing and prospective issuance and products (Pillar 3) and investment (Pillar 4). Within Pillar 5, the NCMMP 2.0 emphasises improved capacity across the regulatory perimeter (including the SEC and other regulatory entities), as well as improved capacity and technological enhancements for capital markets operators and issuers across the spectrum.
"A regional financial hub"	Within Pillar 2, the NCMMP 2.0 promotes international recognition of Nigeria's FMs and cross-border linkages with peer African FMs, particularly aiming to support cross-border listings, foreign investor access, regional integration and international CCP recognition. Within Pillar 3, the NCMMP 2.0 encourages cross-border listing via comprehensive cross-border listings frameworks, leveraging relationships with regional regulators. Within Pillar 4, the NCMMP 2.0 promotes Nigeria as a domicile location for regional funds.
"Capital mobilisation and wealth creation"	Within Pillar 3, the NCMMP 2.0 envisages substantial capital mobilisation, underpinned by enhancements to the sovereign debt market, but also through initiatives aimed at increasing corporate equity and debt issuance, sub-national issuance, enhancing SME capital markets access, and broadening and deepening the market's product/instrument suite across conventional, non-interest and sustainable finance instruments. Within Pillar 4, the NCMMP 2.0 envisages that institutional capital will be channelled towards national priority projects, underpinned by de-risking/credit enhancement architecture, broadening access to capital markets for the informal sector and generally increasing retail investor participation, while also leveraging capital from foreign investors and the diaspora.

The NCMMP 2.0 is structured around five pillars spanning the capital markets ecosystem:

1. Foster regulatory clarity, coordination, and enforcement:

This pillar aims to create a transparent and predictable legal and regulatory environment, with the ultimate aim of inspiring confidence across the capital markets ecosystem and reducing participatory friction. This, in turn, will result in greater issuance and investor participation. The activities are therefore geared towards ensuring a predictable yet innovative environment where rules are clear, inter-agency silos are eliminated, supervisory architecture is robust, investors are protected, market conduct is regulated, and systemic risk managed.

2. Modernise market infrastructure: This pillar, alongside the legal/regulatory pillar above, acts as the bedrock underpinning broader capital markets entry and capital allocation. It does this through reduced transaction costs and friction, leading to stronger market confidence and participation. The activities under this pillar emphasise transitioning toward an interoperable, real-time, competition-neutral FMI ecosystem; consolidated market data; streamlined post-trade account

and data processes; and the improved resilience of clearing, settlement and commodity-market infrastructure.

3. Broaden issuance, product and instrument diversification:

The focus of this pillar is expanding issuance activity to a diverse set of capital markets participants across the public and private sectors, as well as diversifying the market's instrument suite. The pillar, in conjunction with others, aims to promote economic diversification, SME growth, financial and wealth inclusion, and sustainable development. The pillar will achieve these outcomes by boosting listing activity from existing issuer types, diversifying the market's issuer types and creating new avenues for additional issuances, including cross-border issuers and sustainable finance issuances.

4. Deepen and diversify the investor base: This pillar seeks to create a deeper and more accessible investor landscape, with an investor base that efficiently channels capital towards productive sectors in the economy. The investor base will thus be harnessed as a force that actively contributes towards the economy's goals of diversification, sustainable development,

wealth creation, industrialisation and financial inclusion. Consequently, the activities under this pillar focus on expanding the size and investment allocation limits of domestic institutional investors (e.g. pension funds and insurance companies) while driving domestic retail participation through mobile and FinTech-enabled access, tax free savings accounts (TFSAs), and high net worth individual (HNWI) engagement. Deeper foreign investor participation is encouraged by improving accessibility, along with a targeted focus on leveraging diaspora capital.

5. Build institutional capability and professional depth: This pillar aims to develop professional capacity and capability across Nigeria's capital markets ecosystem, including within the SEC and across other regulators, government agencies, capital markets professionals, SMEs, the private sector and state governments. Raising skills across the board will reduce frictions across the capital market, contribute to stronger governance, and unlock greater market participation. This pillar therefore acts as the foundation for the outcomes envisaged by pillars 3 and 4 above. In service of this aim, the activities under this pillar emphasise developing the internal capacity of the SEC and other regulators and agencies, while cultivating a sustainable pipeline of skilled professionals to interpret, communicate, and adjudicate market activities.

The background is a dark blue gradient with various financial data visualizations. On the left, there is a vertical orange bar. Overlaid on the blue background are several faint, semi-transparent charts: a bar chart with green and yellow bars, a line chart with a green trend line, and a circular chart or radar plot in the center. The text '4. The Nigeria Capital Market Masterplan 2.0' is prominently displayed in white, bold, sans-serif font in the upper-middle section.

4. The Nigeria Capital Market Masterplan 2.0

The Nigeria Capital Market Masterplan 2.0

The NCMMP 2.0's interventions are structured around the five strategic pillars presented in the previous section. These pillars are divided into 15 overarching objectives, which seek to respond to the binding constraints set out in Section 2, and which are used to give expression to the reform logic set out in the theory of change

and monitoring-and-evaluation framework presented in section 7. Every overarching objective is further broken down into one or more granular workstreams. The table below sets out the market's binding constraints, the overarching NCMMP 2.0 objectives and the granular workstreams that underpin these.

Table 6: Binding constraints, overarching objectives and associated workstreams per pillar

Pillar	Binding constraint (as per Section 2)	Overarching objective	Associated NCMMP 2.0 workstreams
Foster regulatory clarity, coordination, and enforcement	Market frictions occur due to low inter-agency cooperation across regulatory bodies, with unclear and unwritten market rules	Ensure regulatory clarity and harmonisation	Improve inter-agency cooperation Clarify market rules and make unwritten principles concrete Strengthen the supervision framework for digital, virtual and tokenised assets
	Market and systemic risk management are hampered by the lack of a risk-based supervisory architecture and systemic risk management processes	Strengthen supervisory and risk management architecture	Enhance supervisory architecture, risk-based supervision, & enforcement Strengthen systemic risk management across the capital markets
	Ambiguous investor protection, market conduct and restitution mechanisms undermine market confidence and participation	Enhance market conduct and protection	Enhance investor protection, compensation and restitution mechanisms Develop market conduct and consumer protection frameworks
Modernise market infrastructure	Market infrastructure operates in silos, creating friction and limiting visibility and transparency across trading venues	Promote open, efficient and competitive securities markets	Foster open, efficient and competitive securities markets
	Commodity and derivatives markets remain shallow due to the absence of a robust EWR ecosystem, low CCP usage, non-final mandatory clearing rules and a small end-user base for derivatives	Develop deeper, more developed commodity and derivative markets	Foster open, efficient and competitive securities markets
	The market's focus on infrastructure resilience is underdeveloped relative to its size and international expectations, creating operational risk	Ensure strong and resilient capital markets infrastructure	Foster strong and resilient capital markets infrastructure
Broaden issuance, product and instrument diversification	The sovereign debt market's role as a pricing benchmark is somewhat limited by liquidity limitations and CMO access to repo transactions; subnational debt remains underdeveloped relative to its potential to finance local development	Sovereign and subnational debt market optimisation	Enhance the sovereign debt market Promoting subnational issuance
	Rigid listing requirements, owner control concerns, low SOE listing activity and a lack of cross border listing frameworks constrain aggregate corporate equity activity, while corporate debt issuance is crowded out by sovereign issuance; SMEs have limited avenues to raise capital	Private sector capital formation	Expand corporate equity issuance Revitalise the corporate debt market Enhance SME access to capital markets

	Use of diverse instruments (non-interest instruments and vehicles, thematic and sustainable bonds, REITs, ABS, commodities, alternative investment vehicles) are limited by a combination of underdeveloped regulatory frameworks, derisking architecture and clearly identified projects/assets for their use	Structural product and instrument diversification	Promote product and instrument diversification
Deepen and diversify the investor base	The market's institutional investors remain concentrated in sovereign paper due to a lack of bankable alternative asset availability and regulatory constraints, while qualified investor capital is constrained by lack of a qualified investor framework	Enhance domestic institutional and qualified wealth participation	Broaden institutional investor participation
			Leverage domestic qualified investors
	Local retail investor participation remains constrained by access and trust challenges, while diaspora capital remains underutilised due to limited participation pathways	Enhance access for local and diaspora retail investors	Expand domestic retail investor access
			Enhance diaspora participation
	Foreign investor participation remains limited owing to access/onboarding challenges and currency convertibility concern	Enhance access for foreign institutional investors	Enhance foreign investors foreign institutional investor segment participation
Build institutional capacity and professional depth	Regulatory capacity constraints across the regulatory perimeter limit effective mandate execution	Strengthen institutional and regulatory capacity	Strengthen the capacity of the SEC
			Strengthen the capacity of non-SEC regulatory and government agencies
	Slow technology adoption, overlapping roles and recapitalisation requirements affect the viability of Nigeria's intermediary ecosystem	Enhance intermediary risk and operational resilience	Strengthen the resilience, efficiency and competitiveness of capital market intermediaries
	Fragmented capacity building efforts creates a thin pipeline of capital markets professionals, while capacity constraints across issuers limits capital market participation for states and SMEs	Develop professional and capital market participant capacity	Strengthen the pipeline and capacity of capital markets professionals
			Build capacity for capital markets participants beyond the regulator and professionals

The sections that follow articulate the workstreams nested beneath each pillar and objective, and detail the interventions and implementation activities that will contribute to their completion together with the rationale for prioritising these actions.

Section 5 (The Implementation Plan) sets out all activities under the five pillars, 15 objectives, and their respective workstreams, along with prioritisation, difficulty considerations, dependencies and a Responsible, Accountable, Consulted, Informed (RACI) framework to clarify the approach to implementation, as well as timelines to inform sequencing. Provided in the Appendix is a visual depiction of the sequencing of activities under the NCMMP 2.0, illustrating the indicative timelines and relative phasing of activities.

Pillar 1: Foster Regulatory Clarity, Coordination, and Enforcement

A clear, predictable, and well-enforced legal and regulatory framework is essential for building trust and participation in capital markets. Investors and issuers are more willing to engage in markets when the rules governing issuance, disclosure, trading, and market conduct are transparent and consistently applied. Strong regulatory oversight also helps safeguard market integrity, reduce misconduct, and ensure that investors are adequately protected. The proposed reforms seek to establish the legal, institutional, and market foundations necessary to support a transparent, efficient, and resilient capital market ecosystem capable of mobilising long-term financing for Nigeria's economic development.

The pillar's proposed reforms are presented below as three overarching objectives, with a total of seven underlying workstreams.

Table 7: Pillar 1 objectives and associated workstreams

Objective #	Objective name	Associated workstreams
1.1	Ensure regulatory clarity and harmonisation	Improve inter-agency cooperation
		Clarify market rules and make unwritten principles concrete
		Strengthen the supervision framework for digital, virtual and tokenised assets
1.2	Strengthen supervisory and risk management architecture	Enhance supervisory architecture, risk-based supervision, and enforcement
		Strengthen systemic risk management across the capital markets
1.3	Enhance market conduct and protection	Enhance investor protection, compensation and restitution mechanisms
		Develop market conduct and consumer protection frameworks

Objective 1.1: Ensure regulatory clarity and harmonisation

The first objective under Pillar 1 is ensuring regulatory clarity for market participants (including in the emerging areas of digital, virtual and tokenised assets), as well as ensuring strong inter-agency cooperation between Nigeria's various regulatory and oversight agencies.

Improve inter-agency cooperation

Nigeria's capital markets depend on a series of regulatory institutions, with each deriving its authority from specific statutes. While the SEC serves as the apex regulator of the capital market, there are other regulatory and policy institutions which play critical roles in shaping the broader financial market environment. The CBN is responsible for monetary policy and financial system stability; the FMOF oversees fiscal policy; and PenCom and NAICOM regulate large pools of institutional capital. Given the number of institutions involved in market oversight and development, coordination challenges have at times emerged. These challenges include fragmented decision-making, overlapping regulatory requirements, inconsistent policy implementation, and duplicative processes. Together, these complexities can increase compliance costs, create uncertainty for market participants, and slow the implementation of reforms and market development initiatives.

As Nigerian capital markets continued to evolve following the enactment of the ISA 2007, numerous rules, guidelines, circulars, and other regulatory instruments were introduced prior to the passage of the ISA 2025. While these rules reflect changing market needs and developments, they remain fragmented, making compliance difficult and introducing a need for regulatory clarity. Other critical market activities have been governed by unwritten norms that are yet to be formally codified. There is now a pressing need for a comprehensive and accessible codified rulebook.

The accelerated pace of technological innovation globally and in Nigeria requires a regulatory framework that is both proactive and future-ready. This includes ensuring that regulations remain fit for purpose when it comes to new technologies and virtual products such as digital assets, tokenised securities, and other forms of financial innovation.

Against this backdrop, the NCMMP 2.0 focuses on improving cooperation between regulatory agencies and driving regulatory clarity, including the oversight of virtual, digital and tokenised assets.

To strengthen inter-agency cooperation and reduce regulatory inefficiencies, the NCMMP 2.0 recommends the centralisation of corporate submissions in response to stakeholder concerns regarding duplicative filing requirements across multiple regulatory authorities.

This recommendation is supported by a series of complementary initiatives aimed at improving data sharing, regulatory coordination, and reporting efficiency. They include the establishment of a unified national digital repository to streamline corporate submissions across the Financial Reporting Council (FRC), SEC, CBN, Corporate Affairs Commission (CAC), NAICOM and PenCom. This repository should be supported by binding inter-agency MoUs in order to ensure real-time routing of data packets, and to facilitate the simultaneous review of applications.

Creating single-window capital-raising workflows will build on the above initiative, allowing relevant regulators to review submissions in parallel, materially affecting time to market. In the interests of both transparency and confidentiality, this central repository could have tiered access, allowing regulators to utilise a secure, restricted interface, while market participants retain access to non-confidential corporate disclosures.

Finally, given that the portal would centralise large amounts of sensitive information, it should be built based on zero-trust architecture and encryption protocols aligned with the Nigeria Data Protection Act. In the interests of efficiency, the portal should also consolidate the various charges payable to different regulators, with automatic fractioning and remittance to each regulator. Lastly, the platform should harmonise reporting calendars across regulators into a unified schedule, to avoid a single infraction leading to multiple penalties.

The NCMMP 2.0 also recommends mechanisms to strengthen inter-agency collaboration and cooperation in regulatory decision making. This includes coordination between the SEC and actors such as the CBN, NAICOM, PenCom, the FRC, CAC and the DMO. As per the findings of the PEA, coordination incentives differ across these actors. Actors such as the CBN, PenCom, NAICOM and the DMO represent potential bottlenecks for the NCMMP 2.0's implementation. For these actors, the approach must entail active consultation, de-risking and active co-design of activities that touch on their core mandates and realities. These considerations include, for example, the DMO's focus on fiscal realities, the CBN's focus on FX and monetary and financial sector stability, and PenCom and NAICOM's fiduciary concerns. Ensuring that capital markets decision-making is aligned with these actors' core mandates is imperative since they are to be brought along as partners in the NCMMP 2.0's implementation.

The new plan recognises that building market-wide consensus requires leveraging and optimising existing bodies rather than creating duplicative standalone forums. This specifically should begin with a co-design engagement between the SEC and the FSRCC Secretariat, covering joint objective-setting, technical scope, RACI confirmation, and a published MoU or joint work-plan outlining agreed expectations.

Following the co-design stage, this initiative would require a mapping exercise to evaluate current capital markets coordination arrangements managed by the committee. Based on the findings from the mapping exercise, the NCMMP 2.0 recommends a restructuring to strengthen the FSRCC's capital markets coordination function. This would include establishing a dedicated capital markets technical sub-committee, formalising rigid agenda-setting protocols, deploying clear inter-agency escalation mechanisms, and setting up joint information-sharing arrangements across member regulators. To reinforce this framework, the SEC should establish complementary bilateral arrangements with apex entities, specifically partnering with the FRC on IFRS S1 and S2 alignment, the CAC on company filings, and the CBN on virtual assets and S4 repository integration.

The commodities market reform agenda cuts across several pillars of the NCMMP 2.0 and should therefore be organised as a single work-stream with clearly separated responsibilities. Pillar 1 should provide the regulatory and coordination foundations, including the legal treatment of electronic warehouse receipts (EWRs), the regulatory perimeter for collateral managers and warehouses, and the coordination mechanism required to bring together the public and private actors whose mandates affect the commodities ecosystem. Pillar 2 should operationalise the EWR infrastructure itself, including warehouses, grading, insurance, repository connectivity and post-trade links. Pillar 3 should then build on these foundations through a sequenced commodity-product development programme.

The NCMMP 2.0 therefore recommends the establishment of a Commodity Market Development Council to coordinate public and private stakeholders in building a trusted national commodity market ecosystem. However, this Council should not simply replicate previous coordination structures. The previous CMMP established a Commodities Trading Ecosystem Implementation Committee with a broadly similar ambition, but it did not deliver the required market-wide transformation. Before the new Council is operationalised, the SEC should assess the previous Committee's limited delivery to discover whether the constraints related to mandate clarity, stakeholder commitment, resourcing, political support, implementation authority, secretariat capacity, or the absence of binding milestones.

The new Commodity Market Development Council should be designed to mitigate against those failures. It should have a clear mandate, a defined work-plan, reporting obligations, escalation channels, time-bound deliverables, and named institutional owners for each work-stream. The Council should not replace the statutory responsibilities of the SEC, CBN, ministries, standards bodies, commodity exchanges, warehouse operators or financial institutions. Rather, it should serve as the coordination forum through which those responsibilities are aligned. Its mandate should cover warehousing, quality standards, EWR legal recognition, collateral management, bank financing, insurance, exchange trading, clearing and settlement links, commodity market data, and the phased development of commodity-linked capital market products.

The Council should include the SEC, CBN, FMOF, Ministry of Agriculture and Food Security, Ministry of Solid Minerals Development, Standards Organisation of Nigeria, Nigeria Incentive-Based Risk Sharing System for Agricultural Lending (NIRSAL), NAICOM, PenCom, commodity exchanges, CSDs/depositories, CCPs, banks, insurers, DFIs, collateral managers, warehouse operators, processors, exporters, producer associations and state governments. To avoid becoming yet another consultative forum without delivery authority, the Council should establish a small secretariat, publish an annual implementation plan, maintain a decision and action log, and report progress through the NCMMP 2.0 governance-and-M&E framework.

In parallel, the SEC and CBN should undertake a joint review of the treatment of warehouse receipts as collateral. The ISA 2025 provides a stronger legal basis for EWRs, collateral management companies, warehouse operators and related commodity market infrastructure, but market liquidity will remain constrained if banks, auditors and risk managers continue to treat warehouse receipt-backed lending as unsecured or operationally uncertain. The review should identify any gaps between the legal framework, banking regulations, movable collateral rules, provisioning practices, audit treatment and the practical requirements of secured warehouse-receipt financing. The outcome should be clear regulatory guidance confirming the conditions under which EWRs are legally robust, transferable and pledgeable collateral across the banking sector.

It is also important to factor in the SEC's engagement with foreign capital markets regulators. This is particularly important in the PE/VC ecosystem. Nigeria is home to one of Africa's largest and most dynamic PE/VC environments, but a significant portion of these funds operating in Nigeria are domiciled in foreign jurisdictions. The ISA 2025 brought PE/VC activities more explicitly within the SEC's regulatory ambit, creating a need for effective cross-border supervisory cooperation.

As a starting point, the SEC, in conjunction with PEVCA, should co-design a formal mutual recognition framework for offshore investment vehicles, offering streamlined approval pathways for funds regulated in jurisdictions where securities regulators are signatories to the IOSCO Multilateral Memorandum of Understanding (MMoU), thereby facilitating regulatory cooperation, information exchange, and enforcement assistance where necessary. It should further deploy a digital, single-window cross-border-offering notification portal, thus allowing fast-track entry for foreign-domiciled investment vehicles that distribute via the locally registered CMOs. To strengthen transparency and market integrity, the SEC could also require foreign fund managers to maintain up-to-date beneficial ownership records and provide this information to the SEC through periodic reporting or upon request, as well as requiring annual IFRS-compliant financial statements and ISSB-aligned sustainability disclosures — while deferring to equivalent home-state regulatory oversight for approved offshore investment vehicles.

The SEC could consider strengthening the oversight of foreign-domiciled PE/VC funds by establishing supervision cooperation arrangements with home regulators under dual-jurisdiction enforcement protocols to facilitate information sharing, coordinated investigations, and enforcement actions.

Clarify market rules and make unwritten principles concrete
In addition to improving inter-agency cooperation, there

is also a need to streamline the SEC's internal rules and rulemaking processes. To strengthen regulatory quality, consistency, and market confidence, the SEC should consider establishing a formal regulatory governance framework that clearly defines the hierarchy, purpose, and legal status of Rules, Guidelines, and Circulars. The framework should ensure that all regulatory instruments are developed and issued through transparent and robust processes. Rules derive their authority from the ISA 2025, requiring formal public exposure before enactment while Guidelines (roadmaps to comply with Rules) and Circulars (administrative notices) should be appropriately anchored to enabling Rules.

Accordingly, the SEC should consider establishing a formal regulatory lifecycle framework governing the development, consultation, approval, implementation, and review of all regulatory instruments. For Rules, this framework should incorporate Regulatory Impact Assessments to evaluate potential market impacts and structured inter-agency consultation with relevant regulators, including the CBN, NAICOM, PenCom, CAC, and recognised SROs so as to minimise regulatory overlaps, inconsistencies, and opportunities for arbitrage.

The framework could also adopt a risk-based approach to rulemaking, distinguishing between routine or technical amendments and more substantive regulatory reforms. Less complex Rules could follow expedited approval processes, while significant regulatory changes could be subject to enhanced stakeholder engagement, including public consultation through a digital portal and extended review periods as appropriate. Upon approval, all Rules, Guidelines and Circulars should be published through a centralised regulatory repository and supported by appropriate implementation timelines and transition arrangements to facilitate orderly market adoption and compliance.

Alongside more formal rules, the Nigerian market also features unwritten customs. The SEC Consolidated Rules was last updated in 2013, despite many subsequent amendments. The SEC should undertake a comprehensive review and consolidation of the regulatory framework, including the codification of established market practices and supervisory expectations that are currently applied through custom or precedent but are not formally reflected in the regulatory framework. Bringing such practices into the formal rulebook would enhance transparency, consistency, and regulatory certainty for market participants.

Despite a significant overhaul of the tax system, there is still a need to adopt tax neutrality to ensure that assets and transactions are treated uniformly across the capital markets and other markets. Differences in the tax treatment of similar financial products and transactions can distort investment decisions and encourage investors and issuers to structure transactions for tax reasons rather than economic value. These distortions can impede the development of certain market segments, fragment liquidity, and create an uneven playing field across financial products and intermediaries. Moving toward a more tax-neutral framework would support more efficient capital allocation, improve price discovery, and foster deeper and more liquid and diversified capital markets.

To establish this tax-neutral framework, the SEC should undertake an in-depth, structured review of Nigeria's overarching tax architecture as it applies to capital market instruments, equity securities, fixed-income debt, derivatives, and alternative financial assets relative to competing financial products. Following this evaluation, the SEC should formulate a technical position paper containing a reasoned, highly granular schedule of proposed legislative and regulatory amendments designed to achieve tax parity across all investment instruments and eliminate artificial tax arbitrage.

Executing these reforms requires formal, sustained inter-agency advocacy. The NCMMP 2.0 recommends that the SEC actively engage the FMOF and the NRS to present the empirical justification for resolving existing differentials in tax treatment. This engagement would institutionalise a permanent line of communication between the SEC, FMOF, and NRS and catalyse ongoing coordination on capital market tax policy, statutory incentives, and the equitable tax treatment of emerging financial products over time.

A thriving commodities ecosystem is a key component of Nigeria's economic diversification strategy, particularly in supporting the agricultural and solid minerals sectors. While Nigeria hosts specialised commodity exchanges (AFEX, LCFE, and NCX), market liquidity remains constrained. Stakeholder consultations indicate that one of the principal impediments to market development is the significant discount applied by commercial banks when accepting warehouse receipts as collateral.

This discount appears to stem from inconsistencies between the regulatory treatment of movable collateral and warehouse receipt financing frameworks coupled with the risk assessment, provisioning, and audit practices adopted by commercial banks. The resulting uncertainty reduces the effectiveness of warehouse receipts as a financing instrument, which in turn limits access to credit for producers and traders, and constrains liquidity within commodity markets. To address these challenges, there is a need for the development of a harmonised regulatory framework for warehouse receipt financing that strengthens the recognition of EWRs as reliable collateral within the financial system. A joint review by the SEC and the CBN of existing regulatory, supervisory, and prudential requirements to identify inconsistencies affecting the treatment of warehouse receipts by financial institutions, auditors, and risk managers is therefore paramount.

Ultimately, these reforms could catalyse the commodities market by providing smallholder farmers and solid mineral producers with predictable access to credit, thereby advancing the national priority of private sector-led industrialisation and economic diversification.

Despite Nigeria's dynamic PE/VC ecosystem — which attracted US\$287 million of West Africa's US\$547 million VC financing in 2025—exits of PE/VC-backed portfolio companies via initial public offerings (IPOs) are uncommon.⁶⁵ The NCMMP 2.0 recommends the development of a regulatory, fiscal, and market infrastructure framework that facilitates the participation of PE/VCs in Nigeria's public capital markets. This initiative could include reviewing existing collective investment schemes and listing frameworks to accommodate listed PE and other alternative investment vehicles, then facilitating access permanent or long-term pools of capital through the capital market.

⁶⁵ AVCA 2026. Available [here](#)

The market could also establish a dual-pathway listing architecture made up of a standardised registration route and a faster route for qualified institutional buyers (QIBs). Collaboration between the SEC, the NRS and the FMoF could ensure pass-through tax neutrality and stamp duty exemptions on secondary transfers, as well as tiered initial and annual fee structures for alternative fund managers. Coordination with PenCom and NAICOM could allow pension and insurance funds to classify PE allocations within infrastructure or other long-term buckets instead of restrictive private quotas, while common treatment across regulators could prevent punitive capital haircuts. Finally, establishing cross-border and market access frameworks underpinned by streamlined and digitised administration processes is essential for attracting international funds and facilitating efficient capital inflows and repatriation.

The NCMMP 2.0 also aims to strengthen appropriate reporting standards for emerging segments of the market.

In alignment with global shifts toward sustainable finance and Nigeria's commitment to attracting international institutional capital, the modernisation of financial reporting frameworks is a necessary priority. While the SEC has already established the Sustainable Finance Principles (2021), the fragmented nature of sustainability disclosures across different regulatory bodies can introduce compliance fatigue and information asymmetry for market participants. To strengthen Nigeria's position as a credible destination for long-term sustainable and climate-related finance, the NCMMP 2.0 proposes the formal adoption of International Financial Reporting Standards (IFRS) S1 and S2 as the primary reporting standards for regulators from the mandatory adoption period (2028).

The transition to these International Sustainability Standards Board (ISSB) standards should begin with a structured regulatory alignment process. A joint working group comprising the FRC, the SEC, and the NGX should be convened to map overlapping obligations and agree on a single, consolidated compliance pathway for issuers of green, social and sustainable (GSS) instruments.

To ensure market readiness, the SEC should issue formal circulars confirming the ISSB standards as the mandatory benchmark for all capital market participants from January 2028. This could be supported by the SEC developing readiness assessment tools (in partnership with the FRC), thereby enabling issuers to compare their preparedness to early adopters. The SEC could also amend listing regulations to embed these standards as a mandatory statutory obligation. Finally, the SEC and FRC could jointly develop and publish a proportional sanctions framework for non-compliance, taking into account the severity and duration of non-compliance, possible grace periods and remediation pathways.

The NCMMP 2.0 recommends enforcement of post-issuance impact reporting for sustainable finance products. Given the niche nature of this market segment, emerging products often face extensive but largely unenforced rules. This necessitates deliberate targeted enforcement efforts. The SEC, for instance, should develop and publish a standardised post-issuance reporting template operationalising the existing annual reporting obligation under the 2018 Green Bond Rule and 2021 Social Bond Rule. Consistent reporting by all relevant market participants would allow the SEC to establish and maintain a publicly accessible digital-impact register listing all labelled issuances with use-of-proceeds status, reported impact metrics, and compliance status. Non-compliant issuers could then be flagged publicly on an ongoing basis.

To support enforcement efforts, the SEC should operationalise a graduated sanctions regime for non-compliance with the existing reporting obligations. On first failure, for instance, a formal notice and public register flag could be issued. On the second infraction, the non-compliant entity could be suspended from issuing further labelled instruments. Such a graduated sanctions regime would encourage compliance, since issuers need to maintain access to the growing sustainable finance market.

Critically, this post-issuance impact reporting approach must be underpinned by a credible verification architecture. This would entail the SEC setting out the appropriate accreditation standards for verifiers, including for SPO providers, in alignment with international verification standards (ICMA and CBI). At the same time, the SEC's capacity to regulate sustainable finance more generally (see Pillar 5) must be strengthened.

To further broaden market development in the sustainable finance space, strong regulatory guidance for potential issuers is needed, as well as provision for a broader set of sustainable instruments. While the SEC published Green Bond Rules in 2018 and Social Bond Rules 2021, **the NCMMP 2.0 recommends streamlining these under a consolidated, updated Sustainable Capital Markets Instruments Rule.** Alongside this unified Rule, the SEC could also introduce a sustainability bond framework to allow for the blending of green and social aims, using the International Capital Markets Association (ICMA) Sustainability Bond Guidelines as a basis for international best practice.

Similarly, the SEC could introduce a transition bond framework within the consolidated Rule (to fund decarbonisation), using the ICMA Climate Transition Finance Handbook as a reference. The consolidated Rule should ultimately cover green, social and sustainability bond frameworks for sovereign, sub-national and corporate issuers, with the transition bond framework offering sector specific guidance, e.g. for oil and gas, cement, and power generation. This consolidated Rule will act assist with bringing sovereign and non-sovereign sustainable issuances to the market, as detailed under Pillar 3.

The NCMMP 2.0 also recommends that the SEC issue or update **risk-based CCP capital adequacy and eligible financial resources rules.** These rules should move beyond a static minimum capital amount and establish an ongoing prudential framework covering paid-up capital, liquid net assets funded by equity, default fund resources, liquidity resources, skin-in-the-game, recovery and wind-down resources, stress testing, reporting, and supervisory remediation triggers. This framework would provide the regulatory basis for the CCP capital adequacy reviews and recapitalisation plans addressed under Pillar 2.

The NCMMP 2.0 also recognises that Nigeria's derivatives and repo markets currently lack a coherent regulatory foundation, despite growing activity on both the SEC-regulated and CBN-regulated sides of the market. Nigeria's capital markets and banking sectors are each developing distinct segments of the derivatives market (i.e. the securities-based and commodity derivatives under the SEC's regulatory ambit, and currency and interest rate derivatives under the CBN's monetary policy and banking supervision mandate, currently being cleared through the CBN's S4 system). This bifurcation reflects the genuine statutory and functional division between the two regulators' mandates, rather than an accident of coordination, and any reform

agenda must engage with it as such, rather than assume a single regulator can consolidate the field.

A precondition for either regulator's derivatives market to function reliably is legal certainty that close-out netting under standard market documentation, principally ISDA Master Agreements and the GMRA, will be honoured in a Nigerian insolvency.

It is important to note that netting enforceability is not, in comparable markets, achieved by bringing OTC derivatives documentation within a securities regulator's product ambit. In the United States, this protection is provided by dedicated safe-harbour provisions within the Bankruptcy Code itself; in the United Kingdom, by Part VII of the Companies Act 1989 and the Financial Collateral Arrangements Regulations; and in the European Union, by the Settlement Finality and Financial Collateral Directives as transposed into member states' insolvency law. In each overseas case, these are generally-applicable insolvency or companies-law provisions, triggered by defined contract types (swap agreements, repurchase agreements, master netting agreements, financial collateral arrangements), and they apply irrespective of whether the underlying trade is cleared through the financial market infrastructure or transacted bilaterally, or whether the counterparties deal in publicly-offered instruments. The securities or derivatives regulator's product regulation operates as a separate, complementary layer.

Nigeria's position is presently uneven across these two layers.

ISA 2025's settlement finality provisions protect both the settlement of market contracts and clearing member client-contract transfers conducted under the financial market infrastructure's default rules. They therefore plausibly extend to SEC-recognised, CCP-cleared derivatives. Separately, the CBN has addressed a specific netting risk arising from its statutory power to suspend payments by a troubled bank. It now limits the exercise of that power to two business days, giving ISDA the comfort needed for a clean netting opinion covering CBN-regulated bank counterparties. Neither instrument, however, addresses the large body of bilateral, uncleared OTC derivatives and repo transactions conducted directly between market participants under ISDA Master Agreements and the GMRA. And it is for these transactions that netting certainty matters most, since cleared trades already benefit from FMI default-rule protection.

The NCMMP 2.0, therefore, recommends the enactment of a dedicated netting and financial collateral framework, jointly sponsored by the SEC, the CBN and the Federal Ministry of Justice, rather than routing netting recognition through either regulator's individual product ambit. This framework should define "qualifying financial contract," "master netting agreement" and "financial collateral arrangement" broadly enough to capture ISDA Master Agreements and the GMRA regardless of counterparty type, product, or whether the underlying trade is centrally cleared, and should disapply the relevant automatic stay, preference, and mutuality provisions of Nigerian insolvency law for those defined contracts, consistent with the approach taken in the United States, United Kingdom and European Union.

The CBN's existing circular should be treated as an interim measure pending this broader statutory reform, and ISA 2025's FMI-specific settlement finality provisions should continue to apply as a complementary layer for centrally cleared trades. Given the shared reliance of both SEC-regulated and CBN-regulated derivatives markets on this reform, it should proceed as a joint legislative initiative rather than being assigned to a single regulator. Cross-

market clearing interoperability should be treated as a longer-term aspiration contingent on this foundational work and on the outcome of a re-established SEC-CBN co-design engagement to untangle the two organisations' respective derivatives jurisdictions.

The NCMMP 2.0 mandates the establishment of a National Digital Capital Markets Integration Framework, a comprehensive regulatory framework that enables secure, seamless, and mobile-enabled retail access to Nigeria's capital markets. The framework will help to align the SEC, CBN, market infrastructure providers, MNOs, and fintechs through a unified digital governance model to support harmonised digital onboarding standards, including e-KYC, digital identity verification and e-signatures. Further, it will strengthen consumer protection, cybersecurity, data privacy and complaints-handling requirements. Together, these reforms will expand retail investor participation, enhance market integrity, and support the inclusive growth of Nigeria's digital capital markets.

This framework is underpinned by the rapid digital transformation of Nigeria's financial ecosystem, mandated under the CBN's Payments System Vision 2025 (PSV 2025), and designed to create a secure, interoperable, and innovation-driven digital financial infrastructure. The transformation is anchored on a unified national payments infrastructure, a technology-neutral regulatory framework that promotes competition among banks, fintechs and Payment Service Banks, and the adoption of emerging technologies such as Open Banking, the eNaira, QR payments and agent banking. CBN's strong regulatory oversight, supported by the Oversight and Compliance Division, the adoption of the Bank Verification Number (BVN), enhanced cybersecurity and fraud management frameworks, underpins the resilience and integrity of Nigeria's evolving digital financial system. This digital ecosystem is increasingly converging with the capital markets through mobile investment platforms and digital distribution channels to expand retail investor participation and enhance financial inclusion.

To ensure access to digital capital market is truly inclusive, MNO and fintech integration strategies must be deliberately designed to accommodate women's digital access patterns. Female retail investors in Nigeria face distinct hurdles, including lower smartphone penetration rates, higher reliance on basic-feature phones, and lower digital financial literacy. To overcome these barriers, the regulatory framework and technical guidelines for mobile-enabled capital market distribution should mandate gender-responsive user interface and user experience (UI/UX) standards. This includes requiring USSD feature-phone compatibility, simplified low-tier e-KYC onboarding pathways, and offline-capable transaction distribution. By designing channels that meet women where they are, the market can lower the barrier to entry for young and rural female retail investors, capturing historically excluded asset pools and translating mobile connectivity into real wealth creation.

Strengthen the supervision framework for digital, virtual and tokenised assets

The NCMMP 2.0 further recommends strengthening supervision and oversight of virtual, digital and tokenised assets. The oversight of such assets can be complicated, given that they exist across regulatory areas under the purview of the SEC, such as the aggregation of funds for investment, or the offering of securities, and the CBN, particularly payments and the mitigation of systemic risk. **The NCMMP 2.0 therefore recommends**

a realignment of the supervision framework for virtual, digital, and tokenised assets, anchored to the Presidential Executive Order on Virtual Assets Coordination.⁶⁶ Recognising that technological convergence has blurred traditional boundaries between currencies, commodities, and securities, the framework will transition from fragmented, siloed oversight to an integrated, activity-based supervisory architecture. The SEC has been named Vice-Chair of the newly constituted Virtual Asset Council (VAC) — alongside the CBN as Chair, the Nigeria Revenue Service (NRS) as co-Vice-Chair, and comprising the Nigerian Financial Intelligence Unit (NFIU) and the ONSA — and will thus actively participate in executing the 30-day Harmonised Implementation Framework.

This inter-agency structure enforces an activity-based allocation of mandates without introducing redundant regulatory layers or altering statutory powers. Under this division, the SEC retains exclusive jurisdiction over securities-related virtual asset activities, collective investment schemes, and tokenised capital market instruments, while deferring payment, settlement, and non-security custody services to the CBN. The SEC will interface directly with the Virtual Asset Office (domiciled at the CBN) using a shared Supervisory Technology (SupTech) platform, enabling real-time market surveillance, cross-agency information sharing, FATF Travel Rule execution, and alignment with the NRS Virtual Assets Tax Policy while preserving the SEC's independent ownership of capital market data.

To foster responsible innovation while safeguarding market integrity, the NCMMP 2.0 recommends the SEC aligns its sandbox regime with the broader CBN-led Virtual Asset Sandbox. In this initiative, the SEC's Accelerated Regulatory Incubation Program (ARIP) would be updated to function as a dedicated capital markets pipeline, feeding securities-focused VASPs, tokenised asset issuers, and digital market infrastructures into the multi-agency sandbox environment. Admission and testing protocols should follow a risk-based segmentation model evaluating transaction scale, retail exposure, and systemic risk indicators. Transition through the sandbox would therefore depend on achieving strict operational, cybersecurity, consumer protection, and smart-contract auditing milestones, monitored through joint supervisory cohorts leveraging real-time SupTech data streams.

Finally, the SEC should establish a robust institutional and supervisory regime to govern fully licensed securities-focused VASPs under the ISA 2025 and upcoming VASP legislation. This regime would upgrade internal licensing portals so that they better integrate with the central Virtual Asset Office repository, thereby streamlining corporate submissions, fit-and-proper vetting, and continuing professional development tracking. Supported by international technical partners, the SEC should also deliver specialised capacity-building programmes in blockchain analytics, DeFi risks, and forensic AML/CFT techniques for internal supervisory staff. This institutional capacity, guided by the forthcoming national Virtual Assets White Paper, should be backed by joint enforcement protocols with the NFIU, ONSA, and law enforcement authorities in order to detect, isolate, and prosecute unregistered or fraudulent digital asset offerings.

Objective 1.2: Strengthen supervisory and risk management architecture

The second objective in this pillar focuses on strengthening the supervisory and risk management architecture through enhancing risk-based supervision, enforcement mechanisms and sector-wide systemic risk management.

Enhance supervisory architecture, risk-based supervision and enforcement

The NCMMP 2.0 also recognises that regulatory clarity should be complemented by a supervisory system capable of detecting non-compliance early and responding to it proportionately — alongside the continued strengthening of Nigeria's supervisory architecture for the capital market. The SEC's supervision of capital market operators has developed without a published risk taxonomy, a tiering model that allocates supervisory intensity to institutional significance, or a scoring methodology that determines inspection frequency on an evidential basis. The consequence is that supervisory resources are allocated largely by cycle rather than by risk. Off-site monitoring serves primarily as a compliance reporting mechanism rather than an early warning tool. In the absence of a published escalation framework, enforcement outcomes may also appear discretionary to market participants. IOSCO Principles 10 to 12 require regulators to exercise comprehensive inspection, investigation and enforcement powers on a risk-sensitive basis. This pillar operationalises supervision as a strategy rather than a function.

To transition from cyclical oversight to a genuinely risk-sensitive framework, the SEC should develop and publish a comprehensive CMO risk taxonomy and supervisory tiering model. This initiative should begin by classifying all registered capital market operators across distinct, defined risk categories, specifically covering governance, prudential, conduct, operational, financial crime, market integrity, and technology and cyber resilience. By establishing explicit indicators for each risk vertical, the SEC can move away from compliance reporting and build a rigorous, evidence-based diagnostic framework capable of measuring an operator's true threat profile.

Defining these granular risk parameters provides the necessary analytical criteria, but operationalising this data requires a systematic method for categorising firms based on their systemic and operational footprint. The NCMMP 2.0 therefore recommends that the SEC should use the approved risk assessment methodology to assign firms to one of four distinct supervisory tiers based on their overall risk profile. This tiering mechanism would allow the regulator to align its supervisory intensity with institutional significance, ensuring that high-risk or systemically-vital operators receive heightened, continuous oversight while lower-risk entities are subject to proportionate monitoring.

Although the determination of these tiers is an internal regulatory calculus, the long-term credibility of a risk-based regime depends on transparency and structural fairness for market participants. Consequently, the SEC should communicate each firm's tier assignment and underlying assessment basis directly to the operator, ensuring full clarity regarding regulatory expectations. To ensure the framework remains reflective of changing market conditions and institutional behaviours, the SEC should review these classifications

⁶⁶ State House Nigeria, 2026. Available [here](#)

annually, while simultaneously embedding a formal mechanism that allows firms to request an administrative review of their assigned tier if their underlying risk metrics improve.

To operationalise the established tiers and eliminate subjectivity in oversight cycles, the NCMMP 2.0 recommends that the SEC adopt and publish a transparent, quantitative risk scoring methodology. This framework should begin by combining impact and probability scores into a unified composite rating, with the exact weighting of each component published openly to the market. Formalising this scoring mechanism would provide the SEC with an empirical model, ensuring that an operator's supervisory profile directly reflects both its systemic importance and its likelihood of operational distress.

Once this composite rating is established, it should serve as the direct baseline for resource allocation, linking institutional risk directly to regulatory intervention. The SEC should derive its statutory inspection cycles directly from these ratings, mandating a 12-month cycle for Tier 1 firms, a 24-month cycle for Tier 2 firms, a 36-month cycle for Tier 3 firms, and targeted thematic or event-driven reviews for Tier 4 entities. **This approach would ensure that scarce supervisory resources are deployed efficiently, concentrating intensive off-site and on-site oversight on high-impact operators** while easing the administrative burden on low-risk participants.

To ensure the scoring model is practically viable and does not create unintended distortions, the underlying mechanics require historical validation. The SEC should calibrate the model against two years of historical supervisory findings before the framework takes official effect, adjusting the weights to reflect documented compliance patterns within the Nigerian capital market. Following implementation, the SEC should recalibrate the model annually, ensuring the quantitative indicators adapt continuously to emerging systemic risks, financial innovations, and shifting market behaviours.

While the quantitative risk scoring methodology establishes predictable, long-term inspection cycles, maintaining market integrity requires continuous, real-time tracking between these statutory review periods. **The NCMMP 2.0 therefore recommends that the SEC deploy an advanced off-site supervisory monitoring platform designed to transform passive regulatory reporting into a dynamic early warning system.** This platform should systematically collect and analyse structured regulatory returns from CMOs, real-time trading and post-trade data from securities exchanges and depositories (including the NGX, NASD OTC Securities Exchange, FMDQ Exchange, and CSCS) alongside market complaints data funnelled through competent authorities under the SEC's Complaints Management Framework.

By aggregating these diverse operational data flows into a centralised environment, the SEC would be equipped to shift from retrospective oversight to proactive intervention. The platform should generate automated risk alerts whenever a CMO breaches defined supervisory thresholds, focusing on critical risk areas such as capital adequacy ratios, client asset protection rules, asset concentration limits, and key market conduct indicators. These automated alerts should be integrated directly into the SEC's supervisory planning workflows, allowing risk teams to dynamically adjust the scope of upcoming inspections, deploy targeted off-

site enquiries, or launch spot reviews on outlier firms before minor compliance gaps escalate into systemic distress.

To ensure that the risks surfaced by this continuous monitoring platform lead to predictable and transparent regulatory outcomes, the enforcement phase must be stripped of any perceived administrative discretion. The SEC should issue a published Enforcement Escalation Ladder and Sanctions Guideline that outlines a clear, non-discretionary path of regulatory remedies. This document would provide market operators with transparency regarding how early warnings and threshold breaches translate into specific enforcement actions — ranging from supervisory letters and mandatory remediation plans to formal administrative sanctions — thereby guaranteeing that enforcement outcomes are applied equitably, consistently, and solely on an evidential basis.

Strengthen systemic risk management across the capital markets

In recognition of the fact that the deepening of Nigeria's capital market stands to increase its capacity to transmit stress into the wider financial system, the NCMMP 2.0 recommends the establishment of a framework for identifying, monitoring and containing systemic risk. As clearing volumes concentrate in a small number of financial market infrastructures, as pension and insurance capital increases in exposure to market instruments, and as banks act simultaneously as issuers, dealers, custodians and FMI shareholders, the channels multiply through which a single failure could propagate to the rest of the economy — and there is currently no mitigating framework. The NCMMP 2.0 accordingly recommends the establishment of a Systemic Risk Council (SRC) within the SEC mandated to maintain continuous contagion monitoring across CSCS, NG Clearing, FMDQ Clear and the CBN's S4, to develop a joint crisis playbook with the CBN that defines trigger events and decision rights before disasters happen, and to run annual stress tests covering FMI-default and cyber-disruption risk.

The SEC should constitute the SRC under a published charter, establishing a structured quarterly meeting cycle and a direct, standing reporting line to the Director General. This framework would ensure that systemic vulnerability assessments, cross-market risk interconnections, and macroprudential policy recommendations receive immediate executive attention and prompt regulatory action. To support the Council's analytical and operational mandates, the SEC should establish a dedicated Systemic Risk and Market Resilience Unit to serve as its permanent secretariat. Staffed by quantitative risk specialists and market analysts, this unit would be tasked with continuously monitoring liquidity conditions, leverage build-ups, counterparty exposures, and structural market interdependencies. The unit would generate empirical risk models, coordinate data collection across market infrastructures, and manage the administrative functions necessary to sustain the Council's quarterly oversight cycle.

Additionally, to enhance market transparency and establish a baseline for continuous threat tracking, the Council should publish the inaugural Capital Market Risk Outlook alongside an institutional market risk register. The NCMMP 2.0 recommends that this risk register serve as a dynamic, continuously updated repository categorising systemic vulnerabilities, operational hazards, and

external financial shocks. By publishing the risk outlook annually, the SEC would provide market participants, clearing houses, and institutional investors with clear forward-looking guidance on emerging structural risks, while fostering a more resilient capital market environment.

To operationalise the analytical framework established by the Systemic Risk Council, the SEC should execute an initial stress testing cycle targeting core FMIs and key market intermediaries. Rather than relying on isolated institution-level assessments, this exercise would evaluate system-wide resilience under severe but plausible market shocks. The testing framework must focus on three prioritised stress scenarios designed to probe structural interdependencies, clearing-node vulnerabilities, and liquidity limits across the Nigerian capital market ecosystem.

- The first scenario should simulate the simultaneous default of the largest clearing member across both the CSCS and NG Clearing. This simulation would evaluate the joint adequacy of initial and variation margins, the adequacy of default funds, and the operational sequencing of loss-allocation waterfalls under extreme market volatility. By testing cross-clearing member default vectors, the exercise would pinpoint potential capital shortfalls and ensure that loss-containment protocols prevent contagion from spilling into non-defaulting market participants.
- The second scenario should model a five-day operational and settlement outage at a core FMI resulting from a destructive cyber intrusion. This test must evaluate the practical recovery time objectives, operational failover systems, and business continuity protocols across affected market entities, focusing specifically on the stability and message integrity of the S4 interface linking capital market infrastructure with the CBN. The objective would be to verify that critical transaction records and settlement instructions can be recovered and executed without compromising market integrity or inducing systemic liquidity freezes.
- The third scenario should evaluate the market-wide impact of a disorderly foreign portfolio outflow triggered by an external foreign exchange shock or a sovereign credit rating downgrade. This simulation should measure secondary bond market liquidity, assess open-ended collective investment scheme (CIS) redemption capabilities under severe run pressure, and test the triggering thresholds and execution mechanisms of circuit breakers across both the Nigerian Exchange (NGX) and FMDQ.

Data gathered from this tri-part testing cycle would allow the SEC to establish empirical benchmarks for capital buffers, refine liquidity management guidelines, and adjust macroprudential policy responses ahead of real-world distress events.

In order to ensure the visibility of structural interdependencies and systemic spill overs, the SEC should construct and actively maintain a comprehensive capital-market contagion map.

This process must systematically map bilateral and infrastructure exposures across core financial market infrastructures (including the CSCS, NG Clearing, FMDQ Clear, and the S4 settlement link) alongside registered custodians, clearing members, and the largest dealing banks. By capturing gross and net exposures, collateral flows, and settlement interdependencies, the map would enable regulators to track how liquidity shocks or solvency distress could propagate across interconnected institutions.

Using this network model, the SRC should identify single points of failure, operational bottlenecks, and common membership overlaps where failure at a single clearing or banking node could trigger cascading systemic distress. The SEC should compile these vulnerability assessments into formal risk reports for transmission to the FSRCC. This inter-agency reporting would ensure that cross-sectoral concentrations involving systemic deposit money banks and capital market clearing nodes are addressed through coordinated supervisory oversight.

The SEC should further establish a mandatory semi-annual refresh cycle for the contagion map, leveraging regulatory filings, trade repository records, and FMI transaction data. Following each update, the Systemic Risk Council should evaluate whether to produce an anonymised, high-level summary of the network topology. Disseminating an anonymised summary to external stakeholders and peer regulatory authorities would enhance inter-agency coordination, inform macroprudential policy formulation, and strengthen collective systemic risk monitoring across the broader financial system.

The NCMMP 2.0 recommends the formalisation of an annual multi-risk stress testing programme covering financial, operational, and physical vulnerabilities across the capital market ecosystem. Under this framework, each systemically important financial market infrastructure (FMI) must run mandatory, SEC-specified scenarios annually to evaluate member default contagion and liquidity shortfall buffers under extreme market conditions.

Operational resilience should be assessed through annual simulated cyberattacks and operational disruption exercises across critical FMIs and systemically important institutions. Utilising threat intelligence provided by the CBN, these simulations would test the collective capacity of market entities to detect, withstand, respond to, and recover from severe cyber intrusions without compromising settlement integrity. Climate-related financial risks must be integrated into this annual cycle through periodic transition scenario analyses of listed issuers, applying IFRS S2-aligned assumptions. Findings from these climate stress tests would directly inform regulatory risk assessments, supervisory planning, and macroprudential decision-making processes under the authority of the ISA 2025.

Through the institutionalisation of the SRC, rigorous multi-scenario stress testing, interconnected contagion mapping, and an annualised resilience testing regime, the NCMMP 2.0 seeks to establish a proactive macroprudential framework for the Nigerian capital market. Shifting the regulatory stance from retrospective crisis response to continuous risk identification ensures that structural vulnerabilities across clearing nodes, digital infrastructure, and broader macroeconomic vectors are identified and mitigated before compromising market stability. Anchored by the expanded statutory mandates of the ISA 2025 and supported by close inter-agency coordination through the FSRCC, this systemic risk architecture stands to secure the institutional foundation necessary to absorb exogenous shocks, protect investor capital, and maintain orderly market operations across evolving financial cycles.

Objective 1.3: Enhance market conduct and protection

The final objective in Pillar 1 is enhancing market conduct and protection by establishing investor protection, compensation and restitution mechanisms as well as developing market conduct and consumer protection frameworks.

Enhance investor protection, compensation and restitution mechanisms

Investor protection within the Nigerian capital market is anchored on a regulatory and administrative framework established under the ISA 2025. Complaints resolution follows a structured statutory pathway governed by the SEC Rules Relating to the Complaints Management Framework (CMF). Complaints progress from initial handling by CMOs within 10 working days, to relevant Competent Authorities (SROs or Recognised Trade Associations) within 20 working days, and ultimately to the SEC and the Administrative Proceedings Committee (APC) for final regulatory determination, restitution orders, or appeal to the IST. Further to this dispute resolution framework is a dual safety-net structure comprising platform-specific Investor Protection Funds (IPFs) operated by the NGX and FMDQ, alongside the NIPF maintained directly by the SEC for non-exchange intermediaries. These autonomous funds operate with distinct, legally fixed compensation limits (such as ₦500,000 per claimant under the NGX IPF and ₦200,000 under the NIPF) providing parallel, non-overlapping coverage for pecuniary losses arising from operator defalcation, insolvency, or regulatory registration revocation.

To provide retail investors with absolute clarity regarding financial recourse during intermediary defaults, the NCMMP 2.0 recommends that the SEC mandate the formal publication and periodic calibration of compensation caps across all exchange-administered IPFs and the NIPF. Building upon statutory protections under the ISA 2025, the SEC should require governing Boards of Trustees to publicly disclose their claim eligibility criteria, operational payout procedures, and current coverage ceilings. To prevent these limits from being eroded by inflation and shifting market valuations, the framework should establish a mandatory triennial risk-calibration review. This process would periodically adjust coverage limits against real retail transaction sizes and fund solvency, while requiring registered operators to provide pre-trade disclosures of applicable IPF boundaries during client onboarding.

The NCMMP 2.0 recommends that the SEC establish a preventative retail disclosure and operator-funded redress framework anchored on an unambiguous regulatory definition of mis-selling aligned with suitability rules, disclosure standards, and misrepresentation prohibitions. Where systemic mis-selling or structural breaches occur, the SEC should require the offending operator to fund a proactive redress exercise calculated on a defined, standardised basis to restore investors to their original financial position, with a full remediation report submitted within 90 days of the finding. Point-of-sale protections should be strengthened by introducing a standardised Key Information Document (KID) template with enforceable readability thresholds and mandatory comprehension testing using representative retail investor panels. This regime should apply across public offers, CIS, and digital asset products, making verified testing results a mandatory condition for regulatory clearance.

Complementing the foregoing redress mechanisms, **the NCMMP 2.0 recommends that the SEC operationalise a dedicated, market-wide fraud restitution framework to handle cases of severe defalcation, market manipulation, and illegal fund-raising.** To ensure that recovered illicit funds are safeguarded exclusively for victim recovery, the SEC should directly link its legal powers of asset tracing, administrative liens, and profit disgorgement under the ISA 2025 to a ring-fenced restitution account. Held entirely separate from regular operating funds, this account would ensure that disgorged proceeds and seized assets remain legally segregated and immediately available for distribution to affected market participants.

Because financial fraud frequently spans multiple regulatory and law enforcement jurisdictions, the SEC should formalise inter-agency enforcement protocols to expedite the recovery process. The NCMMP 2.0 recommends executing a binding MoU with the CBN, the Economic and Financial Crimes Commission (EFCC), and the NFIU. This cooperative framework should establish standardised procedures for the swift freezing, civil forfeiture, and repatriation of fraudulent proceeds, while granting the SEC access to the National Confiscation Wallet to track and recover virtual or digital asset holdings linked to capital market infractions.

Finally, to guarantee that recovered funds are returned to victims in an equitable, transparent, and timely manner, the SEC should draft and publish a standardised distribution methodology. This guideline should set out clear administrative procedures, including formal proof-of-claim requirements, robust identity verification standards, and strict operational timelines for processing claims. When total financial recoveries fall short of aggregate investor losses, the framework should mandate a fair pro-rata allocation model, ensuring that available funds are distributed proportionally across all verified claimants without administrative delay or arbitrary preference.

To promote foreign investor confidence and accelerate conflict resolution for international market participants, **the NCMMP 2.0 also recommends establishing a streamlined, legally predictable arbitration and dispute management pathway tailored to foreign and diaspora portfolio investors.** The SEC should formulate and mandate standardised arbitration and mediation clauses for mandatory inclusion across global custodian service level agreements and capital market operator frameworks. These contract templates must align fully with the Arbitration and Mediation Act (AMA) 2023, leveraging its statutory mechanisms for emergency arbitrators, interim protective relief, and binding award enforcement. To eliminate procedural conflict, the SEC and the IST should issue joint practice directives that explicitly clarify the jurisdictional interface between private contractual arbitration agreements and the statutory primary jurisdiction of the IST under the ISA 2025.

Accelerating post-award financial recovery requires structural coordination across the judicial system. The SEC should collaborate with the IST and the Federal High Court to enact specialised, fast-track judicial recognition and enforcement rules for domestic and international arbitral awards involving non-resident portfolio investors. This accelerated judicial pathway should compress enforcement timelines and eliminate unnecessary interlocutory appeals, ensuring swift asset recovery. Furthermore, an automated legal recourse guide and dispute management pathway should

be integrated directly into the Single Window foreign investor digital onboarding system. This digital integration would provide non-resident investors with immediate, transparent access to standardised mediation protocols, case status tracking, and a certified panel of capital market neutral arbitrators.

Develop market conduct and consumer protection frameworks

The NCMMP 2.0 recognises that redress after the fact is a weaker instrument than conduct regulation that prevents harm at the point of design and sale. While core investor protection components are currently distributed across the ISA 2025, SEC Rules, and other SEC approved Rules of the exchanges such as those covering suitability and KYC, the market requires a more unified, modern market conduct and financial consumer protection framework. The NCMMP 2.0 accordingly recommends four connected interventions to elevate the existing market conduct floor.

To establish a proactive conduct regime that prevents investor harm at the point of sale, the NCMMP 2.0 recommends that the SEC draft and issue binding Suitability and Appropriateness Rules. This regulation should mandate that every registered market intermediary conduct a comprehensive assessment of a client's investment objectives, risk tolerance, financial knowledge, and capacity to absorb losses prior to making any investment recommendation or executing a transaction. Intermediaries should be required to formally record these profile determinations, ensuring that no financial product is recommended without a verified, documented alignment between the asset's risk profile and the client's financial position.

To address the growing distribution of complex, structured, or leveraged instruments on execution-only platforms, the framework should introduce a mandatory appropriateness test. Where a retail client seeks to trade complex or leveraged products without advisory support, the intermediary should be required to evaluate whether the investor possesses the requisite knowledge and experience to understand the specific risks involved. Should the client fail this test, the platform or intermediary must issue a documented warning detailing the specific risks of the transaction before allowing the client to proceed, thereby creating a clear paper trail of risk disclosure.

Furthermore, to ensure these suitability and appropriateness assessments are subject to regulatory oversight, the rules should mandate a mandatory record-retention period. Every registered intermediary should be required to securely retain all client assessment records, appropriateness test results, and associated risk warnings for a minimum of six years. Additionally, firms should be obliged to produce these records immediately upon request during SEC on-site inspections or off-site monitoring reviews, establishing full institutional accountability for point-of-sale conduct across the capital market.

Building upon these point-of-sale protections, **the NCMMP 2.0 recommends that the SEC issue comprehensive Product Governance Rules to ensure investor protection is embedded directly into the product design stage.** This regulation should place primary responsibility on product developers by requiring issuers to explicitly define both a target market and a negative target market (identifying the investor demographic for whom the

financial instrument is suitable, as well as the group for whom it is deemed inappropriate) prior to seeking regulatory approval. To ensure institutional accountability, the rules should mandate that every new investment product undergo a formal internal review and secure explicit board-level sign-off on its governance process before submission to the SEC.

To prevent products from deteriorating in quality or misaligning with client needs over time, the framework should mandate ongoing product monitoring throughout the asset lifecycle. Issuers should be required to conduct an annual product review evaluated against real-world consumer outcomes data, assessing whether the instrument continues to deliver its intended financial performance and risk-return profile. Should an annual review or emerging market event necessitate a modification to the defined target market, the issuer should be legally obligated to formally notify all registered distributors within 10 working days, ensuring immediate alignment across the distribution chain.

To prevent distribution drift — where an asset is actively sold to investors outside its intended demographic — the rules should mandate a continuous data-exchange protocol between product issuers and market distributors. Trading entities and intermediaries should be required to feed granular sales and client-outcomes data back to issuers on an ongoing basis. This bilateral information flow would enable issuers and distributors to detect mis-selling trends early, triggering prompt corrective measures, distribution halts, or product re-engineering before systematic harm accrues across the capital market.

To eliminate conflicts of interest at the point of sale, **the NCMMP 2.0 recommends that the SEC establish strict inducement limits and commission disclosure rules.** This initiative should begin with a review of the SEC Rules governing brokerage commission caps considering, among other elements, digital distribution economics and global competitive benchmarks to ensure caps are realistic and tailored to current market realities. Additionally, the framework should prohibit any third-party inducements, fees, or commissions that do not directly enhance the quality of service provided to the end client. Where inducements are permissible, registered intermediaries should be required to provide clear, pre-sale disclosures of all commissions and non-monetary benefits expressed in explicit cash terms (including any fees embedded directly within the product pricing) ensuring total cost transparency before an investor commits funds.

Additionally, to address internal sales pressures within financial institutions, the rules should prohibit volume-linked sales incentives and targets for all retail-facing staff. Remuneration structures should be completely severed from sales volumes, requiring firms to align staff compensation with objective quality-of-service metrics and client suitability outcomes rather than transaction quantities.

To complete the market conduct reform suite and eliminate enforcement gaps in modern digital marketing, the NCMMP 2.0 recommends that the SEC establish a comprehensive regulatory framework for securities and digital asset promoters/financial influencers ("finfluencers"). Expanding media consumption and the rapid growth of digital platforms have allowed promotional campaigns for securities and virtual asset products to bypass traditional marketing channels. To ensure that public investment solicitations are subject to rigorous regulatory oversight regardless of medium, the SEC should formalise a

registration and disclosure regime governing all paid third-party promotional activities directed at the Nigerian public.

The framework should begin by expanding the SEC's regulatory perimeter to require any individual or entity promoting securities, collective investment schemes, or digital asset products for compensation to register formally as a market promoter. To eliminate covert or deceptive marketing practices, the rules should mandate immediate, unambiguous disclosure of compensation within the promotional communication itself. This disclosure must be presented in the same medium, format, and degree of prominence as the core promotional content — rather than obscured within linked web pages, hidden video descriptions, or comment threads. Furthermore, to prevent market operators from using third-party promoters as a shield against regulatory liability, the regime should extend joint civil and administrative liability to any capital market operator or issuer engaging an unregistered or non-compliant promoter.

Finally, to promote proactive enforcement across decentralised digital ecosystems, the SEC should build a dedicated social media and digital surveillance capability equipped with automated monitoring technologies to detect unauthorised solicitations and undisclosed financial promotions in real time. Because rapid intervention is essential to prevent retail investor harm, the SEC should execute binding MoUs with the Nigerian Communications Commission (NCC) and the National Broadcasting Commission (NBC). This inter-agency mechanism should establish expedited operational channels for issuing mandatory takedown notices, ensuring that non-compliant promotional assets, fraudulent platforms, and illegal solicitation handles are removed or restricted within 48 hours of regulatory detection.

Collectively, these initiatives stand to establish a transparent, technology-enabled and internationally aligned regulatory environment that enhances investor protection, strengthens market integrity, mitigates the risk of financial crime and supports the responsible transformation of Nigeria's virtual asset market.

Pillar 2: Modernise Market Infrastructure

Robust market infrastructure is essential for ensuring that capital markets function in a reliable, transparent, and orderly manner by making the trading, clearing, settlement, and safekeeping of securities efficient and secure.

Nigeria's capital markets infrastructure is made up of a multitude of institutions, with several exchanges (including NGX, FMDQ and NASD), CSDs (CSCS, FMDQ Depository, S4) and CCPs (NG Clearing and FMDQ Clear). Nigeria is almost unique in Africa in maintaining a competitive post-trade infrastructure, an advantage that should be built on.

Stakeholder consultations indicate that FMI's are generally considered to function well in isolation, although this assumption will be further validated through the PFMI self-assessments proposed under Activity 2.9. However, FMI's lack true interoperability, which creates friction for users, who must have separate accounts at each CSD. This disconnection undermines the potential for competition. The lesson from the USA and Europe is that interoperability in the post-trade space is necessary to drive trading competition. There are further opportunities to substantially streamline the post-trade space, as well as to enhance the market's CCPs to ensure that they align with international best practice and are recognised as such. Securities markets are well established in Nigeria, with established trading and post-trade infrastructures. The objective for securities markets, therefore, is to make the existing infrastructure more efficient and competitive. By contrast, commodity and derivative markets have great potential but are much less developed. In their case, the objective is to support their development. Finally, because market infrastructure is so critical, the overall objective is to ensure that it is resilient and will support the markets in all circumstances.

The pillar's proposed reforms are presented across three overarching objectives and three corresponding workstreams, as shown below.

Table 8: Pillar 2 objectives and associated workstreams

Objective #	Objective name	Associated workstreams
2.1	Promote open, efficient and competitive securities markets	Open, efficient and competitive securities markets
		Strengthen the supervision framework for digital, virtual and tokenised assets
2.2	Develop deeper, more developed commodity and derivative markets	Deeper, more developed commodity and derivative markets
2.3	Ensure strong and resilient capital markets infrastructure	Strong and resilient capital markets infrastructure

Objective 2.1: Promote open, efficient and competitive securities markets

The first objective under Pillar 2 is promoting open, efficient and competitive securities markets by supporting horizontal interoperability across market infrastructures, streamlining post-trade processes, establishing a consolidated tape, and enhancing trading system adequacy and data quality.

Open, efficient and competitive securities markets

Nigeria has several FMIs, but they largely function in silos, with market participants required to navigate a fragmented landscape. Therefore, the NCMMP 2.0 recommends a clear focus on horizontal interoperability across the market's CSDs and CCPs in order to support vertical interoperability between trading and post-trade infrastructures. This will entail an initial technical, operational, commercial and governance assessment of existing FMI silos, covering CSCS, FMDQ Depository, NG Clearing, FMDQ Clear, relevant exchanges and the CBN's S4. The assessment should identify not only technical bottlenecks and manual processes, but also the account structures, access restrictions, data-sharing arrangements, ownership links, access-pricing practices and commercial incentives that currently reinforce fragmentation.

This is important because Nigeria's FMI landscape has developed around vertically linked ecosystems. The NGX Group ecosystem includes NGX, its significant shareholding in CSCS and its interest in NG Clearing, while the FMDQ Group ecosystem includes FMDQ Exchange, FMDQ Depository and FMDQ Clear. The 2023 FMDQ Holdings transaction involving a 21.61% stake in CSCS further illustrates the strategic importance of post-trade infrastructure ownership and control within the Nigerian market.⁶⁷ These structures have supported investment in market infrastructure, but they also create commercial incentives to retain trading, data, clearing, settlement and client flows within each group's value chain.

Interoperability should be treated as a market-structure reform, not only as a technical integration exercise. It has two objectives:

- To support competition between trading platforms (existing and potential new entrants), so that if a trading platform wishes to admit to trading a security already listed on another platform, it can do so and route its trades through the same post-trade infrastructure on fair, transparent and non-discriminatory terms.
- To ensure that infrastructure ownership or group affiliation does not prevent investors, issuers and intermediaries from accessing the most efficient trading and post-trade arrangements on fair, transparent and non-discriminatory terms.

Following the assessment, the SEC should establish an SEC-mandated Interoperability Implementation Forum comprising CSCS, FMDQ Depository, NG Clearing, FMDQ Clear, FCCPC, the CBN's Financial Markets Department as operator of S4, relevant exchanges, and representative market users. The forum should support the design of workable technical protocols, data-sharing arrangements, service-level standards, access rules, commercial access principles and transition plans, but it should operate within an SEC-approved regulatory timetable. The SEC should then issue binding interoperability and data-sharing rules

requiring multi-directional data flows, straight-through processing, transparent access criteria, fair and non-discriminatory treatment, defined service levels and operational dispute-resolution mechanisms. At the same time, the SEC should sign a MoU with the CBN to ensure that college and relevant payment-system interfaces are covered by consistent interoperability, operational resilience and data-sharing expectations.

The broader policy position should be that competition-neutral access to core trading and post-trade infrastructure is a market integrity issue, because persistent infrastructure silos can undermine fair, efficient and transparent markets, investor protection and systemic-risk reduction. Competition-neutral access rules should be established across trading, clearing and settlement infrastructures. This would require every CSD to accept straight-through processing (STP) for the securities in its safekeeping from any securities exchange or CCP. The overall aim would be to ensure that partnerships with or control of a CSD by a securities exchange does not prevent other venues from trading securities in that CSD's safekeeping. These changes would make sure every security is held within only one CSD, while avoiding fragmentation and promoting stronger interoperability. CSDs, CCPs and trading venues should provide access on fair, reasonable, transparent and non-discriminatory commercial terms, with access fees, operational requirements and service levels disclosed to the SEC and affected users. Tied to this, the market should introduce admission for trading rules, allowing a security listed on one exchange to be easily admitted for trading on competing exchanges. Taken together, the above actions aim to create an environment with notably fewer silos across trading, clearing and settlement, which would lead to substantially lower friction for both investors and intermediaries.

The SEC should therefore support implementation through a graduated regulatory toolkit. This should include rulemaking under the ISA 2025, licensing and renewal conditions, approval conditions for FMI rulebooks, supervisory expectations, milestone-based implementation plans, reporting obligations, designation of competition-neutral access as a market integrity issue under the SEC's mandate, escalation through supervisory directives where justified, and coordination with FCCPC where access restrictions, tying arrangements, discriminatory pricing or other competition concerns arise. Where legally and prudentially appropriate, the SEC may also consider linking specific regulatory or capital treatment to compliance with agreed interoperability milestones. The FCCPC would be an active partner.

Based on the SEC rules discussed above, there should be real-time, seamless connectivity across FMIs. This will entail establishing uniform API and technical messaging standards, and making use of a unified technology architecture (e.g. ISO20022 messaging standards) to build APIs. Relevant FMIs should build and test real-time API connectivity through phased certification, covering connectivity, validation, reconciliation, exception management, and operational and cyber resilience. In particular, this process should also include the integration of approved identity and eKYC APIs, with BVN and NIN integrated to ensure digital-first onboarding — crucial for resolving KYC frictions for both foreign investors and younger retail investors.

The trading infrastructure must continue to evolve to meet the needs of the market. The trading technologies used by

⁶⁷ Vanguard, 2023. Available [here](#)

the different Nigerian exchanges were not identified as an issue in terms of their latency, capacity or reliability. However, as the NCMMP 2.0 takes effect, demands on them are likely to increase, requiring greater capacity, the need for new types of trading instructions, a sharper focus on latency and potentially demands for co-location of servers. The SEC must therefore ensure that exchanges and trading platforms constantly review the adequacy of their trading systems and rule books to keep up with the demands of market users. Such review should also consider whether market-making frameworks remain fit for purpose, including the balance between incentives, obligations and exit arrangements. In parallel, the SEC should encourage greater harmonisation of trading rules across NGX, FMDQ and NASD, where differences in rules create avoidable friction for market users.

The market for government securities is an essential element of the trading system, as it is the most liquid fixed income market and provides benchmark pricing for other issues. Enhancements to the operation of the government securities market are described under Pillar 3, sovereign issuance.

As Nigeria has multiple exchanges, improving the quality, consistency and accessibility of trading data is critical.

Fragmented or inconsistent pre-trade (bid and offer) and post-trade data can weaken price transparency and lead to the same security being traded at different prices across different exchanges, or orders being routed to a venue where the price may not align with the best interests of the investor. The NCMMP 2.0 therefore recommends that the SEC define minimum trading-data quality standards across trading venues, including common data fields, standardised data formats, timestamps, instrument identifiers, trade identifiers, validation rules and correction procedures.

To give traders and investors' access to timely and consistent price data, the market should develop a consolidated tape.

To support this development, the SEC should issue regulations requiring trading venues to unbundle price feeds, order book data, and share live pre-trade and post-trade data with a central aggregator on a timely, reliable and non-discriminatory basis. The framework should recognise the commercial value of exchange data, while preventing data silos from undermining market transparency, best execution and investor protection.

Establishing a Consolidated Tape (CT) raises a number of practical questions. These include identifying the intended users of the CT and their needs: asset managers such as pension funds may use post-trade data for valuation purposes, while intermediaries may have greater use for pre-trade data. If the CT is extended to fixed income markets, each market model will require different decisions about the type of data. Each market user will have different requirements on latency and the price they are prepared to pay. These issues will need to be resolved through a Working Party convened by the SEC including exchanges, intermediaries and asset managers. This will determine the requirements and business model of the Consolidated Tape Provider (CTP) and the method for selecting the CTP⁶⁸.

The CTP should be independent and should not be controlled by a single exchange or FMI group. It should operate under a memorandum of understanding or equivalent framework governing data flows, service standards, governance arrangements and responsibilities. The CTP would need to develop an aggregation

engine capable of normalising and time-stamping/sequencing the data being received from trading venues. Following this, the CTP could develop fair-access distribution and commercial licensing rules to allow brokers, custodians, institutional investors, retail platforms, data vendors and other users to access the consolidated tape data on reasonable, transparent and appropriately-tiered terms.

The NCMMP 2.0 also contains recommendations for a general streamlining of the post-trade space.

The first concerns the S4, which settles federal government securities. It is housed within the CBN, owing to historical, irregular market practices and the strategic importance of this market to monetary policy and financial stability. While the CBN has fulfilled this role for over a decade, the current arrangement means that a critical component of Nigeria's post-trade infrastructure remains institutionally separated from the broader capital markets ecosystem. This can create operational fragmentation, limit opportunities for integrated collateral management, and complicate the development of a more unified post-trade environment.

The NCMMP 2.0 therefore recommends the establishment of a ring-fenced S4 Subsidiary as the preferred reform path. This approach would preserve the CBN's legitimate role in monetary policy implementation, financial stability and federal government securities settlement, while creating a more transparent and market-compatible infrastructure model under an agreed SEC-CBN oversight framework. The objective would not be to transfer federal government debt settlement immediately to existing private-sector CSDs, but to place the S4 function within a dedicated entity characterised by clear governance, capitalisation, operational responsibilities, regulatory status, service standards and access arrangements.

The S4 subsidiary should be designed as a regulated market infrastructure entity, with its corporate structure, ownership model, board governance, capitalisation, operational risk controls and regulatory perimeter agreed between the CBN and SEC. The subsidiary should operate under a formal oversight framework that recognises the CBN's macro-financial stability mandate and the SEC's role as capital market regulator, including in relation to market infrastructure oversight, investor protection and market conduct. It should also be required to meet appropriate standards for operational resilience, cyber resilience, transparency, participant access, interoperability and risk management.

Implementation should proceed through a phased transition. The activity should begin with a co-design engagement between the SEC and the CBN, covering joint objective-setting, technical scope, RACI confirmation, dependencies, and a published memorandum of understanding or joint work-plan. Subsequently, it will be necessary to confirm the preferred architecture through a signed SEC-CBN memorandum, supported by a legal analysis on the corporate and regulatory structure and, where required, Federal Executive Council endorsement.

The second phase should define the subsidiary's corporate form, capitalisation, governance model, oversight and reporting framework, operational blueprint and service mandate. The third phase should cover incorporation, licensing or recognition,

⁶⁸ The European Union has recently completed an extended process of defining and selecting CTPs for equities and fixed income and has produced valuable analytical material that can be drawn upon. See, for example, ["The Study on the Creation of an EU Consolidated Tape"](#) (Market Structure Partners, 2020).

rulebook approval, system testing, participant agreements and onboarding, service-level agreements, and transition planning. The final phase should operationalise the S4 subsidiary under the agreed SEC-CBN oversight framework, while ensuring continuity of federal government securities settlement throughout the transition.

The second recommendation concerns the streamlining of a number of manual processes, to facilitate market navigation for various participants. These proposed actions are not a sequenced series of granular steps (as in the S4 recommendation above), but rather independent steps that can be completed in any order.

The first concerns account opening procedures. In interviews, market stakeholders reported that investors often face arduous processes to open accounts with brokers and other market participants. The SEC has recently approved minimum KYC requirements for the capital market digital onboarding processes to support more seamless account opening. The NCMMP 2.0 therefore does not recommend starting from a blank slate. Rather, the SEC should review existing minimum KYC requirements and current digital onboarding practices to identify remaining market-wide gaps in account opening procedures, duplicate documentation identification, foreign investor onboarding and custodian-held account transparency. The focus should be on building on existing progress to support digital, light-touch and interoperable onboarding across the market.

A second point entails the SEC issuing guidance to establish a multi-directional data-sharing protocol across CSCS and registrars, and, where relevant, custodians, allowing for a “one and done” KYC process for investors, who would no longer need to update their details with every individual market participant. This is particularly relevant for tracking down unclaimed dividends, a notable issue within the Nigerian market. Currently, an investor updating their details with a broker does not see that information flow down to the registrars. For foreign-investor holdings routed through custodian or nominee structures, the data-sharing framework should also support proportionate beneficial-owner transparency, including UBO information (when available) for individual and corporate holdings and, where appropriate, the use of LEIs for legal-entity investors.

The NCMMP 2.0 recommends updates to the CSCS’ account management system, which stakeholder interviews suggested focuses on recognising individual accounts instead of providing for trust accounts opened for the benefit of beneficiaries. This in turn requires trustees to use manual workarounds to open accounts.

As the Pillar 4 agenda scales retail, mobile, TFSA and foreign-investor access, the relevant FMIs will also need to review their readiness for higher onboarding, settlement, reconciliation, investor-servicing and reporting volumes. The SEC should therefore require all relevant post-trade infrastructure providers to consider the operational implications of the Pillar 4 reforms and, where necessary, make timely board-level decisions on system, staffing, API, data-processing, dividend-processing and resilience upgrades. This will help to ensure that investor-access reforms are not launched at scale before the supporting post-trade and investor-servicing infrastructure is ready.

These market-wide investor-data, account-management and FMI

readiness reforms provide the foundational infrastructure for the unified onboarding architecture under Pillar 4. (The technology, cybersecurity and operational-resilience capabilities required of brokers, fund managers, custodians and other CMOs to implement these arrangements are addressed under Pillar 5.)

Objective 2.2: Develop deeper, more developed commodity and derivative markets

The second objective in this pillar focuses on developing deeper, more developed commodity and derivative markets by strengthening central counterparties, establishing an end-to-end electronic warehouse receipt system, and formalising the OTC derivatives market.

Deeper, more developed commodity and derivative markets

By comparison with its securities markets, Nigeria's commodity and derivative markets are significantly less developed. Strengthening and developing commodities and commodities derivative markets from an infrastructure perspective is one of the NCMMP 2.0's core reforms. Nigeria's commodities ecosystem is large and growing, and commodities market play a vital role in economic diversification, agricultural formalisation, solid minerals development and real-sector financing. However, the commodities agenda should be understood as a cross-pillar work-stream rather than a single infrastructure intervention. Pillar 1 should provide the regulatory and coordination foundations, including the Commodity Market Development Council and the SEC-CBN review of the treatment of warehouse receipts as collateral. Pillar 2 should provide the market infrastructure, including Central Counterparties and the electronic warehouse receipt (EWR) infrastructure itself, including warehouses, grading, insurance, repository connectivity and post-trade links. Pillar 3 should then build on these foundations through a sequenced commodity product-development programme.

Central Counterparties (CCPs) are essential for the safe and efficient operation of commodity and derivative markets. By managing counterparty and operational risk, they give end users confidence in the system and help contain systemic risk. **The NCMMP 2.0 therefore recommends strengthening the functioning of the market's CCPs to enhance resilience, transparency and international best practice compliance.**

This would require the market's CCPs to run full PFMI analyses to benchmark themselves against international best practice, as well as publishing disclosure frameworks. However, the PFMI process should not be treated as a disclosure exercise alone. The SEC and CBN should also require a risk-based CCP capital adequacy review, assessing whether each CCP has sufficient paid-up capital, liquid net assets funded by equity, default fund resources, liquidity resources, skin-in-the-game arrangements, insurance or other eligible financial resources to support its current and planned activities. This review should take into account the products cleared by each CCP, projected volumes, concentration of clearing members, stress-test results, default management arrangements, recovery and wind-down needs, and the expected expansion into derivatives, repo, commodity derivatives and other centrally cleared products.

Where the review identifies gaps, the relevant CCP should be required to submit a board-approved recapitalisation and financial-resources plan to the SEC. This plan should set out whether additional capital will be raised from existing shareholders, new strategic investors, retained earnings or another credible source, and should distinguish clearly between shareholder capital, CCP skin-in-the-game, clearing member default fund contributions and other loss-absorbing resources. The plan should include milestones, governance approvals, funding commitments, and stress-testing assumptions as well as clear consequences for the CCP's product expansion if capital or financial resources are not strengthened within the agreed timeline.

This capital adequacy work should be linked to a Pillar 1 regulatory activity under which the SEC issues or updates a risk-based CCP capital adequacy rule. Such a rule should move beyond a static minimum capital amount and establish an ongoing prudential framework for CCPs. The objective is to ensure that Nigerian CCPs are not only PFMI-disclosed, but also financially resilient enough to support the market development agenda set out in the NCMMP 2.0. The PFMI assessment should cover risk models and management, governance, default management procedures and resourcing, and compliance with PFMI principles and the requirement to publish quarterly Public Quantitative Disclosures. The CCPs should then remedy any gaps identified. As the market develops repo, derivatives, securities lending and more sophisticated centrally cleared products, CCP resilience will become increasingly important to market confidence and systemic-risk management. Finally, the SEC and CBN should mandate CCPs to put Recovery and Resolution regimes in place to preserve critical clearing services and manage CCP stress in an orderly manner in the unlikely event of failure.

Further, Nigeria should encourage the participation of foreign banks and international clearing members in its derivatives and repo markets, allowing for the hedging of foreign-held positions against currency risk, market making and foreign portfolio investment. To achieve this, the market's CCPs, in coordination with the SEC and CBN, should pursue recognition in priority jurisdictions where there is a commercial demand, supported by supervisory cooperation MOUs.

Potential recognition from a number of large international bodies, such as the Bank of England, the European Securities and Markets Authority (ESMA) or the US-based Commodity Futures Trading Commission (CFTC) would allow foreign banks to participate in the Nigerian market with substantially lower capital charges than is the case where Nigeria's CCPs are not recognised. Such recognition, in turn, will require assessing jurisdictional equivalence (ensuring that Nigeria's rules around clearing houses are aligned with those of the above-mentioned entities), the signing of memoranda of understanding to govern cooperation and supervision, and finally, relevant stress tests for Nigerian CCPs.

In parallel, the Nigerian CCPs and CSDs should assess opportunities for cross-border FMI linkages with international and peer African market infrastructures and regional settlement or custody arrangements. This collaboration should be coordinated with the NCMMP 2.0's cross-border listings and foreign investor onboarding reforms, so that Nigeria's post-trade infrastructure can support regional market access, cross-border custody, foreign investor participation and the country's ambition to position itself as a continental capital market hub. Being accepted for linkages

with the International CSDs - Euroclear and Clearstream - would enhance the accessibility of Nigerian securities to international investors. Given the country's scale, Nigerian FMIs can take a lead on integration with peer African market infrastructures (Strate in South Africa, CDSC in Kenya) and AfCFTA capital markets work-stream coordination.

To support the development of commodity markets, the NCMMP 2.0 recommends establishing an end-to-end electronic warehouse receipt system. Under the ISA 2025, the SEC has the legal powers to register, supervise, and regulate collateral management companies, warehouse operators, physical storage facilities, and EWRs linked to commodity exchanges. These powers provide an important statutory foundation, reinforced by recent regulatory directives requiring existing and prospective collateral management companies, warehouse operators and warehouses linked to commodity exchanges or EWR issuance to register with the SEC. However, statutory recognition alone will not deepen liquidity unless it is supported by a trusted physical, technological and financing infrastructure.

The first step is the creation of a secure physical infrastructure network. The SEC, in collaboration with relevant standards agencies and through the Commodity Market Development Council (see Pillar 1), should oversee the development, licensing, and mandatory inspection of a national network of warehouses for five to seven priority commodities. To mitigate storage, quality and operational risks and safeguard the value of underlying assets against unforeseen losses during storage, the legal framework should require warehouse insurance as a fixed prerequisite for licensing. This should then be supported by the establishment of standardised commodity grades and quality standards. Such standardisation would transform physical agricultural and mineral outputs into fungible, predictable and financeable market assets, thereby reducing the likelihood of quality-related disputes and price distortion across trading venues. Through credible reference pricing, it could provide the basis for future commodity-linked capital market products.

To introduce these physical commodities into the financial system, the NCMMP 2.0 recommends the creation and designation of a centralised national EWR repository. This repository would act as a central platform, directly connected to key capital market and financial infrastructure (including warehouse operators, commercial banks, commodities exchanges, post-trade settlement entities, and accredited collateral managers). For commodity exchanges, integration should go beyond basic system connectivity. It should include access to the EWR repository, approved warehouse delivery standards, clearing and settlement links, collateral management arrangements and harmonised commodity market reporting. The EWR repository should support real-time verification of EWR issuance, ownership, transfer, pledge, release and cancellation. The framework should also confirm that EWRs are legally robust, transferable and pledgeable financial collateral across the banking sector, drawing on the SEC-CBN collateral treatment review under Pillar 1 and alignment with the broader secured transactions and collateral registry framework. Additionally, the national EWR repository should be integrated with existing post-trade infrastructure and collateral management frameworks to maximise interoperability, reduce duplication and support broader development of secured financing and repo markets and the phased development of commodity-linked capital market products under Pillar 3.

The expansion of the exchange-traded derivatives landscape should be complemented by the development of a framework for Over-the-Counter (OTC) derivatives to support systemic risk mitigation. Development of OTC derivatives infrastructure should leverage existing market utilities where feasible, and new entities should only be established where existing infrastructure cannot efficiently accommodate the required functionality. In a mature financial market, OTC derivatives (e.g. currency swaps, interest rate hedges, and forward agreements) serve as risk-management tools for corporate treasurers and commercial banks. However, because these contracts have historically been negotiated bilaterally outside central clearing environments, they expose the wider financial system to counterparty credit risk and lack of transparent pricing.

To align Nigeria with international best practices, the NCMMP 2.0 recommends formalising the OTC derivatives market by transitioning toward mandatory central clearing and standardised legal documentation. This activity relies on a coordinated regulatory push from both the CBN and the SEC to mandate CCP clearing. The CBN would require standardised Interest Rate and FX swaps to be cleared through a registered CCP, while mandating the adoption of standardised International Swaps and Derivatives Association (ISDA) Master Agreements (and appropriate repo documentation such as GMRA) to eliminate legal ambiguity and cross-border enforceability issues. Similarly, to insulate the interbank market from liquidity shocks, the CBN should also encourage commercial banks to clear repurchase agreements (repos) through a CCP using identical standardised legal agreements.

At the same time, the SEC should gradually introduce mandatory clearing for standardised, sufficiently liquid and “CCP-eligible” OTC commodity derivatives, ensuring that agricultural and solid mineral hedges enjoy the same level of settlement finality and default-protection as macro-financial instruments; this should be paired with requiring that the market's CCPs have the necessary risk management systems, capital buffers and default funds to handle OTC clearing. Finally, to ensure total market transparency and eliminate data silos, the SEC and CBN should conduct a review to evaluate the structural need for a dedicated Trade Repository (TR) to receive mandatory reports of OTC trades. This review would determine whether establishing a new TR entity is necessary for Nigeria, or whether the existing data-reporting channels of the country's current exchanges and FMI possess the sufficient infrastructural capability to absorb these reporting mandates.

Finally, the NCMMP 2.0 recommends enabling market access for sizable market end-users looking to use derivatives for hedging. These users could include large, non-financial corporate clients in the industrial or agriculture industries through client-clearing arrangements at General Clearing Members in the CCPs. Educational campaigns would be needed, to strengthen these companies' capacity to use commodity and other derivatives markets for hedging or risk reduction. The target audiences for these campaigns would include corporate treasurers, CFOs, agricultural cooperatives and processors. To enhance uptake of the training, it should be carried out in partnership with relevant organisations, including the Manufacturers Association of Nigeria, the Lagos Chamber of Commerce and agricultural commodity associations. Trainings could be delivered through various means, including workshops, online modules, or sector-specific clinics. The

SEC should maintain metrics, including the number of corporations trained and entering the market.

Further, the SEC should review the extent of client protection offered by CCPs. For instance, CCPs could ensure the separation of client and clearing member funds, or they could port client funds and positions in the event of a clearing member default. General clearing members should also be encouraged to enable access for large, non-financial corporate clients.

Objective 2.3: Ensure strong and resilient capital market infrastructure

The final objective in Pillar 2 is ensuring strong and resilient capital markets infrastructure by implementing FMI-level cybersecurity frameworks, establishing operational resilience standards, and conducting regular market-wide resilience and cyber stress testing.

Strong and resilient capital markets infrastructure

As Nigeria's FMIs become more interconnected, a dedicated focus on FMI-level cybersecurity is required. Cyber risk should not be treated only as a technology issue for individual broker portals, digital onboarding channels or regulatory filing systems. In a market where exchanges, CSDs, CCPs, registrars, settlement banks, payment systems and digital access channels increasingly depend on one another, a cyber-incident at one critical infrastructure provider could disrupt trading, clearing, settlement, custody, market-data distribution or investor servicing across the wider ecosystem.

Where payment, settlement or systemic-risk issues arise, the SEC, in coordination with the CBN, should conduct a cybersecurity assessment of Nigerian FMIs. This assessment should benchmark current arrangements against PFMI Principle 17, the CPMI-IOSCO Guidance on cyber resilience for financial market infrastructures, the Nigeria Data Protection Act and other relevant Nigerian cybersecurity requirements and guidelines. It should identify gaps in governance, board accountability, cyber-risk management, access controls, data protection, third-party and outsourcing risk, business continuity, recovery arrangements and cyber incident response. Following this assessment, each FMI should be required to prepare a board-approved cyber resilience framework and implementation plan setting out how it will meet the applicable cybersecurity requirements. These frameworks, and each FMI's compliance with them, should be subject to independent audit at regular intervals, with findings reported to the FMI's board and submitted to the SEC. FMIs should also be required to report material cyber incidents, near misses, significant vulnerabilities and cyber-related service disruptions to the SEC and, where relevant, to the CBN within defined reporting timelines, followed by root-cause analysis and remediation plans.

To strengthen market-wide cyber readiness, the SEC should coordinate regular cyber table-top exercises and cyber stress tests involving relevant FMIs, settlement banks, registrars, custodians, brokers and public authorities. These exercises should test cyber incident escalation, communication channels, and recovery arrangements. Given the national-security and critical-

infrastructure dimensions of cyber risk, the SEC should also establish cooperation channels with the Office of the National Security Adviser, the National Cybersecurity Coordination Centre, NITDA, the Nigeria Data Protection Commission and other relevant authorities.

Separately, the NCMMP 2.0 recommends the establishment of FMI operational resilience standards. These should cover business continuity, disaster recovery, critical service mapping, third-party and critical service provider oversight, incident escalation, operational risk resources and regular market-wide resilience testing. Where payment, settlement or systemic-risk issues arise, the SEC, working with the CBN, should require FMIs to prepare board-approved operational resilience plans, BCP/DRP plans, and participate in periodic table-top, live or partial failover exercises. This Pillar 2 activity should focus on FMIs and their critical market dependencies, while operational resilience expectations for CMOs are addressed under the Pillar 5 intermediary work-stream.

Pillar 3: Broaden Issuance, Product and Instrument Diversification

A vibrant pipeline of sovereign and non-sovereign issuances is important for developing a deep and sustainable capital market. Anchored by sovereign issuances, non-sovereign bonds and equity issuances expand the supply of investable assets, support price discovery across the market, and help build liquidity in both primary and secondary markets. They also enable companies to access long-term financing beyond the banking sector, supporting business expansion, infrastructure investment, and broader economic growth.

Listing activity and debt issuances have slowed in Nigeria in recent years, with 6 delistings reported in H1 2025 and a sizable reduction in corporate debt issuance.⁶⁹ Further, while a number of Nigerian states have issued sub-national debt, there is room to support greater utilisation of capital markets by state governments, including through sustainable finance instruments that can mobilise long-term funding for state development priorities.

While Nigeria has seen recorded significant capital market issuances and listing activity, the NCMMP 2.0 recommends measures to deepen participation in well-established instruments and diversify the issuer base—in order to advance sustainable finance, expand sub-national market access, and mobilise capital for SMEs. The pillar's proposed reforms are presented across three overarching objectives, with a total of six underlying workstreams, as shown below.

Table 9: Pillar 3 objectives and associated workstreams

Objective #	Objective name	Associated workstreams
3.1	Sovereign and sub-national debt market optimisation	Enhance the sovereign debt market
		Promote sub-national issuance
3.2	Private sector capital formation	Expand corporate equity issuance
		Revitalise the corporate debt market
		Enhance SME access to capital markets
3.3	Structural product and instrument diversification	Promote product and instrument diversification

Objective 3.1: Sovereign and sub-national debt market optimisation

The first objective under Pillar 3 is to optimise sovereign and sub-national debt markets by enhancing the sovereign debt market, as well as promoting sub-national issuance.

Enhance the sovereign debt market

As introduced in section 2, Nigeria has an active sovereign issuance segment, with a well-established DMO, a published issuance calendar, debt issued over a variety of tenors and a primary dealership system. However, there are a number of ways to enhance both the primary and secondary sovereign debt markets.

As a starting point, **the NCMMP 2.0 recommends ongoing yield-curve extension and benchmark consolidation.** This activity should begin with a structured co-design engagement between the SEC and DMO, covering joint objective-setting, technical scope, RACI confirmation, dependencies, and a published memorandum of understanding or joint work-plan. Following this co-design stage, the DMO should continue issuance of long-term bonds, including the ongoing issuance of ultra-long-term debt (20 or 30-year maturities) to ensure that a long-term reference benchmark rate is maintained. This would also provide continual access to long-term assets for institutional investors such as PFAs and life insurers, who seek to match long-term assets and liabilities. Further, the NCMMP 2.0 recommends ongoing benchmark bond consolidation (the re-opening of existing benchmark issuances, e.g. for 10-year bonds) to promote secondary market trading, as opposed to buy-and-hold strategies.

⁶⁹ NGX 2026. Available [here](#)

The second focal area for sovereign debt relates to enhancing the market's primary dealer framework. Given that the primary dealer system falls under the auspices of the DMO, the DMO should review the selection criteria applicable to primary dealers. At present, the market's primary dealers are all banks. This is the result of 1) current capital requirements of ₦2 billion, which banks are easily able to meet and 2) the requirement for primary dealers to provide underwriting for primary issuances, which is not feasible for other eligible actors such as discount houses and broker-dealers, particularly in cases where demand for issuance is low, e.g. due to macroeconomic pressure.

The NCMMP 2.0 recommends a bifurcated approach, with higher capital requirements for banks (who continue their underwriting function), versus lower capital requirements for discount houses and broker-dealers, who would not be subject to underwriting requirements, and can instead focus on secondary market distribution. Further, the DMO should undertake stronger, data-driven performance monitoring for primary dealers to ensure that they are meeting their market-making obligations, with appropriate penalties for non-compliance. This should be coupled with implementing appropriate market-making incentives for primary dealers such as lower trading costs when engaging with each other, or access to non-competitive blocks of debt at the average auction rate for top-performing primary dealers.

Finally, to enhance retail intermediary access beyond the current rule that 20% of primary dealer bids must be on behalf of non-primary dealer institutions or individuals, primary dealers should be required to act as wholesalers to retail intermediaries, allowing the latter to aggregate small retail bids into a larger block, which can be routed to the primary auction via the primary dealer's API.

The third activity under the sovereign debt work-stream focuses on enhancing secondary market liquidity through transparency and retail investor access. As covered under Pillar 2, the NCMMP 2.0 recommends establishing a consolidated tape across trading venues for transparency. In the context of the sovereign bond market, this tape will facilitate a transparent view of trading activity across FMDQ's OTC platform (where the bulk of fixed income trading takes place among institutional players) and the NGX, which sees substantially lower activity. Further, the NCMMP 2.0 recommends establishing the technical architecture required to allow retail intermediaries to break lots of sovereign debt (usually issued in ₦50 billion blocks) into fractional lots for distribution to retail investors. Finally, these efforts to enhance retail investor access should be underpinned by work to create mobile-based government securities access for retail investors (see Pillar 4).

The fourth activity relates to improving the repo market and short-term liquidity management. Nigeria does have a functioning repo market, but participation within it is limited to commercial banks and the central bank. Sovereign debt instruments held by institutional investors are currently excluded. In line with its monetary policy objectives, the CBN is currently developing a derivatives market from the ground up, and as part of this activity, the NCMMP 2.0 recommends that the SEC acknowledges and engages the CBN in ongoing repo initiatives through joint co-design.

As detailed under Pillar 2, as well as encouraging the participation of foreign banks and international clearing members in the derivatives and repo markets, the SEC and CBN should identify current participants — and non-participants — in the market. Ensuring other institutional investors such as PFAs and insurance companies can participate is key to deepening the repo market and increasing liquidity. Development of the repo market will require detailed discussions between the CBN and market counterparties to review the types of collateral that will be eligible for repo, the approach for calculating haircuts and revaluation, and the legal framework to be followed. The principles should be the same for repos with the CBN and between market participants. The relevant CSDs can support development of the market by providing functionality to support the repo market: for example by automatically creating repo returns and carrying out revaluations.

Promote sub-national issuance

While a number of Nigerian states (e.g. Lagos, Rivers and Delta) have issued sub-national debt, there is room to support greater utilisation of capital markets by state governments, including through sustainable finance instruments, to mobilise long-term funding for state development priorities.⁷⁰ To bridge the sub-national infrastructure financing gap, **the NCMMP 2.0 recommends that the SEC develop a market-enabling framework that treats state governments as an essential, independent asset class.** Rather than folding sub-national issuance into broader corporate debt or generic sustainable finance pipelines, the NCMMP 2.0 recommends the establishment of a dedicated sub-national debt work-stream tailored to the unique fiscal realities and political incentives of sub-national authorities. This approach focuses on removing structural entry barriers by modernising regulatory approval paths, deploying specialised credit enhancement, and executing targeted technical capacity enhancements at the state level.

To ensure institutional alignment across all stakeholders, this initiative should begin with a co-design engagement between the SEC and the DMO covering joint objective-setting, technical scope, dependencies, and a published memorandum of understanding or joint work-plan. In close coordination with the DMO, the SEC should codify a streamlined, transparent sub-national approval track that explicitly harmonises the reporting provisions of the Fiscal Responsibility Act with the registration rules of the ISA 2025. As part of the sub-national approval track, the SEC should then establish and enforce the use of standardised legal templates for revenue-backed SPVs and infrastructure-tied project bonds. By allowing states to ring-fence project revenues directly into insulated custodial accounts, this framework would separate specific infrastructure assets from general state balance-sheet risk, creating a legally sound, non-sovereign borrowing track.

Recognising that structural revenue constraints prevent most states from achieving investment-grade credit ratings independently, **the NCMMP 2.0 recommends the development of credit enhancement architecture to crowd in institutional liquidity.** The SEC will need to structure a joint credit-enhancement framework establishing clear criteria for integrating InfraCredit AAA-rated local currency guarantees directly into sub-national offerings. State issuers utilising third-party credit enhancements, whether through InfraCredit or multilateral development facilities, must

⁷⁰ Nairametrics, 2026. Available [here](#)

file underlying guarantee deeds alongside a binding Irrevocable Letter of Authority, an operational Irrevocable Standing Payment Order (ISPO) targeting Federation Account Allocation Committee (FAAC) allocations, and an active credit rating report from an SEC-registered agency.

To support weaker state issuers unable to access standalone commercial guarantees, the SEC should partner with DFIs to structure first-loss capital facilities and multilateral counter-guarantee templates. Crucially, these sub-national credit enhancement tiers should be explicitly aligned with PenCom investment guidelines, ensuring sub-national instruments qualify directly for PFA portfolio capital alongside insurance reserves governed by the NAICOM. Given the technical capacity gaps that compromise execution, the NCMMP 2.0 complements this architecture with a dedicated capacity-building initiative for sub-national debt managers, as detailed in Pillar 5.

Objective 3.2: Private sector capital formation

The second objective in this pillar focuses on driving private sector capital formation through expanding corporate equity issuance, revitalising the corporate debt market and enhancing SME access to capital markets.

Expand corporate equity issuance

There is substantial potential to grow Nigeria's capital markets through the privatisation of a number of the market's SOEs. While this has taken place in the past, it has often been via trade sale to small groups of investors. A public listing of selected SOEs would have several advantages. In addition to expanding Nigeria's capital markets, it would enable wealth creation for retail investors and shared prosperity. Critically, these privatised state entities would mobilise financing from the private sector to fund future infrastructure needs, reducing the funding demands on the federal government.

The NCMMP 2.0 recommends IPO-led privatisation as the preferred approach for state-owned enterprises, rather than trade sales, to enhance transparency, strengthen governance, broaden ownership and deepen the capital markets. The Bureau of Public Enterprises (BPE) should enhance transparency by publishing regular assessments of SOE privatisation readiness (including annual reports), while the Ministry of Finance Incorporated (MOFI) should leverage its shareholder mandate to support capital market-based privatisation and broaden the pipeline of IPO-ready state-owned enterprises. This privatisation agenda should be coupled with reforms to the SOEs' financial reporting and governance standards, such as the requirement for three-year historical audited IFRS-compliant accounts and the appointment of independent non-executive directors, to ensure listing readiness. To address potential resistance to execution of the privatisation strategy, the BPE and MOFI could review privatisation modalities (e.g. partial privatisation, rather than full privatisation, to maintain government influence), the use of a federal "golden share" to protect national interests, engagement with trade unions, and provision of opportunities for management and employee share-ownership. Finally, privatisation IPOs could reserve a tranche (say 10%) of the issuance explicitly for retail investors, to promote shared prosperity, wealth creation and financial inclusion, as well

building public support for the privatisation process. Dual listings (e.g. in London or New York as well as Lagos) could be considered for the larger SOEs.

Based on findings from the political economy analysis, the implementation of this initiative must consider the gap between the policy signal and political will at the execution level, particularly for state-owned assets where privatisation would challenge existing patronage structures.

To encourage greater listing and issuance activity beyond SOEs, the NCMMP 2.0 should support an expert-led comprehensive review of prospectus, disclosure, and listing requirements to ensure they remain proportionate, competitive, and aligned with market needs.

The NCMMP 2.0 further recommends reviewing and modernising Nigeria's listing framework by building on the reforms introduced under the ISA 2025 to create a more competitive, efficient and accessible public capital market. Key recommendations include benchmarking listing, disclosure and prospectus requirements against international best practice; identifying and removing barriers to listing through structured engagement with listed, delisted and private companies; rationalising issuance fees and ongoing compliance costs; introducing targeted financial and tax incentives to encourage new listings; and improving regulatory approval timelines to reduce time-to-market. The NCMMP 2.0 also recommends implementing a differentiated listing framework with tiered market segments and proportionate free float requirements that accommodate companies at different stages of growth, while preserving founder control and maintaining market integrity, liquidity and investor protection through appropriate governance, disclosure and market surveillance requirements.

To broaden the issuer base and expand listings further, Nigeria should encourage cross-border listings to position the country as a regional hub. The NCMMP 2.0 therefore recommends several initiatives, including the establishment of regional regulatory reliance and prospectus passporting frameworks with peer regulators. Collaborators should include the African Securities Exchanges Association (ASEA), the African Exchanges Linkage Project (AELP), Bourse Régionale des Valeurs Mobilières (BRVM) and the Conseil Régional de l'Épargne Publique et des Marchés Financiers (CREPMF), and bilateral cooperation arrangements should facilitate cross-border capital raising and reduce duplication of regulatory approvals. To anchor this initiative, the NCMMP 2.0 recommends the formulation of a Regional Capital Market Integration strategy aligned with the African Continental Free Trade Area in order to position Nigeria as the leading capital market in West Africa. A core component of this strategy should be the constitution of a dedicated West African integration working group with representation from the SEC, NGX Group, FMDQ, and CSCS.

To improve operational efficiency and time-to-market for cross-border transactions, the SEC should modernise its review workflows by aligning internal SEC approval timelines with the exchange's assessment cycles. This alignment should be supported by the development of a cross-border listing framework, including new rules for inbound listings by foreign issuers, and enhanced opportunities for Nigerian companies to undertake regional listings. Listing rules will need to be amended to allow secondary-

listed foreign firms to satisfy free-float and volume requirements based on their combined global shareholder register.

Furthermore, the market should develop a dual-currency listing framework to facilitate regional capital raising and attract international investors. To encourage the participation of non-Nigerian companies that are not yet ready for a full secondary listing, the NCMMP 2.0 recommends launching an African Depositary Receipts (ADR) framework featuring streamlined approvals, introductory listing fee incentives, cross-border settlement/custody links, and full tax neutrality. The framework should be accompanied by a clear, structured pathway enabling a company to transition from issuing a depositary receipt to a full secondary listing on a Nigerian exchange.

Revitalise the corporate debt market

Stakeholders highlighted the need to stimulate the issuance of long-term corporate debt, as this has been concentrated on the short-term commercial paper in recent times. To support the development of a corporate debt market, the DMO should continue strengthening the sovereign yield curve to establish a reliable benchmark for the pricing of corporate debt, as covered under the sovereign issuance work-stream. The SEC, the DMO and PenCom (see below) should co-design this benchmark, and agree on joint objective-setting, technical scope, RACI confirmation, dependencies, and a published memorandum of understanding or joint work-plan.

Further, the SEC could consider increasing the current cap of ₦15 billion on private company issuance, or replace the cap with an asset-based tiering model that takes into account the size and value of the issuer. The shelf registration process could also be simplified to facilitate updating an issuer's financial information. The SEC and PenCom should review the existing credit rating requirements — such as the requirement that pension funds secure two credit ratings before they can invest in corporate bonds — to ensure they remain proportionate and do not create unnecessary issuance costs or barriers to market access while continuing to uphold appropriate investor-protection and risk-management standards.

The NCMMP 2.0 also recognises that reviving long-term corporate debt issuances requires addressing structural tax anomalies that distort competitive pricing relative to sovereign paper. This would require a quantitative exercise to determine the exact proportion of the corporate-to-sovereign yield differential that is explicitly attributable to tax treatment versus typical marketplace variables — including credit risk, liquidity premiums, and regulatory compliance costs. This data would inform a formal proposal for the renewal of the corporate bond tax exemption, accompanied by scenario-based revenue cost projections submitted directly to the NRS. Given that achieving structural fiscal adjustments involves an extended political and legislative lifecycle, implementation of this activity should consider the longer-term tax reform timeline.

Enhance SME access to capital markets

Nigeria boasts a vibrant SME environment, with over 40 million SMEs contributing more than 50% to the country's GDP. However, these small businesses remain largely cut off from critical financing — the shortfall is estimated at US\$236 billion — which limits business expansion, productivity,

and job creation.⁷¹ Capital markets can play a critical role in addressing the SME financing gap, particularly for businesses that face constraints accessing traditional bank financing. However, many SMEs are not yet positioned to access public markets directly, due to capacity and disclosure barriers and the costs of listing.

Therefore, the NCMMP 2.0 recommends establishing a comprehensive financing ecosystem to expand SMEs' access to capital markets by reducing barriers to listing and strengthening the regulatory framework for alternative financing. Key interventions include: developing fintech-enabled financing solutions that broaden access to capital through digital lending platforms, receivables-based financing, SME loan securitisation and alternative credit assessment models; establishing a national SME debt fund platform to provide private credit and mezzanine financing for growth-oriented SMEs that are beyond the reach of microfinance but not yet ready to access the public capital markets; and developing structured finance frameworks supported by appropriate credit enhancement and risk-sharing mechanisms, including first-loss capital and partial credit guarantees provided in partnership with Government and DFLs.

To attract greater institutional capital into SME financing, **the NCMMP 2.0 further recommends strengthening the regulatory framework for Alternative Investment Funds and facilitating increased investment by pension funds, insurance companies and other institutional investors in SME-focused private credit funds, structured finance instruments and alternative investment vehicles.** In parallel, the SEC should undertake a comprehensive assessment of the existing crowdfunding framework and NGX Growth Board listing requirements to identify barriers to SME capital raising before implementing targeted regulatory reforms to incentivise direct SME listings. The introduction of an Approved Sponsor (or Nominated Advisor) regime would further improve listing readiness, regulatory compliance and market access for SMEs, growth companies and specialised issuers. Collectively, these reforms will diversify financing channels, expand SME participation in Nigeria's capital markets and support enterprise growth, innovation and job creation.

Objective 3.3: Structural product and instrument diversification

The final objective in Pillar 3 is promoting structural product and instrument diversification by expanding the breadth, liquidity, accessibility and investment appeal of market products through targeted reforms across non-interest finance, sustainable finance, commodities, REITs, private capital and asset-backed securities.

Promote product and instrument diversification

Product and instrument diversification is a strategic policy priority for deepening Nigeria's capital markets, strengthening domestic capital mobilisation and aligning market development with national growth objectives. **Under the NCMMP 2.0, the focus is to expand the breadth, liquidity, accessibility and investment appeal of market products through targeted reforms across non-interest finance, sustainable finance, commodities, REITs, private capital and asset-backed securities,** thereby broadening issuer and investor participation while positioning the capital market as a more effective channel for long-term development financing.

⁷¹ Leadership, 2026. Available [here](#)

The NCMMP2.0 proposes to establish a comprehensive national de-risking framework to mobilise private capital into infrastructure and sustainable investments by reducing investment risks and enhancing the bankability of capital market transactions. The de-risking framework is important because it helps to reduce investment risk and improve the bankability of projects, making them more attractive to private and institutional investors. The NCMMP 2.0 proposed framework will leverage blended finance, credit enhancement mechanisms and catalytic public capital to crowd in institutional investors, including pension funds, insurance companies and asset managers, while supporting the development of a deeper and more resilient sustainable capital market.

The proposed intervention comprises four mutually reinforcing components: (i) the establishment of a national blended finance framework to combine concessional and commercial capital; (ii) expansion of credit enhancement instruments, including partial credit guarantees, liquidity facilities and risk-sharing mechanisms through partnerships with institutions such as InfraCredit, the Nigeria Sovereign Investment Authority (NSIA) and development finance institutions (DFIs); (iii) creation of a Federal Government-sponsored Fund of Funds providing first-loss capital to catalyse institutional investment; and (iv) development of standardised transaction structures, documentation and sustainable finance frameworks to facilitate efficient and repeat capital market issuances. Implementation is proposed over Years 2–6 of the NCMMP 2.0. The first phase focuses on establishing the policy, institutional and transaction frameworks; the second phase pilots blended finance structures and de-risked transactions; while the final phase scales these mechanisms across sectors to create a sustainable pipeline of repeat issuances. Successful implementation will depend on five critical enablers: a pipeline of investment-ready projects, an operational sustainable-finance framework, enabling legal and regulatory provisions, committed participation from government and DFIs, and regulatory readiness for institutional investors.

The expected outcome is a national multi-sector de-risking framework that lowers financing costs, expands access to long-term capital, strengthens investor confidence, and accelerates private sector participation in financing Nigeria's infrastructure, climate and broader sustainable development priorities.

For the Nigerian capital market to be a competitive destination for non-interest finance, it needs to encourage primary issuance and address the challenge of secondary market illiquidity. Stakeholder engagements revealed that sovereign sukuk has seen strong uptake. However, the lack of robust liquidity management tools prevents these instruments from being actively traded, which may discourage further development of Nigeria's non-interest capital markets. As this activity depends on a variety of actors, it should begin with a co-design engagement between the SEC, DMO and CBN, covering joint objective-setting, technical scope, RACI confirmation, dependencies, and a published memorandum of understanding or joint work-plan.

One of the outputs from the co-design engagement should be the **development of a unified framework for sovereign, corporate and sub-national sukuk.** This framework would incorporate standardised documentation, formal Shariah board qualification

criteria, and targeted fiscal engagement with the NRS. Specifically, this would, among other things, ensure equitable tax treatment under the Nigeria Tax Act (NTA) 2025, resolving operational mismatches where sukuk profit distributions are treated differently from conventional bond coupons.

Developing Nigeria's non-interest capital markets would require an expansion of sovereign sukuk issuance, including incorporating planned sukuk issuance into the DMO's broader issuance calendar. The DMO should lengthen the tenor of issuances, as well as consolidating sovereign sukuk into benchmark issuance to underpin secondary market liquidity. Retail investors could participate in the primary market for sovereign sukuk by taking advantage of mobile phone distribution channels (see Pillar 4).

To fast-track non-interest issuances, including sukuk and Islamic CIS, the SEC should establish an internal Shariah Advisory Council (SAC) similar to the CBN's Financial Regulation Advisory Council of Experts (FRACE). The SEC SAC would comprise Islamic finance scholars with capital markets expertise and coordinate with FRACE under a MoU, reducing overall time to market.

Additional measures to underpin secondary market liquidity could involve strengthening the Regulatory and Shariah Governance Framework for liquidity management by developing clear operational guidelines for Tawarruq-based transactions, standardising Shariah governance templates, and issuing authoritative Shariah parameters. In particular, the SEC and CBN would provide the legal certainty required for market participants to engage in short-term liquidity management, while the framework should also be aligned with global benchmarks, including the Islamic Financial Services Board (IFSB) and Accounting and Auditing Organisation for Islamic Financial Institutions (AAOIFI) standards, ensuring that Nigeria's Islamic capital market ecosystem is both locally relevant and internationally credible.

The NCMMP 2.0 also recommends the development of dedicated non-interest liquidity platforms such as the adoption of Wakalah arrangements, Mudarabah placements, central bank Islamic liquidity facilities, and short-tenor sukuk instruments in accordance with internationally recognised Islamic finance standards, as well as the establishment of CBN dedicated liquidity windows and the reopening of benchmark sukuk to improve tradeable volumes.

The NCMMP 2.0 further recommends the development of a pipeline of credit-enhanced corporate and sub-national sukuk instruments that can absorb the Fund VI capital and give the infrastructure sukuk market the secondary market depth it currently lacks, in line with the de-risking framework mentioned above. Finally, the NCMMP 2.0 recommends establishing dual-listing pathways with sizable non-interest market exchanges, including Saudi Arabia (Tadawul) and Malaysia (Bursa Malaysia), with the aim of attracting capital from these markets.

Nigeria's sovereign green bond programme demonstrated that labelled instruments can mobilise capital for climate and development priorities at scale. Replicating and expanding this success in the non-sovereign market requires deliberate pipeline development across three issuer categories that have distinct capital market readiness profiles, governance arrangements, and financing needs: state governments, state-owned enterprises, and

private sector corporates. Without a structured programme to identify, prepare, and support issuers, the expanded regulatory framework risks remaining underutilised.

The approach recommended here recognises that each issuer category requires a tailored readiness pathway. State governments have significant infrastructure and climate adaptation financing needs but face fiscal capacity constraints and limited experience in structured capital market transactions; the priority is project preparation support and DFI de-risking to make sub-sovereign labelled issuance economically viable. SOEs present a large potential issuer base but require corporate governance reform and audited financial reporting as preconditions for market access, making pipeline development for this category directly sequenced against the SOE listing readiness reforms under other activities in the Pillar. Private sector corporates, particularly in high-emitting sectors such as oil and gas, cement, and power, represent the largest long-term source of transition-bond issuance but face structuring complexity and verification costs that deter first-time issuers. Targeted support on sustainable finance framework development and second-party opinion navigation is the primary lever here. Across all three categories, to allow for credit enhancement, reference should be made to the de-risking framework mentioned earlier.

The NCMMP 2.0 recommends the establishment of a commodity product development programme underpinned by a sequenced product rollout strategy that aligns with the current and potential size of the economy. This need is borne out of the historical absence of reliable commodity reference pricing and risk-management instruments which expose local producers, processors, and institutional investors to the price volatility inherently associated with commodities.

This activity could begin by identifying five to seven priority commodities based on production scale, export potential, food-security relevance, or domestic industrial demand. Initial efforts should focus on establishing standardised quality grades, accredited warehouse networks, and investor protection mechanisms to support transparent trading and reliable settlement. These standardised parameters stand to eliminate product ambiguity and lay the groundwork for discovering transparent, reliable national reference prices for each of the priority commodities. Aggregating data from certified warehouses and exchange platforms will support the market to establish trusted benchmarks that help to improve price discovery, market transparency, and ultimately investor confidence.

Building on these market foundations, the ecosystem should shift from simple spot trading and pursue a phased development of commodity investment and risk-management products. Initial efforts should focus on simpler, asset-backed instruments such as forwards, EWR repos, and commodity ETFs to build market participation and institutional familiarity. As market liquidity deepens and institutional capacity expands (e.g. market-making capacity), exchanges could progressively introduce more sophisticated instruments, including exchange-traded futures, commodity indices and options. Over time, the framework could expand to support cross-border commodity products and regional/international market integration, thereby deepening the role of commodity markets in driving private sector-led industrialisation.

The market infrastructure to support these developments is described under Pillar 2, Objective 2.

Nigeria currently recognises three broad categories of Real Estate Investment Trusts (REITs): Equity REITs, which primarily invest in and own income-generating real estate assets, including residential, commercial, industrial and mixed-use properties; Mortgage REITs, which provide financing to the real estate sector through investments in mortgages, mortgage-backed securities and other real estate debt instruments, generating returns primarily from interest income; and Hybrid REITs, which combine the characteristics of both equity and mortgage REITs, offering investors diversified exposure to both property ownership and real estate financing.

While the ISA 2025 provides the legal and regulatory foundation for REITs by enhancing SEC oversight of collective investment schemes, securities offerings and investor protection, additional reforms are required to unlock the full potential of REITs as a vehicle for mobilising long-term capital and deepening Nigeria's real estate finance market.

The NCMMP 2.0 proposes revision of the REIT regulatory framework that goes beyond investor protection to actively support market development. Such reforms should address product innovation, additional tax neutrality measures besides the income tax pass through on distributions, efficient asset transfer mechanisms, incentives for asset owners to inject properties into REIT structures, and the introduction of specialised REIT models aligned with market needs and emerging investment opportunities.

The NCMMP 2.0 also proposes that SEC institutes further reforms, in collaboration with the NRS, to establish a fully tax-neutral REIT framework, including relief for stamp duties, capital gains tax, and VAT on property transfers as well as the tax-neutral conversion of property companies into REITs.

Tax neutrality is critical because it enables investors to access real estate income efficiently, without tax leakages that arise through multiple layers of taxation. South Africa provides a useful benchmark, where clarity on tax treatment has been a defining factor in scaling the REIT market.

The NCMMP 2.0 recommends retaining income tax reforms that have strengthened income distribution to position REITs as yield-generating instruments capable of mobilising institutional capital into key national development priorities, such as housing and infrastructure. A predictable income distribution requirement is key to a successful REIT framework. Nigeria compares favourably to South Africa, where REITs distribute 75% of income generated to investors; and Kenya's REITs which distribute 80% of earnings. Predictable income streams make REITs attractive investment instruments for pension funds, insurance companies and income-focused CISs. Accordingly, SEC, working collaboratively with NGX, NRS, PenCom, NAICOM and MOFI, should reposition REITs from passive real-estate investment vehicles into strategic capital mobilisation instruments.

Rather than relying solely on generic property REITs, specialised and policy-driven REIT categories aligned with national development priorities should be promoted. Kenya provides a relevant emerging-market example through its recognition of Income REITs (I-REITs), Development REITs (D-REITs) and Islamic REITs. The REIT

framework has for instance been used to address student housing challenges. In Nigeria, potential opportunities include:

- Student Accommodation REITs — linked to the federal universities' housing programme.
- Affordable Housing REITs — designed to address Nigeria's housing deficit.
- Infrastructure REITs — supporting PPP and infrastructure projects.
- Industrial and Logistics REITs — supporting industrial corridors, trade infrastructure and economic zones.
- Development REITs (D-REITs) — enabling capital mobilisation for new real estate development projects.

Whilst a strong regulatory framework is a significant enabler, international experience demonstrates that on its own it is insufficient to create a vibrant REIT market. Successful jurisdictions have combined regulation with tax efficiency, institutional investor participation, high-quality asset pipelines and secondary market liquidity. Nigeria can adopt a more sequenced ecosystem approach focused on providing tax certainty and creating investable assets, institutional demand, and market liquidity. Market liquidity will be best served by mandating institutional liquidity providers and instituting research coverage requirements to improve investor knowledge.

PE and VC are critical sources of long-term risk capital. They can support business growth, innovation and job creation while strengthening the pipeline of companies that can access Nigeria's capital markets. Nigeria remains West Africa's largest private capital market, with approximately 404 annual deals valued at US\$3 billion which together accounted for 66% of West African deal volume and 52% of deal value between 2020 and 2024. However, investment activity has slowed due to macroeconomic headwinds, regulatory changes, higher taxation, constrained institutional investment and limited exit opportunities.⁷²

The ISA 2025 and recent SEC reforms have significantly strengthened the regulatory framework by bringing PE/VC funds within the Collective Investment Scheme regime to enhance governance, disclosure and investor protection. But the market still lacks a dedicated regulatory framework that enables closed-end PE/VC funds to raise permanent capital, improve liquidity and broaden institutional investor participation. At the same time, limited exit pathways and recent tax changes — such as the recent increase in capital gains tax from 10% to 30% — have reduced market competitiveness, constrained capital recycling and adversely impacted the attractiveness of Nigeria as a destination for private capital.

Nigeria does not currently have a dedicated regulatory or exchange framework through which closed-ended PE/VC funds can raise permanent capital, broaden their investor base, improve liquidity or provide investors with diversified exposure to private market assets. Without one, the development of secondary market liquidity and institutional participation are constrained, and the range of alternative investment products available in the capital market are reduced.

International experience demonstrates that mature capital markets (e.g. the United Kingdom, United States and the Netherlands) have established dedicated regulatory and/or exchange frameworks for listed closed-ended private equity and alternative investment funds. These frameworks provide proportionate regulation, tailored

disclosure and valuation standards, tax-efficient fund structures, institutional investor participation and secondary market liquidity mechanisms that reflect the long-term, illiquid nature of private market investments while maintaining robust investor protection and market integrity. Compared with conventional collective investment scheme regimes, dedicated PE/VC frameworks also provide greater operational flexibility and support more effective capital formation.

Accordingly, the NCMMP 2.0 proposes the establishment of a dedicated regulatory framework for alternative and closed-ended PE/VC funds, as a strategic market-deepening initiative. The proposed reforms include the creation of a specialist exchange listing segment, a proportionate regulatory framework recognising listed alternative or PE/VC funds as permanent capital vehicles, specialised disclosure and valuation standards aligned with international best practice, an appropriate institutional investor framework, secondary market liquidity mechanisms, competitive fiscal and prudential incentives, and cross-border listing arrangements. Collectively, these reforms should support the access to permanent capital, increase institutional investor participation, strengthen exit pathways, broaden the range of listed investment products and position Nigeria as a leading regional hub for private capital while reinforcing the capital market's role in financing long-term economic growth and enterprise development.

The ISA 2025 provides the primary legislative foundation for securitisation in Nigeria together with the Rules on Securitisation, 2015, which establish the regulatory framework for the issuance of Asset-Backed Securities (ABS). The existing framework incorporates many internationally recognised securitisation principles, including bankruptcy remoteness through Special Purpose Vehicles (SPVs), the "true sale" doctrine, investor protection, mandatory credit ratings, disclosure requirements, and credit enhancement mechanisms such as over-collateralisation, tranching and third-party guarantees.

Notwithstanding these provisions, there is an opportunity to modernise the framework through a comprehensive securitisation regime, consistent with leading jurisdictions such as South Africa, Kenya, the European Union and Malaysia. A more comprehensive framework would provide greater legal certainty, strengthen investor protection, broaden the range of eligible securitisation structures and support the development of a deeper domestic ABS market.

The NCMMP2.0 also proposes the introduction of mandatory risk-retention ("skin-in-the-game") requirements. International standards increasingly require originators, sponsors or original lenders to retain a meaningful economic interest in securitised assets to better align their incentives with those of investors. For example, both the EU and South African frameworks require the retention of at least 5% of the net economic interest throughout the life of the transaction.

The NCMMP also provides for the strengthening of the governance framework for SPVs by requiring a majority of independent directors, approved by the SEC, supported by clearly prescribed independence criteria and fiduciary obligations. This would reinforce the independence of SPVs from originators, and enhance investor confidence. The framework could further codify investor protection measures, including the use of reserve accounts and first-loss facilities where appropriate.

⁷² AVCA, 2026. Available [here](#)

The NCMMP 2.0 proposes to expand the range of assets eligible for securitisation to expressly include infrastructure and utility receivables (e.g. water and electricity), toll-road revenues, municipal receivables and other predictable cash-flow-generating public assets that are legally transferable. This approach has been adopted in Kenya's policy framework for asset-backed securities, and has supported the development of infrastructure-backed securitisation transactions such as the issuance of a listed US\$346 million Infrastructure Asset-Backed Security (IABS) in 2025.

Nigeria's well-established sovereign sukuk programme presents an opportunity to develop a dedicated framework for Sukuk Asset-Backed Securities. Such a framework would complement conventional securitisation by broadening the investor base and mobilising Shariah-compliant capital for infrastructure, affordable housing, utilities and SME financing. Malaysia provides a useful benchmark, having developed one of the world's most mature Islamic securitisation frameworks.

The NCMMP 2.0 also denotes the importance of clarifying the tax treatment of securitisation transactions. Nigeria does not currently have a dedicated tax-neutral securitisation regime for either conventional or Islamic ABS. Depending on transaction structure, taxes may arise at multiple stages of a securitisation — including stamp duty on asset transfers, corporate income tax at the SPV level, VAT on transaction-related professional services, withholding tax on investment income and capital gains tax on asset transfers. These tax frictions can increase transaction costs and discourage true-sale securitisation structures. SEC, in consultation with the NRS, should develop a tax-neutral securitisation framework to minimise tax leakage and place securitisation on an equivalent footing with other financing instruments.

Finally, the NCMMP 2.0 proposes measures to improve secondary market liquidity for the long-term development of the ABS market. The SEC should establish an ABS liquidity enhancement framework incorporating designated market makers, standardised documentation, benchmark issuances, and exchange listing to facilitate secondary market trading. Greater market liquidity would improve price discovery and increase institutional investor participation.

Overall, Nigeria's ABS framework should be aligned to the Simple, Transparent and Comparable (STC) securitisation principles developed by IOSCO and the Basel Committee, in order to support high quality securitisation/issuances, increase investor confidence and regulatory recognition by institutional investors, and create a robust securitisation market.

Pillar 4: Deepen and Diversify the Investor Base

A diverse and active investor base is critical in developing deep and liquid capital markets. Strong investor participation supports primary market demand for new issuances, improves price discovery, and contributes to liquidity in secondary markets. A broad investor base—including domestic institutional investors and retail investors as well as international investors and the diaspora—also enhances market resilience by diversifying sources of capital and supporting stable demand across different market conditions.

The pillar's proposed reforms are presented across three overarching objectives, with a total of five underlying workstreams, as shown below.

Table 10: Pillar 4 objectives and associated workstreams

Objective #	Objective name	Associated workstreams
4.1	Enhance domestic institutional and qualified wealth participation	Broaden institutional investor participation
		Leverage domestic qualified investors
4.2	Enhance access for local and diaspora retail investors	Expand domestic retail investor access
		Enhance diaspora participation
4.3	Enhance access for foreign institutional investors	Enhance foreign investor participation

Objective 4.1: Enhance domestic institutional and qualified wealth participation

The first objective under Pillar 4 is enhancing domestic institutional and qualified wealth participation by broadening institutional investor participation as well as encouraging the participation of domestic qualified investors.

Broaden institutional investor participation

Nigeria has a growing institutional investor base, with pension assets of ₦28 trillion (about US\$16.2 billion), though total pension assets as a share of GDP remain small relative to markets such as Kenya and South Africa.⁷³ Coverage remains low, with about 9% of the labour force holding a retirement savings account.⁷⁴ This low coverage is driven in part by the country's large informal sector. The sector's formalisation is a cross-cutting aim with implications

across the Renewed Hope Development Plan and the country's broader social protection programme. As that process unfolds, both institutional investor asset pools and household savings will increase, growing the capital markets in turn. And while pension funds have been empowered by updated regulations to diversify their holdings, in practice, much of their portfolios remain concentrated in federal government debt. While this is driven, in part, by a lack of alternative options to invest in, other factors are at play. These factors include not only the natural need... but also distortions for PFAs to invest in secure, long-term assets in line with their fiduciary duty, but also distortions borne out of the tax regime, where federal debt is advantaged relative to, for example, long-term corporate debt. Further, the shortage of credit risk infrastructure, such as credit ratings agencies, credit insurance provision and restructuring frameworks create structural hurdles for PFAs in pivoting away from sovereign paper.

⁷³ PenCom, 2026. Available [here](#)

⁷⁴ Ibid

The insurance sector has grown at an average rate of 15% per year since 2019, but annual gross written premiums (GWP) are only 0.5% of GDP, compared to the African average of 3%.⁷⁵ CISs (the vehicles through which retail investors generally access capital markets in most countries) hold assets of about ₦8.6 trillion (US\$6.3 billion), with 1.2 million unitholders.⁷⁶ This highlights the low participation from Nigerian retail investors, with only about six million active retail investors in the market — though this number has grown recently due to fintech-enabled access.⁷⁷ Foreign investors have returned to Nigeria, accounting for 17% of NGX trading activity in March 2026, in light of unified exchange rates and greater transparency concerning the foreign exchange market, but their presence remains limited by challenging account-opening rules, which require even non-Nigerians to have a Bank Verification Number (BVN) to open accounts.⁷⁸

The NCMMP 2.0 seeks to encourage the channelling of institutional capital into national development priorities, such as infrastructure, healthcare, education, economic diversification, clean water supply and climate adaptation, as well as increased state government participation in the market.

This activity should begin with a co-design engagement between the SEC, PenCom and NAICOM, covering joint objective-setting, technical scope, RACI confirmation, dependencies, and a published memorandum of understanding or joint work-plan.

As discussed in Pillar 3 above, active efforts from the SEC, the DMO and the private sector would be needed to identify appropriate project pipelines with the greatest commercial viability, alignment with national priorities and cash-flow prospects.

However, the NCMMP 2.0 also recognises that institutional investors are typically risk averse. Conversations with these groups will be required in order to understand their risk appetite, instruments of interest (particularly labelled sustainable instruments) and the possible roles for credit enhancement and de-risking mechanisms (e.g. first loss or partial credit guarantees) in supporting their participation. These engagements should differ based on the varying appetites and mandates of different investor types.

For example, PFA Fund I serves relatively young investors with a higher risk appetite compared to Funds II, III and IV. Fund administrators are thus more likely to participate in relatively longer, higher risk projects (e.g. infrastructure equity or greenfield projects), while their more conservative counterparts require more substantial de-risking and senior debt positions, ideally with returns that are guaranteed to beat inflation. In the same vein, life insurers are able to participate in long-term infrastructure or labelled bonds with maturities of 20 years or more, while their non-life counterparts require short to medium-term, highly-rate and securitised instruments. Similarly, the existence of specialised CISs makes these the natural vehicles to be engaged for purposes of project capital. Lastly, family offices and HNWLs could be positioned as equity partners alongside DFIs.

These engagements should be carried out in partnership with actors such as the FMOF, DFIs, InfraCredit or the Nigeria Sovereign Investment Authority (NSIA), to allow for de-risking and/or support for issuers (e.g. project identification, proceeds management, impact reporting and SFF development). The de-risking mechanisms

could cover both debt and equity solutions, including via a government-backed fund of funds for equity infrastructure. Finally, the issuance and listing of relevant, de-risked instruments (e.g. green, blue, social or sustainability-linked bonds, or sukuk) could be used to mobilise institutional capital.

To promote the scaling of these de-risked products over the long-term, the SEC should constitute a multi-agency forum with representation from PenCom, NAICOM and the SEC. This forum should be empowered to commission the instrument pipeline at scale. Furthermore, to promote inclusivity of these bonds, the NCMMP 2.0 recommends the integration of explicit gender-impact criteria into the project selection framework for the infrastructure bond pipeline. Gender-lens screening guidelines for infrastructure debt funds and labelled project bonds should be published and promoted, and SPO verifiers be required to validate gender and social impact metrics alongside climate criteria prior to issuance. This initiative would ensure that institutional capital allocated to national priority projects drives both financial returns and inclusive social impact.

While identifying de-risked projects is essential for capital absorption, the transition of institutional capital into emerging sectors requires a complementary regulatory framework for investment allocations. In Nigeria, institutional PFAs and insurers generally lack explicit regulatory anchors to justify major shifts into emerging asset classes. To bridge this gap, institutionalise ESG mandates, and create a structured pathway for sustainable investment, the NCMMP 2.0 recommends a phased update to investment guidelines. As with de-risking (above) this activity should begin with a co-design engagement between the SEC, PenCom and NAICOM, covering joint objective-setting, technical scope, RACI confirmation, dependencies, and a published memorandum of understanding or joint work-plan.

Subsequently, PenCom should consider amending its investment guidelines to explicitly categorise labelled instruments as an eligible fixed-income asset class for PFAs. At the same time, NAICOM should consider issuing parallel guidance designating these instruments eligible for insurer portfolios.⁷⁹ These amendments are a necessary starting point for recognising labelled instruments as core components of institutional investors' diversified, long-term portfolios. The next phase of this initiative is a transition toward active incentivisation and transparency. PenCom and NAICOM should introduce voluntary recommendations for institutional investors to allocate a minimum share of their fixed-income AUM to sustainable instruments, accompanied by mandatory annual ESG integration disclosures. In the final phase, these disclosures should evolve into a mandatory requirement for reporting portfolio-level climate risk exposure and ESG integration approaches.

The NCMMP 2.0 recognises the need to enhance institutional investor access to SME-related instruments, building on the points raised in Pillar 3 on the launch of SME funds, the use of a fintech/digital platform for securitising SME loans, and possible de-risking approaches.

Once again, this activity should begin with a co-design engagement between the SEC and PenCom, covering joint objective-setting, technical scope, RACI confirmation, dependencies, and a published memorandum of understanding or joint work-plan. Subsequently, the NCMMP 2.0 recommends an expansion of the “no objection”

⁷⁵ NAICOM, 2026. Available [here](#).

⁷⁶ SEC, 2026. Available [here](#).

⁷⁷ NGX, 2025. Available [here](#).

⁷⁸ NGX, 2025. Available [here](#).

⁷⁹ The recognition of sustainable instruments as eligible instruments for insurers will depend on the operationalisation of new investment latitude frameworks under NIIRA 2025.

exception — currently available to Fund I PFA investments — to include the substantially larger Fund II. While PFAs are permitted to invest in securitised SME portfolios, the threshold of ₦10 billion may render the number of SME loans needed for securitisation prohibitive for banks and fintechs. The NCMMP 2.0 therefore recommends lowering this threshold to encourage greater securitisation activity. Further, while PFAs are allowed to invest in PE/VC funds, the associated fund managers are required to have 10 years of experience. A partial waiver would allow PFA investment in SME-focused funds where the fund manager has slightly less experience, provided that the total fund size is not too large and that it operates under a fund-of-funds structure, to reduce risk. Finally, amendments to the Revised Regulation on Investment of Pension Fund Assets would contain a small provision for SME-focused funds, even for Fund III and Fund IV. Crucially, PenCom could designate the SME sector as a priority thematic area under the Revised Regulation on Investment of Pension Fund Assets, to encourage PFAs to develop internal investment mandates targeting SMEs.

While Nigeria produces approximately 35 million tonnes of soft commodities, the sector remains mostly informal. In addition, while recently updated PenCom regulations allow PFAs to participate in the commodities market, participation is minimal. Channelling institutional capital towards commodities would help to formalise agriculture and agricultural infrastructure by growing input financing for farmers or creating additional certified warehouses. However, solutions must consider the PFAs' risk aversion and their need to invest in regulated, exchange-traded assets. PFAs are also required by PenCom to value their portfolios daily, which may be a challenge considering that the commodities underlying PFA investments sometimes experience periods of low trading activity or limited price transparency. Mandating that a certain share of PFA assets be invested in commodities is one possible option, but this would not solve the twin challenges mentioned above.

As such, the **NCMMP 2.0 recommends that deeper pension-fund participation in the commodities market** could be achieved by de-risking specific, pilot commodity ETFs, structured as physical-backed, futures-based or index-linked products. Such de-risking could be achieved, for example, via first-loss guarantees from the NSIA or DFI partners. Similarly, the tax treatment of commodities could be reviewed, to provide incentives — or at least to ensure complete tax neutrality relative to other instruments — in order to maximise net pass-through PFA yields.

Finally, there remains a tension between the need for rigorous reporting and the need to reduce operational friction. PenCom and the SEC could establish a sandbox to standardise the daily reporting and valuation of PFA investments in the pilot commodity ETFs, as a way to find an appropriate balance between these needs that best enables PFA participation in commodities.

Leverage domestic qualified investors

Nigeria is home to approximately 7,200 high net worth individuals (HNWIs), defined as individuals worth US\$1 million or more.⁸⁰ This number has declined over the past decade due to a variety of factors such as currency depreciation outside the direct control of capital markets authorities. However, local HNWI capital could be better mobilised to deepen Nigeria's capital markets. The first step would be to map entities providing

family-office services to HNWIs, such as specialised family offices, commercial banks, law firms or trustees. Following this, these entities could be engaged via surveys or roundtables to understand frictions relating to capital retention, whether regulatory, compliance-based or macroeconomic. To mitigate the identified frictions, the market should set up a qualified investor framework. Such a framework should cover minimum investable asset thresholds for qualified investors, streamline KYC/AML provisions, provide exemptions from standard retail prospectuses for offerings made to qualified investors, recognise family-office structures as institutional investors (with the associated tax treatment) and provide qualified investors with access to primary placements when required.

Objective 4.2: Enhance access for local and diaspora retail investors

The second objective in this pillar focuses on enhancing access for local and diaspora retail investors by simplifying and streamlining access, establishing explicit gender-disaggregated retail participation targets, and leveraging integrations with MNOs, among other initiatives.

Expand domestic retail investor access

As discussed in section 2, Nigeria's domestic retail investor base has substantial potential, but overall capital markets participation remains limited, driven in part by low financial literacy, use of unregulated products and the informal nature of the economy's labour force.

While the market already offers micro-pensions, the NCMMP 2.0 aims to expand these products to support integrated micro-pension and micro-insurance offerings, through a partnership between PenCom and NAICOM. This expansion is particularly important given the link between informal-sector formalisation and capital markets growth; micro-pension and micro-insurance products have the potential to act as a bridge between the sizable informal sector and capital markets and thus drive overall economic development.

As a starting point, the NCMMP 2.0 recommends a co-design engagement between the SEC and PenCom, covering joint objective-setting, technical scope, RACI confirmation, dependencies, and a published memorandum of understanding or joint work-plan.

Next, appropriate frameworks should be developed that include provisions for flexible contributions and withdrawals. For instance, requiring that a certain percentage of contributions be locked away for the long term with the remaining balance available on a flexible basis; or insurance features whereby informal workers can access both long-term savings and short-term protection in a form that suits their irregular incomes. These changes should be supported by operationalising the Insurance Policyholders Protections Fund, to deepen trust in insurance, as well as by launching ongoing education efforts across multiple languages and channels — social media and traditional media — to encourage uptake of both insurance and pension products.

The NCMMP 2.0 recommends further lowering barriers to entry for retail investors by easing account-opening procedures. This entails deploying a unified, risk-based onboarding architecture

⁸⁰ Henley & Partners, 2025. Available [here](#)

featuring two distinct access pathways: one for domestic retail and another for foreign investors. The domestic retail pathway would feature a tiered e-KYC regime capable of recognising multiple government credentials, including NIN, BVN, passports, voter cards, driver's licences, and telecommunications records. For the foreign investor pathway, the architecture would replace the restrictive mandatory BVN requirement for non-residents with a digital onboarding platform that recognises passports, legal entity identifiers, tax identification numbers, and regulated intermediary verification via global custodians.

Both pathways should integrate across the SEC, CBN, NIMC, NIBSS, securities exchanges, and CSDs to enable real-time identity authentication. Crucially, both access pathways should converge into a single technical output: the issuance of a common Single Investor Identification Number (SIIN). This SIIN serves as a lifetime digital passport for investors across the capital market ecosystem, preventing the divergence of parallel systems and significantly reducing cross-border and domestic transaction friction. A key caveat is that the implementation of this plan should leverage existing national and market infrastructure identifiers to minimise complexity and reduce overall onboarding costs. The rollout of the architecture should be linked to the FMI readiness work (Pillar 2), so that relevant post-trade FMIs can identify and implement any required investment or development before the different access channels scale.

To translate gender-inclusivity commitments into measurable retail market expansion, **the SEC, in collaboration with CSDs, exchanges, and capital market operators, should establish explicit gender-disaggregated retail-participation targets.** This would require implementing a quarterly framework to continuously track women's uptake of retail investment products, and analyse transaction volumes and asset allocation across equities, fixed income, collective investment schemes, and digital instruments by gender. Disaggregating and monitoring this data on a quarterly basis would enable regulators to identify participation bottlenecks, assess the real-world impact of retail distribution channels, and refine investor-education outreach in real time.

Broad participation by retail investors in the capital markets is critical. These investors help to diversify the domestic investor base, improve market liquidity and price discovery, mobilise household savings into productive investments, enhance market resilience, and support inclusive economic growth. Increased retail participation enables private entities and the governments to raise capital more efficiently while fostering financial inclusion, innovation, and long-term wealth creation.

The NCMMP 2.0 seeks to broaden retail participation in capital markets and government securities by integrating mobile network operators and fintech platforms with interoperable settlement systems. By enabling mobile-based access through USSD and mobile money wallets, the programme will make small-denomination securities more accessible to youth, first-time investors, low-income earners and diaspora Nigerians.

The proposed NCMMP2.0 activities focus on deploying a mobile-enabled retail securities distribution programme, strengthening investor education and digital awareness campaigns, and establishing market analytics to monitor onboarding, participation and retention. These interventions are intended to lower entry

barriers, improve investor confidence and support more inclusive capital market development.

Successful implementation will depend on an enabling regulatory framework, integrated mobile and capital market infrastructure, and coordinated engagement among government, regulators, MNOs, fintechs and market intermediaries. The expected outputs include a mobile-enabled securities platform, a digital investor education programme, and a retail investor monitoring-and-analytics framework.

Increasing retail investor participation will also require a focus on promoting and supporting issuances of digital, virtual and tokenised assets, to allow for fractional interests in underlying real assets. This will require clear regulatory frameworks coordinated between the SEC and CBN, as well as a sandbox to allow experimentation with virtual, digital and tokenised assets in a controlled environment, as mentioned above.

This could also include clarifying the regulatory framework for ETFs backed by SEC-approved digital assets, to provide retail investors with supervised exposure to this segment of the market. Fast-tracking approvals or reducing associated issuance fees could provide incentives for the issuers of such products to make it easier for retail investors to invest. Finally, education efforts would need to cover these unconventional assets, explaining their purpose, benefits and risks to retail investors, with a particular focus on digital channels to reach young investors.

Retail investor participation could be further bolstered by the operationalisation and rollout of TFSAs, wrapping around currently regulated products.

The operationalisation and rollout of TFSAs is adjacent to the National Savings Strategy (NSS), which emerged from the previous CMMP, and aims to efficiently aggregate domestic retail capital into Nigeria's capital markets, in part to reduce reliance on foreign portfolio inflows. However, given that the market still has low retail investor participation, TFSA's should only be launched once certain foundational reviews are concluded.

The first step should be a retrospective review of the NSS, assessing its distribution channels, contribution limits, eligibility instruments and intermediary roles, with the aim of understanding overall uptake and constraints to growth; these should inform the design of the TFSA scheme. This review should be followed by a quantitative exercise to determine the fiscal impact of TFSAs under certain scenarios, such as different contribution or uptake limits. This analysis will be necessary to balance the immediate and medium-term fiscal costs of TFSAs with their longer-term benefits: that is, a larger pool of national savings channelled to productive uses and hence employment, potentially greater tax revenue, greater financial inclusion and possibly lower fiscal demands as citizens accumulate greater discretionary savings.

TFSAs could be offered through CISs, ETF offerings and equity or bond funds, with investment returns, including capital gains, dividends, and interest income exempted from taxation. However, it will be necessary to introduce appropriate guardrails, covering the legal framework concerning annual and lifetime contribution limits, with mechanisms to allow for periodic revisions.

Eligible asset classes should also be defined, and include listed and regulated instruments — particularly sovereign and sub-national bonds, sukuk, labelled instruments, ETFs, CIS, REITS and other SEC-regulated retail instruments — but exclude unlisted equities, private placements and unregulated digital assets. TFSA providers will require mechanisms for contribution tracking and compliance, such as alerts to investors via trading platforms once limits are approached. Finally, it will be important to establish appropriate data-reporting formats for TFSA providers to report contributions to NRS via an automated, API-driven Common Reporting Standard, with provision for distinct tax certificates relative to typical, taxable investment products. Data should be disaggregated by gender to ensure full visibility of the gender-related dynamics. Targeted interventions should promote women's uptake and use of TSFAs.

The NCMMP 2.0 recommends developing a diversified, competitive and digitally-enabled Collective Investment Scheme (CIS) industry to mobilise long-term savings, broaden investor participation and strengthen capital formation. Key reforms include expanding the range of CIS products to meet diverse investor needs, including ESG, thematic and alternative investment funds; modernising fund distribution through digital onboarding, e-KYC, APIs and licensed digital distribution channels; strengthening the regulatory framework through enhanced tax neutrality, standardised disclosure, performance reporting and fee transparency; and promoting greater participation by pension funds, insurance companies and other institutional investors.

The NCMMP 2.0 further recommends positioning Nigeria as a regional fund domicile by pursuing cross-border fund passporting and harmonised fund distribution arrangements with priority African jurisdictions. Complementary measures, including a national investor education programme and the publication of an annual SEC CIS Industry Report, will improve financial literacy, market transparency and evidence-based policy making. Collectively, these reforms are expected to increase assets under management, broaden investor participation, enhance the competitiveness of Nigeria's fund management industry and mobilise long-term capital to support the country's economic development.

There will need to be an ongoing effort to educate retail investors. Content should include investor protection: how to identify and avoid unregulated offerings, reminders not to share personal information with non-trusted sources. It should also cover the benefits versus the risks of investing — how investing can grow wealth through compounding over time, but that past returns do not guarantee future returns—and explain how to access the market, including instructions on account-opening procedures and the roles of different intermediaries.

This content should be translated into major local languages, and distributed through both traditional media (e.g. radio and the SEC website) and social media (to reach young investors). Partnerships with MNOs and fintechs could further broaden reach, particularly given the emphasis on using these channels for distribution, trading and the paying out of proceeds. Content should be updated as market developments take place, e.g. when bundled pension/insurance products for the informal sector or tax-free savings accounts are launched, or when digital, virtual and tokenised assets become more widespread and accessible, to ensure that retail investors are well-equipped to take advantage of these

trends. Critically, the success of this initiative will require SEC-CBN collaboration to embed capital-markets content into Nigeria's future national financial-inclusion strategies.

To foster inclusivity and further tap into underutilised domestic retail asset pools, the NCMMP 2.0 recommends targeted interventions to encourage the active participation of women and women-owned enterprises in the capital market.

This initiative should begin by requiring market intermediaries and CSDs to maintain and report gender-disaggregated data. The SEC should consider designing standardised reporting templates to collect this information, ensuring the data is structured, usable, and capable of exposing specific structural barriers or participation gaps across different demographic segments.

While gathering disaggregated data establishes the empirical foundation for market analysis, translating these insights into measurable progress requires clear, strategic benchmarks. The NCMMP 2.0 therefore recommends setting explicit targets for women's participation in retail investment. These targets should outline clear metrics regarding the volume, timeline, and asset classes targeted for expansion. The benchmarks should align closely with the overarching principles of the National Gender Policy, with the SEC monitoring progress periodically to evaluate the efficacy of retail distribution channels, adjust financial literacy outreach, and ensure the capital market structurally supports the economic empowerment of women.

Enhance diaspora participation

As discussed in Section 2, Nigeria's diaspora remits substantial capital to the country on an annual basis, but relatively little of this enters the capital markets. The NCMMP 2.0 recommends channelling diaspora capital by developing a clear pathway for diaspora participation in the capital markets. This activity requires substantial cooperation between the SEC, DMO and CBN. Therefore, the NCMMP 2.0 recommends a co-design engagement between these three entities covering joint objective-setting, technical scope, RACI confirmation, dependencies, and a published memorandum of understanding or joint workplan. Though there has been research on the Nigerian diaspora, it will be important to engage those in the Diaspora Commission (NiDCOM) to provide a formal view on the needs of diaspora investors.

These conversations can inform both public sector and private sector responses. For the public sector, the DMO and state DMOs could design federal and sub-national bond programmes, with a particular focus on tying these issuances to specific purposes, such as investments in healthcare or sanitation. For the private sector, the NCMMP 2.0 recommends the development of a regulatory framework for diaspora-focused, foreign-currency denominated retail investment vehicles offered by CIS funds and ETF providers. This would need to be coupled with an FX repatriation guarantee from the CBN, to ensure that returns and capital can be transferred to the investor's country of residence as needed. Finally, the distribution of these offerings is critical: the NCMMP 2.0 recommends establishing cross-border conduits through partnerships with intermediaries, such as commercial banks and money transfer operators (MTOs), to ensure ease of access.

Objective 4.3: Enhance access for foreign institutional investors

The final objective in Pillar 4 is enhancing access for foreign institutional investors by establishing a risk-based non-resident investor onboarding architecture, closing the FX repatriation and eCCI modernisation gap, addressing settlement risk for foreign currency-denominated capital market trades, and establishing custody arrangements with global custodians.

Enhance foreign investor participation

While foreign investors have increased their participation in Nigeria's capital markets, there are avenues to reduce the friction they face in accessing the market.

To establish a modernised, risk-based onboarding framework for foreign investors that eliminates historical market-entry friction, the NCMMP 2.0 recommends a comprehensive restructuring of non-resident investor access. This initiative should begin with a formal co-design engagement between the SEC and the CBN to define joint regulatory objectives, establish a clear RACI matrix, align inter-agency dependencies, and publish a binding MoU and operational work-plan. By formalising this inter-agency governance architecture, the SEC and CBN can establish a unified policy directive to address the structural bottlenecks that have historically discouraged foreign portfolio inflows, ensuring that administrative and monetary policies are systematically aligned.

To operationalise this architecture, the traditional, restrictive reliance on the Bank Verification Number (BVN) for non-resident institutional investors should be replaced with a tiered, risk-based identity verification framework. This updated regime should deploy digital e-KYC protocols capable of recognising globally accepted identifiers (e.g. Legal Entity Identifiers (LEIs)) as valid credentials for capital market registration. To ensure operational efficiency, the NCMMP 2.0 recommends the codification of a global regulatory reliance framework. This framework should legally permit domestic capital market operators and securities depositories to accept and rely on KYC and onboarding documentation performed by regulated global custodians and international broker-dealers. By optimising data-sharing conduits between these international intermediaries and domestic institutions, the framework would enable the immediate transmission of verified investor profiles to downstream authorised dealers, fast-tracking the electronic stamping and creation of eCCIs.

The technical convergence of these onboarding and verification workflows should be realised through the deployment of an integrated Single Window Foreign Investor Access System. This centralised digital portal would function as a unified interface for non-resident market participants, allowing them to execute cross-border account opening, capital market onboarding, and local tax identification registration in a single, parallel workflow. The portal should maintain direct, automated links to authorised dealers to facilitate real-time eCCI processing upon capital entry. Finally, to secure these digital workflows and bolster long-term market confidence, this onboarding architecture should be paired with robust investor protection and data governance standards. All cross-border data transmissions and storage protocols must comply with the Nigeria Data Protection Act (NDPA), while specialised, expedited dispute resolution mechanisms should be institutionalised

to protect non-resident participants and resolve transaction-level grievances rapidly.

To address the operational bottlenecks that hinder the exit of foreign portfolio capital, the NCMMP 2.0 recommends a modernisation of the repatriation and eCCI frameworks. This initiative should begin with a co-design engagement between the SEC and the CBN to define joint regulatory objectives, establish a clear RACI matrix and align inter-agency dependencies. Then, the initiative should focus on transitioning toward a centralised digital eCCI registry. Rather than relying on fragmented, commercial bank-administered eCCI systems that create administrative siloes, the SEC and the CBN should collaborate to migrate eCCI issuance and administration to a single, unified database. This centralised registry should be fully interoperable with the Single Window Foreign Investor Access System, enabling real-time electronic stamping and transaction tracking. By centralising this data, the regulatory authorities can eliminate duplicate verification processes and drastically reduce the administrative processing time for foreign capital entering the domestic market.

Deterrents to foreign investor participation could be further minimised by standardising and codifying repatriation processing requirements. The CBN and the SEC should publish a streamlined, exhaustive checklist of divestment and repatriation documentary requirements. This checklist would be strictly limited to a valid eCCI and definitive evidence of investment redemption, thereby minimising arbitrary compliance delays or inconsistent documentation requests by individual authorised-dealer banks. To bolster foreign investor confidence, the SEC and the CBN should also issue clear, investor-facing joint guidance confirming that the 2024 cash pooling and offshore retention restrictions (and their subsequent March 2026 adjustments) apply solely to upstream energy sector crude export proceeds. This joint guidance should explicitly clarify that standard capital market portfolio flows remain entirely exempt from these macro-prudential energy-sector rules and continue to enjoy unhindered, 100% conversion and repatriation flexibility through the NAFEM architecture.

Furthermore, to ensure that policy intentions translate into operational reality, the NCMMP 2.0 recommends instituting repatriation Service Level Agreements (SLAs). These SLAs should be monitored via a joint regulatory dashboard managed by the SEC and the CBN, tracking actual FX conversion and repatriation timelines against strict processing benchmarks. This operational oversight is essential to give practical effect to the unconditional capital and dividend transferability guarantees enshrined in Sections 24 and 25 of the NIPC Act, transforming statutory legal guarantees into a predictable, high-speed transaction pathway for global investors.

To support the growth of foreign currency-denominated instruments admitted to trading on domestic exchanges, the NCMMP 2.0 recommends a coordinated effort to mitigate settlement risks. This initiative would begin by mapping and formalising the cross-border clearing and settlement flows for these transactions. The SEC and the CBN should map the end-to-end routing of foreign currency trades executed through authorised dealers to ensure absolute operational alignment with the market-driven price-discovery mechanics of the NAFEM architecture. This exercise should identify any structural bottlenecks within the existing payment system infrastructure that could delay the matching of foreign currency obligations. Building on this mapping, the SEC

and the CBN should collaborate to formulate joint settlement finality rules and pre-funding protocols. These joint regulations would define the precise moment of settlement finality to eliminate principal risk and mitigate operational timing mismatches between trade execution dates on domestic exchanges, and structural foreign exchange settlement cycles within the banking system. Additionally, the framework should standardise multi-currency custody and asset safekeeping obligations. This would require defining strict regulatory obligations for global and local custodians regarding the safekeeping, asset segregation, and real-time settlement of foreign currency-denominated securities. These requirements should be designed to cross-reference and integrate seamlessly with the broader custodial framework, preserving structural consistency across the capital market's depository networks.

To safeguard the market against unexpected operational shocks, the NCMMP 2.0 recommends institutionalising joint inter-agency incident escalation protocols. The SEC and the CBN should establish a joint operational reporting framework and escalation pathway to instantly manage, track, and remediate clearing disruptions or settlement failures. This protocol should ensure that any transaction-level failures or settlement backlogs attributable to sudden foreign currency liquidity bottlenecks within the financial market infrastructure can be resolved rapidly through coordinated regulatory action, preserving market integrity and international investor trust.

To strengthen the safeguards protecting international capital, the NCMMP 2.0 recommends a standardisation of the custodial framework serving non-resident market participants. This initiative should begin by harmonising global custodial onboarding pathways with Nigeria's tiered regulatory frameworks. The SEC and the CBN should collaborate to map existing global custodian network arrangements against the CBN Framework on Tiered KYC/e-KYC and SEC Rules on KYC for CMOs. This mapping exercise should eliminate redundant documentation barriers and overlapping compliance checks, enabling a unified, streamlined investor verification process that preserves structural market alignment without compromising anti-money laundering standards.

Given the cross-border nature of global institutional investing, the framework should mandate strict data-protection compliance. The regulatory bodies should require formal cross-border data transfer impact assessments and compliance certifications under the Nigeria Data Protection Act (NDPA) 2023. These assessments should be established as a non-negotiable condition for the custodian regulatory reliance framework, ensuring that any foreign investor data shared between global networks and domestic clearing houses complies with national privacy mandates. Furthermore, the SEC should formulate rules to codify multi-jurisdictional asset segregation and safekeeping standards. These guidelines would ensure that global custodians maintain legal and operational separation between their proprietary assets and non-resident investor portfolios across international central securities depositories (CSDs) and local sub-custodians, insulating investor assets from systemic credit or counterparty risks.

Additionally, to eliminate operational lag and tracking errors within the depository system, the NCMMP 2.0 recommends synchronising inter-custodian regulatory reporting conduits. The SEC and the CBN should deploy automated, real-time data-sharing pathways

linking global custodians, local sub-custodians, and financial market infrastructure providers. These unified reporting conduits should enable real-time tracking of foreign portfolio asset ownership, custody positioning, and transaction matching. By replacing manual reporting loops with automated data flows, the capital market authorities can enhance transaction transparency, minimise post-trade settlement mismatches, and provide foreign institutional investors with a highly efficient asset-servicing ecosystem.

A key consideration for the three activities above — closing the FX repatriation and eCCI modernisation gap, addressing settlement risk as well as developing custody arrangements with global custodians — is that they would all need to be preceded by a formal co-design engagement between the SEC and the CBN. This process would need to define joint regulatory objectives, establish a clear RACI matrix and align on inter-agency dependencies, thus ensuring buy-in from the relevant stakeholders while promoting alignment on roles, responsibilities and necessary dependencies.

One of the frictions faced by foreign investors is the uncertainty surrounding tax treatment and the impact of tax on investment returns. **To eliminate tax-related administration friction and optimise returns for international capital, the NCMMP 2.0 recommends the modernisation of the fiscal framework governing non-resident and diaspora market participants.** This initiative should begin with a co-design engagement between the SEC and the NRS to define joint regulatory objectives, establish a clear RACI matrix and align inter-agency dependencies. This should be followed by the integration of automated tax residence validation and Double Taxation Treaty (DTT) status capture directly into the Single Window Foreign Investor Access System. By embedding these digital verification checks into onboarding, the system can instantly identify eligible treaty beneficiaries, reducing manual verification bottlenecks and ensuring that treaty benefits are applied seamlessly as soon as the investor enters the market.

While digital validation at onboarding secures upfront identification, converting this data into precise tax applications requires clear, accessible rules for market participants. To provide these operational rules, the SEC should collaborate with fiscal authorities to publish modernised investor guidance under the Nigeria Tax Act. This investor-facing documentation should detail applicable treaty withholding tax (WHT) rates and establish standardised tax credit or reclaim procedures that align strictly with the Deduction of Tax at Source (Withholding) Regulations. Beyond publishing guidelines, preventing arbitrary over-deductions requires hardcoding these treaty rates directly into post-trade execution systems. The NCMMP 2.0 therefore recommends deploying an automated, real-time interface linking the NRS tax administration portals directly with capital market clearing and depository systems. This integration should ensure that treaty-capped withholding tax rates on dividends, interest, and capital gains are applied automatically at the point of trade settlement, preventing over-deductions and eliminating long processing queues for tax reclaims.

Although real-time tax capping at settlement does protect current investment yields, the ultimate metric of a competitive fiscal regime is how quickly investors can claim tax relief in their home jurisdictions. To support capital recycling and maintain investment velocity, the framework should standardise digital Tax Credit Certificate (TCC) issuance, particularly for diaspora investors. The

SEC and the NRS should establish a seamless electronic protocol for the immediate issuance of Withholding Tax receipts and digital TCCs. This automation is essential in order to eliminate the historical administrative delays that have long prevented foreign and diaspora investors from utilising legitimate treaty benefits within their home jurisdictions, thereby enhancing the competitiveness of the Nigerian capital market.

Pillar 5: Build Institutional Capability and Professional Depth

Develop a well-functioning capital market requires strong institutional capacity and a deep pool of skilled professionals across the market ecosystem. Regulators, exchanges,

intermediaries, auditors, legal professionals, and other supporting actors must possess specialised financial, technological and technical expertise to design, supervise, and participate effectively in capital market activity. This is especially true in a rapidly developing market like Nigeria, and given the NCMMP 2.0's focus on increasing issuance and investment around digital, virtual and tokenised assets, as well as sustainable finance instruments. There is a need to build capacity across the SEC, regulators, government agencies, capital market intermediaries, professionals and current and prospective issuers.

The pillar's proposed reforms are presented across three overarching objectives, with a total of five underlying workstreams, as shown below.

Table 11: Pillar 5 objectives and associated workstreams

Objective #	Objective name	Associated workstreams
5.1	Strengthen institutional and regulatory capacity	Strengthen the capacity of the SEC
		Strengthen the capacity of non-SEC regulatory and government agencies
5.2	Enhance intermediary risk and operational resilience	Strengthen the resilience, efficiency and competitiveness of capital market intermediaries
5.3	Develop professional and capital market participant capacity	Strengthen the pipeline and capacity of capital markets professionals
		Build capacity for capital markets participants beyond the regulator and professionals

Objective 5.1: Strengthen institutional and regulatory capacity

The first objective under Pillar 5 is strengthening institutional and regulatory capacity by building the capacity of the SEC as well as other non-SEC regulatory and government agencies (e.g. PenCom, NAICOM, etc.).

Strengthen the capacity of the SEC

Build capacity across the SEC requires an institutional audit to understand capacity gaps across supervisory ability, enforcement, operational, technological and governance capabilities. This assessment should be benchmarked against IOSCO standards and international regulators, such as the USA, UK and India. This audit should be followed by identifying potential funding sources to address these gaps, such as complementary DFI funding for technological upgrades, while human resource and process enhancements could be achieved via targeted updates to fee structures. These measures should, however, be informed through market engagements, such as a users' committee. Ultimately, intended fee increases should be aimed at addressing the market's pain points, with fee increases ideally tied to measurable performance outputs, such as faster turnaround times, or reported fee usage.

While the SEC requires additional human resources, the market also needs a stronger focus on using technology for oversight. The SEC currently lags behind in technology adoption, partly driven by funding constraints, and resulting in

difficulties overseeing new market developments. Hence, the NCMMP 2.0 recommends obtaining access to the software and hardware necessary for real-time market surveillance to support a full transition to risk-based supervision (RBS). To achieve this, the NCMMP 2.0 recommends operationalising risk-based supervision across a five-year timeline using three core pillars: methodology, technology, and capability. Methodologically, the focus in the short term centres on establishing a clear risk taxonomy, defining supervisory cycles, and calibrating monitoring intensity developed under Pillar 1. This should then be supported (also in the short term) by procuring the necessary surveillance hardware and software to enable real-time tracking. Crucially, capability building — including supervisor training and on-the-job mentoring — should be sustained throughout the entire five-year cycle. Rather than treating this as a temporary handholding initiative, the SEC should engage the Toronto Centre as a long-term strategic methodology and capability partner to embed these practices into the SEC's underlying regulatory culture.

Furthermore, the SEC requires the technical and human capacity to understand and regulate emerging segments of the market such as digital, virtual and tokenised assets and the sustainable finance ecosystem. This is particularly true for the former category, where regulatory uncertainty and awareness issues act as limitations to the effectiveness of the regulatory landscape. To address this, the NCMMP 2.0 recommends operationalising a regulatory sandbox for VASPs (see section 4.1). The aim of this is to create a controlled environment for VASPs to test their solutions while the SEC gains more exposure and understanding of the space. The NCMMP 2.0 also recommends incorporating training

on smart-contract audits, decentralised finance, and virtual asset VASP supervision into the broader human capacity development curriculum for SEC officials.

The SEC also requires stronger expertise in regulating the sustainable finance and non-interest finance ecosystems. Deliberate steps have been taken to regulate this space, such as through establishing reporting frameworks and compliance standards for labelled and sukuk bonds, but there remains a human capacity gap that hinders the SEC's adjustment to the changing landscapes of sustainable and non-interest finance.

The NCMMP 2.0 recommends that the SEC develops specialised regulatory expertise in Islamic Capital Market instruments and structures with a technical unit staffed with specialists in sukuk regulation, Islamic fund structures, Shariah governance, Islamic fintech, ESG-linked non-interest products, sustainable finance competencies covering sustainability as well as climate disclosure review and quality assurance, and labelled bonds verification. This should be complemented by deploying digital supervisory infrastructure capable of monitoring Shariah-compliant and sustainable finance activity in real time. For sustainable finance, this should also include monitoring post-issuance reporting compliance, use-of-proceeds tracking, and impact register management.

The NCMMP 2.0 further recommends the development of formal technical cooperation frameworks with the CBN, NGX, professional bodies, Shariah advisory councils, and international Islamic finance regulators. In addition, sustainable finance-specific international exchange partnerships should be forged with a Network of Central Banks and supervisors for Greening the Financial System (NGFS) and peer African regulators to ensure the SEC has both a market-wide perspective and a comprehensive understanding of these emerging fields.

Strengthen the capacity of non-SEC regulatory and government agencies

Beyond the SEC, a number of initiatives within the NCMMP 2.0 are aimed at improving the institutional capacity of regulatory and government agencies operating within the capital markets. There is first the need to build the capacity of PenCom, particularly in the areas of sustainable finance, digital-assets oversight, and risk-based supervision of PFAs. This initiative should begin with diagnosing internal capacity gaps regarding emerging asset classes and risk-based supervision, followed by the deployment of targeted technical-assistance training staff to evaluate thematic instruments without compromising fiduciary duties. For PenCom to safely regulate PFAs, specialised training on digital asset structures, tokenisation, and crypto risks will also be required.

The next activity focuses on improving the institutional capacity of NAICOM. Given the ongoing transformation in the insurance industry and the implementation of the NIIRA 2025, there is a need to enhance the capacity of NAICOM so that any NCMMP 2.0-related roles can be implemented alongside the NIIRA 2025. Firstly, NAICOM will need to leverage external capacity to assist in verifying capital and transitioning to a risk-based capital regime, without stalling broader market initiatives. At the same time, staff will need training in areas such as complex asset-liability matching, investing in long-term infrastructure/ESG assets without threatening claims payouts, and in identifying the risks of virtual assets to prevent market failures and protect policyholders.

Lastly, NCMMP 2.0 recommends boosting NAICOM's regulatory capacity to oversee the transition to national micro-insurance licenses, Takaful integration, and Insurtech APIs.

NCMMP 2.0 also recommends improving the institutional capacity of regulatory and government agencies, including via building the DMO's capacity to deepen the sovereign debt markets. The first step in this activity is to enhance the DMO's capacity in yield curve modelling to better allow the organisation to balance medium-term debt strategies and manage exposure to long-tenor instruments during macroeconomic tightening cycles. Next, a dedicated advisory unit should be created within the DMO to provide states with exposure to capital market mechanisms, ensuring sub-national agencies with varying capacity levels meet strict debt sustainability and rating requirements. There is also a need to build the DMO's technological and operational capacity to launch and manage USSD mobile subscriptions, thus enabling seamless retail onboarding for younger generations and people without bank accounts.

The final activity aims to build the capacity of the Investment and Securities Tribunal (IST) and the broader judicial architecture for capital markets. As identified during stakeholder interviews with the IST, complex issues such as derivatives remain a grey area for the tribunal. In response to this, NCMMP 2.0 intends to deploy continuous, specialised training for IST tribunal members and Federal High Court judges on complex, emerging areas such as derivatives and virtual assets. Furthermore, the plan recommends that lawyers appearing before the IST must be both registered as capital market solicitors with the SEC, and members of the CMSA. This will ensure specialised legal representation and eliminate procedural delays.

Currently, while the IST mandates judgements within 3 months, speed is hindered when dissatisfied parties appeal to the regular Court of Appeal. Given that capital market cases compete with political and criminal dockets, cases drag on for several years, destroying the time value of money. In response, the NCMMP 2.0 recommends building the capacity of the broader judicial system to handle complex capital market appeals and criminal enforcements, with specialised training provided for Court of Appeal judges to reduce case duration, as well as enhancing the tribunal's internal caseload management capacity by training staff and market participants on alternative dispute resolution mechanisms.

Objective 5.2: Enhance intermediary risk and operational resilience

The second objective in this pillar focuses on enhancing intermediary risk and operational resilience through strengthening the resilience, efficiency and competitiveness of capital market intermediaries.

Strengthen the resilience, efficiency and competitiveness of capital market intermediaries

This should begin with a review of the roles and responsibilities of broker-dealers, fund and portfolio managers, custodians, registrars, trustees, issuing houses, investment advisers and other transaction professionals. The review should identify overlapping or outdated functions, clarify liability and accountability, and assess whether current licensing structures, fee arrangements, compliance costs, outsourcing responsibilities and client-asset protection requirements remain appropriate for the market's needs.

Following the June 2027 recapitalisation deadline, the SEC should **assess the financial position and long-term viability of CMOs across each licence category**. This assessment should look beyond compliance with minimum capital thresholds to consider the quality of capital, liquidity, profitability, governance, operational risk and the sustainability of each operator's business model. Where weaknesses are identified, affected CMOs should be required to implement credible, board-approved remediation plans. The SEC should also consider whether fixed minimum capital requirements should, over time, be complemented by proportionate, risk-based capital and liquidity requirements reflecting the nature, scale and complexity of each operator's activities and the client assets it manages or safeguards.

The work-stream should also strengthen technological and operational resilience across the intermediary sector. CMOs should be subject to proportionate expectations covering core systems, investor-facing platforms, digital onboarding, API connectivity, cybersecurity, regulatory reporting, data governance, business continuity and the management of outsourced and other third-party services. Relevant operators should prepare board-approved technology and resilience plans, supported by appropriate reporting to the SEC. Where a CMO remains non-viable or lacks sufficient scale, the regulatory framework should support orderly consolidation, specialisation, business transfer or exit, while protecting client assets, maintaining continuity of service and addressing any competition or financial-stability concerns in coordination with the FCCPC and, where relevant, the CBN.

Objective 5.3: Develop professional and capital market participant capacity

The final objective in Pillar 5 is developing professional and capital market participant capacity by strengthening the pipeline and capacity of capital markets professionals, as well as building capacity for capital markets participants beyond the regulator and professionals.

Strengthen the pipeline and capacity of capital markets professionals

The NCMMP 2.0 recommends updating and modernising the NCMI curriculum. This should be coupled with an updated NCMI funding model, underpinned by a mixture of SEC funding and earmarked market levies, given that the NCMI's aim is to develop capital markets professionals for the market. There will be a need for collaboration between the NCMI and the National Universities Commission to modernise capital markets content across relevant undergraduate tertiary pathways such as accounting, finance, business or economics, as well as more specialised content and relevant NCMI certifications to be incorporated at postgraduate level. Both general (undergraduate) and specialised (postgraduate) content should be periodically reviewed and updated to capture local and global capital markets developments.

A shortage of skilled local talent and a severe brain drain has resulted in a scarcity of practical knowledge among new recruits and existing professionals in Nigeria's capital markets. To fill capacity gaps, industry associations tend to partner with their respective regulators to train professionals, as

well as recommending that their professionals take up industry certification such as The Chartered Institute of Stockbrokers (CIS) and Chartered Financial Analyst (CFA). These certifications help bridge the skills gap, but do not necessarily prepare professionals for the realities of the market. Given that Nigeria lacks a single, specialised, market-wide capital markets institute similar to the South African Institute of Financial Markets (SAIFM) **the NCMMP 2.0 recommends consolidating the various, siloed capacity building initiatives into a more aligned and impactful structure.** This should be carried out by convening the providers of capacity-building initiatives in the capital markets (such as AIGN, ASHON and the NGX) to take stock of the current approaches, conduct a market-wide capacity audit to identify areas of shared capability, before collaborating to harmonise training delivery across capital market professionals. Furthermore, to address the brain drain, there is a need for increased collaboration between Nigerian professional bodies and capacity providers with the Nigerian diaspora working in capital markets, in order to increase knowledge transfer through mentoring programmes, return programmes for senior diaspora professionals, and partner with Nigerian professional bodies abroad.

The NCMMP 2.0 recommends strengthening the professional standards, competency and supervision of Nigeria's capital market practitioners through a modern, risk-based licensing and professional development framework. This should begin with the establishment of a unified national competency framework incorporating tiered specialist designations across key disciplines, including investment analysis, fund management, fintech, ESG, market infrastructure and compliance. The SEC should review the statutory framework governing professional conduct, ethics, licensing and competency standards to align with international best practice, supported by Mutual Recognition Agreements (MRAs) with recognised regional and international professional bodies.

To ensure that professional competency is maintained throughout practitioners' careers, the NCMMP 2.0 recommends enhancing the SEC Sponsored Individual framework by introducing annual Practising Certificates linked to mandatory Continuing Professional Development (CPD) requirements. These reforms should be complemented by a central public register of certified practitioners detailing qualifications, specialist certifications, licensing status and disciplinary records, together with a strengthened Code of Ethics and an independent disciplinary framework.

The NCMMP 2.0 further recommends completing the ongoing digital transformation of Capital Market Operator (CMO) licensing and supervision through the phased implementation of a single risk-based digital licensing platform covering all categories of CMOs: investment advisory, securities dealing, portfolio management, research analysis and pension investment oversight. The platform should integrate licensing, annual practising certificate renewals, CPD compliance, supervisory reporting and regulatory data into a single digital ecosystem, providing the SEC with enhanced supervisory capability while improving regulatory efficiency, transparency and market integrity.

In line with its focus on sustainable finance, the NCMMP 2.0 recommends developing the capacity of board members, CFOs, sustainability officers, and auditors to prepare, verify,

and assure IFRS S1 and S2 disclosures (ISSB). This involves developing and launching a tiered IFRS S1 and S2 technical training programme tailored across four distinct functional pillars: board governance/oversight, finance team preparation/data management, sustainability materiality assessment, and audit verification/assurance.

For the audit pillar, the focus should be on transitioning from limited to reasonable assurance in line with International Standard on Sustainability Assurance (ISSA) 5000, with auditor training undertaken in partnership with the Institute of Chartered Accountants of Nigeria (ICAN) and the Association of National Accountants of Nigeria (ANAN). Auditor capacity building should be integrated with the FRC's oversight framework, with the aim to ensure auditor readiness by the 2028 mandatory adoption date for IFRS S1 and S2 disclosures.

This initiative will be supported by publishing practical implementation toolkits to complement the training architecture, including standardised data collection templates, materiality assessment guides, and automated IFRS S1/S2 readiness self-assessment tools. Finally, the market will document and integrate operational case studies from the existing early-adopter corporate entities to provide practical benchmarks and live reference blueprints for the broader market ecosystem.

Build capacity for capital markets participants beyond the regulator and professionals

While Pillars 3 and 4 detail mechanisms to crowd-in institutional capital and encourage capital markets participation from SMEs, larger private sector companies and state governments, these efforts must be supported by capacity building across the spectrum.

Therefore, the NCMMP 2.0 recommends operationalising the SEC-SMEDAN MoU to incubate and strengthen a pipeline of SMEs with a view to raising funds (via equity or debt) and building capacity on topics such as financial reporting. Further, NCMMP 2.0 recommends the expansion of SEC's incubation programme to include other potential private sector issuers and state governments, who should undergo capacity building concerning capital markets issuance. In partnership with DFIs, this could include capacity building on issuing labelled instruments, covering project identification, sustainable finance framework development, proceeds management impact reporting.

The media ecosystem serves as a core transmission mechanism through which retail investors, market operators, and political stakeholders interpret capital market integrity, regulatory policy shifts, and enforcement outcomes. The NCMMP 2.0 recommends establishing a Capital Markets Journalism Capacity and Accreditation Framework to upgrade the technical

depth and accuracy of public financial reporting across the domestic media ecosystem. This initiative should begin with a direct partnership between the NCMI, the Nigeria Union of Journalists (NUJ), and professional bodies such as the CFA Society Nigeria to co-author a specialised capital markets curriculum and implement a tiered professional accreditation system for financial reporters. To support accurate media coverage and reduce market uncertainty, the NCMMP 2.0 recommends modernising the SEC's internal communications function through the deployment of a secure digital media portal that provides accredited journalists with real-time access to clean market data, regulatory circulars, and verified enforcement outcomes. To encourage high-integrity reporting, the framework should introduce an independent Capital Market Reporting Fellowship Fund providing merit-based financial grants for certified journalists conducting deep-dive, investigative reporting on market conduct, systemic risk, and retail investor protection. Finally, the NCMMP 2.0 recommends formalising strategic partnerships with technical trade publishers, including CFA Institute publications and the specialised financial market trade press, to provide technical deep-dives alongside general press coverage, supported through regular biennial NCMI curriculum updates to reflect shifting regulatory environments.

Finally, to address the underlying gap in technical capacity that could affect execution of initiatives targeted at increasing sub-national issuances, the SEC should co-deploy a targeted sub-national capacity-building programme in direct partnership with development partners such as FSD Africa. This programme should directly up-skill state ministries of finance in international financial reporting standards, project preparation methodologies, and debt sustainability forecasting. To anchor this framework empirically and build momentum, the SEC should launch targeted consultation tracks with a selected priority cohort of regionally representative states. Specifically, Lagos State, Kaduna State, Cross River State, and Benue State could serve as the core pilot jurisdictions given their established experience in sub-national debt issuance.⁸¹ These pilot states could co-design and test the new SPV blueprints, credit enhancement structures, and fast-track DMO approval pathways, establishing visible reference models for the smaller states in Nigeria. As the technical capacity gaps vary by state, the training modules within the programme should leverage the consultation sessions to ensure training material is tailored to the specific capacity gaps within each state. This would ensure the programme's effectiveness and impact across the diverse range of sub-nationals. Finally, this programme could include a technical assistance (TA) component, where dedicated TA teams are dispatched to each of the priority states, ensuring each TA team possesses the knowledge and experience necessary to bridge the capacity gaps in their assigned states.

⁸¹ Nairametrics, 2026. Available [here](#)

5. The Implementation Plan



The Implementation Plan

The implementation plan should be read in conjunction with the NCMMP 2.0 write up from Section 4. The implementation plan consolidates the actions contained in the NCMMP 2.0 under their respective pillars. Each action is presented next to its corresponding granular steps, to provide a roadmap for Nigeria's capital markets over the NCMMP 2.0's ten-year time horizon.

The implementation plan expands on the NCMMP 2.0 by presenting the output of each activity; this represents a concrete qualitative or quantitative state that the action drives. In recognition of the fact that individual activities, in isolation, seldom drive visible market change, outputs are typically presented as direct results rather than market-wide indicators.

Each activity in the implementation plan is assigned a priority level and difficulty level. The priority level reflects the overall importance of an action, based on the likely impact that it would have on the broader capital markets. The difficulty level reflects a number of interrelated factors, including the expected complexity of the action from a technical and collaborative perspective, the likely time required to implement the action and the likely attendant costs. The most difficult activities are therefore those that are

some combination of technically difficult, requiring wide-ranging collaboration, time-consuming, or likely to have sizable financial costs.

The implementation plan contains a Responsible, Accountable, Consulted, Informed (RACI) framework for each action. This sets out the institution responsible for executing each activity, the institution accountable for its overall delivery, the entities to be consulted during implementation, and those to be informed of progress.

The implementation plan contains reference to certain dependencies per action, which underpin the successful delivery of the action. This generally refers to other aspects of the capital markets that must be in place in order for an action to be successfully delivered. To provide a baseline for resource planning, each activity contains an assessment of its indicative cost (in US\$) and the assumed primary funding source. These assessments should be treated as flexible, non-binding estimates rather than static budget allocations, intended to guide subsequent resource-mobilisation cycles. Costs and sources are distributed across the following set of fixed buckets/bands.

Table 12: NCMMP 2.0 funding parameters

Cost Band	Funding Source Buckets
Band A: Less than US\$100,000 Band B: US\$100,000 to US\$500,000 Band C: US\$500,000 to US\$2,000,000 Band D: Over US\$2,000,000	1: SEC fee income/internal budgets 2: Donor/DFI technical assistance (e.g. FSD Africa and others) 3: DFI implementation partnership 4: Market levy 5: Multilateral development bank funding 6: Private sector co-financing

The funding source buckets were developed in recognition of the fact that not all initiatives are the same and some would require DFI/donor assistance, dedicated market levies, as well as MDB financing and private sector co-financing.

5.1 Foster Regulatory Clarity, Coordination, and Enforcement

The following implementation matrix sets out the activities required to further develop Nigeria's capital market legal and regulatory framework. These activities focus on improving inter-agency cooperation, clarifying and strengthening market rules, enhancing supervisory architecture and investor protection, developing market conduct frameworks, and managing systemic risks.

#	Activity	Granular Steps	Output	Priority	Difficulty	Timeline	Dependencies	R	A	C	I	Funding
Objective 1.1: Ensure regulatory clarity and harmonisation												
Improve inter-agency cooperation												
1.1	Centralise of filing across different regulators to avoid multiple filings and promote market transparency	1.1.1 Establish a unified national digital repository to streamline corporate submissions across the Financial Reporting Council (FRC), SEC, CBN, Corporate Affairs Commission (CAC), NAICOM and PenCom, as well as other regulators. 1.1.2 Sign binding inter-agency MoUs to ensure real-time routing of data packets. 1.1.3 Creation of single-window capital raising workflows, allowing relevant regulators to review submissions in parallel, thereby affecting time to market. 1.1.4 Harmonise reporting calendars across regulators into a unified schedule to avoid a single infraction leading to multiple penalties.	Centralised digital repository for corporate submission operationalised	High	Medium	Year 1 - 7	Inter-agency cooperation across SEC, FRC, CBN, CAC, NAICOM, PenCom	SEC, FRC	SEC	FSRCC, Exchanges	Market participants	Indicative Cost: Over US\$2,000,000 Funding Source: Donor/ DFI TA, DFI implementation partnership, MDB funding
1.2	Strengthen the FSRCC's capital markets coordination function	1.2.1 Conduct a co-design engagement with FSRCC Secretariat, covering joint objective-setting, technical scope, RACI confirmation, dependencies, and a published memorandum of understanding or joint workplan 1.2.2 Engage with the FSRCC secretariat to comprehensively map current capital markets coordination arrangements. 1.2.3 Propose specific structural enhancements to the FSRCC's capital markets workstream, including a dedicated technical sub-committee, formal agenda-setting protocols, an escalation mechanism, and joint information-sharing setups. 1.2.4 Establish SEC-led bilateral agreements with the FRC (on IFRS S1 and S2), CAC (on company filings), and CBN (on virtual assets and S4 infrastructure) as complementary coordination mechanisms.	FSRCC capital markets function optimised, technical sub-committee operationalised, and bilateral MoUs activated.	High	Medium	Year 1: Co-design stage Year 2: remainder	Co-design stage to proceed to rest of activity	SEC	SEC	Local intermediaries of such private funds	Market, other regulators	Indicative Cost: US\$ 100,000 to 500,000 Funding Source: SEC Fee Income, Donor/DFI TA

#	Activity	Granular Steps		Output	Priority	Difficulty	Timeline	Dependencies	R	A	C	I	Funding
1.3	Establish a Commodity Market Development Council with lessons from the previous commodities implementation structure	1.3.1	Conduct a Year 1 diagnostic of the Commodities Trading Ecosystem Implementation Committee established under the previous CMMP, identifying reasons for limited delivery, including mandate clarity, stakeholder commitment, resourcing, political support, implementation authority, secretariat capacity, reporting lines and the absence of binding milestones.	Commodity Market Development Council operational; governance structure agreed, secretariat established, workplan approved, institutional owners assigned and annual implementation reporting in place	High	Low	Year 1	Access to lessons from the previous Commodities Trading Ecosystem Implementation Committee; SEC leadership; Agreement among CBN, FMoF, Ministry of Agriculture and Food Security, Ministry of Solid Minerals Development, SON, NIRSAL, NAICOM, PenCom, commodity exchanges and market participants	SEC, newly established secretariat	SEC	CBN, FMoF, Ministry of Agriculture and Food Security, Ministry of Solid Minerals Development, SON, NIRSAL, NAICOM, PenCom, commodity exchanges, warehouse operators, producer and processor associations	Commodity producers, traders, investors, market intermediaries, issuers, general public	Indicative Cost: US\$ 100,000 to 500,000 Funding Source: SEC fee income, Donor/DFI TA
1.3.2		Establish a Commodity Market Development Council, with a clear mandate to coordinate the regulatory, infrastructure, financing and product-development workstreams required to build a trusted national commodity market ecosystem.											
1.3.3		Define the Council's governance model, including chairing arrangements, membership, secretariat, decision-making process, reporting obligations, escalation channels, annual workplan, implementation milestones and relationship with the CMMP governance and M&E framework.											
1.3.4		Assign named institutional owners for each major workstream, including warehouse licensing, commodity grading, EWR legal recognition, collateral management, banking-sector acceptance, insurance, EWR repository connectivity, exchange trading, clearing and settlement links, commodity market data and phased product development.											
1.3.5		Require the Council to publish an annual implementation plan and maintain a decision and action log, with progress reported periodically through the NCMMP 2.0 governance and M&E framework.											
1.4	Collaborate with international regulators to manage private capital funds that are domiciled abroad but raise funds in Nigeria	1.4.1	Co-design a formal mutual recognition framework for offshore investment vehicles in close partnership with PEVCA, establishing streamlined approval pathways in exchange for home-country IOSCO MMOU compliance.	Foreign PE/VC fund provisions updated,, collaboration with foreign regulators established under a mutual recognition framework	Medium	High	Year 1	Foreign regulator collaboration	SEC, PEVCA	SEC	Local intermediaries of such private funds	Market	Indicative Cost: US\$ 100,000 to 500,000 Funding Source: SEC fee income, Donor/DFI TA, DFI implementation partnership
1.4.2		Deploy a digital single-window cross-border offering notification portal, granting fast-track market entry to foreign-domiciled investment vehicles that distribute exclusively through locally registered capital market operators.											
1.4.3		Defer to equivalent home-state regulatory oversight for approved offshore investment vehicles, while requiring automated beneficial ownership reporting and ISSB-aligned sustainability disclosures to prevent illicit financial flows.											
1.4.4		Codify dual-jurisdiction enforcement protocols with foreign funds' home regulators to address cross-border fraudulent activities under the jurisdiction of the Investment and Securities Tribunal (IST).											

#	Activity	Granular Steps		Output	Priority	Difficulty	Timeline	Dependencies	R	A	C	I	Funding
Clarify market rules and making unwritten principles concrete													
1.5	Create a Regulatory Governance Framework	1.5.1	Issue a Regulatory Governance Framework that clearly sets forth the SEC's rule making procedure and explains the hierarchy and differences between a rule, a circular, a guideline.	A robust Regulatory Governance Framework that gives clarity and transparency around the SEC's rulemaking	High	Medium	Year 1 -2	SEC capacity and resourcing	SEC	SEC	CAC, FRC	Market	Indicative Cost: US\$ 100,000 to 500,000
		1.5.2	Establish a regulatory lifecycle and mandate formal Regulatory Impact Assessments (RIAs) for substantive new rules.										Funding Source: SEC Fee Income, Donor/DFI TA
1.6	Formal drafting of unwritten principles and consolidation of rules and amendments in one place accessible to all capital market operators	1.6.1	Audit internal regulatory workflows to formally codify all unwritten customs and market practices into the explicit SEC Rulebook, with clear definitions of rules, guidelines and circulars highlighted.	Consolidated SEC Rulebook, clarified rule making procedure, clarification of different instruments	High	Medium	Year 1-3	SEC capacity and resourcing	SEC	SEC	Market	Market	Indicative Cost: US\$ 100,000 to 500,000
		1.6.2	Consolidate the baseline 2013 SEC Rulebook and all subsequent scattered amendments, guidelines, and circulars into a single, master regulatory text.										Funding Source: SEC fee income
		1.6.3	Develop and deploy a single unified rulebook portal ensuring it is accessible to all market participants (operators, investors, issuers, etc).										
1.7	Achieve tax neutrality across capital markets products	1.7.1	Conduct an in-depth review of Nigeria's new tax structure including for capital markets and other financial assets.	Tax neutrality across capital markets products, including compared to other financial assets	High	High	Year 2 - 4	SEC capacity and resourcing. Willingness of FMoF and NRS to be engaged and persuaded	NRS, FMoF	SEC	Market	Market	Indicative Cost: US\$ 100,000 to 500,000
		1.7.2	Develop a reasoned list of amendments for ideal tax treatment to promote parity.										Funding Source: SEC fee income
		1.7.3	Engage the FMoF and the NRS regarding the differential in tax treatment with a view to securing tax neutrality and to open an ongoing line of communication regarding tax and related matters.										
1.8	Establish clear regulatory standards for the treatment of warehouse receipts as secure financial collateral to promote the commodities market	1.8.1	Conduct a review of current Central Bank rules on movable collateral and identify the gap between existing regulation and practical treatment.	EWRs formally recognised as collateral	Medium	High	Year 2	N/A	SEC, CBN	SEC	Commodity Exchanges (e.g. AFEX, LCFE)	FMoF, General public	Indicative Cost: US\$ 100,000 to 500,000
		1.8.2	Issue explicit regulatory guidance (or amend existing rules) mandating that loan positions backed by warehouse receipts be treated as secured positions.										Funding Source: SEC fee income, Donor/DFI TA
		1.8.3	Conduct awareness drives for bank auditors and the banking sector to align internal audit and provisioning standards with the updated regulatory position.										
		1.8.4	Ensure compliance and monitoring adherence across the entire banking sector.										
1.9	Establish IFRS S1 and S2 (ISSB) as the primary reporting standard across regulators from mandatory adoption period	1.9.1	Convene a joint regulatory alignment working group comprising the FRC, SEC, and NGX to map overlapping disclosure obligations and agree on a single, consolidated compliance pathway for issuers.	Jointly published FRC-SEC-NGX compliance pathway and updated SEC listing rules operationalising mandatory IFRS S1/S2 disclosures for listed	High	Medium	Year 1	Market technical capacity	FRC, SEC, NGX Group	FRC, SEC, NGX Group	FMDQ, ISSB/IFRS Foundation, early adopters	FMoF, all listed companies, CMOs, general public	Indicative Cost: US\$ 100,000 to 500,000
		1.9.2	Issue formal SEC circulars confirming ISSB standards as the mandatory benchmark for all capital market participants from January 2028.										Funding Source: SEC fee income, Donor/DFI TA

#	Activity	Granular Steps	Output	Priority	Difficulty	Timeline	Dependencies	R	A	C	I	Funding
		1.9.3	Co-develop readiness assessment tools with the FRC to enable issuers to benchmark their disclosure preparedness against early adopters and amend listing regulations to embed these standards as a mandatory statutory obligation.									
		1.9.4	Jointly design and publish a proportional, tiered sanctions framework and transitional guidance note for non-compliance.									
1.10	Establish a framework and incentives for PE funds to list on existing exchanges	1.10.1	Amend collective investment scheme rules to recognise listed private equity funds as permanent capital vehicles.	Medium	Medium	Year 2 - 3	PE fund listing willingness	SEC	SEC	PE funds	Market	Indicative Cost: US\$ 100,000 to 500,000 Funding Source: SEC fee income, Donor/DFI TA, Private sector co-financing
		1.10.2	Formulate a strategic incentives architecture by collaborating with revenue authorities to secure pass-through tax neutrality, secondary market stamp duty exemptions, and a tiered, concessionary listing fee structure.									
		1.10.3	Issue a joint regulatory circular allowing pension and insurance funds to classify listed PE allocations under highly liquid infrastructure asset bands.									
		1.10.4	Codify dual-jurisdiction protocols and international dual-listing frameworks via depositary receipts for offshore vehicles.									
1.11	Enforce post-issuance impact reporting for sustainable finance products	1.11.1	Develop and publish a standardised post-issuance reporting template operationalising the existing annual reporting obligation under the 2018 Green Bond Rule and 2021 Social Bond Rule.	High	Medium	Year 2 - 3	Ongoing updates to reporting templates for new instrument categories	SEC	SEC	FMDQ, NGX Group, existing labelled issuers, ICMA/CBI	CMOs, institutional investors, prospective issuers	Indicative Cost: Less than US\$ 100,000 Funding Source: SEC fee income, Donor/DFI TA
		1.11.2	Establish and maintain a publicly accessible digital impact register listing all labelled issuances with use-of-proceeds status, reported impact metrics, and compliance status; non-filers flagged publicly on an ongoing basis.									
		1.11.3	Operationalise a graduated sanctions regime for non-compliance with the existing reporting obligation where on first failure, formal notice and public register flag are issued while on; second failure, eligibility to issue further labelled instruments is suspended.									
		1.11.4	Develop and implement a verification architecture for impact reporting, aligned with ICMA and CBI standards, covering the role of SPO providers, capacity building for the SEC and domestic verifier capacity building.									
1.12	Expand the regulation of new categories of sustainable capital markets instruments	1.12.1	Develop and consult on a consolidated Sustainable Capital Markets Instruments Rule superseding the 2018 Green Bond Rule and incorporating the 2021 Social Bond Rule.	High	Medium	Year 1 - 2	SEC capacity	SEC	SEC	FMDQ, NGX Group, DMO, state government, InfraCredit, ICMA, CBI, potential	Institutional investors, capital market operators, prospective issuers	Indicative Cost: US\$ 100,000 to 500,000 Funding Source: SEC fee income, Donor/DFI TA

#	Activity	Granular Steps	Output	Priority	Difficulty	Timeline	Dependencies	R	A	C	I	Funding
		1.12.2	Introduce a sustainability bond framework within the consolidated rule, using the ICMA Sustainability Bond Guidelines (2021) as the reference standard.							transition bond issuers (oil and gas, cement, power sectors)		
		1.12.3	Introduce a transition bond framework within the consolidated rule, using the ICMA Climate Transition Finance Handbook as the reference standard.									
1.13	Issue/update risk-based CCP capital adequacy and financial resources rules	1.13.1	Review the existing SEC minimum capital framework for CCPs and assess whether it is sufficient for CCPs' current and planned risk profiles, including derivatives, repo, commodity derivatives and other centrally cleared products.	High	Medium	Year 1-2	ISA 2025 rulemaking authority; PFMI and CPMI-IOSCO standards; SEC-CBN coordination on systemic-risk and clearing issues; inputs from CCPs and clearing members	SEC	SEC	CBN, CCPs, CCP shareholders, clearing members	Investors, foreign institutional investors, market participants	Indicative Cost: US\$ 100,000 to 500,000 Funding Source: SEC fee income, Donor/DFI TA
		1.13.2	Develop a risk-based CCP capital adequacy and eligible financial resources rule or guidance note (covering paid-up capital, liquid net assets funded by equity, default fund resources, liquidity resources, skin-in-the-game, recovery resources, wind-down needs, stress-testing and reporting requirements).									
		1.13.3	Issue the final rule or guidance note and require CCPs to submit periodic capital adequacy, default fund, liquidity and stress-testing reports to the SEC, with supervisory triggers for remediation where requirements are not met.									
1.14	Establish a netting and financial collateral framework and clarify SEC-CBN derivatives jurisdiction	1.14.1	Obtain a definitive legal determination of the boundary between SEC and CBN derivatives jurisdiction under ISA 2025 — specifically whether currency and interest rate derivatives fall outside SEC's statutory remit and are properly CBN's, or whether SEC's existing rules extend to them.	High	High	Year 1 - 3	ISA 2025 FMI and settlement finality provisions, Federal Ministry of Justice sponsorship of netting legislation, Confirmation of SEC/CBN jurisdictional scope, Activity 2.6 (ring-fenced S4 subsidiary), RBS methodology development	SEC (SEC-perimeter instruments) / CBN (currency and interest rate derivatives, S4-cleared)	SEC (SEC-perimeter) / CBN	CBN on SEC-led steps, SEC on CBN-led steps. ISDA/ market counsel on netting opinion scope	Clearing members, institutional investors, market participants	Indicative Cost: US\$ 100,000 to 500,000 Funding Source: SEC fee income, Donor/DFI TA
		1.14.2	Re-establish a joint co-design engagement between the SEC and CBN covering joint objective-setting, technical scope and RACI confirmation for the derivatives space									
		1.14.3	Jointly sponsor, with the Federal Ministry of Justice, a dedicated netting and financial collateral statute (or targeted amendments to CAMA, BOFIA and Nigeria's insolvency framework) defining qualifying financial contracts, master netting agreements and financial collateral arrangements, and disapplying the relevant automatic stay, preference and mutuality provisions for those contracts — irrespective of counterparty type, product, or clearing status.									
		1.14.4	Confirm the application of ISA 2025's settlement finality provisions to derivatives cleared through SEC-recognised CCPs and FMIs, as a complementary layer to the netting statute for centrally cleared trades.									

#	Activity	Granular Steps		Output	Priority	Difficulty	Timeline	Dependencies	R	A	C	I	Funding
1.15	Establish a regulatory framework for interoperable mobile-enabled capital market access	1.15.1	Establish a National Digital Capital Markets Integration Framework aligning the SEC, CBN, NGX, CSCS, NIBSS, MNOs, and fintechs to create unified supervisory protocols for digital investment platforms, embedded finance, robo-advisory, and API-enabled distribution.	Interoperable regulatory framework enabling integration of MNOs and fintech digital wallets Capital market infrastructure adopted and operational, Gender-responsive digital access guidelines issued	High	High	Year 1-3	Inter-agency coordination between SEC, CBN and NCC. Interoperable payment, mobile money and securities settlement infrastructure. Investor digital identity, e-KYC and AML/CFT frameworks Technical interoperability, cybersecurity and data protection standards	SEC, CBN, NCC	SEC	Payment System Operators, CSDs, MNOs, Fintechs, Industry Associations	General public	Indicative Cost: US\$ 100,000 to 500,000 Funding Source: SEC fee income, Donor/DFI TA, DFI implementation partnership
1.15.2		Establish digital onboarding standards, including e-KYC, digital identity verification, e-signatures and risk-based customer due diligence.											
1.15.3		Develop consumer protection, cybersecurity, data privacy and complaints-handling requirements for digital investment channels.											
1.15.4		Incorporate gender-responsive UI/UX and access standards into MNO and fintech digital investment platforms.											
Strengthen the supervision framework for digital, virtual and tokenised assets													
1.16	Operationalise the virtual asset council governance structure and activity-based registration architecture	1.16.1	Participate actively as Vice-Chair of the newly established Virtual Asset Council (VAC) to co-develop the 30-day Harmonised Implementation Framework alongside the CBN, NRS, NFIU, ONSA, and the Attorney-General of the Federation.	Operational integration of the SEC's supervisory workflows into the Virtual Asset Office's central SupTech platform, equipped with real-time market surveillance, FATF Travel Rule data verification, and automated reporting interfaces	High	Medium	Year 1-3	Formal adoption and release of the 30-day Harmonised Implementation Framework co-developed by the Virtual Asset Council members (CBN, SEC, NRS, NFIU, ONSA, and the Attorney-General of the Federation)	SEC, CBN	SEC	ONSA, NFIU, NRS	General public, CMOs	Indicative Cost: US\$ 100,000 to 500,000 Funding Source: SEC fee income, Donor/DFI TA, DFI Implementation partnership
1.16.2		Enforce a strict activity-based registration regime where the SEC retains sole jurisdiction over securities-related virtual assets, fund aggregation, and tokenised capital market instruments, while deferring payment, settlement, and non-security custody activities to the CBN.											
1.16.3		Support the Virtual Asset Office (domiciled at the CBN) as the central operational secretariat for application processing, cross-agency data sharing, and jurisdictional arbitration.											
1.16.4		Integrate the SEC's supervisory workflows into the shared, multi-agency Supervisory Technology (SupTech) platform to enable real-time market surveillance, data sharing, and FATF Travel Rule compliance while retaining regulatory ownership of capital market data.											
1.16.5		Collaborate with the Nigeria Revenue Service (NRS) to operationalise the Virtual Assets Tax Policy across registered capital market operators and securities-focused VASPs.											

#	Activity	Granular Steps		Output	Priority	Difficulty	Timeline	Dependencies	R	A	C	I	Funding
1.17	Integrate capital market virtual asset innovations into the coordinated sandbox and graduation pathway	1.17.1	Coordinate with the CBN-led Virtual Asset Sandbox to establish a dedicated capital markets track for testing securities-related digital assets, tokenised real-world assets (RWAs), and capital market infrastructure innovations.	Updated and CBN-aligned ARIP, with the first VASPs and DFSPs granted entry	Medium	Medium	Year 1 - 2	Formal issuance of the Virtual Asset Council's (VAC) 30-day Harmonised Implementation Framework and operationalisation of the CBN-led Virtual Asset Sandbox structure to accommodate a distinct, SEC-administered capital markets track	SEC, CBN	SEC, CBN	CMOs, VASPs	Custodians, Investors, Retail investors, fintech"	Indicative Cost: US\$ 500,000 to 2,000,000
1.17.2		Re-align the SEC's Accelerated Regulatory Incubation Program (ARIP) to serve as the formal capital market onboarding and evaluation pipeline feeding into the broader multi-agency sandbox environment.	Funding Source: SEC fee income, Donor/DFI TA,										
1.17.3		Establish a risk-based segmentation framework evaluating transaction scale, retail investor exposure, and systemic risk parameters to determine sandbox admission criteria and testing protocols.											
1.17.4		Define explicit operational resilience, cybersecurity, consumer protection, and smart-contract auditing milestones required for sandboxed entities to graduate into fully licensed market operators.											
1.17.5		Participate in multi-agency supervisory cohorts—comprising the SEC, CBN, NDPC, and AML/CFT authorities—leveraging the shared SupTech infrastructure for continuous live-environment monitoring during the testing phase.											
1.18	Establish the institutional, supervisory, and capacity framework for virtual asset securities	1.18.1	Upgrade the SEC's internal digital licensing portal to interface directly with the central Virtual Asset Office repository, streamlining corporate filings, individual fit-and-proper checks, and continuing professional development (CPD) tracking.	Operational Institutional, regulatory and digital licensing framework for Virtual Asset Service Providers	Medium	Medium	Year 2-4	Enactment of the Virtual Asset Service Providers Regulation Bill, 2026	SEC, FSD Africa	SEC	FMF, CBN, NIFU, EFCC, Virtual Asset Service Providers (VASPs)	PenCom, NAICOM	Indicative Cost: US\$ 100,000 to 500,000
		1.18.2	Deliver specialised institutional capacity-building programmes for SEC supervisory personnel covering blockchain analytics, smart contract auditing, decentralised finance (DeFi) risks, and forensic AML/CFT techniques in partnership with international technical partners.										Funding Source: SEC fee income, Donor/DFI TA
		1.18.3	Execute capital market-specific policy priorities outlined in the forthcoming national Virtual Assets White Paper to guide long-term market development, market integrity, and investor protection.										
		1.18.4	Institutionalise joint enforcement and market surveillance protocols with the NFIU, ONSA, and law enforcement agencies to identify, block, and prosecute unregistered, fraudulent, or illicit virtual asset offerings operating outside statutory frameworks.										

#	Activity	Granular Steps	Output	Priority	Difficulty	Timeline	Dependencies	R	A	C	I	Funding
Objective 1.2: Strengthen supervisory and risk management architecture												
Enhance supervisory architecture, risk-based supervision and enforcement												
1.19	Publish a CMO risk taxonomy and supervisory tiering model	1.19.1 Classify all registered capital market operators across governance, prudential, conduct, operational, technology and cyber resilience, financial crime, and market integrity risk categories, with defined indicators for each. 1.19.2 Using the approved risk assessment methodology, assign firms to one of four supervisory tiers based on their overall risk profile. 1.19.3 Communicate each firm's tier assignment and assessment basis, and review classifications annually, with a mechanism for firms to request a review.	Published risk taxonomy, every CMO assigned to a supervisory tier on a stated basis, annual review cycle operating	High	Medium	Year 1	Complete CMO register; client asset data from CSCS and custodians, SEC data quality	SEC	SEC DG	CSCS, NGX, NASD, FMDQ, ASHON, AACN	CMOs, trade associations	Indicative Cost: US\$ 100,000 to 500,000 Funding Source: SEC fee income, Donor/ DFI TA
1.20	Adopt and publish a quantitative risk scoring methodology	1.20.1 Combine impact and probability scores into a composite rating, with the weighting of each component published. 1.20.2 Derive inspection cycles from the rating: 12 months for Tier 1, 24 months for Tier 2, 36 months for Tier 3, and thematic or event-driven review for Tier 4. 1.20.3 Calibrate the model against two years of historical supervisory findings before it takes effect, and recalibrate annually.	Composite risk rating operating for every CMO, inspection frequency determined by score rather than by cycle, methodology published	High	High	Year 2	Published CMO risk taxonomy, historical supervisory findings, Capability of SEC staff	SEC	SEC DG	Other regulators	CMOs, General public	Indicative Cost: Less than US\$ 100,000 Funding Source: SEC fee income, Donor/ DFI TA
1.21	Develop an off-site supervisory monitoring platform	1.21.1 Collect and analyse structured regulatory returns from CMOs, trading and post-trade data from NGX, NASD, FMDQ and CSCS, and complaints data reported by competent authorities under the Complaints Management Framework. 1.21.2 Generate automated risk alerts against defined supervisory thresholds—including capital adequacy, client asset protection, concentration risk and conduct indicators—and integrate the alerts into supervisory planning and inspections. 1.21.3 Issue a published Enforcement Escalation Ladder and Sanctions Guideline to formalise a clear, non-discretionary path of regulatory remedies.	Off-site platform live, automated flags feeding the supervisory plan, complaints data integrated into risk scoring	High	High	Year 3	Published CMO risk taxonomy, published quantitative risk scoring methodology, FMI data-sharing agreements, SEC IT capacity	SEC	SEC	NGX, NASD, FMDQ, CSCS, CMOs, APC, IST, CMSA, ASHON	CMOs, CBN, FSRCC, Investors	Indicative Cost: US\$ 100,000 to 500,000 Funding Source: SEC fee income, Donor/ DFI TA
Strengthen systemic risk management across the capital markets												
1.22	Establish the Systemic Risk Council (SRC) within the SEC	1.22.1 Constitute the Council with a published charter, a quarterly meeting cycle and a standing reporting line reporting to the Director General. 1.22.2 Establish a dedicated Systemic Risk and Market Resilience Unit as the Council's secretariat. 1.22.3 Publish the first Capital Market Risk Outlook and establish the market risk register.	Council constituted and charter published, Unit staffed, first Capital Market Risk Outlook published, risk register maintained	Medium	High	Year 1	SEC Board approval of the SRC within the organisational structure	SEC	SEC	CBN, CSCS, NG Clear, FMD Clear	CMOs, FMIs, Investors	Indicative Cost: US\$ 100,000 to 500,000 Funding Source: SEC fee income, Donor/ DFI TA

#	Activity	Granular Steps		Output	Priority	Difficulty	Timeline	Dependencies	R	A	C	I	Funding
1.23	Run the first stress testing cycle across the three prioritised scenario	1.23.1	Run the default of the largest clearing member simultaneously at CSCS and NG Clearing, testing default fund adequacy, margin sufficiency and loss allocation sequencing.	All three scenarios run, remediation plans filed by each FMI within 60 days of results, baseline established for the annual programme	High	High	Year 1	Establishment of the SRC, FMI Participation	SEC	SEC	CSCS, NG Clearing, FMDQ Clear, NGX, CBN, clearing members	CMOs, Custodians, Investors	Indicative Cost: US\$ 100,000 to 500,000
1.23.2		Run a five day settlement outage at a core FMI arising from a destructive cyber intrusion, testing recovery time objectives, failover and continuity of the S4 interface.	Funding Source: SEC fee income, Donor/DFI TA, DFI implementation partnership										
1.23.3		Run a disorderly foreign portfolio outflow on an FX or sovereign rating shock, testing bond market liquidity, scheme redemption capacity and NGX and FMDQ circuit breakers.											
1.24	Develop and maintain the capital market contagion map	1.24.1	Map bilateral and infrastructure exposures across CSCS, NG Clearing, FMDQ Clear, the S4, custodians, clearing members and the largest dealing banks.	Contagion map developed and refreshed twice yearly, single points of failure identified and addressed	High	High	Year 2 - 3	Establishment of the SRC, Complete first stress testing cycle, FMI data-sharing agreements	SEC	SEC	CBN, CSCS, NG Clearing, FMDQ Clear, custodians	FSRCC, PenCom, NAICOM, market participants	Indicative Cost: US\$ 100,000 to 500,000
1.24.2		Identify single points of failure and common membership overlaps, and report them to the FSRCC.	Funding Source: SEC fee income, Donor/DFI TA										
1.24.3		Refresh the map semi-annually using supervisory and FMI data, and decide whether to prepare an anonymised summary for use in inter-agency coordination and systemic risk monitoring.											
1.25	Institutionalise the annual stress testing programme covering FMI, cyber and climate risks	1.25.1	Require each systemically important FMI to run SEC-specified scenarios annually covering member default and liquidity shortfall.	Annual programme operating from 2029, anonymised summary published each cycle, FMI remediation tracked to closure	Medium	High	Year 3 - 5	Operational capital market contagion map, CBN threat intelligence framework, FRC guidance on IFRS S2	SEC	SEC	FRC, CBN, CSCS, NG Clearing, FMDQ Clear, NGX	Issuers, investors, FSRCC	Indicative Cost: US\$ 100,000 to 500,000
1.25.2		Carry out a simulated cyberattack and operational disruption to test whether critical FMIs and other systemically important capital market institutions can detect, withstand, respond to and recover from a severe cyber incident, using scenarios based on the CBN cyber threat intelligence.	Funding Source: SEC fee income, Donor/DFI TA										
1.25.3		Conduct periodic climate transition scenario analyses of listed issuers using IFRS S2-aligned assumptions, and integrate the findings into the Commission's risk assessment, supervisory planning and regulatory decision-making processes in accordance with the ISA 2025											
Objective 1.3: Enhance market conduct and protection													
Enhance investor protection, compensation and restitution mechanisms													
1.26	Publish and calibrate compensation ceilings across the exchange-administered Funds and the NIPF	1.26.1	Require each exchange-administered fund to publish the maximum compensation fixed by its board.	Compensation ceilings published and comparable across venues	Medium	Medium	Year 1 - 2	NGX IPF and FMDQ-IPF Boards of Trustees, NIPF governance arrangements	SEC	SEC	NGX IPF BoT, FMDQ-IPF BoT, NIPF, CSCS	Investors, CMOs, Dealing members	Indicative Cost: Less than US\$ 100,000
1.26.2		Publish an annual consolidated coverage statement across the NGX IPF, the FMDQ-IPF and the NIPF, showing fund size, claims paid and average time to payment.	Funding Source: SEC fee income, Donor/DFI TA										

#	Activity	Granular Steps		Output	Priority	Difficulty	Timeline	Dependencies	R	A	C	I	Funding
1.27	Develop framework for retail product disclosure, mis-selling prevention, and operator redress	1.27.1	Define mis-selling by reference to suitability breach, disclosure failure and misrepresentation, and align the definition with the suitability rules.	Mis-selling defined and actionable, solvent-operator loss remedied by the operator, Fund capacity preserved for default and defalcation	Medium	Medium	Year 2 -3	SEC clearance workflow, NGX and NASD listing processes, retail panel construction	SEC	SEC	NGX, NAS, FMDQ, Issuers, Fund managers	Investors, CMOs	Indicative Cost: US\$ 100,000 to 500,000
1.27.2		Require a firm to fund a proactive redress exercise where a systemic breach is identified, with restitution calculated on a defined basis and reported to the SEC within 90 days of the finding.	Funding Source: SEC fee income, Donor/DFI TA										
1.27.3		Publish a standard key information document template, a readability threshold and a comprehension testing protocol against a representative retail panel.											
1.27.4		Apply the requirement to public offers, collective investment schemes and digital asset products, and make filing of the test result a condition of clearance.											
1.28	Operationalise a market-wide fraud restitution mechanism	1.28.1	Link the SEC's asset tracing, lien and disgorgement powers under the ISA 2025 to a ring-fenced restitution account held outside the SEC's operating funds.	Recovered proceeds returned to identified victims under a published methodology, interagency MoU executed, restitution account operational	Medium	High	Year 1 -3	ISA 2025 forfeiture provisions, CBN, EFCC and NFIU cooperation, Updated Complaints management framework	SEC	SEC	CBN, EFCC, NFIU, IST, CSCS	Investors, CMOs, General public	Indicative Cost: US\$ 100,000 to 500,000
1.28.2		Execute an MoU with the CBN, the EFCC and the NFIU on the freezing, forfeiture and repatriation of proceeds, and on access to the National Confiscation Wallet.	Funding Source: SEC fee income, Donor/DFI TA										
1.28.3		Publish a distribution methodology for identified victims, including proof of claim, pro rata allocation where recoveries are insufficient, and time limits.											
1.29	Provide a defined efficient dispute resolution and arbitration pathway for foreign investors	1.29.1	Formulate and mandate standard arbitration and mediation clauses for global custodian service level agreements (SLAs) and capital market operator frameworks, fully consistent with the enforcement, interim relief, and emergency arbitrator provisions of the Arbitration and Mediation Act, 2023.	An automated legal recourse guide, dispute status tracking engine, and directory of certified capital market neutral arbitrators integrated into the Single Window digital onboarding portal for non-resident investors.	Medium	Medium	Years2 - 3	Buy-in and cooperation from the IST. Completion of the API architecture connecting the Single Window foreign investor digital onboarding system to the SEC's dispute management portal	SEC	SEC	IST, Federal High Court, CMOs, Global custodians	Foreign investors, General public	Indicative Cost: US\$ 100,000 to 500,000
1.29.2		Issue clear joint SEC-IST practice directives clarifying the jurisdictional interface between private contractual arbitration agreements and the statutory, exclusive primary jurisdiction of the IST over capital market disputes under ISA 2025, minimising jurisdictional clashes.	Funding Source: SEC fee income, Donor/DFI TA, DFI implementation partnership										
1.29.3		Collaborate with the IST and the Federal High Court to establish a fast-track judicial recognition and enforcement mechanism for domestic and international arbitral awards involving foreign and diaspora portfolio investors, drastically reducing the timeline for asset recovery.											
1.29.4		Integrate an automated legal recourse guide and dispute management pathway directly into the Single Window foreign investor portal, offering non-resident investors clear, real-time access to standardised mediation protocols and certified capital market neutrals.											

#	Activity	Granular Steps		Output	Priority	Difficulty	Timeline	Dependencies	R	A	C	I	Funding
Develop market conduct and consumer protection frameworks													
1.30	Issue binding SEC suitability and appropriateness rules	1.30.1	Require every registered intermediary to assess and record a client's objectives, risk tolerance, knowledge and financial capacity before any recommendation.	Suitability assessment mandatory and recorded before recommendation, appropriateness test applied to complex products	High	Medium	Year 2	Consultation with ASHON, AACN and FMDQ. Alignment with the CBN consumer protection framework for bank-distributed products	SEC	SEC	CBN, ASHON, AACN, FMDQ, NGX, Fund managers	CMOs, Investors, General public	Indicative Cost: Less than US\$ 100,000
		1.30.2	Apply an appropriateness test to complex and leveraged instruments sold on an execution only basis, with a documented warning where the test is failed.										Funding Source: SEC fee income, Donor/DFI TA
		1.30.3	Require retention of assessment records for six years and production to the SEC on inspection.										
1.31	Issue SEC product governance rules	1.31.1	Require issuers to define a target market and a negative target market at approval stage, with board level sign off on the product approval process.	Target market defined at approval for every retail product, board accountability established, drift detected through outcomes data	High	Medium	Year 2	Suitability rules implemented	SEC	SEC	Fund managers, Issuers, ASHON, AACN, NGX, FMDQ	Distributors, Investors, General public	Indicative Cost: Less than US\$ 100,000
		1.31.2	Require annual product review against outcomes data, and notification to distributors of any target market change within 10 working days.										Funding Source: SEC fee income, Donor/DFI TA
		1.31.3	Require continuous exchange of sales and outcomes data between issuers and traders so that distribution drift is detected while correctable.										
1.32	Introduce inducement limits and commission disclosure requirements	1.32.1	Conduct a review of the SEC Rules governing brokerage commission caps considering digital distribution economics and global competitive benchmarks.	Non service enhancing commission prohibited, all consideration disclosed in cash terms before sale, volume linked retail incentives removed	High	High	Year 3	Suitability and Product Governance Rules implemented	SEC	SEC	ASHON, AACN, FMDQ, NGX, CBN, fund managers	CMOs, retail staff, investors	Indicative Cost: Less than US\$ 100,000
		1.32.2	Prohibit third party inducements that are not designed to enhance the quality of service to the client, rather than merely requiring their disclosure.										Funding Source: SEC fee income, Donor/DFI TA
		1.32.3	Require pre-sale disclosure of all commissions and non-monetary benefits in cash terms, including commission embedded in product pricing.										
		1.32.4	Ban volume linked sales incentives for retail facing staff, severing internal remuneration from sales volume.										
1.33	Establish a registered digital promoter regime	1.33.1	Require persons who promote securities or digital asset products to the Nigerian public for compensation to register with the SEC as market promoters.	Paid promoters within the registration perimeter, compensation disclosed at the point of communication, takedown route operational	Medium	High	Year 1 - 3	Cooperation of NCC and NBC	SEC	SEC	NCC, NBC, digital asset platforms	Investors, CMOs, issuers, General public	Indicative Cost: US\$ 100,000 to 500,000
		1.33.2	Require disclosure of compensation within the communication itself, in the same medium and prominence, and extend liability to the engaging firm.										Funding Source: SEC fee income, Donor/DFI TA
		1.33.3	Build a social media surveillance capability within the SEC and execute an MoU with the NCC and the NBC on takedown cooperation within 48 hours.										

5.2 Modernise Market Infrastructure

The following implementation matrix sets out the activities required to further develop Nigeria's capital market infrastructure. The activities promote open, efficient and competitive securities markets, developing the commodities and derivatives infrastructure and ensuring cybersecurity and operational resilience.

Table 14: Implementation plan - overseeing and strengthening market infrastructure

#	Activity	Granular Steps	Output	Priority	Difficulty	Timeline	Dependencies	R	A	C	I	Funding
Objective 2.1: Promote open, efficient and competitive securities markets												
Open, efficient and competitive securities markets												
2.1	Establish an SEC-led interoperability and market-structure framework across CSDs, CCPs and related FMLs	2.1.1 Conduct a technical, operational, commercial and governance assessment of existing FMI silos and S4. The assessment should map technical interfaces, manual processes, account structures, access restrictions, ownership links, vertical integration, data-sharing arrangements, access-pricing practices and commercial incentives that currently reinforce fragmentation. 2.1.2 Assess the implications of the two FMI silo ecosystems for interoperability, competition-neutral access, post-trade efficiency and market-user costs, including the effect of FMDQ Holdings' shareholding in CSCS. 2.1.3 Establish an SEC-mandated dedicated FMI-led Working Group (comprising leaders from CSCS, FMDQD, NG Clearing, FMDQ Clear, relevant exchanges and also CBN's Fin Mkts Dept. as the operator of S4, FCCPC and representatives of market players) for market-driven interop/ integration (incl. technical design and implementation). 2.1.4 Publish an SEC interoperability policy statement or consultation paper setting out the regulatory objective, timetable, access principles, service-level expectations, data-sharing requirements and the regulatory toolkit available to the SEC, including rulemaking, licensing conditions, approval of FMI rules, supervisory expectations, directives where justified, and coordination with FCCPC. 2.1.5 Require each relevant FMI to submit a board-approved implementation plan covering system changes, data-sharing arrangements, access criteria, access pricing, service levels, testing, transition sequencing, dispute-resolution arrangements and risk controls. 2.1.6 Issue and enforce upgraded and binding interop and data-sharing rules mandating multi-directional data flows, fair, non-discriminatory access, STP and service level standards across trade and post-trade infrastructures. 2.1.7 Sign an MoU with the CBN to ensure that the S4 is covered by the same standards as the market's other FMLs.	CSD–CCP interoperability framework operational, with agreed roles; technical, commercial and governance frictions mapped; competition-neutral access principles agreed; approved FMI implementation plans; data-sharing and STP standards implemented across FMLs	High	High	Year 2 - 4	SEC/CBN and FMI alignment; legal review of access and data-sharing powers; active FCCPC involvement; alignment with Activity on FMI resilience and cyber/ operational resilience	FMLs, SEC (Market Infrastructure Division) CBN	SEC DG, top management	FCPCC AACN ASHON FSRCC NGX, FMD Exch., NASD market players (banks, brokers, custodians)	Custodians, Investors, Issuers, market associations	Indicative Cost: US\$ 500,000 to 2,000,000 Funding Source: SEC fee income, Donor/ DFI TA

#	Activity	Granular Steps		Output	Priority	Difficulty	Timeline	Dependencies	R	A	C	I	Funding
2.2	Mandate real-time technical connectivity across post-trade FMIs and payment-system interfaces	2.2.1	Establish uniform API and technical messaging standards. Based on respective SEC ruling the FMIs involved must establish a unified tech architecture (e.g. ISO20022 messaging standards) to build APIs.	Real-time API connectivity operational across key FMIs, supported by common messaging standards and BVN/ NIN eKYC integration, service level commitments	High	High	Year 4 - 8	Implementation of the SEC-led interoperability framework; agreement on API and messaging standards; alignment with activity on FMI cybersecurity and operational resilience; FMI funding for system upgrades	FMIs, CBN/ NIBSS	SEC	CBN, FMIs, market players (banks, brokers, custodians), AACN, ASHON	Custodians, Investors, Retail investors, fintech	Indicative Cost: Over US\$ 2,000,000 Funding Source: Donor/DFI TA, Market levy, Private sector co-financing
2.2.2		Require relevant FMIs to build and test real-time API connectivity through phased certification (covering connectivity, validation, reconciliation, exception management, operational resilience and cyber resilience).											
2.2.3		Integrate BVN and NIN into the capital market's API infrastructure to enhance eKYC, digital first onboarding and account opening for retailers and foreign investors.											
2.2.4		Map and standardise the interface between capital market infrastructures, RTGS cash settlement, settlement banks and NIBSS, ensuring that securities settlement, cash settlement, reconciliation, exception management and participant notifications can operate on a reliable STP basis.											
2.2.5		Require FMIs to publish technical onboarding specifications and service-level commitments for market participants, including procedures for incident management and operational disruptions.											
2.3	Establish competition-neutral access rules across trading, clearing and settlement infrastructures	2.3.1	Issue SEC rule requiring every CSD to accept STP settlement instructions for securities in its safekeeping from any securities exchange or CCP subject to appropriate operational and risk controls.	Competition-neutral access framework operational, with STP access, admission-for-trading rules, transparent access pricing, service-level standards	High	Medium	Year 4 - 6	Implementation of the SEC-led interoperability framework; SEC rulemaking; FCCPC coordination; legal review of access and competition issues; FMI operational readiness; market-user consultation. SEC-supervised access-dispute mechanism	SEC (FCCPC as backstop on anti-competitive practices)	SEC	CSDs, exchanges	Intermediaries, investors	Indicative Cost: US\$ 100,000 to 500,000 Funding Source: SEC fee income, Donor/DFI TA
2.3.2		Require CSDs, CCPs and trading venues to provide access on fair, reasonable, transparent and non-discriminatory commercial terms, with access fees, operational requirements and service levels disclosed to the SEC and affected users.											
2.3.3		Facilitate Admission for trading rules so that a security already listed on one venue can be easily admitted for trading on another competing venue (using the same settlement venue to ensure a level playing field).											
2.3.4		Treat competition-neutral access to core market infrastructure as a market integrity issue under the SEC's mandate to promote fair, efficient and transparent markets, investor protection and systemic-risk reduction.											

#	Activity	Granular Steps		Output	Priority	Difficulty	Timeline	Dependencies	R	A	C	I	Funding
2.4	Review of trading infrastructure and rules	2.4.1	Ensure exchanges and other trading platforms have a programme to constantly review: - Trading system modernisation expectations, capacity, reliability and latency standards and fair access; - Market making frameworks (incentives, obligations, exits); - The need for changes to the trading structure, including pre-trade transparency and order book disclosure and algorithmic trading rules; - SEC to drive harmonisation of trading rules across NGX, FMDQ, and NASD.	Trading platforms that continuously meet the rising expectations of market users	Medium	Medium	Year 4 - 8	Exchange cooperation and access to trading-system and rulebook information; consultation with brokers, market makers, institutional investors and other market users; alignment with consolidated tape and trading-data standards; alignment with competition-neutral access and interoperability reforms	SEC, exchanges	SEC	Market users	Intermediaries, investors	Indicative Cost: Less than US\$ 100,000 Funding Source: SEC fee income
2.5	Enhance the quality of trading data and develop a consolidated tape across trading venues	2.5.1	SEC to define minimum trading-data quality standards across trading venues (standardised data formats, common data fields, timestamps, instrument identifiers, trade identifiers, validation rules).	Standardised data formats with tiered access for data users and consolidated tape operational with mandatory data contribution, independent governance, fair commercial licensing, data-quality standards in place	Medium	Year 4 - 8	Implementation of the SEC-led interoperability framework; SEC data-sharing rules; commercial licensing framework; exchange data standardisation; competition-policy coordination with FCCPC where data access issues arise	SEC and the designated CTP	SEC DG, top management	Trade venues (NGX, FMDQ, NASD) FCCPC data vendors potential users	ASHON, data vendors, institutional investors	Indicative Cost: US\$ 500,000 to 2,000,000 Funding Source: SEC fee income, Private sector co-financing, Market levy	
2.5.2	Issue SEC regulation requiring all trading venues to unbundle price feeds and order book data thus requiring these venues to share their live pre-trade and post-trade data with a central aggregator.												
2.5.3	Establish a data-contribution and commercial licensing framework that recognises the ownership rights and commercial value of exchange data while preventing data silos from undermining market transparency, best execution and investor protection.												
2.5.4	Define tiered access arrangements for different data users (e.g., regulators, brokers, custodians, institutional investors, retail platforms, data vendors...) , reflecting differences in latency, depth of data, usage rights and pricing.												
2.5.5	Establish (or designate) an independent Consolidated Tape provider (CTP) along with a high-level MoU to govern data flow.												
2.5.6	Require CTP to develop an aggregation engine capable of normalising and time-stamping/sequencing the data being received from trading venues.												
2.5.7	Implement fair-access distribution and commercial licensing, allowing brokers, custodians, institutional investors, retail platforms, data vendors to simultaneously access trade information across the entire Nigerian capital market on reasonable and transparent terms.												

#	Activity	Granular Steps		Output	Priority	Difficulty	Timeline	Dependencies	R	A	C	I	Funding
2.6	Establish a ring-fenced S4 subsidiary under an agreed SEC-CBN oversight framework	2.6.1	Conduct a co-design engagement with CBN covering joint objective-setting, technical scope, RACI confirmation, dependencies, and a published memorandum of understanding or joint workplan.	Ring-fenced S4 subsidiary established and operational under an agreed SEC-CBN oversight framework	Medium	High	Year 1: co-design Year 2: preferred architecture confirmed Year 3-4: remainder	Signed SEC-CBN memorandum on the chosen S4 architecture; DMO and FMoF involvement and Federal Executive Council endorsement where required; legal opinion on the corporate and regulatory structure; continuity of federal government securities settlement; funding for system upgrades; transition arrangements for existing participants and federal government debt holders; interoperability with RTGS/ payment systems; completion of co-design phase to proceed to remainder of activity	CBN,SEC	CBN,SEC	DMO, FMoF, FSRC, CSCS, FMDQD, commercial banks, settlement banks, primary dealers, custodians, AACN, ASHON	Commercial banks, market participants, market associations, investors (local, foreign)	Indicative Cost: US\$ 500,000 to 2,000,000 Funding Source: SEC fee income, Donor/DFI TA, Multilateral development bank funding
		2.6.2	Conduct a comprehensive feasibility assessment to map and include a legal analysis on the corporate structure, governance, oversight, and legal/ operational requirements for establishing the S4 settlement system as a subsidiary. Confirm the preferred architecture through a signed SEC-CBN MoU with the DMO and FMoF involvement and Federal Executive Council Endorsement where required.										
		2.6.3	Define the corporate structure, board governance framework and capitalisation model of the S4 subsidiary, including ownership, board composition (CBN, SEC representation, independent board members...), minimum capital, funding sources, cost-recovery principles, ring-fencing arrangements, budgetary requirements and treatment of system upgrade costs.										
		2.6.4	Form a joint SEC-CBN committee to agree on the regulatory oversight and reporting framework of the new subsidiary, balancing the CBN's macroeconomic stability mandate with the SEC's statutory role as the FMI regulator.										
		2.6.5	Draft an operational blueprint for the subsidiary defining its ring-fenced commercial mandate and right to offer ancillary capital market services such as collateral management. Rulebook, participant agreements, outsourcing agreement and service-level standards, links with RTGS/payment systems.										
		2.6.6	Prepare and implement a transition plan.										
		2.6.7	Formally incorporate, license (or recognise), and operationalise the new S4 subsidiary to assume full responsibility for the clearing and settlement of federal government debt.										
2.7	Streamline manual processes by leveraging technology	2.7.1	Conduct an SEC review of compulsory data requirements for account opening, enabling brokers to emulate fintechs by deploying digital onboarding processes that eliminate heavy manual documentation.	Priority manual processes digitised, reducing onboarding, filing, dividend-update and trust-account frictions across all regulated entities	High	High	Year 1 - 4 Year 1: SEC review of data requirements Year 1 - 2: The multi-directional data sharing protocol Year 2 - 4: The CSCS account management system upgrade	SEC KYC and digital onboarding review; cooperation by CSCS, registrars, custodians and relevant market participants; secure identity, e-KYC and data-sharing rails; data protection compliance; CSCS board approval and funding for account-management upgrades; and coordination with the FMI readiness activity	SEC, infrastructure providers, intermediaries	SEC	CBN, intermediaries, banks, brokers, issuers, registrars, NIBSS	Listed companies, investors	Indicative Cost: US\$ 500,000 to 2,000,000 Funding Source: SEC fee income, Private sector co-financing, Donor/ DFI TA
		2.7.2	Issue SEC guidance establishing a multi-directional data-sharing protocol across the CSCS and registrars to create a seamless KYC process.										
		2.7.3	Upgrade the CSCS account management system to automatically recognise and support trust accounts opened for beneficiaries.										

#	Activity	Granular Steps		Output	Priority	Difficulty	Timeline	Dependencies	R	A	C	I	Funding
2.8	Ensure FMI readiness for mass investor onboarding and expanded market access	2.8.1	Require each relevant FMI to review CMMF reforms that may affect its operational capacity, incl. unified onboarding, SIIN, MNO and fintech integration, TFSAs, CIS digital distribution and foreign investors onboarding.	Relevant FMIs have reviewed the operational implications of the Pillar 4 investor-access reforms, identified any required capacity or system upgrades, approved implementation plans where needed. FMIs implement required development	High	High	Year 1 - 6 Year 1: FMI readiness review against relevant CMMF reforms Year 2 – 3: board decisions and implementation planning where upgrades are needed Year 4 – 6: implementation, testing and alignment with Pillar 4 rollout	Activity on investor-data sharing and account-management reforms; Activity on real-time technical connectivity; Pillar 4 activities (MNO and fintech integration, unified onboarding, TFSAs, CIS digital distribution, foreign investor onboarding) ; Pillar 5 CMO technology and operational-resilience standards; FMI board approval and funding for required upgrades	FMIs, SEC	FMI Boards, SEC	CBN, NIBSS, exchanges, custodians, brokers, fund managers, TFSA providers, CIS operators, MNOs, fintechs, registrar associations, CSDs/ depositories and market associations	Investors, foreign investors, issuers, retail platforms, general public	Indicative Cost: US\$ 500,000 to 2,000,000
2.8.2		Based on the review, each FMI must identify any required upgrades (whether system-wise, staffing, operational capacity related).	Funding Source: SEC fee income, Private sector co-financing, DFI implementation partnership										
2.8.3		Where significant upgrades are required the relevant FMI should prepare a board-approved implementation plan and act upon such plan to make the necessary developments ready in time.											
2.8.4		The SEC should monitor implementation readiness through periodic reporting and coordination with the relevant Pillar 4 rollout timelines, so that investor-access reforms are not launched at scale before the supporting post-trade and investor-servicing infrastructure is ready.											
Objective 2.2: Develop deeper, more developed commodity and derivative markets													
Deeper, more developed commodity and derivative markets													
2.9	Strengthen CCP resilience, capital adequacy and clearing service offering to end-users	2.9.1	Require CCPs to carry out a comprehensive PFMI analysis and publish standardised Disclosure Frameworks and quarterly Public Quantitative Disclosures.	CCPs aligned with PFMI principles. regular public disclosure, strengthened risk management, risk-based capital adequacy reviews, approved recapitalisation plans where required, recovery and resolution regimes in place	High	High	Year 2 - 4	PFMI self-assessment completed; SEC/CBN collaboration on recovery/ resolution and systemic risk issues; Pillar 1 CCP capital adequacy rulemaking; availability of funding for recapitalisation where required; alignment with Activity on international recognition and Activity on OTC derivatives and repo clearing	CCPs, SEC	SEC	CBN, clearing members, settlement banks, CCP shareholders, foreign institutional investors	Investors, foreign institutional investors, market participants	Indicative Cost: US\$ 100,000 to 500,000
2.9.2		Conduct a regulatory review to ensure CCPs possess the required risk management systems, margin models, stress testing arrangements, default management procedures, default fund resources, recovery tools etc. necessary to safely handle advanced clearing operations.	Funding Source: Private sector co-financing, SEC free income, Donor/DFI TA										
2.9.3		Conduct a CCP capital adequacy review against international standards and relevant benchmarks, assessing each CCP's paid-up capital, liquid net assets funded by equity, eligible financial resources, default fund size, liquidity resources, recovery and wind-down needs, projected volumes, product scope and clearing member concentration.											
2.9.4		Where capital or financial resource gaps are identified, require each affected CCP to submit a board-approved recapitalisation and financial resources plan to the SEC, setting out whether capital will be raised from existing shareholders, new strategic investors, retained earnings or another credible											

#	Activity	Granular Steps	Output	Priority	Difficulty	Timeline	Dependencies	R	A	C	I	Funding
			.source, together with milestones, funding commitments and governance approvals.									
		2.9.5	Link CCP product expansion, including OTC derivatives, repo, securities lending and commodity derivatives clearing, to the CCP's demonstrated ability to meet the applicable capital, liquidity, default fund, risk management and operational resilience requirements.									
		2.9.6	Mandate that the SEC and CBN collaborate to require all operating CCPs to put acceptable Recovery and Resolution regimes in place to insulate the financial system from systemic default shocks.									
2.10	Develop international recognition of Nigerian CCPs and other FMIs	2.10.1	Align domestic clearing frameworks with international best practices to enable Nigerian CCPs to obtain formal recognition from global regulatory authorities.	Medium	Medium	Year 7 - 9	PFMI-aligned CCP resilience and international standard disclosures; legal certainty on netting, collateral and settlement finality; SEC-CBN cooperation with priority foreign regulators; cross-border custody and settlement readiness; alignment with Activity on cross-border listings and Activity on foreign investor onboarding	CCPs, SEC	SEC	Clearing members, Foreign institutional investors, target markets' supervisory bodies	Local and foreign investors, market participants	Indicative Cost: US\$ 100,000 to 500,000 Funding Source: Donor/DFI TA, Private sector co-financing
		2.10.2	Negotiate and sign bilateral MoUs and supervisory cooperation arrangements with international regulators to support mutual recognition of market infrastructure.									
		2.10.3	Facilitate the transition of Nigerian CCPs from observer status to full institutional membership within global industry associations like CCP Global.									
		2.10.4	Assess opportunities for cross-border FMI linkages with international and peer African market infrastructures and regional settlement or custody arrangements, particularly where these would support cross-border listings, foreign investor access, regional integration and international CCP recognition.									
2.11	Operationalise a legally robust electronic warehouse receipt ecosystem	2.11.1	Oversee the development, licensing, and mandatory inspection of a national network of warehouses, enforcing comprehensive warehouse insurance as a fixed prerequisite.	High	High	Year 1 - 4	Activity on the warehouse receipts regulatory framework and SEC-CBN review of the treatment of warehouse receipts as collateral; formal recognition of EWRs as legally robust, transferable and pledgeable collateral; alignment with ISA 2025, applicable SEC warehouse receipt and collateral management rules,	SEC, warehouse operators, commodity exchanges	SEC	Commodity Market Development Council, CBN, NIRSAL, SON, NAICOM, PenCom, commercial banks, collateral managers, warehouse operators, commodity exchanges, National Collateral	Investors, industry associations	Indicative Cost: Over US\$ 2,000,000 Funding Source: SEC fee income, private sector co-financing, multilateral development bank funding, Donor/DFI TA
		2.11.2	Establish standardised commodity grades and quality standards for five to seven priority commodities to transform physical agricultural and mineral outputs into fungible, predictable market assets.									
		2.11.3	Create and designate a centralised national electronic warehouse receipt (EWR) repository, establishing real-time connectivity to all market participants.									
		2.11.4	Define operational standards for EWR issuance, transfer, pledge, release, cancellation, dispute handling, audit trails, warehouse inspections, insurance verification and data reporting.									

#	Activity	Granular Steps	Output	Priority	Difficulty	Timeline	Dependencies	R	A	C	I	Funding
		2.11.5	Integrate the EWR repository with existing post-trade infrastructure and collateral management frameworks to support interoperability, secured financing, repo markets and commodity-linked capital market products.				and the Secured Transactions in Movable Assets Act / National Collateral Registry framework; establishment and operationalisation of the Commodity Market Development Council as the cross-sector coordination forum; banking-sector acceptance of EWR-backed collateral			Registry, commodity producers and traders.		
2.12	Operationalise existing SEC mandatory clearing rules and align with CBN supervisory expectations	2.12.1	Ensure development of CCP capacity to handle the projected OTC volumes.	High	High	Year 1 - 8	Implementation of Pillar 1 CCP capital adequacy rulemaking; ISA 2025 netting framework operationalisation in Year 1; ISDA recognition in Nigerian law in Year 1 to 2;	SEC, CBN, CCPs	SEC, CBN	Intermediaries, institutional investors	Market participants, issuers, investors, associations	Indicative Cost: US\$ 500,000 to 2,000,000 Funding Source: SEC fee income, Donor/DFI TA
		2.12.2	Ensure ISDA Master Agreement and GMRA recognition in Nigerian law.									
		2.12.3	Finalise the SEC-CBN alignment on currency and interest rate derivatives (where CBN exercises supervisory jurisdiction over banks).									
		2.12.4	Complete the joint regulatory review to evaluate the structural necessity of establishing a dedicated national Trade Repository versus leveraging the existing data-reporting channels.									
2.13	Develop end-user base for derivatives (industrial and commercial companies)	2.13.1	Launch educational campaign to explain to commercial, industrial and agricultural businesses the opportunities to use commodity and other derivative markets for hedging to reduce risk, with metrics to monitor uptake of the training.	Medium	Medium	Year 4 - 10	Suitable cleared derivatives products; strengthened CCP risk management and client-clearing arrangements; mandatory clearing and standardised documentation; participation of GCMs and relevant intermediaries; and cooperation with industry associations for end-user outreach.	SEC, commodity exchanges	SEC	Commodity exchanges, agricultural and business organisations	FMoF	Indicative Cost: US\$ 100,000 to 500,000 Funding Source: SEC fee income, Donor/DFI TA
		2.13.2	Review client protection in CCPs (e.g. segregation of client accounts, porting client accounts in the event of a CM defaulting) to ensure client assets are protected.									
		2.13.3	Encourage General Clearing Members to ensure that clearing services are available to market end-users (e.g. industrial and commercial companies).									

#	Activity	Granular Steps		Output	Priority	Difficulty	Timeline	Dependencies	R	A	C	I	Funding
Objective 2.3: Ensure strong and resilient capital markets infrastructure													
Strong and resilient capital markets infrastructure													
2.14	FMI cybersecurity	2.14.1	SEC-CBN to conduct a cybersecurity assessment of the Nigerian FMIs benchmarking current arrangements against (1) PFMI Principle 17, (2) CPMI-IOSCO Guidance on cyber resilience for financial market infrastructures, (3) Nigeria's Data Protection Act and (4) other relevant Nigerian cybersecurity requirements and guidelines.	FMI cybersecurity framework operational, with baseline cyber assessment completed, FMI board-approved cyber resilience frameworks submitted, independent audit arrangements in place, cyber incident-reporting requirements implemented, and regular cyber testing coordinated by SEC	High	High	Year 1 - 4	SEC-CBN coordination; cooperation with ONSA, NITDA, the National Cybersecurity Coordination Centre and NDPC; cyber expertise within SEC and FMIs	SEC, CBN FMIs	SEC, CBN	ONSA, NITDA, National Cybersecurity Coordination Centre, NDPC, FMIs, intermediaries, AACN, ASHON	Issuers, investors, market participants, auditors, associations	Indicative Cost: US\$ 500,000 to 2,000,000 Funding Source: SEC fee income, Donor/DFI TA, Private sector co-financing
		2.14.2	Require each FMI to prepare a cyber resilience framework and implementation plan, approved by its Board, setting out how it will meet the applicable cybersecurity requirements. The framework and the FMI's compliance with it should be subject to independent audit at regular intervals, with findings reported to the FMI board and submitted to the SEC.										
		2.14.3	Require FMIs to report material cyber incidents, near misses, significant vulnerabilities and cyber-related service disruptions to the SEC and, where relevant, to the CBN within defined reporting timelines, followed by root-cause analysis and remediation plans.										
		2.14.4	SEC to coordinate regular market-wide cyber tabletop exercises and cyber stress tests involving relevant FMIs, settlement banks, registrars, custodians, brokers and public authorities, to test incident escalation, communication, recovery arrangements.										
2.15	Establish FMI operational resilience standards	2.15.1	SEC and CBN to conduct an operational resilience assessment of Nigerian FMIs, covering business continuity, disaster recovery, critical service mapping, third-party and critical service provider dependencies, operational risk resources and incident management.	FMI operational resilience framework operational, with baseline assessment completed, operational resilience expectations issued, FMI board-approved resilience plans submitted, and regular market-wide resilience testing conducted	High	High	Year 1 - 4	SEC-CBN coordination; available information on critical services, outsourcing, third-party dependencies	SEC, CBN FMIs	SEC, CBN	FMIs, intermediaries, critical technology and service providers, ONSA, NITDA, associations	Issuers, investors, market participants, auditors, associations	Indicative Cost: US\$ 100,000 to 500,000 Funding Source: SEC fee income, Private sector co-financing, DFI implementation partnership
		2.15.2	Issue operational resilience expectations for FMIs, aligned with PFMI Principles 15 to 17, covering business continuity, disaster recovery, recovery time objectives, third-party oversight, critical service provider management, incident escalation and operational risk resources.										
		2.15.3	Require each FMI to prepare a board-approved operational resilience plan, BCP/DRP, including critical services, recovery arrangements, third-party controls, testing schedules, governance responsibilities and remediation milestones.										
		2.15.4	SEC to coordinate periodic market-wide operational resilience exercises, including table top and live or partial failover tests involving FMIs, settlement banks, key service providers and relevant authorities, with remediation actions tracked after each exercise										

5.3 Broaden Issuance, Product and Instrument Diversification

The following implementation matrix sets out the activities required to strengthen and deepen Nigeria's capital markets. These activities focus on the interventions required to broaden and deepen Nigeria's issuer base across sovereign, sub-national and private sector issuances, enhancing SME access to capital and promoting further product and instrument diversification, including across non-interest instruments, sustainable finance, commodities, REITs, private capital and asset-backed securities.

Table 15: Implementation Plan - Broaden issuance, product and instrument diversification

#	Activity	Granular Steps	Output	Priority	Difficulty	Timeline	Dependencies	R	A	C	I	Funding
Objective 3.1: Sovereign and sub-national debt market optimisation												
Enhance the sovereign debt market												
3.1	Continue yield curve extension and benchmark consolidation	3.1.1	SEC and DMO to conduct a co-design engagement with the covering joint objective-setting, technical scope, RACI confirmation, dependencies, and a published memorandum of understanding or joint workplan.	High	Medium	Year 1: Co-design Year 2 - 5: Remainder	Completion of co-design stage	DMO	DMO	SEC, CBN	Investors	Indicative Cost: US\$ 100,000 to 500,000 Funding Source: SEC fee income, Donor/ DFI TA
		3.1.2	Continue periodic issuance of long-term sovereign debt to maintain and lengthen the risk-free reference yield curve.									
		3.1.3	Consolidate benchmark issuances by reopening active bond series in order to promote secondary market liquidity.									
3.2	Enhance the market's primary dealer framework	3.2.1	Review selection criteria to expand the PD base beyond banks by amending current capital requirements and reviewing underwriting obligations for discount houses and broker-dealers.	High	Medium	Year 1 - 3	N/A	DMO	DMO	SEC	Investors	Indicative Cost: Less than US\$ 100,000 Funding Source: SEC fee income, Donor/ DFI TA
		3.2.2	Institute data-driven PD performance monitoring to ensure PDs meet market making obligations.									
		3.2.3	Review market making incentives to encourage secondary market liquidity provision.									
		3.2.4	Ensure PDs act as wholesalers to retail intermediaries via APIs.									
3.3	Enhance secondary market liquidity in the sovereign debt market	3.3.1	Ensure functioning of consolidated tape across trading venues.	Medium	Medium	Year 1 - 3	Establishment of consolidated tape, operationalisation of MNO and fintech-based access for sovereign debt	DMO/SEC	DMO/SEC	Exchanges, retail intermediaries	General public	Indicative Cost: US\$ 100,000 to 500,000 Funding Source: SEC fee income, Donor/ DFI TA
		3.3.2	Codify rules and technical architecture to break wholesale sovereign debt lots into smaller lots for retail access.									
		3.3.3	Integrate the above into efforts to ensure retail access to sovereign debt via MNO and fintech integration.									
3.4	Deepen the repo market and short term liquidity for sovereign debt instruments	3.4.1	SEC and CBN to conduct a co-design engagement on ongoing repo initiatives covering joint objective-setting, technical scope, RACI confirmation, dependencies, and a published memorandum of understanding or joint workplan.	Medium	Medium	Year 1 - 4	Inter agency cooperation	SEC/CBN	SEC/CBN	Capital market operators	Investors	Indicative Cost: Less than US\$ 100,000 Funding Source: SEC fee income, Donor/ DFI TA
		3.4.2	Acknowledge and support the CBN's ongoing organic development of commercial bank repos and overnight index swaps on the S4 system.									

#	Activity	Granular Steps	Output	Priority	Difficulty	Timeline	Dependencies	R	A	C	I	Funding
		3.4.3	Review current market participants to encourage repo market participation from institutions outside of commercial banks. Establish a joint-committee with PenCom to explicitly co-design the risk and safety frameworks required for PFAs to legally participate.									
		3.4.4	Frame the transition of commercial bank repos to mandatory clearing through an SEC-approved Central Counterparty (CCP) as a medium-term aspiration, pursuing this integration only after the baseline market is sufficiently deep and joint SEC-CBN regulations are fully harmonised.									
Promote sub-national issuance												
3.5	Develop a sub-national debt regulatory & approval framework	3.5.1	Conduct a formal co-design engagement between the SEC and the DMO covering joint objective-setting, technical scope, RACI confirmation, and a published MoU and joint workplan, while establishing a joint SEC–DMO fast-track committee bound by operational service level agreements (SLAs) for state bond applications.	High	Medium	Year 1: co-design Year 2 - 3: remainder	Co-design stage Operationalisation of ISA 2025 sub-national provisions	SEC, DMO	SEC, DMO	FMoF, State Commissioners of Finance, Financial Market SROs	General public	Indicative Cost: Less than US\$ 100,000 Funding Source: SEC fee income, Donor/DFI TA
		3.5.2	Map overlapping regulatory requirements across the ISA 2025, Fiscal Responsibility Act (FRA) 2007, SEC Rules on Bonds (including Book Building and Shelf Registration guidelines), and DMO guidelines to publish a single, authoritative sub-national debt issuance manual.									
		3.5.3	Mandate independent legal vetting to verify full compliance with Sections 120 to 122 of the 1999 Constitution (as amended), enforcing a State Debt Allocation Law, an irrevocable Sinking Fund, and ringfenced revenue-backed/project-tied SPV escrow insulation as mandatory conditions precedent to primary registration under Sections 95 and 269 of the ISA 2025.									
		3.5.4	Publish and enforce unified reporting and public disclosure templates for state issuers, ensuring ongoing debt sustainability tracking that concurrently satisfies the investor-protection mandates of the SEC and the strict macro-fiscal borrowing constraints of the FRA 2007.									
3.6	Strengthen the sub-national credit enhancement architecture	3.6.1	Formulate a joint credit-enhancement framework defining criteria for integrating InfraCredit AAA-rated local currency guarantees into sub-national offerings.	High	High	Year 2 - 5	Enactment of DFI risk-sharing commitments, and alignment with PenCom investment guidelines	SEC	SEC	DFIs, state governments, PenCom, NAICOM, DMO	Institutional investors, CMOs, general public	Indicative Cost: US\$ 500,000 to 2,000,000 Funding Source: SEC fee income, DFI implementation partnership
		3.6.2	Require sub-national issuers utilising third-party enhancements (e.g., InfraCredit or multilateral facilities) to file the underlying guarantee deeds alongside a binding Irrevocable Letter of Authority, an operational Irrevocable Standing Payment Order (ISPO) targeting the state's FAAC allocations, and an active credit rating report from a SEC-registered agency.									

#	Activity	Granular Steps	Output	Priority	Difficulty	Timeline	Dependencies	R	A	C	I	Funding
Objective 3.2: Private sector capital formation												
Expand corporate equity issuance												
3.7	Facilitate the listing of selected SOEs, with underlying strengthening to ensure they are listing-ready	3.7.1 Update SOE privatisation frameworks to establish a statutory presumption in favour of IPOs rather than trade sales. 3.7.2 Expand MOFI's operational mandate to actively support domestic capital market development by divesting legacy state-owned investments through the public market via IPO-based divestments. 3.7.3 Enforce strict financial reporting and corporate governance reforms across targeted SOEs, mandating a baseline history of three years of audited IFRS-compliant accounts. 3.7.4 Review strategic privatisation modalities (including full versus partial privatisations, dual listings on international exchanges, and the deployment of a federal golden share).	Pipeline of public enterprises being privatised as IPOs	Medium	High	Year 2 - 6	Government-wide buy-in and political will to execute the concept of public entities being listed	FMoF	FMoF	Capital market operators, SOEs	General public, institutional investors	Indicative Cost: US\$ 500,000 to 2,000,000 Funding Source: DFI implementation partnership, SEC fee income, Donor/DFI TA
3.8	Review of incentives for listing/issuance	3.8.1 Review and modernise the listing framework by benchmarking listing rules and prospectus requirements against international best practice, including free float thresholds, dual-/multi-class share structures, and the introduction of a graduated listing regime with proportionate governance and disclosure requirements. 3.8.2 Identify barriers to listing through structured engagement with delisted companies and private companies that have chosen not to list, and publish a trade-off analysis to inform evidence-based reforms. 3.8.3 Review and reform the capital markets fee and compliance framework through a comprehensive assessment and benchmarking of issuance and listing costs against peer markets (Kenya, South Africa, Egypt and Morocco), covering SEC, exchange (NGX, FMDQ and NASD); intermediary and post-listing compliance fees; while considering the introduction of targeted fee incentives for priority issuances, including green, social, sustainability-labelled securities and SME listings. 3.8.4 Improve regulatory efficiency by introducing fixed SEC service standards for prospectus reviews and listing approvals to provide greater certainty and reduce time-to-market. 3.8.5 Establish an issuer support programme, in partnership with the Debt Management Office and Development Finance Institutions (DFIs), to subsidise first-time listing expenses.	Approved Listing Rules and Prospectus Regulations. Listing Barriers Assessment Report and Reform Action Plan. Revised Listing Fee and Issuer Incentive Framework. SEC Prospectus Review Service Charter. First-Time Issuer Support Fund established and operational. Tax Neutrality Framework for Public Listings. Graduated Listing and Free Float Framework implemented.	Medium	High	Year 2 - 3	N/A	SEC	SEC	DMO, IFC; AfDB, GCF, FMof, NRS ,existing and prospective labelled issuers; FMDQ,NGX, prospective first-time issuers	Institutional investor,; capital market operators	Indicative Cost: US\$ 100,000 to 500,000 Funding Source: SEC fee income, Donor/DFI TA

#	Activity	Granular Steps	Output	Priority	Difficulty	Timeline	Dependencies	R	A	C	I	Funding
		3.8.6	Develop a tax-neutral framework for listed and unlisted companies to eliminate tax-related distortions affecting listing decisions, in alignment with the broader tax reform initiatives .									
		3.8.7	Implement a differentiated listing and free float regime by introducing tiered market segments (Premium, Main, Growth and Alternative Boards) with proportionate free float requirements that preserve founder control while maintaining liquidity and investor protection through enhanced surveillance and minimum liquidity standards.									
3.9	Encourage cross-border listings to position Nigeria as a regional hub	3.9.1	Establish regional regulatory reliance and prospectus passporting frameworks with peer regulators via the African Securities Exchanges Association (ASEA) and the African Exchanges Linkage Project (AELP) , Bourse Régionale des Valeurs Mobilières (BRVM) and the Conseil Régional de l'Épargne Publique et des Marchés Financiers (CREPMF) through bilateral cooperation arrangements to facilitate cross-border capital raising and reduce duplication of regulatory approvals.	Medium	Medium	Year 2 - 3	Regulatory mutual recognition, foreign exchange convertibility, tax neutrality, and capital mobility supported by cross-border settlement and custody infrastructure	SEC	SEC	NGX, CBN, CSCS, NRS	Custodian Banks Issuing Banks Foreign Exchanges Market Intermediaries	Indicative Cost: US\$ 100,000 to 500,000 Funding Source: SEC fee income, Donor/DFI TA, Private sector co-financing
		3.9.2	Establish a Regional Capital Markets Integration Strategy aligned with the African Continental Free Trade Area and supported by a dedicated West African integration working group to position Nigeria as the leading capital market in West Africa.									
		3.9.3	Modernise review workflows by aligning internal SEC approval timelines with the Exchange's rapid assessment cycles.									
		3.9.4	Develop a comprehensive cross-border listing framework, including rules for inbound listings by foreign issuers and enhanced opportunities for Nigerian companies to undertake regional listings including an amendment of listing, rules to allow secondary-listed foreign firms to satisfy free-float and volume requirements based on their combined global shareholder register.									
		3.9.5	Develop a dual-currency listing framework to facilitate regional capital raising and attract international investors.									
		3.9.6	Launch an African Depositary Receipts (ADR) framework featuring streamlined approvals, introductory listing fee incentives, cross-border settlement/custody links, and full tax neutrality.									

#	Activity	Granular Steps		Output	Priority	Difficulty	Timeline	Dependencies	R	A	C	I	Funding
Revitalise the corporate debt market													
3.10	Incentivise longer-term corporate debt market	3.10.1	Conduct a co-design engagement with the DMO and PenCom covering joint objective-setting, technical scope, RACI confirmation, dependencies, and a published memorandum of understanding or joint workplan.	Regular issuance of longer-term debt by corporations, surpassing the ₦ 688 billion issued in 2023	Medium	Medium	Year 2: co-design stage Year 3: remainder	Completion of co-design phase to proceed to remainder of activity	SEC, DMO, PenCom	SEC	Corporations, Capital market operators, FMOF, NRS	General public	Indicative Cost: US\$ 100,000 to 500,000
		3.10.2	Support the DMO's ongoing development of the sovereign government bond yield curve to serve as an accurate, transparent benchmark for pricing long-term corporate debt.										Funding Source: Donor/DFI TA, SEC fee income
		3.10.3	Raise or replace the current ₦ 15 billion private company issuance cap with an asset-based tiering model pegged directly to the size and capital value of the issuer.										
		3.10.4	Simplify the shelf registration framework to streamline how issuers update their financial information, reducing time and administrative friction for sequential tranches.										
		3.10.5	Execute a coordinated alignment review between the SEC and PenCom to re-evaluate the dual-credit rating requirement for corporate bonds.										
		3.10.6	Draft a formal tax exemption renewal proposal for corporate instruments, appending revenue cost projections, and submit to the FMOF and NRS in accordance with the cross-cutting tax neutrality principle.										
Enhance SME access to capital markets													
3.11	Reduce constraints to SME listing to encourage an increase in SME participation in the capital market	3.11.1	Develop a fintech-enabled SME financing and structured finance framework incorporating digital lending, receivables finance, alternative credit assessment, SME loan aggregation, securitisation, credit enhancement mechanisms (including first-loss capital, partial guarantees and DFI participation), and standardised rating and disclosure requirements to expand SME access to capital.	A comprehensive SME capital formation framework established, expanding SME access to private and public capital markets	High	Medium	Year 1 - 5	Recognition of SMEs as a priority thematic investment area	SEC, SMEDAN, PenCom, NAICOM	SMEDAN, PenCom, NAICOM	FMOF, DFIs	Fund Managers, Market intermediaries	Indicative Cost: US\$ 100,000 to 500,000
		3.11.2	Establish a national SME debt fund platform such as Rwanda's to mobilise capital for high-growth SMEs through private debt credit, mezzanine finance and SME debt funds, leveraging existing SEC-registered private debt funds and expanding institutional investor participation.										Funding Source: SEC fee income, Donor/DFI TA, Private sector co-financing, DFI implementation partnership
		3.11.3	Develop a comprehensive regulatory framework for Alternative Investment Funds, including dedicated rules for private credit and mezzanine funds, covering fund categorisation, investor eligibility, investment limits, valuation standards, ESG disclosures, transparency and reporting, governance, leverage, liquidity, risk management, and capital and operational requirements for fund managers.										

#	Activity	Granular Steps	Output	Priority	Difficulty	Timeline	Dependencies	R	A	C	I	Funding
		3.11.4	Develop an enabling framework for institutional investment in SME financing by facilitating investment by pension funds, insurance companies and other institutional investors in SME private credit funds, structured finance instruments and alternative investment vehicles.									
		3.11.5	Strengthen SME access to public equity markets by enhancing the SEC crowdfunding framework and NGX Growth Board listing requirements, establishing a clear graduation pathway from crowdfunding to the Growth Board and Main Board, simplifying transition requirements, and implementing targeted SME awareness and market development programmes.									
		3.11.6	Introduce an Approved Sponsor (or Nominated Advisor) Framework to improve listing readiness, regulatory compliance and market access for SMEs, growth companies and specialised issuers.									
Objective 3.3: Structural product and instrument diversification												
Promote product and instrument diversification												
3.12	Establish a multi-sector pipeline and DFI de-risking framework to scale sustainable issuances across state governments, SOEs, and corporate entities	3.12.1	Establish a national blended finance framework to mobilise concessional and private capital for sustainable capital market transactions.	High	Medium	Year 1–2 Policy, legal and institutional frameworks development Year 3–4 Pilot Implementation Year 5+ scale up	Legal and Regulatory Framework in place Institutional and DFI Commitments in place Pipeline of Investment-Ready Projects Institutional Investor Readiness	FMoF, SEC	FMF	NSIA, InfraCredit, DMO, PenCom, NAICOM, DFIs (AfDB, IFC, World Bank, FSD Africa, etc.), NGX	State Governments, SOEs, Corporate Issuers, PFAs, Insurers, Asset Managers	Indicative Cost: US\$ 100,000 to 500,00 Funding Source: SEC fee income, Donor/DFI TA, DFI implementation partnership, MDB funding
		3.12.2	Expand the use of partial credit guarantees, risk-sharing instruments, liquidity facilities and other credit enhancement instruments in partnership with DFIs, InfraCredit and NSIA, for sustainable capital market issuances.									
		3.12.3	Establish a Federal Government-sponsored Fund of Funds providing first-loss capital to support crowding-in of pension funds, insurers and other institutional investors into infrastructure and sustainable investments.									
		3.12.4	Develop standardised transaction structures, documentation and sustainable finance frameworks to facilitate efficient and repeat capital market issuances.									
3.13	Promote the issuance of non-interest capital markets instruments and the availability of secondary market liquidity for sukuk and sustainable issuances	3.13.1	Conduct a co-design engagement with the DMO and CBN covering joint objective-setting, technical scope, RACI confirmation, dependencies, and a published memorandum of understanding or joint workplan.	High	Low	Year 2: co-design stage Year 3 - 4: remainder	Co-design phase complete; CMOs' technical awareness of various liquidity instruments; existence of de-risking architecture	SEC, CBN, DMO	SEC	CMOs, Office of the Accountant-General, foreign exchanges	General public	Indicative Cost: US\$ 100,000 to 500,000 Funding Source: SEC fee income, Donor/DFI TA, Private sector co-financing
		3.13.2	DMO to expand sovereign sukuk issuance and consolidate benchmarks to support secondary market activity.									
		3.13.3	Establish a Shariah Advisory Council within the SEC (similar to CBN FRACE) to fast track approval of non-interest issuances.									
		3.13.4	Develop a unified framework for corporate and sub-national sukuk, including standardised documentation, Shariah board qualification criteria, and tax treatment under the NTA 2025.									

#	Activity	Granular Steps	Output	Priority	Difficulty	Timeline	Dependencies	R	A	C	I	Funding
		3.13.5	Strengthen the regulatory and Shariah governance framework by developing comprehensive operational guidelines for Tawarruq-based transactions.									
		3.13.6	Formulate robust non-interest liquidity infrastructure and market support mechanisms, including dedicated liquidity management platforms, short-term Shariah-compliant windows, and regular sovereign Sukuk reopening schedules.									
		3.13.7	Diversify available secondary market instruments by encouraging the adoption of Commodity Murabaha, Wakalah arrangements, Mudarabah placements, and short-tenor Sukuk structures.									
		3.13.8	Develop a pipeline of credit-enhanced corporate and sub-national sukuk instruments that can absorb the Fund VI capital and give the infrastructure sukuk market the secondary market depth it currently lacks									
		3.13.9	Establish dual-listing pathways with Saudi Arabia and Malaysia.									
3.14	Support the build-up of commodity-linked capital markets products	3.14.1	Identify 5 to 7 priority commodities where Nigeria possesses production scale, export potential, food-security relevance, or domestic industrial demand.	Medium	High	Years 4 - 6	Commodity Market Development Council established; EWR collateral recognition; institutional investor appetite	Commodity Market Development Council, SON, commodity exchanges, Ministry of Agriculture and Food Security, Ministry of Solid Minerals Development, SEC	SEC	CBN, FMoF, commodity exchanges, warehouse operators, market intermediaries, associations, institutional investors,	Producers, traders, investors, state governments	Indicative Cost: US\$ 500,000 to 2,000,000 Funding Source: SEC fee income, Donor/DFI TA, Private sector co-financing
		3.14.2	Standardise quality grades across the designated warehouse network, establishing certified warehouses as official delivery locations.									
		3.14.3	Aggregate data from certified warehouses and exchange platforms to establish transparent, reliable national reference prices and trusted benchmarks.									
		3.14.4	Introduce commodity derivative products step-by-step on the most liquid instruments, starting with asset-backed forwards, EWR repos, and commodity ETFs.									
		3.14.5	Explore regional and cross-border commodity product opportunities.									
3.15	Identify a pipeline of state government issuers of sustainable finance instruments	3.15.1	SEC conducts a co-design engagement with DMO, FMoF, and state government finance commissioners covering joint objective-setting, technical scope, RACI confirmation, dependencies, and a published MOU or joint workplan — establishing the governance framework for the sub-sovereign pipeline programme before mapping begins.	Medium	High	Year 2 co-design and mapping; Year 3 – 5 first wave issuances; Year 6 – 9 scaling	Completion of co-design phase; existence of de-risking architecture; expanded regulation of labelled instruments.	SEC, DMO, FMoF, MOFI	SEC	DFIs, NGX, FMDQ, state government finance commissioners	General public	Indicative Cost: US\$ 100,000 to 500,000 Funding Source: SEC fee income, Donor/DFI TA, DFI implementation partnership
		3.15.2	SEC, in coordination with DMO and FMoF, conducts a mapping exercise across state governments to identify candidates with viable project pipelines in infrastructure, energy, and climate adaptation that could be structured as labelled bond issuances, assessing fiscal capacity and project preparation readiness alongside capital markets eligibility.									

#	Activity	Granular Steps	Output	Priority	Difficulty	Timeline	Dependencies	R	A	C	I	Funding
		3.15.3	SEC facilitates the establishment of a DFI partnership framework providing candidate state governments with access to derisking instruments — first-loss facilities, guarantees, technical assistance, and/or DFI participation as anchor buyers — reducing the cost and complexity barriers that currently make sub-sovereign labelled issuance unattractive relative to conventional borrowing.									
3.16	Work with the Private Sector to Identify a Pipeline of Issuers of Sustainable Finance Instruments	3.16.1	SEC conducts a co-design engagement with relevant private sector representative bodies and investment banks covering joint objective-setting, technical scope, RACI confirmation, and a published workplan — establishing the governance framework for the private sector pipeline programme before outreach begins.	Medium	High	Year 2 co-design and market intelligence, Year 3–5 first wave issuances; Year 6–9 scaling	Completion of co-design phase; existence of de-risking architecture; expanded regulation of labelled instruments	SEC	SEC	DFIs, NGX, FMDQ, investment banks; sector associations; existing labelled issuers	General public	Indicative Cost: US\$ 100,000 to 500,000 Funding Source: SEC fee income, Donor/DFI TA, Private sector co-financing
		3.16.2	SEC conducts a structured market intelligence exercise through direct engagement with corporate treasurers, CFOs, and investment banks to map potential private sector issuers by sector, instrument type, transaction size, and readiness — producing a prioritised pipeline across labelled bond categories.									
		3.16.3	SEC establishes a formal issuer development programme offering structured support to pipeline candidates covering sustainable finance framework development, SPO process navigation, proceeds management design, and impact reporting obligations — coordinated with the DFI partnership framework under activity 3.6 to avoid duplication.									
		3.16.4	SEC publishes an anonymised pipeline report annually, signalling market depth to institutional investors and DFIs and creating a positive feedback loop between supply-side development and demand-side confidence.									
3.17	Work with the federal government to identify a pipeline of soes issuing sustainable finance instruments	3.17.1	SEC conducts a co-design engagement with DMO, FMoF, and the Bureau of Public Enterprises covering joint objective-setting, technical scope, RACI confirmation, dependencies, and a published MOU or joint workplan — establishing the governance framework for the SOE pipeline programme before mapping begins.	Medium	High	Year 2 co-design and mapping; Year 3–5 first wave issuances; Year 6–9 scaling	Completion of co-design phase; existence of de-risking architecture; expanded regulation of labelled instruments	SEC, DMO, FMoF	SEC	Bureau of Public Enterprises, DFIs, NGX, FMDQ, existing SOEs with capital markets exposure	General public	Indicative Cost: US\$ 100,000 to 500,000 Funding Source: SEC fee income, Donor/DFI TA, DFI implementation partnership
		3.17.2	SEC, in coordination with DMO, FMoF, and the Bureau of Public Enterprises, conducts a mapping exercise across the SOE universe to identify candidates with viable project pipelines and alignment with labelled bond eligible categories — assessing readiness for capital markets eligibility, cross-referenced against the SOE listing readiness work.									
		3.17.3	SEC and DMO jointly develop a structured support programme for identified SOE candidates covering corporate governance and financial reporting readiness, sustainable finance framework development, instrument selection, proceeds management, and impact reporting obligations — coordinated with the DFI partnership framework under activity 3.6.									

#	Activity	Granular Steps		Output	Priority	Difficulty	Timeline	Dependencies	R	A	C	I	Funding
3.18	Introduce a dedicated REIT regulatory framework to facilitate the mobilisation and efficient deployment of long-term capital into the real estate sector	3.18.1	SEC to develop and issue standalone REIT regulations under ISA 2025 to mandate qualifying assets; income distribution rules; approved gearing limits; valuation requirements; independent property management; related-party transactions; minimum free float; and reporting standards.	A deep, liquid and tax-efficient REIT market that mobilises capital into productive real estate and infrastructure investments	High	Medium	Year 0–2: SEC to issue REIT regulations under ISA 2025 Year 2 - 5: Launch MOFI Federal Asset REIT programme and list first REIT on NGX Year 6 - 8: Launch REIT ETFs, indices, and initiate cross-border REIT listing	NRS to issue REIT tax neutrality regulations within the 0-2 years	SEC, NRS, PENCOM, NAICOM	SEC, MOFI	NGX	PFAs, Market Intermediaries, Market participants	Indicative Cost: US\$ 100,000 to 500,000 Funding Source: SEC fee income, Donor/DFI TA
3.18.2		SEC in consultation with FIRS, NAICOM and PENCOM to introduce a tax-neutral REIT framework to support tax-transparent REIT vehicles by eliminating double taxation, providing relief on qualifying property transfers and REIT conversions, minimising VAT leakage during portfolio restructuring, and establishing clear withholding tax treatment for REIT distributions.											
3.18.3		Establish a Federal Asset REIT Programme under MOFI to identify, aggregate and securitise suitable government-owned real estate assets into REITs, creating a pipeline of investable assets that supports capital mobilisation and optimises public asset utilisation .											
3.18.4		PenCom/NAICOM to review investment rules to recognise REITs as a strategic pension/insurance real asset allocation to spur institutional participation.											
3.18.5		Incorporate innovation into the REIT structures achieved through specialised REIT categories such as D-REITs and Islamic REITs.											
3.18.6		Establish a REIT liquidity enhancement framework to deepen secondary market trading through the appointment of market makers, development of a REIT Index, participation of institutional liquidity providers, and enhanced research coverage to improve market visibility and investor confidence.											
3.19	Strengthen the ABS / Securitisation framework to unlock long-term finance and deepen capital markets	3.19.1	Enact a comprehensive ABS framework for both conventional and Shariah compliant securities that includes: - Standardised documentation and issuance processes "Skin-in-the-game" provisions for originators - tightening the corporate governance structure to increase investor protection - expand the pool of eligible underlying assets for securitisation to expressly include infrastructure and utility receivables, SME loans, - additional credit enhancement mechanisms including first-loss facilities.	A vibrant and liquid secondary market for asset-backed securities	High	Low	Year 1 -2 develop the regulatory framework Year 5 - 7" securities issuances	NRS to issue REIT tax neutrality regulations within the 0-2 years	SEC, NRS (for tax neutral provisions)	SEC, MOFI	NGX, FMDQ, CSCS, PenCom, NAICOM, CBN	PFAs, Market Intermediaries, Retail Investors Market participants	Indicative Cost: US\$ 100,000 to 500,000 Funding Source: SEC fee income, Donor/DFI TA
3.19.2		SEC in consultation with NRS, should establish a tax-neutral securitisation framework to eliminate tax impediments and improve commercial viability of all ABSs.											
3.19.3		In consultation with PENCOM and NAICOM, review institutional guidelines to support an increased uptake of ABSs.											

#	Activity	Granular Steps	Output	Priority	Difficulty	Timeline	Dependencies	R	A	C	I	Funding
		3.19.4	SEC to support market liquidity through appointed market makers and promoting benchmark issuances (i.e. standardised and sufficiently sized transactions) listed on the securities exchange.									
		3.19.5	Build issuer and investor capacity through continued investor education and other capacity building interventions.									
3.20	Establish a dedicated listing framework for closed-ended PE/VC and other alternative investment funds	3.20.1	Establish a dedicated listing and regulatory framework for closed-ended PE/VC funds, including a specialist listing segment, eligibility criteria, and proportionate governance, disclosure and investment requirements.	Medium	Medium	Year 2-4 Develop and implement the dedicated PE/VC fund listing framework Year 5 - 7 Operationalise the listing framework and facilitate inaugural PE/VC fund listings	NRS support for the tax-neutrality review & proposal implementation Institutional regulatory investment guidelines review	SEC NGX NRS PenCom NAICOM	FMF, SEC	PE/VC Industry Associations, Fund Managers, DFIs and Institutional Investors	Market Participants (fund managers, institutional investors, advisers, DFIs, industry associations)	Indicative Cost: Less than US\$ 100,000 Funding Source: SEC fee income, Donor/DFI TA
		3.20.2	Develop a specialised disclosure, valuation and investor framework for listed PE/VC funds, including international private asset valuation standards and qualified institutional investor requirements for primary and secondary market participation.									
		3.20.3	Establish a secondary market liquidity framework for listed PE/VC funds comprising trading models (periodic/block trading), market-making arrangements etc.									
		3.20.4	Introduce a tax-neutral fiscal and prudential framework to incentivise the listing of PE/VC funds and broaden institutional investor participation.									
		3.20.5	Establish a cross-border listing and proportionate supervisory framework through dual-listings, mutual recognition arrangements, risk-based supervision and streamlined authorisation and compliance requirements.									

5.4 Deepen and Diversify the Investor Base

The following implementation matrix sets out the activities required to broaden and deepen investor participation in Nigeria's capital market. These activities focus on strengthening the role of domestic institutional investors, expanding retail investor participation, improving access to the market for foreign investors and the diaspora, and leveraging HNWI structures. In parallel, they aim to support the mobilisation of long-term savings and enhance investor awareness and engagement.

Table 16: Implementation Plan - Deepen and Diversify the Investor Base

#	Activity	Granular Steps		Output	Priority	Difficulty	Timeline	Dependencies	R	A	C	I	Funding
Objective 4.1: Enhance domestic institutional and qualified wealth participation													
Broaden institutional investor participation													
4.1	Create mechanisms to channel institutional capital into national priorities (e.g. infrastructure projects) while leveraging derisking vehicles (e.g. Infacredit)	4.1.1	Conduct a co-design engagement with PenCom and NAICOM covering joint objective-setting, technical scope, RACI confirmation, dependencies, and a published memorandum of understanding or joint workplan.	Issuance of and investment in instruments aligned to national and state development priorities, established gender impact project selection framework	High	High	Year 4: co-design stage Year 5 - 9: remainder	NIIRA 2025 operationalisation; completion of co-design phase to proceed to remainder of activity	FMoF, DMO and state project offices	FMoF (for federal issuance) and State Ministries of Finance (for state issuance)	SEC (as convenor of stakeholders) PenCom, NAICOM, NIA PenOp, InfraCredit, NSIA, DFIs	General public, Institutional investors	Indicative Cost: US\$100,000 to 500,000
4.1.2		Coordinate with federal and state governments to identify, screen, and map a pipeline of high-priority infrastructure, healthcare, education, and economic diversification projects based on their commercial viability and cash flow prospects.	Funding Source: SEC fee income, Donor/DFI TA, DFI implementation partnership										
4.1.3		Formally engage institutional investors to establish clear risk-appetite parameters, identify preferred credit-enhancement mechanisms.											
4.1.4		Partner with the FMoF, InfraCredit, the NSIA, and development finance institutions (DFIs) to structure tailored de-risking mechanisms, such as a state-backed infrastructure fund of funds.											
4.1.5		Facilitate the issuance and listing of de-risked investment instruments (such as infrastructure bonds, sukuk, or labelled sustainable bonds) to successfully mobilise and channel long-term institutional capital.											
4.1.6		Integrate explicit gender-impact criteria into the project selection framework for the infrastructure bond pipeline.											
4.1.7		Constitute a multi-agency forum including representation from NAICOM, PenCom and the SEC to commission these instruments at scale.											
4.2	Refine or update investment allocation guidelines for institutional investors including implementation mechanisms for ESG mandates	4.2.1	Conduct a co-design engagement with PenCom and NAICOM covering joint objective-setting, technical scope, RACI confirmation, dependencies, and a published memorandum of understanding or joint workplan.	Updated PenCom and NAICOM guidelines designating sustainable assets as eligible, with active allocation targets and mandatory portfolio climate-risk disclosures	High	High	Year 3 - 4: co-design phase, analytical and consultation work Year 5 - 6: Operational guidelines and remainder	Completion of co-design phase to proceed to remainder of activity ;Portfolio climate disclosures must align with the 2028 mandatory ISSB adoption timeline. ongoing review of target baseline against project pipeline; NIIRA 2025 operationalisation	PenCom, NAICOM, SEC	PenCom, NAICOM	SEC, FRC, PenOp, NIA	all PFAs, all NAICOM-regulated insurers, capital market operators	Indicative Cost: Less than US\$ 100,000
4.2.2		Seek a joint legal opinion between PenCom, NAICOM, SEC on the consistency between fiduciary duty and ESG mandates.	Funding Source: SEC fee income, Donor/DFI TA, Private sector co-financing										
4.2.3		Conduct a structured engagement with PFA and insurer boards on the case for sustainable instruments as fiduciary-compliant, the design of the voluntary allocation regime to allow them to opt in based on their own risk-return analysis, and the disclosure regime as a transparency mechanism rather than an enforcement mechanism.											
4.2.4		Have PenCom amend its investment guidelines and NAICOM issue a parallel guidance note to											

#	Activity	Granular Steps	Output	Priority	Difficulty	Timeline	Dependencies	R	A	C	I	Funding
			formally designate green, social, and sustainability-labelled instruments as an explicit, eligible fixed-income asset class.									
		4.2.5	Introduce voluntary recommendations for PFAs and insurers to allocate a baseline minimum (e.g., 2%) of their fixed-income AUM to sustainable instruments.									
		4.2.6	Mandate annual, portfolio-level climate risk exposure and ESG integration disclosures for all PFAs and insurance firms.									
		4.2.7	Embed compliance with the mandatory ESG and climate disclosure frameworks directly into the periodic licensing and registration renewal processes for both PenCom and NAICOM.									
4.3	Enhance institutional investor access to SME financing	4.3.1	Conduct a co-design engagement with PenCom covering joint objective-setting, technical scope, RACI confirmation, dependencies, and a published memorandum of understanding or joint workplan.	Medium	Medium	Year 5: co-design stage Year 6 - 7: remainder	Completion of co-design phase to proceed to remainder of activity; Recognition of SMEs as a priority thematic investment area	PenCom, SEC	PenCom, SEC	Ministry of Finance	PFAs, PE/VC Managers	Indicative Cost: US\$ 100,000 to 500,000 Funding Source: SEC fee income, Donor/DFI TA, Private sector co-financing
		4.3.2	Expand PenCom's no objection track-record exception beyond Fund I to include the larger, growth-oriented Fund II, allowing pension funds to provide equity to high-growth SMEs with only a one-year operating history.									
		4.3.3	Lower the current ₦ 10 billion minimum threshold for securities backed by SME loan portfolios to incentivise commercial banks and fintech platforms to securitise smaller pools of pooled SME debt.									
		4.3.4	Review and adjust the rigid 10-year fund manager experience requirement, enabling SME-focused alternative managers with slightly less tenure to oversee smaller allocations under a structured Fund of Funds framework.									
		4.3.5	Amend the Revised Regulation on Investment of Pension Fund Assets to permit a conservative, highly regulated exposure cap in SME-focused private credit funds for Fund III and Fund IV.									
4.4.	Deepen pension fund participation in the commodities market	4.4.1	Partner with the NSIA or DFIs to structure and deploy first-loss guarantees or de-risking mechanisms for pilot physical-backed, futures-based, or index-linked commodity ETFs to absorb portfolio risk for PFAs.	Medium	Medium	Year 3-7	PenCom alignment/consultation; Investable commodity-linked products, reliable commodity reference prices, operational EWR infrastructure	PenCom, SEC, commodity exchanges	PenCom, SEC	PFAs/PenOp, FMoF, NSIA, DFIs	PFAs, PE/VC Managers	Indicative Cost: US\$ 100,000 to 500,000 Funding Source: Donor/DFI TA, Private sector co-financing
		4.4.2	Execute a regulatory review with the FMoF and NRS to grant complete tax neutrality or targeted incentives for commodity market instruments, maximising net pass-through yields for pension fund assets.									
		4.4.3	Establish a joint PenCom-SEC regulatory sandbox to design and test standardised, friction-free protocols for the daily reporting, valuation, and compliance monitoring of PFA investments in pilot commodity ETFs.									

#	Activity	Granular Steps		Output	Priority	Difficulty	Timeline	Dependencies	R	A	C	I	Funding
Leverage domestic qualified investors													
4.5	Engage family offices to support local capital retention	4.5.1	Map and establish contact with intermediaries providing services to HNWI structures (e.g. Parthian Capital, Genea Family Office).	Qualified investor framework for domestic HNWI structures	Medium	Medium	Year 1 - 4	N/A	SEC	SEC, other agencies as relevant around mitigants	Family office intermediaries	General public	Indicative Cost: US\$ 100,000 to 500,000
		4.5.2	Engage family office intermediaries (e.g. via surveys, questionnaires, roundtables) to understand friction around local investment, e.g. regulatory rules, compliance costs, macro factors.										Funding Source: SEC fee income
		4.5.3	Develop regulatory mitigants by developing a qualified investor framework, covering minimum asset thresholds, streamlined KYC/AML, access to primary placements and tax treatment aligned with institutional investors.										
Objective 4.2: Enhance access for local and diaspora retail investors													
Expand domestic retail investor access													
4.6	Partner with PenCom and NAICOM to deepen institutional asset size by driving informal sector product adoption and strengthening policyholder trust	4.6.1	Conduct a co-design engagement with PenCom and NAICOM covering joint objective-setting, technical scope, RACI confirmation, dependencies, and a published memorandum of understanding or joint workplan.	~18 million active personal/micro-pension contributors, scale cumulative asset growth to NGN 1.6 trillion in AUM, and fully operationalise the IPPF claim-payout mechanism	High	High	Year 3: co-design phase Year 4- 5: remainder	Completion of co-design stage; NIIRA 2025	PenCom, NAICOM, IPPF	PenCom, NAICOM DGs/ Commissioners	PenOp, NIA, SEC, CBN (for payment systems)	General public	Indicative Cost: US\$ 500,000 to 2,000,000
		4.6.2	Develop frameworks allowing the bundling of personal/micro-pensions and micro-insurance, with clear provisions for flexible contributions and emergency withdrawal triggers to attract informal workers.										Funding Source: SEC fee income, Donor/DFI TA, Private sector co-financing
		4.6.3	Fully operationalise the Insurance Policyholders' Protection Fund (IPPF) to ensure broader public trust in insurance.										
		4.6.4	Develop and launch ongoing literacy efforts across multiple languages and channels (social media and traditional media) to encourage uptake of both insurance and pension products.										
		4.6.5	Execute a pension sector reform review with PenCom to formalise a dual-pathway listing architecture, lower securitisation thresholds for SME loan portfolios, and expand institutional PE and private credit allocations towards SMEs.										
4.7	Integrate MNOs and fintechs with interoperable settlement systems to support seamless onboarding and participation of new investors, particularly youth and first-time investors	4.7.1	Deploy a mobile-based retail government securities program (including diaspora bonds, project-specific bonds, sub-national retail bonds) utilising USSD infrastructure and mobile money wallets to enable low-income and young retail investors to purchase small-denomination securities (modelled on Kenya's M-Akiba, Ziidi Trader and MMF platforms).	Operational mobile-enabled retail securities distribution platform. Digital investor education and market awareness programme implemented. Retail investor monitoring and analytics framework established	High	High	Year 4-10	Enabling regulatory framework Integrated mobile and capital market infrastructure Coordinated stakeholder engagement	SEC	SEC	CBN, NGX Group, FMDQ, NIBSS	NGX Group, CSCS, Industry operators	Indicative Cost: US\$ 500,000 to 2,000,000
		4.7.2	Implement coordinated investor education, financial literacy and digital marketing campaigns through MNO and fintech platforms, focusing on new investor segments.										Funding Source: Private sector co-financing, SEC fee income
		4.7.3	Establish performance monitoring and market analytics to track investor onboarding, activity and retention, and refine market development initiatives.										

#	Activity	Granular Steps		Output	Priority	Difficulty	Timeline	Dependencies	R	A	C	I	Funding
4.8	Undertake ongoing, targeted retail investor education	4.8.1	Develop relevant education materials for retail investors, taking into account major local languages, to educate retail investors on topics such as their protection, benefits of investing, risks, and how to invest.	Retail investor education materials developed and launched, with 15-25 million active retail investors participating in capital markets (either directly or via CIS/ETF vehicles)	Medium	Low	Year 1-10	Updates to material as market develops; launch of TFSA, launch of mobile-native trading, simplified onboarding and fintech integration; ongoing macroeconomic stability (inflation, GDP growth)	SEC (in partnership with CMOs and CBN)	SEC and CBN (for NFIS)	Market operators (e.g. NGX Group, CSCS, FMDQ, dealing houses)	General public	Indicative Cost: US\$100,000 to 500,000 Funding Source: Private sector co-financing, SEC fee income, DFI implementation partnership
		4.8.2	Distribute education materials through traditional (e.g. radio, websites) and social media, while partnering with MNOs and fintechs for broader reach.										
		4.8.3	Continually update education content in line with new developments, e.g. bundled personal/micro-pensions and microinsurance, tokenised assets, or TFSA.										
		4.8.4	Collaborate (SEC and CBN) to ensure that capital markets content is included in any future National Financial Inclusion Strategies.										
4.9	Promote emerging asset classes (e.g. digital and virtual assets) by expanding awareness among the youth and supporting an increase in issuances	4.9.1	Develop specialised content to educate the youth on digital and virtual assets and tokenised assets, focusing on fundamentals, risks, simplified rules, how to verify SEC-approved offerings and spot fraud.	Increased awareness of digital and virtual assets among retail investors, coupled with a rise in issuances	Medium	Medium	Year 2-6 (emphasis on years 2-3)	Clarity on the appropriate regulator for the space and internal capacity of the regulator to oversee the space	SEC (in partnership with CBN), VASPs	SEC	VASPs, Market Operators	General public	Indicative Cost: US\$ 100,000 to 500,000 Funding Source: Private sector co-financing, SEC fee income, DFI implementation partnership, Donor/DFI TA
		4.9.2	Embed and distribute content via the same channels as the overall education programme, with a focus on digital channels to capture young investors.										
		4.9.3	Clarify the regulatory framework for ETFs backed by SEC-approved digital assets to provide retail investors with safe exposure to this segment of the market.										
		4.9.4	Incentivise additional issuance and uptake of digital/virtual instruments by fast-tracking approvals, reducing fees, and considering tax incentives where possible.										
4.10	Establish a unified onboarding architecture with domestic and foreign access pathways	4.10.1	Implement a market-wide risk-based identification framework supporting both domestic identity credentials (NIN, BVN, voter cards) and foreign non-resident credentials (passports, LEIs, global custodian verification).	Unified onboarding architecture and single-window access system operationalised, outputting a common Single Investor Identification Number for all onboarded retail and foreign investors	Medium	Medium	Year 1-3	SEC/CBN cooperation; Activity on investor-data sharing and account-management reforms; Pillar 5 CMO technology and operational-resilience standards; availability of interoperable identity, custodian, CSD and intermediary interfaces. FMI readiness activity (Pillar 2)	SEC	SEC	NIMC, CBN, NCC and other regulators	General public and market	Indicative Cost: US\$ 500,000 to 2,000,000 Funding Source: Private sector co-financing, SEC fee income, Donor/DFI TA
		4.10.2	Partner with NIMC, NIBSS, the NCC, and the CBN to build a centralised capital market identity verification gateway to enable real-time identity authentication.										
		4.10.3	Launch the Single Investor Identification Number (SIIN) architecture to serve as the common, portable digital passport output for both pathways.										
		4.10.4	Integrate tax registration, FX processing, and electronic Certificate of Capital Importation (eCCI) routing directly into the foreign investor pathway window.										

#	Activity	Granular Steps		Output	Priority	Difficulty	Timeline	Dependencies	R	A	C	I	Funding
4.11	Operationalisation and rollout of tax free savings accounts (TFSAs)	4.11.1	Conduct retrospective review of the National Savings Scheme.	TFSAs operationalised and launched into the market, gender disaggregated data accessible	High	Medium	Year 1-4; Year 1-2: Retrospective review and fiscal review Year 3-4: Broader operationalisation	FMI readiness activity (Pillar 2)	SEC, FMoF	NRS, FMoF	PenCom, TFSA providers	General public	Indicative Cost: US\$ 500,000 to 2,000,000 Funding Source: SEC fee income Private sector co-financing
4.11.2		Conduct fiscal architecture review to inform TFSA design.											
4.11.3		Operationalise the legal and regulatory framework to implement TFSAs, allowing accounts within CIS, ETFs, and equity/bond funds to provide tax-free growth and withdrawals, in line with the NSS.											
4.11.4		Define appropriate guardrails for TFSAs, including annual and lifetime contribution limits, eligible asset classes (listed and regulated) , and mechanisms for contribution tracking and compliance.											
4.11.5		Establish standardised data reporting formats for TFSA providers to report contributions to NRS, ensuring data is collected and published by gender.											
4.12	Develop a diversified and competitive CIS industry that mobilises long-term savings, broadens investor participation and supports capital formation	4.12.1	Expand the range of CIS products to cater to diverse investor needs, including retirement savings, ESG-focused investments and sector-specific investment strategies and alternative investment funds.	Increased assets under management (by at least 10x to ₦86 trillion in the next 10 years) , broader investor participation and greater mobilisation of long-term capital to finance Nigeria's economic development	High	Low	Year 1 - 3	Implementation of the ISA 2025 through supporting SEC Rules, complemented by coordinated tax, institutional investor and digital infrastructure reforms	SEC	SEC	NRS, FMAN, NAICOM, PENCOM	FMAN, General Public	Indicative Cost: US\$ 100,000 to 500,000 Funding Source: Donor/DFI TA, Private sector co-financing, SEC fee income
4.12.2		Establish a digital distribution framework incorporating e-KYC, APIs and straight-through processing and expand distribution channels to incorporate licensed digital platforms, broker-dealers; digital investment platforms; licensed fintechs; banc assurance partnerships; employer-sponsored investment programmes; and other SEC approved intermediaries to distribute CIS products.											
4.12.3		Enhance tax neutrality and clarify the tax treatment of specialised and alternative funds.											
4.12.4		Strengthen disclosure, performance reporting and fee transparency through standardised reporting templates.											
4.12.5		Promote institutional investment in CIS through concerted reforms to pension, insurance and other institutional investor frameworks.											
4.12.6		Develop Nigeria as a regional fund domicile by pursuing fund passporting and harmonised cross-border fund distribution with priority Africa jurisdictions.											
4.12.7		Implement a national investor education and financial literacy programme to increase awareness of collective investment schemes.											
4.12.8		Establish an annual SEC CIS industry report with market statistics, benchmarking and performance indicators in similar format as Kenya and other jurisdictions.											

#	Activity	Granular Steps		Output	Priority	Difficulty	Timeline	Dependencies	R	A	C	I	Funding
4.13	Encourage the participation of women and women-owned enterprises in the market	4.13.1	Require market intermediaries and CSDs to keep gender disaggregated data and to report on it in a format to be specified by the SEC. The SEC may consider creating templates to collect this data to ensure usability.	Increased number of women participating in the market in line with gender targets	Medium	Low	Years 2 -3	Gender-related capacity building within the SEC	SEC	SEC	FMs, Market associations, Market intermediaries	General public	Indicative Cost: US\$ 100,000 to 500,000
		4.13.2	Set female retail investor participation targets (number, time, type of asset) aligned with the National Gender Policy and monitor progress periodically.										Funding Source: SEC fee income, Private sector co-financing
Enhance diaspora participation													
4.14	Develop a clear pathway for diaspora participation in the capital markets	4.14.1	Conduct a co-design engagement with the DMO and CBN covering joint objective-setting, technical scope, RACI confirmation, dependencies, and a published memorandum of understanding or joint workplan.	Diaspora bond programme and foreign-currency retail vehicles launched	Medium	Medium	Year 5: co-design stage Year 6 - 7: remainder	FX repatriation guarantee, completion of co-design stage	SEC, DMO, CBN	SEC	NiDCOM, CIS industry, commercial banks	Market	Indicative Cost: US\$ 100,000 to 500,000
		4.14.2	Engage the Nigerians in Diaspora Commission (NiDCOM) to formalise an understanding of diaspora investment needs.										Funding Source: SEC fee income, Donor/DFI TA
		4.14.3	Develop a federal and sub-national diaspora bond programme, tied to targeted issuances (e.g. healthcare).										
		4.14.4	Enable regulatory frameworks for foreign-currency retail vehicles to be offered by CIS and ETF providers.										
		4.14.5	Establish digital cross-border conduits for diaspora investment in partnership with relevant intermediaries, e.g. commercial banks and money transfer operators.										
Objective 4.2: Enhance access for local and diaspora retail investors													
Expand domestic retail investor access													
4.15	Establish risk based, non-resident investor onboarding architecture	4.15.1	Conduct a formal co-design engagement between the SEC and the CBN to define joint regulatory objectives, establish a clear RACI matrix, align inter-agency dependencies, and publish a binding Memorandum of Understanding (MoU) and operational workplan.	Clear account opening and onboarding procedures for foreign investors.	High	High	Year 1: co-design stage Year 2 - 3: remainder	Completion of co-design stage to allow for remainder of activity	SEC and CBN	SEC	Market infrastructure and market intermediaries	Market	Indicative Cost: US\$ 100,000 to 500,000
		4.15.2	Formulate a risk-based foreign investor identification framework that replaces the mandatory Bank Verification Number (BVN) requirement for non-resident institutional investors with verified global identifiers (e.g., Legal Entity Identifiers - LEIs) and digital e-KYC protocols.										Funding Source: SEC fee income
		4.15.3	Establish a reliance framework permitting local capital market operators to accept KYC and onboarding documentation performed by regulated global custodians and international broker-dealers, while optimising data-sharing conduits to downstream Authorised Dealers for fast-tracked eCCI creation.										
		4.15.4	Develop and launch a centralised digital portal integrating cross-border account opening, capital market onboarding, tax identification registration, and										

#	Activity	Granular Steps	Output	Priority	Difficulty	Timeline	Dependencies	R	A	C	I	Funding
			automated links to Authorised Dealers for real-time eCCI processing.									
		4.15.5	Enact robust cross-border investor protection standards, specialised dispute resolution mechanisms for foreign market participants, and strict data governance frameworks aligned with the Nigeria Data Protection Act (NDPA) to secure cross-border data flows.									
4.16	Close the FX repatriation and eCCI modernisation gap	4.16.1	Conduct a co-design engagement between the SEC and the CBN to define joint regulatory objectives, establish a clear RACI matrix and align inter-agency dependencies.	High	High	Year 1: co-design stage Year 2 - 3: remainder	Completion of co-design stage to allow for remainder of activity; the CBN's FX policy posture	SEC, CBN	SEC	Market participants, authorised dealers, brokers, custodians	General public	Indicative Cost: US\$ 100,000 to 500,000 Funding Source: SEC fee income, Donor/DFI TA, DFI implementation partnership
		4.16.2	Migrate eCCI issuance and administration from fragmented commercial bank systems toward a centralised digital registry that is fully interoperable with the Single Window Foreign Investor Access System.									
		4.16.3	Codify and publish a streamlined checklist of divestment and repatriation documentary requirements—strictly limited to the eCCI and definitive redemption evidence to eliminate arbitrary banking delays.									
		4.16.4	Publish explicit, investor-facing joint SEC-CBN guidance confirming that the 2024 cash pooling restrictions and subsequent March 2026 adjustments apply strictly to upstream energy sector export proceeds, thereby clarifying that standard capital market portfolio flows remain entirely exempt and enjoy unhindered 100% conversion flexibility through NAFEM.									
		4.16.5	Establish a joint regulatory dashboard to monitor FX conversion and repatriation processing timelines against strict institutional SLAs, giving operational effect to the unconditional capital and dividend transferability guarantees enshrined in the NIPC Act.									
4.17	Address settlement risk for foreign currency denominated capital market trades	4.17.1	Conduct a co-design engagement between the SEC and the CBN to define joint regulatory objectives, establish a clear RACI matrix and align inter-agency dependencies.	High	High	Year 1: co-design stage Year 2 - 3: remainder	Completion of co-design stage to allow for remainder of activity; the CBN's FX policy posture	SEC, CBN	SEC	Market participants, authorised dealers, brokers, custodians	General public	Indicative Cost: US\$ 100,000 to 500,000 Funding Source: SEC fee income, Donor/DFI TA
		4.17.2	Map and formalise the clearing and settlement flows for foreign currency-denominated capital market instruments executed through Authorised Dealers, ensuring absolute alignment with the market-driven price discovery mechanics of the NAFEM architecture.									
		4.17.3	Formulate joint SEC and CBN settlement finality rules and pre-funding protocols to eliminate principal risk and mitigate operational timing mismatches between trade execution dates and structural foreign exchange settlement cycles.									
		4.17.4	Define strict regulatory obligations for global and local custodians regarding the safekeeping,									

#	Activity	Granular Steps	Output	Priority	Difficulty	Timeline	Dependencies	R	A	C	I	Funding
			segregation, and real-time settlement of foreign currency-denominated securities, ensuring seamless cross-referencing with the broader custodial framework.									
		4.17.5	Establish a joint SEC-CBN operational reporting and escalation protocol to instantly manage, track, and remediate clearing disruptions or settlement failures attributable to systemic liquidity bottlenecks within the financial market infrastructure.									
4.18	Close the FX repatriation and eCCI modernisation gap	4.18.1	Conduct a co-design engagement between the SEC and the CBN to define joint regulatory objectives, establish a clear RACI matrix and align inter-agency dependencies.	High	High	Year 1: co-design stage Year 2 - 3: remainder	Completion of co-design stage to allow for remainder of activity	SEC, CBN	SEC	Market participants, authorised dealers, brokers, custodians	General public	Indicative Cost: US\$ 500,000 to 2,000,000 Funding Source: SEC fee income, Donor/DFI TA, DFI implementation partnership
		4.18.2	Map existing global custodian network arrangements against the CBN Framework on Tiered KYC/e-KYC and SEC Rules on KYC for CMOs to eliminate overlapping documentation barriers while maintaining compliance.									
		4.18.3	Require formal cross-border data transfer impact assessments and compliance certifications under Part V of the Nigeria Data Protection Act (NDPA) 2023 as a non-negotiable condition for the custodian regulatory reliance framework.									
		4.18.4	Formulate strict rules ensuring global custodians maintain absolute legal and operational segregation between proprietary assets and non-resident investor portfolios across international central securities depositories (CSDs) and local sub-custodians.									
		4.18.5	Deploy automated data-sharing pathways between global custodians, local sub-custodians, the SEC, and the CBN to enable real-time tracking of foreign portfolio asset ownership, custody positioning, and transaction matching.									
4.19	Ensure correct tax treatment for foreign investors	4.19.1	Conduct a co-design engagement between the SEC and the NRS to define joint regulatory objectives, establish a clear RACI matrix and align inter-agency dependencies.	High	Medium	Year 1: co-design stage Year 2: remainder	Co-design stage to proceed to rest of activity	SEC, NRS	SEC	FMs, CMOs	General public	Indicative Cost: US\$ 100,000 to 500,000 Funding Source: SEC fee income, Donor/DFI TA.
		4.19.2	Integrate automated tax residence validation and Double Taxation Treaty (DTT) status capture directly into the Single Window Foreign Investor Access System, enabling immediate identification of eligible treaty beneficiaries at the point of digital onboarding.									
		4.19.3	Publish comprehensive, investor-facing guidance detailing treaty withholding tax rates and standardised tax credit or reclaim procedures, fully aligned with the provisions of the Nigeria Tax Act and the current Deduction of Tax at Source (Withholding) Regulations 2024.									
		4.19.4	Deploy an automated interface between the NRS tax administration portals and capital market clearing									

#	Activity	Granular Steps	Output	Priority	Difficulty	Timeline	Dependencies	R	A	C	I	Funding
			systems to ensure that treaty-capped withholding tax rates on dividends, interest, and capital gains are applied at the point of trade settlement.									
		4.19.5	Establish a seamless, digital protocol with the NRS for the immediate electronic issuance of Withholding Tax receipts and Tax Credit Certificates, eliminating administrative delays that hinder foreign and diaspora investors from utilising treaty benefits in their home jurisdictions.									

5.5 Build Institutional Capability and Professional Depth

The following implementation matrix sets out the activities required to build sustainable human and institutional capacity across Nigeria's capital market ecosystem. These activities focus on addressing immediate capacity constraints across key institutions (including the SEC and non-SEC regulators and government agencies), embedding capital markets knowledge within the formal education system, and establishing domestic certification and training frameworks to support the development of specialised skills. In parallel, they aim to strengthen professional capabilities in areas such as accounting and corporate governance, ensuring that the market is supported by a pipeline of qualified professionals and the institutional capacity required for its effective and sustainable development.

Table 17: Implementation Plan - Build Institutional Capacity and Professional Depth

#	Activity	Granular Steps	Output	Priority	Difficulty	Timeline	Dependencies	R	A	C	I	Funding
Objective 5.1: Strengthen institutional and regulatory capacity												
Strengthen the capacity of the SEC												
5.1	Conduct a comprehensive institutional capacity assessment and create a market aligned funding and fee structure	5.1.1	Institutional audit to identify and prioritise capacity gaps across human capital, technological infrastructure, and internal operational processes, funding model.	High	Medium	Year 1	N/A	SEC	SEC	FMoF, Market Associations, DFIs	CMOs (through associations), General public	Indicative Cost: US\$ 100,000 to 500,000 Funding Source: SEC fee income, Donor/DFI TA
		5.1.2	Engage the market around fees (through their associations) to ensure alignment between fees versus speed and quality of service, e.g. through establishing a users' committee.									
		5.1.3	Identify and evaluate potential funding sources, including internal revenue optimisation (through increased fees) and technical assistance partnerships with DFIs.									
5.2	Operationalise risk-based supervision (RBS)	5.2.1	Align technology design architectures and capability targets with the underlying risk taxonomy and cycle metrics established under activity 1.19.	Medium	Medium	Year 1 - 5	Development of a risk-based supervision methodology and framework	SEC, The Toronto Centre	SEC	CBN, NGX Group, FMDQ, CSCS	FMoF, CBN, Market associations	Indicative Cost: US\$ 500,000 to 2,000,000 Funding Source: SEC fee income, MDB funding, Donor/DFI TA
		5.2.2	Complete the phased implementation of a single risk-based digital licensing and supervision platform for all CMOs, integrating licensing data, financial resilience indicators, technology and operational risk reporting, annual returns, supervisory findings and enforcement actions.									
		5.2.3	Procure and deploy advanced market surveillance hardware and software to enable data-driven risk									

#	Activity	Granular Steps	Output	Priority	Difficulty	Timeline	Dependencies	R	A	C	I	Funding
			monitoring.									
		5.2.4	Execute supervisor training, introduce on-the-job mentoring programs, and drive organisational cultural change, leveraging the Toronto Centre as a core capability partner.									
5.3	Build the SEC's capacity to understand and regulate the digital, virtual and tokenised assets space	5.3.1	Operationalise the regulatory sandbox for digital, virtual and tokenised asset providers.	High	Medium	Years 1 - 2	Presence of a functioning regulatory sandbox that accommodates VASPs;	SEC	SEC	CBN, FMOF, VASPs, EFCC, NFIU, ONSA	CMOs, General public	Indicative Cost: US\$ 100,000 to 500,000 Funding Source: SEC fee income, Donor/DFI TA
		5.3.2	Incorporate training on smart-contract audits, decentralised finance, and virtual asset service provider (VASP) supervision into the SEC's broader human capacity development curriculum.				Given that the VASP Bill (2026) is currently before the National Assembly, the SEC will need to determine how to implement this activity in compliance with the provisions of the VASP Act if it is passed before or during the timeline for the implementing this activity.					
5.4	Build the SEC's technical capacity to regulate the evolving sustainable finance ecosystem	5.4.1	Establish a specialised technical unit within the SEC staffed with dedicated experts in sukuk regulation, Islamic fund structures, Shariah governance, Islamic fintech, ESG-linked non-interest products.	High	Medium	Years 1 - 4	N/A	SEC	SEC	NGFS, peer African regulators (e.g. Kenya CMA; Egypt FRA; South Africa FSCA), FRC, NGX, FMDQ	General public	Indicative Cost: US\$ 100,000 to 500,000 Funding Source: SEC fee income, Donor/DFI TA, DFI implementation partnership
		5.4.2	Deploy advanced digital supervisory infrastructure and regulatory technology (RegTech) to monitor Shariah-compliant market activities and track sustainable finance instruments in real time.									
		5.4.3	Operationalise automated compliance modules within the supervisory infrastructure to track post-issuance reporting, monitor use-of-proceeds, and maintain a centralised sustainable impact register.									
		5.4.4	Formalise technical cooperation frameworks with the CBN, NGX, professional accounting bodies, and Shariah advisory councils to harmonise domestic oversight and reporting standards.									

#	Activity	Granular Steps	Output	Priority	Difficulty	Timeline	Dependencies	R	A	C	I	Funding
Strengthen the capacity of non-SEC regulatory and government agencies												
5.5	Build PenCom capacity through training in areas of Sustainable finance, digital assets oversight and risk-based supervision of PFAs	5.5.1 Conduct a diagnostic to map internal capacity gaps specifically regarding emerging asset classes and risk-based supervision. 5.5.2 Deploy targeted technical assistance to assist PenCom in developing an industry-wide ESG framework, training staff to evaluate thematic instruments without compromising fiduciary duties. 5.5.3 Provide specialised training to PenCom investment and risk teams on digital asset structures, tokenisation, and crypto risks to safely regulate PFA exposure to approved digital asset frameworks. 5.5.4 Enhance PenCom's capacity to supervise risk management architectures, bankability, and liquidity profiles of alternative assets and corporate issuances to encourage safe PFA diversification away from sovereign debt.	PenCom staff equipped to supervise PFA risk frameworks, oversee digital asset investments, and implement an industry-wide ESG/sustainable finance framework	Medium	Medium	Year 1 - 4	N/A	PenCom, SEC	PenCom	DFIs, Consulting firms, PenOp	PFAs, Market Operators	Indicative Cost: Less than US\$ 100,000 Funding Source: Donor/DFI TA, Market levy
5.6	Enhance NAICOM capacity particularly on the NIIRA 2025 implementation alongside their CMMP-related role	5.6.1 Leverage external capacity to assist NAICOM in verifying capital and transitioning to a risk-based capital regime without stalling broader market initiatives. 5.6.2 Institute specialised capacity building for NAICOM supervisors on complex asset-liability matching, climate change risks, and green investments to ensure insurers can safely invest in long-term infrastructure/ESG assets without threatening claims payouts. 5.6.3 Train NAICOM technical staff on the mechanics and risks of virtual and crypto assets to prevent market failures and protect policyholders. 5.6.4 Build NAICOM's regulatory capacity to oversee the transition to national micro-insurance licenses, Takaful integration, and Insurtech APIs.	Effective transition to a risk-based capital regime under NIIRA 2025, with enhanced regulatory capacity to oversee green investments, virtual assets, and national micro-insurance rollouts	Medium	Medium	Year 1 - 4	NIIRA 2025 implementation phase	NAICOM	NAICOM	SEC, Consulting firms	NIA, Insurers, General Public	Indicative Cost: US\$ 100,000 to 500,000 Funding Source: Donor/DFI TA, Market levy
5.7	Build the DMO's capacity to further deepen the sovereign debt markets	5.7.1 Enhance DMO capacity in yield curve modelling and debt swaps, allowing them to balance medium-term debt strategies and manage exposure to long-tenor instruments during macroeconomic tightening cycles. 5.7.2 Develop a dedicated advisory unit within the DMO to provide states with varying capacity levels (from advanced to rudimentary) granular exposure to capital market mechanisms, ensuring sub-nationals meet strict debt sustainability and rating requirements. 5.7.3 Build the DMO's technological and operational capacity to launch and manage USSD mobile subscription capabilities for FGN Savings Bonds, enabling seamless retail onboarding for younger generations and the unbanked.	DMO equipped to manage sovereign yield curves, deploy mobile-based retail distribution platforms, and successfully advise sub-national governments on debt issuances	Medium	Medium	Year 1 - 4	N/A	DMO	DMO	SEC, CBN, State governments	Retail investors, CMOs	Indicative Cost: US\$ 100,000 to 500,000 Funding Source: Donor/DFI TA, Market levy

#	Activity	Granular Steps		Output	Priority	Difficulty	Timeline	Dependencies	R	A	C	I	Funding
5.8	Build the capacity of the Investment and Securities Tribunal (IST) and the broader judicial architecture for capital markets	5.8.1	Deploy continuous, specialised training for IST tribunal members and Federal High Court judges on complex, emerging areas such as derivatives, close-out netting, and virtual/crypto assets.	IST equipped with specialised capacity to adjudicate complex securities and digital asset disputes	Medium	Medium	Year 1 - 5	N/A	IST, SEC	IST	SEC, National Judicial Institute (NJl)	Market operators, General public	Indicative Cost: US\$ 100,000 to 500,000
		5.8.2	Mandate that lawyers appearing before the IST must be registered capital market solicitors with the SEC and members of the Capital Market Solicitors Association (CMSA) to ensure specialised legal representation and eliminate procedural delays.										Funding Source: SEC fee income, Donor/DFI TA
		5.8.3	Build the institutional capacity of the broader judicial system to handle complex capital market appeals and criminal enforcement. Provide specialised training for Court of Appeal judges to reduce case duration, while simultaneously developing the structural blueprint and required technical capacity for a future specialised "Investment and Securities Appeal Tribunal".										
		5.8.4	Enhance the tribunal's internal caseload management capacity by training staff and market participants on Alternative Dispute Resolution (ADR) mechanisms and the SEC's Complaint Management Framework.										
Objective 5.2: Enhance intermediary risk and operational resilience													
Strengthen the resilience, efficiency and competitiveness of capital market intermediaries													
5.9	Review and clarify the roles, liabilities and economics of capital market intermediaries	5.9.1	Conduct a comprehensive review of the legal status, registration, duties, rights, obligations, and liability standards of capital market intermediaries and transaction professionals (incl. broker-dealers, fund and portfolio managers, custodians, registrars, trustees, issuing houses, investment advisers, settlement banks, solicitors and accountants).	Intermediary roles, liabilities and economics clarified in updated rules, with fee, capital and compliance requirements aligned to current market realities	Medium	Medium	Year 1 – 3: Year 1: data collection and scoping; Year 2: substantive review and consultation by intermediary category; Year 3: issuance of revised rules or guidance.	Availability of reliable information by intermediary category; coordination with the post-recapitalisation assessment; consultation with relevant professional and market associations; consistency with ISA 2025 and investor-protection requirements	SEC	SEC	ASHON, AIHN, ACT, AACN, CMSA, broker-dealers, fund managers, custodians, registrars, trustees, issuing houses, investment advisers, settlement banks, exchanges, CSDs and other relevant professional bodies	Issuers, investors, other market participants, general public	Indicative Cost: US\$ 100,000 to 500,000
		5.9.2	Identify overlaps, gaps and outdated role definitions, particularly between custodians, trustees and registrars, and amend relevant rules to clarify accountability, client-asset protection, outsourcing responsibilities and liability standards.										Funding Source: SEC fee income, Donor/DFI TA
		5.9.3	Review regulatory fee caps, advisory fees, brokerage pricing, licensing structures and compliance costs by intermediary category to ensure that they remain proportionate and commercially viable while supporting competition and investor protection.										
5.10	Assess financial health (after recapitalisation) and establish a risk-based capital adequacy framework for CMOs	5.10.1	Develop a standard post-recapitalisation reporting and assessment framework and, following the June 2027 compliance deadline, conduct a category-by-category review of capital market operators' (CMO) compliance with the revised minimum capital requirements, including the source and quality of capital, liquidity, profitability, leverage, client-asset exposures, operational risk and business-model sustainability.	Post-recapitalisation financial health of CMOs assessed; remediation plans implemented where required; and an ongoing, risk-based capital adequacy and financial-resilience framework established	High	Medium	Year 1: develop assessment methodology and reporting templates; Year 2–3: conduct post-recapitalisation as-	Completion of the June 2027 CMO recapitalisation exercise; implementation of the Pillar 1 RBS methodology and Pillar 5 RBS operationalisation activities;	SEC	SEC	CBN, CMOs, market associations, exchanges, professional bodies, external auditors and the Nigeria Capital Market Institute	Issuers, investors, other market participants, general public	Indicative Cost: US\$ 100,000 to 500,000 Funding Source: SEC fee income, Donor/DFI TA

#	Activity	Granular Steps	Output	Priority	Difficulty	Timeline	Dependencies	R	A	C	I	Funding
		5.10.2	Based on assessment, identify undercapitalised or financially vulnerable CMOs and require board-approved remediation plans addressing capital restoration, liquidity, costs, governance or business-model sustainability. Where consolidation, licence variation, business transfer or orderly exit is required, the framework established under the CMO consolidation and exit activity should apply.			assessment and implement remediation plans; Years 3–4: introduce ongoing risk-based capital and financial-resilience requirements where justified.	availability of reliable audited and supervisory data; SEC enforcement capacity; coordination with the CBN for custodians and jointly regulated entities.		IST			
		5.10.3	Review whether the existing static minimum capital requirements should be complemented by proportionate, risk-based ongoing capital and liquidity requirements reflecting each CMO's activities, scale, complexity, client assets and risk profile.									
		5.10.4	Integrate financial-resilience indicators and early-warning triggers into the SEC's risk-based supervision framework and periodic CMO reporting, with appropriate coordination with the CBN in relation to bank custodians and other jointly regulated entities.									
5.11	Accelerate technology adoption and operational resilience across capital market intermediaries	5.11.1	Conduct a technology and operational-resilience assessment across CMO categories, covering core operating systems, investor-facing interfaces, digital onboarding, API connectivity, regulatory reporting, cybersecurity, data governance, business continuity, outsourcing and critical third-party dependencies.	High	High	Year 1 - 5: Year 1: assessment and standards development; Year 2–5: phased implementation, testing and supervisory monitoring	Pillar 2 FMI interoperability and API standards; Pillar 4 unified investor onboarding architecture; Activity 2.7 investor-data sharing and account-management reforms; SEC digital licensing and supervision platform; applicable cybersecurity and data-protection requirements; access to funding and qualified technology providers	SEC, CMOs	SEC	Market associations, exchanges, CSDs, CCPs, NIBSS, NITDA, NDPC, technology service providers, cybersecurity specialists, registrars and custodians	Issuers, investors, other market participants, general public	Indicative Cost: US\$ 500,000 to 2,000,000 Funding Source: SEC fee income, Donor/DFI TA
		5.11.2	Establish proportionate minimum technology, cybersecurity and operational-resilience expectations for CMOs, including zero-trust security architecture, multi-factor authentication, system availability and recovery requirements, data-protection controls and oversight of outsourced service providers. These expectations should require CMOs to implement, rather than redesign, the market-wide onboarding, identity, API and straight-through-processing standards established under Pillars 2 and 4.									
		5.11.3	Require relevant CMOs to prepare board-approved technology and operational-resilience roadmaps setting out system-upgrade priorities, implementation milestones, funding requirements, cybersecurity controls, business-continuity arrangements and oversight of outsourced service providers.									
		5.11.4	Deploy automated reporting APIs between relevant CMOs and the SEC to support supervisory monitoring of platform availability, cybersecurity incidents, technology health and anti-fraud controls, including appropriate reporting links to the NFIU for suspicious transaction indicators.									
		5.11.5	Promote shared industry utilities and common technology solutions where these can reduce duplication and implementation costs without weakening competition, data protection, cybersecurity or accountability.									

#	Activity	Granular Steps	Output	Priority	Difficulty	Timeline	Dependencies	R	A	C	I	Funding
		5.11.6	Monitor implementation through the SEC's risk-based supervision framework, periodic reporting, independent assessments and proportionate operational-resilience testing.									
5.12	Facilitate orderly consolidation, specialisation and exit arrangements for CMOs	5.12.1 Use the post-recapitalisation assessment and intermediary-role review to identify intermediary categories characterised by unsustainable business models, excessive fragmentation, duplicative licences, subscale operators or potential market-concentration concerns. 5.12.2 Review the regulatory framework for voluntary mergers, acquisitions, licence combinations, specialisation and shared-service arrangements, establishing proportionate and transparent approval pathways while retaining fit-and-proper, governance, competition and investor-protection safeguards. 5.12.3 Establish an orderly exit and business-transfer framework for non-compliant or non-viable CMOs, covering the transfer or safeguarding of client assets, open mandates, records and data; continuity of investor servicing; client notification; and applicable investor-compensation arrangements. 5.12.4 Coordinate with the FCCPC and, where relevant, the CBN to assess the competition, concentration and financial-stability implications of material consolidation transactions. 5.12.5 Periodically assess the effects of consolidation on competition, service availability, market concentration and operational resilience, and refer any required changes to licensing structures, capital requirements or supervisory treatment to the relevant intermediary-role, capital adequacy or risk-based supervision workstream.	Transparent framework for CMO consolidation, specialisation, business transfer and orderly exit operational, with client-asset protection, competition and continuity safeguards in place	Medium	High	Year 2 - 6	Completion of the intermediary-role review and post-recapitalisation financial health assessment; SEC, FCCPC and CBN coordination; investor-protection and compensation arrangements; reliable information on market concentration and CMO business models	SEC, CMOs (affected)	SEC	FCCPC, CBN, market associations, exchanges, CSDs, custodians, registrars, trustees, external auditors and investor-protection bodies	Issuers, investors, other market participants, general public	Indicative Cost: US\$ 100,000 to 500,000 Funding Source: SEC fee income, Donor/DFI TA
Objective 5.3: Develop professional and capital market participant capacity												
Strengthen the pipeline and capacity of capital markets professionals												
5.13	Incorporate capital market studies/ training into existing tertiary courses and modernise the NCMI	5.13.1 Collaborate with the National Universities Commission (NUC) to modernise capital markets content across relevant tertiary pathways (e.g. accounting, finance, business, economics) at undergraduate level. 5.13.2 Modernise the NCMI curriculum and collaborate with NUC to incorporate at post-graduate level. 5.13.3 Explore an updated financing model for the NCMI, e.g. a mixture of SEC and market levy financing. 5.13.4 Incorporate relevant updates in line with capital markets trend into both tertiary and NCMI curricula.	Capital markets content included in relevant undergraduate courses, active rollout of updated NCMI curriculum	Medium	Medium	Year 2 - 4	N/A	SEC, NUC, NCMI	SEC	CMOs	General public	Indicative Cost: US\$ 500,000 to 2,000,000 Funding Source: Donor/DFI TA, DFI implementation partnership, SEC fee income

#	Activity	Granular Steps		Output	Priority	Difficulty	Timeline	Dependencies	R	A	C	I	Funding
5.14	Consolidate the various ongoing capital markets capacity building initiatives to develop a more impactful structure	5.14.1	Convene providers of capital markets capacity building initiatives (e.g. AIHN, NGX, ASHON) to take stock of current approaches, with NCMI as convenor.	Market-wide capacity building initiatives harmonised	Medium	Medium	Year 3 - 5	NCMI strengthened and modernised	NCMI, capacity building entities (e.g. AIHN, NGX, ASHON)	SEC	CMOs	General public	Indicative Cost: Less than US\$ 100,000
5.14.2		Conduct a market-wide capacity audit, and identify areas of shared capability (especially around new trends).	Funding Source: SEC fee income, Private sector co-financing										
5.14.3		Collaborate to harmonise training delivery and approaches.											
5.14.4		NCMI and other capacity providers should collaborate with the Nigerian diaspora in capital markets to facilitate knowledge transfer programmes.											
5.15	Institute mandatory certification for all capital markets practitioners followed by compulsory membership to practice professionally, benchmarking on markets like Kenya	5.15.1	Formulate a unified national competency framework and statutory rules to introduce tiered specialist designations beyond traditional stockbroking certificates.	A standardised professional accreditation and licensing framework for all capital markets practitioners, ensuring consistent technical competence, ethical conduct, and continuous professional development, underpinned by an integrated, risk-based digital licensing, certification and supervision framework	High	Medium	Year 1 - 2: national competency framework Year 2 - 4: centralised public register Year 2 - 5: refined sponsor individual model	N/A	SEC, Professional Institute/ Certification body	SEC, Professional Institute/ Certification body	MoF, NGX, FMDQ ,CSCS, Industry Associations	Market operators, Trainers, Universities	Indicative Cost: Less than US\$ 100,000
5.15.2		Refine the SEC Sponsored Individual model to mandate annual Practising Certificates and enforce compulsory Continuing Professional Development (CPD) credits linked to the yearly license renewal cycle.	Funding Source: SEC fee income, Donor/DFI TA										
5.15.3		Deploy a centralised public register of certified practitioners detailing specialist qualifications, active licensing statuses, and disciplinary histories to mirror global professional registries.											
5.15.4		Modernise the digital licensing and supervision of Capital Market Operators (CMOs) by completing the phased implementation of a single risk-based digital licensing and supervision platform for all Capital Market Operators (including broker-dealers, fund managers, custodians, registrars, trustees, issuing houses and investment advisers) that is already underway in partnership with FSD. This will encompass the annual practising certificate and CPD renewal framework to enable a single source of CMOs regulatory data.											
5.16	Capacity building for board members, CFOs, sustainability officers, and auditors to prepare, verify, and assure IFRS S1 and S2 disclosures (ISSB)	5.16.1	Develop and launch a tiered IFRS S1 and S2 technical training program tailored across four distinct functional pillars: board governance/oversight, finance team preparation/data management, sustainability materiality assessment, and audit verification/assurance.	A structured, role-differentiated training programme is operational and practical toolkits are publicly available ahead of the January 2028 mandatory adoption date	High	Medium	Year 1 - 3	Completion within voluntary adoption period for IFRS S1, S2	FRC, SEC	FRC	ISSB/IFRS Foundation, accounting firms, auditors, early adopters, NGX, listed company representative bodies	Listed firms, audit firms, CMOs	Indicative Cost: US\$ 100,000 to 500,000
5.16.2		For auditors, build capacity to transition from limited to reasonable assurance, and integrate capacity building with the FRC"s auditor oversight framework.	Funding Source: SEC fee income, Donor/DFI TA, Private sector co-financing										
5.16.3		Publish practical implementation toolkits to complement the training architecture, including standardised data collection templates, materiality assessment guides, and automated IFRS S1/S2 readiness self-assessment tools.											
5.16.4		Document and integrate operational case studies											

#	Activity	Granular Steps	Output	Priority	Difficulty	Timeline	Dependencies	R	A	C	I	Funding
			from the existing early-adopter corporate entities to provide practical benchmarks and live reference blueprints for the broader market ecosystem.									
Build capacity for capital markets participants beyond the regulator and professionals												
5.17	Capacity building for SMEs, larger private sector issuers and state governments to promote an understanding of the benefits of the capital markets, including labelled instruments	5.17.1 Operationalise the SEC-SMEDAN MoU to incubate/strengthen a pipeline of SMEs with a view towards listing equity/debt or attracting investment via SME funds. - Develop and adopt a joint SEC-SMEDAN implementation framework and annual work plan. - Deliver nationwide SME capital market awareness and education programmes. - Implement SME investment readiness and corporate governance capacity-building programmes. - Provide technical support to SMEs on financial reporting and capital raising preparedness. - Establish a referral pipeline linking investment-ready SMEs to capital market intermediaries and investors. - Monitor and evaluate programme outcomes, including the number of SMEs progressing to capital market fundraising. 5.17.2 Expand the SEC's incubation programme to include other potential private sector issuers and strengthen their corporate governance, reporting etc. to prepare for listing. - Establish a structured issuer incubation and standardised issuer readiness programme - Deliver technical assistance and mentoring to prospective issuers. - Integrate ESG and sustainability disclosure readiness. - Build an ecosystem of accredited transaction advisers. - Support incubated issuers through to market issuance. 5.17.3 Establish and administer a capacity-building framework in partnership with DFIs for large private sector and state issuers to promote listing of labelled instruments (covering e.g. project identification, sustainable finance framework development, proceeds management, impact reporting).	Graduation of first SMEs under MoU, listings from SEC incubation programme, additional issuance (including labelled) from private sector and states	High	High	Year 1 - 4	Establishment of SME funds listed on local exchanges	SEC	SEC	DFI partners, exchanges, CMOs	General public	Indicative Cost: USD 100,000 to 500,000 Funding Source: SEC fee income, Donor/DFI TA, Private sector co-financing
5.18	Establish a capital markets journalism capacity and accreditation framework	5.18.1 Partner with the NCMI, the Nigeria Union of Journalists (NUJ), and professional bodies (e.g., CFA Society Nigeria) to co-author a specialised capital markets curriculum and establish a tiered professional accreditation system for financial reporters. 5.18.2 Modernise the SEC's internal communications function by deploying a secure digital media portal that provides accredited journalists with proactive, real-time access to clean market data, circulars, and verified enforcement outcomes.	Operational financial journalism certification framework, active reporting fellowships, and an updated SEC corporate media strategy	Medium	Medium	Year 2 - 4	Funding partnerships with DFIs	SEC, NCMI	SEC	CFA Society Nigeria, Financial Press Associations, Major Media Houses	General public	Indicative Cost: Less than USD 100,000 Funding Source: SEC fee income, Donor/DFI TA

#	Activity	Granular Steps	Output	Priority	Difficulty	Timeline	Dependencies	R	A	C	I	Funding
		5.18.3	Launch an independent Capital Market Reporting Fellowship Fund to provide merit-based financial grants for certified journalists conducting deep-dive, investigative reporting on market conduct and retail investor protection.									
		5.18.4	Formalise strategic partnerships with technical trade publishers (e.g., CFA Institute publications, specialised financial market trade press) to run technical deep-dives alongside general press coverage, managed via regular NCMI curriculum updates.									
5.19	Operationalise a state capital-market capacity building programme	5.19.1	Launch the SEC-FSD Africa sub-national training cohort targeting state ministries of finance and local debt management offices.	High	Medium	Year 1 - 4	Execution of formal FSD Africa technical assistance funding agreement	SEC, NCMI	SEC, FSDA	State governments, DMO	CMOs, general public	Indicative Cost: US\$ 100,000 to 500,000 Funding Source: SEC fee income, Donor/DFI TA
		5.19.2	Deliver tailored modules on project financial preparation, cash-flow structuring, and IFRS-compliant public accounts formatting.									
		5.19.3	Deploy dedicated technical assistance teams to execute pilot issuances across the four designated states (Lagos, Kaduna, Cross River, Benue).									

6. Appendix



Appendix

6.1 Sequencing Plan

The sequencing plan provides a consolidated view of all activities set out in the implementation plan, organised by their expected timing over the ten-year horizon. It brings together activities across all pillars and presents them in a single view, allowing for a clear understanding of the relative phasing and progression of reforms from immediate to long-term priorities.

Activities are arranged according to the number of years in which they are expected to be completed. Activities span different timeframes including immediate (less than one year), short-term (1–3 years), medium-term (4–6 years), and long-term (7–10 years). This structure reflects the intended sequencing of reforms, recognising the pace at which different elements of the market can realistically be developed.

Priority levels are indicated using colour coding within the table. **Red** denotes high-priority activities, while **yellow** denotes medium-priority activities.

Given the need for different actors (the SEC, DMO, FMOF, CBN, PenCom, NAICOM and MOFI among others) to work together to co-design a number of interventions, Sections 4 and 5 above explicitly enfolded co-design into a number of relevant activities. This decision was informed by the findings of the political-economy analysis, which highlighted the need for co-design across gatekeeper agencies to drive meaningful change. Activities that require co-design agreements to be in place before progression to subsequent steps are marked with an asterisk (*) in the table below.

Prioritisation Logic

Many of the activities in the below table (e.g. legal, regulatory and capacity building elements that fall under Pillars 1 and 5) are intended to be addressed during the first half of the NCMMP 2.0 as they are foundational to achieving its objectives. Activities under Pillar 2, which relate to modernising the market infrastructure, tend to take more time and are longer term in nature, while the activities under Pillars 3 and 4 incorporate a variety of short- and longer-term objectives. Activities under Pillar 5, which cover capacity, are generally sequenced in the first half of the NCMMP 2.0, given their foundational nature.

Table 18: Sequencing plan of NCMMP 2.0 activities

Activity	Years									
	1	2	3	4	5	6	7	8	9	10
Pillar 1: Foster Regulatory Clarity, Coordination and Enforcement										
Objective 1.1: Ensure regulatory clarity and harmonisation										
Improve inter-agency cooperation										
Centralisation of filing across different regulators to avoid multiple filings and promote market transparency										
Strengthen the FSRCC's capital markets coordination function*										
Establish a Commodity Market Development Council with lessons from the previous commodities implementation structure										
Collaborate with international regulators to manage private capital funds that are domiciled abroad but raise funds in Nigeria*										
Clarify the market's rules and make unwritten principles concrete										
Create a regulatory governance framework										
Formal drafting of unwritten principles and consolidation of rules and amendments in one place accessible to all capital market operators										
Achieve tax neutrality across capital markets products										
Establish clear regulatory standards for the treatment of warehouse receipts as secure financial collateral to promote the commodities market										
Establish IFRS S1 and S2 (ISSB) as the primary reporting standard across regulators from mandatory adoption period										
Establish a framework and incentives for PE funds to list on existing exchanges										
Enforce post-issuance impact reporting for sustainable finance products										
Expand the regulation of new categories of sustainable capital markets instruments										
Issue/update risk-based CCP capital adequacy and financial resources rules										
Establish a netting and financial collateral framework and clarify SEC-CBN derivatives jurisdiction										

Activity	Years									
	1	2	3	4	5	6	7	8	9	10
Establish a regulatory framework for interoperable mobile-enabled capital market access										
Strengthen supervision framework for digital, virtual and tokenised assets										
Operationalise the virtual asset council governance structure and activity-based registration architecture										
Integrate capital market virtual asset innovations into the coordinated sandbox and graduation pathway										
Establish the institutional, supervisory, and capacity framework for virtual asset securities										
Objective 1.2: Strengthen supervisory and risk management architecture										
Enhance supervisory architecture, risk-based supervision and enforcement										
Publish a CMO risk taxonomy and supervisory tiering model										
Adopt and publish a quantitative risk scoring methodology										
Deploy an off-site supervisory monitoring platform										
Strengthen systemic risk management across the capital markets										
Establish the Systemic Risk Council within the SEC										
Run the first stress testing cycle across the three prioritised scenario										
Develop and maintain the capital market contagion map										
Institutionalise the annual stress testing programme covering FMI, cyber and climate risks.										
Objective 1.3: Enhance market conduct and protection										
Enhance investor protection, compensation and restitution mechanisms										
Publish and calibrate compensation ceilings across the exchange-administered Funds and the NIPF										
Develop a framework for retail product disclosure, mis-selling prevention, and operator redress										
Operationalise a market-wide fraud restitution mechanism										
Provide a defined efficient dispute resolution and arbitration pathway for foreign investors										
Develop market conduct and consumer protection frameworks										
Issue binding SEC suitability and appropriateness rules										
Issue SEC product governance rules										
Introduce inducement limits and commission disclosure requirements										
Establish a registered digital promoter regime										
Pillar 2: Modernise Market Infrastructure										
Objective 2.1: Promote open, efficient and competitive securities markets										
Foster open, efficient and competitive securities markets										
Establish an SEC-led interoperability and market-structure framework across CSDs, CCPs and related FMIs										
Mandate real-time technical connectivity across post-trade FMIs and payment-system interfaces										
Establish competition-neutral access rules across trading, clearing and settlement infrastructures										
Review of trading infrastructure and rules										
Enhance the quality of trading data and develop a consolidated tape across trading venues										
Establish a ring-fenced S4 subsidiary under an agreed SEC-CBN oversight framework*										
Streamline manual processes by leveraging technology										
Ensure FMI readiness for mass investor onboarding and expanded market access										
Objective 2.2: Develop deeper, more developed commodity and derivatives markets										
Build deeper, more developed commodity and derivative markets										
Strengthen CCP resilience, capital adequacy and clearing service offering to end-users										
Develop international recognition of Nigerian CCPs and other FMIs										
Operationalise a legally robust electronic warehouse receipt ecosystem										
Operationalise existing SEC mandatory clearing rules and align with CBN supervisory expectations										
Develop end-user base for derivatives (industrial and commercial companies)										

Activity	Years									
	1	2	3	4	5	6	7	8	9	10
Objective 2.3: Ensure strong and resilient capital markets infrastructure										
Strong and resilient capital markets infrastructure										
FMI cybersecurity										
Establish FMI operational resilience standards										
Pillar 3: Broaden Issuance, Product and Instrument Diversification										
Objective 3.1: Sovereign and sub-national debt market optimisation										
Enhance the sovereign debt market										
Continue yield curve extension and benchmark consolidation*										
Enhance the market's primary dealer framework										
Enhance secondary market liquidity in the sovereign debt market										
Deepen the repo market and short term liquidity for sovereign debt instruments*										
Promote sub-national issuance										
Development of a sub-national Debt Regulatory & Approval Framework*										
Strengthen the sub-national credit enhancement architecture										
Objective 3.2: Private sector capital formation										
Expand corporate equity issuance										
Facilitate the listing of selected SOEs, with underlying strengthening to ensure they are listing-ready										
Review of incentives for listing/issuance										
Encourage cross-border listings to position Nigeria as a regional hub										
Revitalise the corporate debt market										
Incentivise longer-term corporate debt market*										
Enhance SME access to capital markets										
Reduce constraints to SME listing to encourage an increase in SME participation in the capital market										
Objective 3.3: Structural product and instrument diversification										
Promote product and instrument diversification										
Establish a multi-sector pipeline and DFI de-risking framework to scale sustainable issuances across state governments, SOEs, and corporate entities										
Promote the issuance of non-interest capital markets instruments and the availability of secondary market liquidity for sukuk and sustainable issuances*										
Support the build-up of commodity-linked capital markets products										
Identify a pipeline of State Government Issuers of Sustainable Finance Instruments*										
Work with the Private Sector to Identify a pipeline of issuers of sustainable finance instruments*										
Work with the Federal Government to Identify a pipeline of SOEs issuing sustainable finance instruments*										
Introduction of a dedicated REIT regulatory framework to facilitate the mobilisation and efficient deployment of long-term capital into the real estate sector										
Strengthen the ABS / securitisation framework to unlock long-term finance and deepen capital markets										
Establish a dedicated listing framework for closed-ended PE/VC and other alternative investment funds										
Pillar 4: Deepen and Diversify the Investor Base										
Objective 4.1: Enhance domestic institutional and qualified wealth participation										
Broaden institutional investor participation										
Create mechanisms to channel institutional capital into national needs/priorities (e.g. infrastructure projects) such as through derisking vehicles (e.g. Infracredit)*										
Refine or update investment allocation guidelines for institutional investors including implementation mechanisms for ESG mandates*										
Enhance institutional investor access to SME financing*										
Deepen pension fund participation in the commodities market										
Leverage domestic qualified investors										
Engage family offices to support local capital retention										

Activity	Years									
	1	2	3	4	5	6	7	8	9	10
Objective 4.2: Enhance access for local and diaspora retail investors										
Expand domestic retail investor access										
Partner with PenCom and NAICOM to deepen institutional asset size by driving informal sector product adoption and strengthening policyholder trust*										
Integrate MNOs and fintechs with interoperable settlement systems to support seamless onboarding and participation of new investors, particularly youth and first-time investors										
Undertake ongoing, targeted retail investor education										
Promote emerging asset classes (e.g. digital and virtual assets) by expanding awareness among the youth and supporting an increase in issuances										
Establish a unified onboarding architecture with domestic and foreign access pathways*										
Operationalise and rollout of tax free savings accounts (TFSAs)										
Develop a diversified and competitive CIS industry that mobilises long-term savings, broadens investor participation and supports capital formation.										
Encourage the participation of women and women-owned enterprises in the market										
Enhance diaspora participation										
Develop a clear pathway for diaspora participation in the capital markets*										
Objective 4.3: Enhance access for foreign institutional investors										
Enhance foreign investor participation										
Establish risk based, non-resident investor onboarding architecture*										
Close the FX repatriation and eCCI modernisation gap*										
Address settlement risk for foreign currency denominated capital market trades*										
Establish custody arrangements with global custodians*										
Ensure correct tax treatment for foreign Investors*										
Pillar 5: Build institutional capability and professional depth										
Objective 5.1: Strengthen institutional and regulatory capacity										
Strengthen the capacity of the SEC										
Conduct a comprehensive institutional capacity assessment and create a market aligned funding and fee structure										
Operationalise risk-based supervision (RBS)										
Build the SEC's capacity to understand and regulate the digital, virtual and tokenised assets space										
Build the SEC's technical capacity to regulate the evolving sustainable finance ecosystem										
Strengthen the capacity of regulatory and government agencies										
Build PenCom capacity through training in areas of Sustainable finance, digital assets oversight and risk-based supervision of PFAs										
Enhance NAICOM capacity particularly on the NIIRA 2025 implementation, alongside their CMMP-related role										
Build the DMO's capacity to further deepen the sovereign debt markets										
Build the capacity of the Investment and Securities Tribunal (IST) and the broader judicial architecture for capital markets										
Objective 5.2: Enhance intermediary risk and operational resilience										
Strengthen the resilience, efficiency and competitiveness of capital market intermediaries										
Review and clarify the roles, liabilities and economics of capital market intermediaries										
Assess financial health (after recapitalisation) and establish a risk-based capital adequacy framework for CMOs										
Accelerate technology adoption and operational resilience across capital market intermediaries										
Facilitate orderly consolidation, specialisation and exit arrangements for CMOs										
Objective 5.3: Develop professional and capital market participant capacity										
Strengthen the pipeline and capacity of capital markets professionals										
Incorporate capital market studies/training into existing tertiary courses and modernise the NCMI										
Consolidate the various ongoing capital markets capacity building initiatives to develop a more impactful structure										

Activity	Years									
	1	2	3	4	5	6	7	8	9	10
Institute mandatory certification for all capital markets practitioners followed by compulsory membership to practice professionally, benchmarking on markets like Kenya										
Capacity building for board members, CFOs, sustainability officers, and auditors to prepare, verify, and assure IFRS S1 and S2 disclosures (ISSB)										
Build capacity for capital markets participants beyond the regulator and professionals										
Build capacity for SMEs, larger private-sector issuers and state governments to promote an understanding of the benefits of the capital markets, including labelled instruments										
Establish a capital markets journalism capacity and accreditation framework										
Operationalise a state capital-market capacity building programme										

6.2 Consulted Stakeholders

The insights and findings underpinning this NCMMP 2.0 were obtained through extensive stakeholder engagement with a range of stakeholders including the regulator, policy makers, industry associations representing various capital market operators, as well as infrastructure providers. The following table outlines the final list of 18 institutions whose insights contributed to the development of this masterplan.

Table 18: Sequencing Plan of NCMMP 2.0 Activities

Stakeholder Category	Institution	Type of Engagement	Role of Stakeholder Engaged	Purpose of Engagement
Regulatory, legal and governance	Securities and Exchange Commission (SEC) Nigeria	Direct Consultation	Executive	- Understanding the most recent changes to the regulatory landscape - Evaluating human and technology capacity gaps at the regulator level - Establishing root causes for limitations to implementation of the previous CMMP (e.g. inter-agency coordination)
	Central Bank of Nigeria (CBN)	Direct Consultation	Deputy Director (Executive)	
	Federal Ministry of Finance (FMoF)	Direct Consultation	Special Adviser (Technical)	
	National Pension Commission (PenCom)	Direct Consultation	Executive	
	National Insurance Commission (NAICOM)	Direct Consultation	Executive	
	Investments and Securities Tribunal (IST)	Direct Consultation	Executive	
	Debt Management Office (DMO)	Direct Consultation	Executive	
Financial Market Infrastructure	Nigerian Exchange Group (NGX)	Direct Consultation	Executive	- Understanding the capabilities and reach of existing capital market infrastructure across all layers (pre-trade, trade and post-trade) - Identifying challenges faced by infrastructure providers as well as current competition dynamics and drivers
	Central Securities Clearing System (CSCS) Plc	Direct Consultation	Executive	
	African Exchange (AFEX)	Direct Consultation	Executive	
	FMDQ Securities Exchange	Direct Consultation	Executive	
Associations	Association of Assets Custodians of Nigeria (AACN)	Association Based Consultation	Board Member	- Understanding the unique perspectives, experiences and challenges of each group of capital market operators (e.g. custodians, trustees, solicitors, etc) - Evaluating the current state of capital markets in Nigeria as well as challenges to the development of the market - Ascertaining core priorities
	Association of Securities Dealing Houses of Nigeria (ASHON)	Association Based Consultation	Executive	
	Association of Issuing Houses Of Nigeria (AIHN)	Association Based Consultation	Board Member	
	Capital Market Solicitor's	Association Based	Board Member	

Stakeholder Category	Institution	Type of Engagement	Role of Stakeholder Engaged	Purpose of Engagement
	Association (CMSA)	Consultation		from each institution group's perspective
	Private Equity and Venture Capital Association of Nigeria (PEVCA)	Association Based Consultation	Board Member	
	Pension Fund Operators Association of Nigeria (PenOp)	Association Based Consultation	Ex-Executive	
	Fund Managers Association of Nigeria (FMAN)	Association Based Consultation	Board Member	
	Nigerian Insurers Association (NIA)	Association Based Consultation	Board Member	
	Association of Corporate Trustees (ACT)	Association Based Consultation	Board Member	
Implementation	Capital Markets Masterplan Implementation Council (CAMMIC)	Direct Consultation	Executive Committee	Key insights on experiences from the implementation of the previous Nigeria CMMP 2015 - 2025
General	Marble Capital	Direct Consultation	Executive	Perspectives on the sustainable and non-interest finance ecosystems as well as sub-national issuances
	Lagos State Government	Direct Consultation	Permanent Secretary, Local DMO	

6.3 Glossary of Terms

This section defines the key terms used throughout the NCMMP 2.0. Entries are listed in alphabetical order.

Table 20: Glossary of Terms

Term	Definition
Asset-backed Forwards	Customary or exchange-traded derivative contracts where the underlying asset is a physical commodity held in an accredited storage facility.
Blue Bonds	Labelled debt instruments specifically issued to raise capital for marine, ocean, and water-related sustainable development projects.
Central Counterparty Clearinghouse (CCP)	An entity that acts as the buyer to every seller and the seller to every buyer in a financial transaction to ensure settlement finality.
Central Securities Depository (CSD)	A specialised financial institution that holds securities in either dematerialised or certificated form so that ownership can be transferred electronically.
Collective Investment Schemes (CIS)	Investment pools that aggregate capital from multiple investors to purchase a diversified portfolio of securities, managed by a professional fund manager.
Commercial Paper	Short-term, unsecured debt instruments issued by corporations to finance their immediate working capital and operational needs.
Commodity Derivatives	Financial contracts (such as forwards, futures, or options) whose value is derived from the price of an underlying physical commodity.
Commodity ETFs	Exchange-traded funds that track the price of a specific commodity or a basket of commodities, structured as physically-backed or futures-based products.
Commodity Murabaha	An Islamic financing structure where a seller explicitly agrees to sell a commodity to a buyer at a cost-plus-profit margin, often utilised for liquidity management.
Consolidated Tape	A digital system or data aggregator that integrates live pre-trade (bids/offers) and post-trade data from all trading venues into a single, unified price feed.

Term	Definition
Dematerialised Securities	Financial assets that exist purely as electronic registry records rather than physical paper certificates.
Digital Assets	Virtual or tokenised representations of value or real-world assets that are issued and tracked using secure cryptographic ledger technologies.
Disclosure Framework	A standardised, public reporting structure used by financial market infrastructures to demonstrate their alignment with international safety and resilience baselines.
Dual-gate Framework	A synchronised regulatory model mandating reciprocal licensing approvals and shared compliance oversight between two distinct apex authorities (e.g., SEC and CBN).
Dual-pathway Listing Architecture	A listing framework featuring both a standard registration route for public offerings and an expedited, concessionary route restricted to qualified institutional buyers.
Electronic Certificate of Capital Importation (eCCI)	A digital certificate issued by an authorised bank confirming the inflow of foreign capital into a domestic economy for investment purposes.
Electronic Warehouse Receipt (EWR)	A digital title document issued by a licensed warehouse operator that certifies the ownership, location, quality, and quantity of stored commodities.
EWR Repos	Repurchase agreements where electronic warehouse receipts are pledged as secure financial collateral to access short-term credit lines.
First Loss Guarantees	A credit enhancement mechanism where a development finance institution or sovereign entity agrees to absorb initial financial losses to protect other investors.
Free Float	The proportion of a listed company's outstanding shares that are freely available to be traded by the public, excluding locked-in or insider holdings.
Golden Share	A specialised share retained by a sovereign government in a privatised enterprise, granting veto power over material strategic or national-interest decisions.
Green Bonds	Labelled fixed-income debt instruments specifically issued to raise capital for projects targeting environmental sustainability or climate change mitigation.
Gross Written Premiums (GWP)	The total amount of premium revenue written by an insurance company during a specified period, before deducting reinsurance costs.
IFRS S1 and S2	The baseline international sustainability disclosure standards issued by the ISSB, subject to jurisdictional adoption or endorsement.
Labelled Instruments	Financial securities explicitly certified as green, social, sustainable, blue, or transition assets based on their verified use-of-proceeds.
Movable Collateral	Non-real estate physical assets (such as commodities, equipment, or inventory) legally recognised as pledgeable financial security to secure bank lending.
Mudarabah Placements	Shariah-compliant investment partnerships where one party provides capital and the other provides managerial expertise, with profits shared at an agreed ratio.
Mutual Recognition Agreement (MRA)	An international or regional pact whereby regulatory bodies formally recognise each other's professional certifications, licensing protocols, or listing requirements.
Over-the-Counter (OTC) Derivatives	Custom financial contracts negotiated and executed bilaterally directly between two counterparties outside an organised, centralised exchange.
Partial Credit Guarantees	A credit enhancement facility that protects lenders or investors by guaranteeing the repayment of a predetermined percentage of a bond or loan principal.
Pass-through Tax Neutrality	A fiscal treatment that ensures alternative investment funds or pooled vehicles are not taxed at the fund level, preventing double taxation for investors.
Porting	The transfer of client positions and related collateral from a defaulting clearing member to another clearing member, usually where client protections and rulebook conditions are satisfied.
Prospectus Passporting	A cross-border regulatory mechanism that allows an investment prospectus approved by one home country regulator to be automatically accepted by peer regional regulators.
Qualified Institutional Buyers (QIBs)	Highly sophisticated, well-capitalised institutional investors (such as banks, pension funds, or insurance firms) recognised as requiring less retail prospectus protection.
Recovery and Resolution Regime	A statutory blueprint designed to safely manage the extreme operational stress or potential failure of a financial market infrastructure without triggering systemic collapse.
RegTech (Regulatory Technology)	Advanced software solutions utilised by capital market operators to automate, track, and streamline their internal compliance, reporting, and statutory obligations.

Term	Definition
Regulatory Incubation / Sandbox	A highly controlled, time-limited regulatory ecosystem that allows fintech innovators to test emerging products or digital assets under relaxed statutory rules.
Risk-Based Supervision (RBS)	A dynamic supervisory model where regulatory attention, human resources, and inspection cycles are directed toward market entities based on their explicit risk profiles.
Robo-advisory	Automated, algorithm-driven digital platforms that provide investment management services and portfolio selection with minimal human intervention.
Second-Party Opinion (SPO)	An independent, expert assessment provided by an external verifier to certify that an issuer's sustainable finance framework aligns with global standards.
Securitisation	The financial process of aggregating various illiquid financial assets (such as individual SME loans or receivables) into interest-bearing public securities.
Shelf Registration	A streamlined regulatory filing procedure that allows public issuers to register a large volume of securities in advance and sell them sequentially over a multi-year horizon.
Single Investor Identification Number	A centralised, lifetime digital credential assigned to a retail investor to serve as an immutable passport across all exchanges, registries, and brokers.
Single-window Foreign Investor Access System	A unified digital portal that consolidates account opening, identity verification, tax registration, and currency tracking for non-resident institutional investors.
Sovereign Yield Curve	A graphical benchmark that plots the interest rates of risk-free government debt across sequential maturity timelines, serving as the baseline for pricing corporate credit.
Sponsored Individual	A licensed capital market professional officially registered with and vetted by the regulatory commission to execute regulated financial functions.
Straight-Through Processing (STP)	An automated, end-to-end digital transaction workflow where financial data is transmitted from trade execution directly through clearing to final settlement without manual re-entry.
Sukuk	Investment certificates of equal value representing undivided ownership shares in tangible physical assets, project usufructs, or services, structured to comply with Shariah rules.
SupTech (Supervisory Technology)	Specialised technology systems and data analytics tools deployed directly by regulatory authorities to automate and scale market surveillance and risk tracking.
Sustainability Bonds	Labelled debt instruments where the raised capital is explicitly split to fund a blended mixture of both environmental (green) and social development projects.
T+1 Settlement Cycle	A modernised post-trade standard where the final financial settlement and transfer of security ownership occur exactly one business day after the initial trade execution date.
Tawarruq	An Islamic financial transaction structure involving a multi-party commodity purchase and resale sequence designed to generate short-term cash liquidity for participants.
Tax-Free Savings Accounts (TFSAs)	An investment wrapper that completely exempts all generated interest, dividend payments, and capital gains from taxation up to fixed annual contribution limits.
Thematic Bond Market	A segment of the fixed-income market dedicated exclusively to issuing debt instruments linked to dedicated themes, such as green, social, blue, or transition development.
Tokenised Assets	Digital representations of physical real-world assets or financial rights issued, managed, fractionalised, and transferred via cryptographic blockchain rails.
Trade Repository (TR)	A centralised public data facility that receives, maintains, and stores the comprehensive transaction records of all executed over-the-counter derivative contracts.
Transition Bonds	Labelled fixed-income debt instruments specifically structured to fund the emission-reduction or environmental modernisation projects of carbon-heavy industrial entities.
Travel Rule	A global anti-money laundering standard that mandates financial institutions and virtual asset providers to identify and share sender and beneficiary identities for all asset transfers.
Virtual Asset Service Providers (VASPs)	Entities or digital platforms that provide commercial services linked to the exchange, transfer, custody, sale, or issuance of virtual and cryptographic assets.
Wakalah Arrangements	An Islamic finance structure where an investor appoints an agent (an unrestricted or restricted proxy) to manage capital assets in exchange for a fixed fee or performance profit share.
Zero-trust Architecture	A rigorous cybersecurity network design model based on the operational principle of "never trust, always verify," mandating strict, ongoing cryptographic authentication for every user and data packet.



7. Monitoring & Evaluation (M&E) and Governance Framework

Monitoring & Evaluation (M&E) and Governance Framework

The successful delivery of the NCMMP 2.0 will depend on the effective implementation of the reforms and initiatives outlined in the Capital Markets Masterplan and the Implementation Plan. The M&E and Governance framework presented in this chapter sets out the Theory of Change (ToC), institutional arrangements, processes, and monitoring mechanisms that will support the coordinated execution of NCMMP 2.0 initiatives over the implementation horizon.

The M&E and Governance framework:

- outlines the process through which NCMMP 2.0 activities will be implemented and monitored;
- establishes the governance structure responsible for overseeing and coordinating implementation;
- clarifies the roles and responsibilities of institutions involved in delivering NCMMP 2.0 reforms;
- sets out mechanisms for monitoring progress and reporting on the implementation of the NCMMP 2.0, including through plan-level and pillar-level indicators to track progress; and
- provides reporting templates aimed at different governance stakeholders

Together, these elements provide a structured approach for overseeing the implementation of NCMMP 2.0 initiatives, facilitating coordination across responsible institutions, and ensuring that implementation progress is regularly monitored and reviewed. This section also includes a ToC as well as key anticipated implementation risks across the market and specific pillars/activities.

7.1 Theory of Change

The development of Nigeria's capital market requires a clear, causal framework that connects policy interventions directly to the NCMMP 2.0's ultimate vision. The aim of the ToC is to articulate the logical pathways through which regulatory, infrastructural, fiscal, and institutional interventions generate structural market outcomes, ultimately driving long-term economic transformation.

The ToC specifically clarifies how NCMMP 2.0 workstreams and initiatives are expected to translate into measurable market-level change: specifically, how reform actions generate outputs within the control of authorities, how those outputs influence market functioning and behaviour, and how these changes ultimately contribute to long-term impact.

The ToC is anchored in the market's current status and constraints as outlined across the various sections of the NCMMP 2.0. The status quo informed the creation of strategic pillars, which each contain pillar-specific objectives and underlying workstreams. The objectives are achieved through implementation of specific initiatives, activities or actions which result in defined

outputs. Once established, these outputs generate outcomes, reflecting changes in market functioning, incentives, and behaviour. Outcomes capture how issuers, investors, intermediaries, and institutions respond to the strengthened structures — for example through increased participation, improved market integrity, deeper liquidity, or more diversified issuance. The outcomes result in the realisation of the overall impact and vision of the NCMMP 2.0.

To maintain clarity and operational utility within this section, the ToC employs several structural conventions regarding the scope and granular tracking of the NCMMP 2.0. As discussed, the NCMMP 2.0 implementation plan comprises 25 distinct workstreams distributed across its five core pillars. To avoid fragmentation and present a digestible framework for implementers and decision-makers, these 25 workstreams have been grouped and consolidated into 15 streamlined objective blocks, while remaining cognisant of the underlying workstreams. A full itemised map connecting each of the original 25 workstreams directly to these 15 consolidated blocks is provided in the Annex.

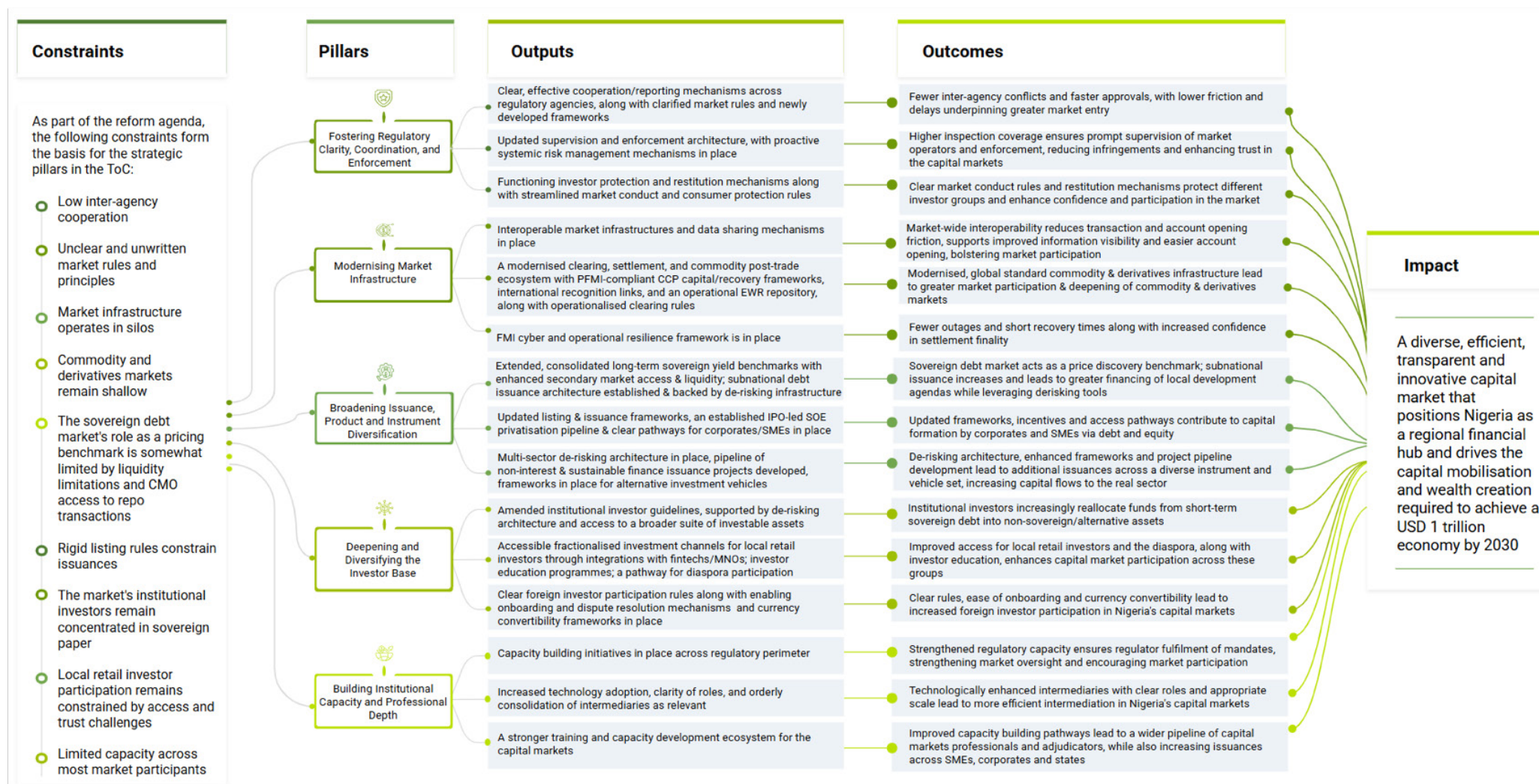
Following this consolidation, the ToC adheres to a standardised one-output, one-behavioural-outcome structure. This design yields a matrix comprising 15 consolidated objectives, 15 operational outputs, and 15 behavioural outcomes across the five pillars. While these 15 outcomes are expressed at a strategic level within the primary ToC matrix for ease of reference, they are further disaggregated into sub-components and granular indicators.

This disaggregation ensures that while the primary ToC maintains strategic scannability for high-level oversight, **the SEC's implementation unit possesses the empirical metrics and indicators required for baseline setting and performance verification** throughout the NCMMP 2.0's 2026–2036 horizon.

The ToC also strengthens the monitoring and evaluation framework underpinning the NCMMP 2.0. By mapping the pathway from initiatives and reform actions to outputs, outcomes, and long-term impact, it enables a distinction between implementation progress, market-level response, and longer-term development. At the same time, the ToC supports authorities to assess whether observed changes can reasonably be attributed to the reform programme.

The ToC's logical framework is underpinned by certain assumptions, risks and enabling conditions, which are discussed at the end of Section 7.1.

The ToC illustrates how **diagnosed market constraints inform strategic inputs (pillars, objectives, and activities), which produce direct outputs, drive structural outcomes across the market, and achieve the NCMMP 2.0's overall strategic vision.**



Foundational Enabling Conditions

Capital market development is influenced not only by targeted reform measures, but also by broader economic and institutional conditions. The reforms set out in the NCMMP 2.0 will be implemented within a wider policy and macroeconomic environment that shapes investor confidence, financial market participation, and the pace of market development.

While the NCMMP 2.0 addresses specific constraints within the capital market ecosystem, certain structural factors sit beyond its direct mandate. These broader conditions affect the credibility, sustainability, and effectiveness of interventions, and hence act as foundational, enabling conditions for market development.

The principal foundational enabling conditions include the following:

- **Stable inflation & predictable monetary policy:** Capital market development is sensitive to monetary and inflationary dynamics that sit outside the direct statutory mandate of the SEC or other capital markets stakeholders. Sustainable deceleration of domestic inflation, moderation of benchmark interest rates, and active policy alignment between the CBN and the SEC are vital to lowering borrowing costs and encouraging domestic investors to pivot from short-term money market instruments into long-term capital market assets.
- **Political stability & governance continuity:** Sustained political and institutional support across federal and state governments underpins expectations of regulatory predictability and long-term policy direction. High-level executive and legislative commitment to preserving the statutory autonomy of financial regulators across national electoral cycles (specifically the upcoming 2027 general election), cabinet reshuffles, and leadership transitions is foundational to maintaining market confidence and preventing the institutional orphanhood of reform blueprints.
- **Rule of law, contract enforcement, & judicial independence:** The consistency of regulatory decision-making, the effectiveness of risk-based supervision and enforcement under ISA 2025, and the reliability of dispute resolution mechanisms directly influence trust levels in the financial ecosystem. Predictable, rules-based governance and an independent, competent judiciary (including at the IST level) reduce market uncertainty and safeguard investor claims, thus reinforcing overall market integrity.

- **Foreign exchange stability & currency convertibility:** The operational depth, pricing efficiency, and predictability of the foreign exchange framework serve as key conduits through which foreign portfolio investment is mobilised. Sustained operation of the foreign exchange market (NAFEM) under a unified, market-driven price discovery model, adequate central bank foreign reserves, and guaranteed, unhindered FX repatriation flexibility for non-resident investors are all critical to ensuring that the currency regime supports rather than constrains international participation in the capital markets.
- **Fiscal discipline & sustainable public debt management:** The scale, structure, and execution of federal government borrowing directly shape domestic liquidity, yield curves, and market dynamics. Fiscal consolidation by the FMoF and the DMO to compress domestic sovereign borrowing reliance is essential to mitigate the crowding-out effect caused by elevated FGN bond yields, thereby allowing corporate debt, subnational bonds, and equity instruments to price competitively.
- **Financial sector soundness & digital infrastructure:** The resilience of deposit money banks, insurance companies, pension funds, and clearing utilities provides the foundation for safe intermediation, settlement, and systemic risk management. Continuous operational uptime, cybersecurity resilience, and API-driven interoperability across national identity and payment rails are also essential to enable real-time e-KYC, single-identity digital onboarding, and smooth market processing.

These foundational enabling conditions do not constitute reform pillars in themselves, but they shape the environment within which the NCMMP 2.0's interventions will take effect.

While the NCMMP 2.0 can influence many elements of capital market development directly, its impact will be strengthened where these broader conditions are stable and supportive.

Pillar-specific assumptions

The reform initiatives in the NCMMP 2.0 Theory of Change (ToC) will support the overall vision only if a range of foundational assumptions hold across each of the strategic pillars. They also depend on managing certain risks that could undermine the reform agenda. This sub-section includes pillar-level assumptions while pillar-level risks are outlined in section 7.5.

The most salient assumptions are set out in the table below.

Table 1: Pillar-specific assumptions (Pillars 1 - 5)

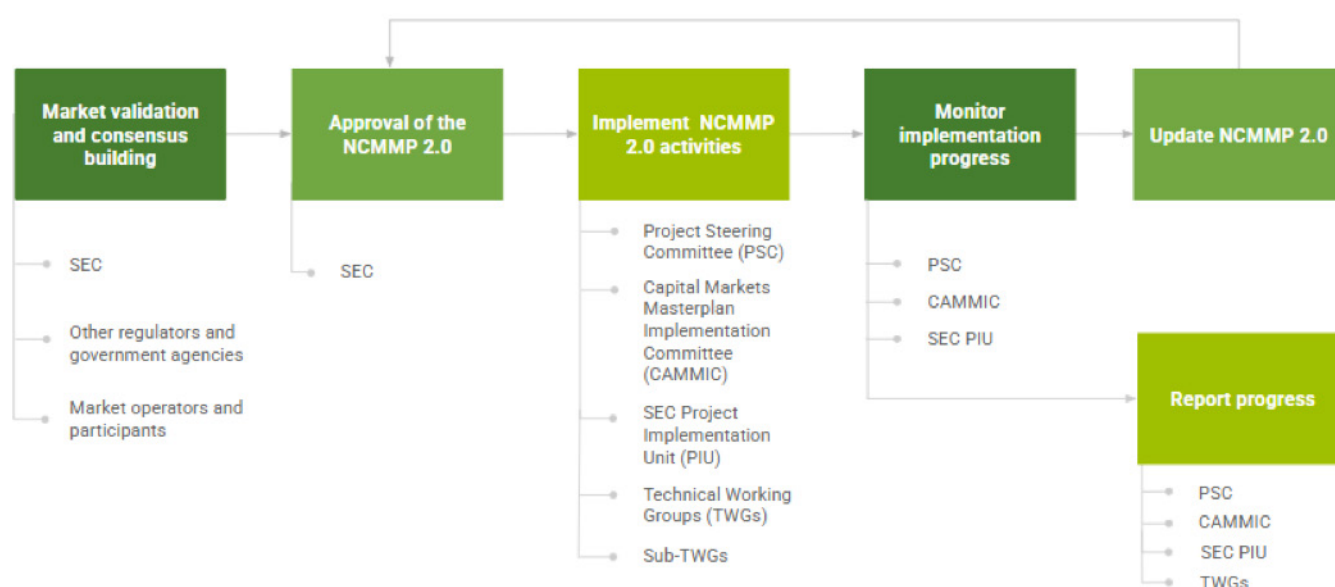
#	Pillar name	Assumptions
1	Regulatory clarity, coordination and enforcement	- Regulatory agencies remain willing to cooperate in order to drive the reform agenda - Regulatory agencies (particularly the SEC) maintain the capacity required to enforce the reforms under this pillar - Legal and regulatory reforms are introduced in time to support the broader reform agenda
2	Modernise market infrastructure	- Market participants respond to infrastructure reforms by changing participation and issuance decisions - Market infrastructure responds to the market need for interoperability - Commercial, industrial and agricultural end users respond to the development of commodity and derivative markets by making use of them for hedging and price discovery
3	Broaden issuance, product and instrument diversification	- Macroeconomic conditions remain supportive of long-term, market-based financing - There is sufficient demand to underpin issuance, including via de-risking mechanisms as relevant - Potential issuers respond to frameworks for emerging products and have the capacity to increase issuance activity

#	Pillar name	Assumptions
4	Deepen and Diversify the Investor Base	• Macroeconomic conditions continue to support capital markets investment • Efforts to broaden investment behaviour are supported by a sufficiently broad pipeline of investable assets • Investor protection and dispute resolution mechanisms are widely perceived as credible • FX convertibility and repatriation pathways are viewed as credible by foreign investors
5	Build Institutional Capacity and Professional Depth	• Recipients of capacity building (including states and the private sector) are willing to engage with the capacity building initiatives • Built capacity is periodically refreshed and embedded in institutional processes so that it survives personnel changes

7.2 Implementation process

The approach to implementing the NCMMP 2.0 is illustrated in the diagram below.

Figure 1: Implementation process of the NCMMP 2.0



The implementation of the NCMMP 2.0 follows an iterative process from validation and approval through to implementation, monitoring, reporting, and periodic review.

Prior to adoption, the draft NCMMP 2.0 will have undergone validation through multiple stakeholder engagements, providing an opportunity for market participants and senior public sector stakeholders to review the proposed initiatives, provide feedback, and build alignment around the plan's objectives and implementation approach.

Implementation of NCMMP 2.0 initiatives will be carried out by the institutions responsible for delivering the initiatives set out in the implementation plan. The SEC will serve as the driving implementation authority and will work together with relevant public sector institutions, government ministries, and capital market operators and participants responsible for implementing specific reform initiatives.

Implementation progress will be monitored against the timelines and milestones defined in the NCMMP 2.0 implementation plan.

Monitoring will take place through the governance structures established for the NCMMP 2.0, including the **Project Steering Committee (PSC)**, **Capital Markets Masterplan Implementation Committee (CAMMIC)** and **Technical Working Groups (TWGs)** responsible for coordinating and tracking progress on specific reform initiatives. Section 7.3 sets out the roles and responsibilities of the above-mentioned entities in more detail.

Implementation progress will be reported periodically, and at different levels, to support oversight of the NCMMP 2.0's implementation. Reporting templates for the SEC's monthly progress reports, CAMMIC's quarterly reports, as well as the PSC semi-annual reports are presented in [Section 7.6](#).

To support the transparency and visibility of implementation progress, consideration should be given to the public disclosure of NCMMP 2.0 implementation status. This could include the development and maintenance of a centralised platform or webpage that provides regular updates on the status of key activities, responsible institutions, and implementation timelines. Such a mechanism would provide stakeholders with a clear and accessible real-time view of progress against the NCMMP 2.0.

The NCMMP 2.0 will be subject to internal reviews every 2.5 years (approximately 25% of the implementation time) to support effective implementation and adaptive management. These reviews will assess progress against planned activities and timelines, identify implementation bottlenecks, and **inform adjustments to sequencing, institutional responsibilities (including which entities lead and support delivery), and implementation modalities (i.e. how activities are executed in practice), as well as scheduling where required.** The purpose of these reviews is to optimise execution of the NCMMP 2.0, rather than to revisit its underlying strategic direction. As such, these internal reviews will be conducted on the assumption that the overall design of the NCMMP 2.0 and its core pillars remain sound, and will focus on refining implementation rather than introducing new objectives or fundamentally altering existing ones.

In addition to regular implementation reviews, a formal mid-term review of the NCMMP 2.0 should be undertaken half way through implementation in 2032 to assess its continued relevance and strategic direction.⁸² This review will take a broader perspective, considering progress towards intended outcomes and whether the pillars, associated activities, sequencing of initiatives, and underlying assumptions remain appropriate. Unlike the internal reviews that happen every 2.5 years, which focus on adjustments needed to optimise the NCMMP 2.0's implementation, the mid-term review will examine the NCMMP 2.0 at a strategic level and may inform more substantive revisions, including adjustments to activities, targets, priorities, or the overall structure of the plan where required. Where substantive revisions are proposed following the mid-term review, updated versions of the NCMMP 2.0 (e.g. an NCMMP 2.1) may be circulated for stakeholder feedback prior to adoption.

The table below maps the scope of each review cycle across the sections of the NCMMP 2.0:

Table 2: NCMMP 2.0 review perimeter mapping

Document Section	Section Title	2.5-Year Operational Review Scope	Mid-Term Strategic Review Scope
Section 1 - 3	Introduction, Market Realities & Strategic Vision	Out of scope: These sections provide baseline context for the start of the implementation period	Reviewed to ensure continued alignment of the strategy with macroeconomic realities in 2032
Section 4	The Capital Market Masterplan	Out of scope: Core strategic direction	In scope: Comprehensive review of pillars and objective
Section 5	The Implementation Plan	In scope: Evaluation of whether existing activities need to be re-sequenced, timelines adjusted, or responsibilities reassigned within the context of the NCMMP 2.0 as it stands	In scope: Challenge the boundaries and core logic of the NCMMP 2.0, specifically evaluating whether an activity, objective, or pillar should be retained, modified, added, or completely removed based on prevailing market realities
Section 6	Sequencing Plan	In scope: Adjustment of activity phasing, timelines, and prioritisation within the confines of the current NCMMP 2.0	In scope: Full review of the overall sequencing logic following refinement of the implementation plan
Section 7	M&E and Governance Framework	In scope: Risk-register refresh and activity tracking	In scope: Full evaluation of the governance structure and M&E framework

7.3 Governance of implementation

The implementation of the NCMMP 2.0 will be supported by a multi-tiered governance framework that defines clear roles, responsibilities, and coordination mechanisms across all relevant institutions. Given the cross-cutting nature of capital market reforms, the governance structure is designed to ensure strategic oversight, effective coordination, and transparent, accountable delivery across the ten-year implementation period.

The governance framework establishes distinct layers spanning high-level oversight of the NCMMP 2.0's implementation, coordination as well as technical execution.

At the apex of the framework is the NCMMP 2.0 PSC. Its primary role is the provision of strategic oversight and overall policy guidance for the implementing institutions. This is followed by the NCMMP 2.0 CAMMIC, which is charged with ensuring that all outputs, regulatory instruments, and policy proposals generated during implementation undergo technical vetting and cross-agency alignment before being submitted to the PSC. CAMMIC, in collaboration with the SEC's PIU, forms the second layer of the NCMMP 2.0's governance structure, and focuses on day-to-day coordination with all stakeholders involved in implementation. The final layer of the framework are the various TWGs, each focusing on a distinct pillar of the NCMMP 2.0. Together, these four governance layers provide a transparent institutional structure through which NCMMP 2.0's initiatives are implemented,

⁸² The half way point of 2032 has been identified, provided that the NCMMP 2.0 is launched in 2027. If not, the year of the mid-term review will be subject to review.

monitored, and escalated where necessary. More detail on their roles and responsibilities is provided later in this sub-section.

Overarching governance considerations

A key finding from the evaluation of the previous CMMP (2015–2025) and the political economy analysis was the original plan’s vulnerability to national political appointment cycles and ministerial transitions. Established under a specific political principal, the previous CMMP became institutionally orphaned following cabinet reshuffles, as incoming leadership lacked a statutory mandate to champion or inherit the plan. Furthermore, because the previous framework operated purely on administrative goodwill, without statutory backing, it possessed no legal standing to compel inter-agency compliance when capital market priorities conflicted with (or were secondary to) the primary mandates of sister regulatory bodies.

To guarantee institutional staying power and insulate the NCMMP 2.0 from political transition risks, particularly as implementation spans upcoming national electoral cycles, the governance framework is built on a two-pronged political-economy anchor centred on strategic policy alignment and pragmatic institutional collaboration.

First, the NCMMP 2.0 establishes executive-level policy gravity and strategic alignment through the membership of the PSC. Recognising that apex regulators (such as the CBN, PenCom, NAICOM, DMO, and the NRS) operate under distinct statutory mandates, cross-institutional alignment is best achieved by ensuring that senior leaders of the agencies necessary for effective NCMMP 2.0 implementation are represented on the PSC. This hastens decision making, and promotes seamless alignment of institutional mandates with implementation expectations.

Second, a flexible, multi-track implementation, coordination and legal framework. To ensure implementation momentum is

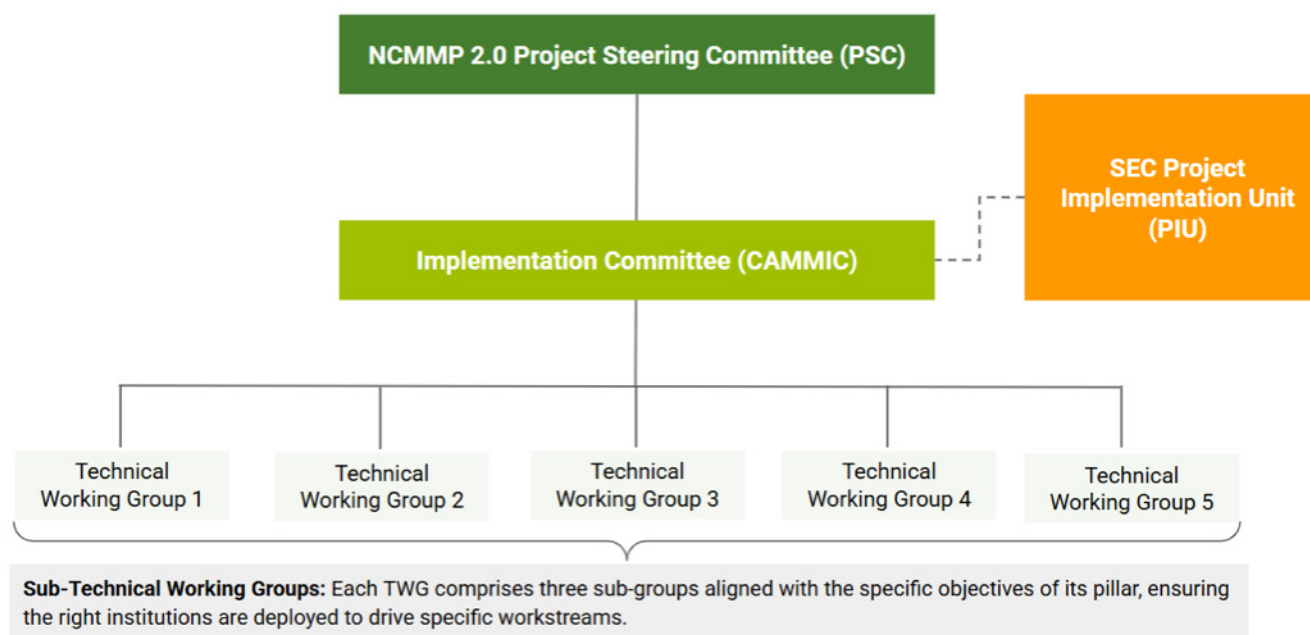
maintained without being constrained by legislative timelines, the governance structure operates on a flexible, two-track approach:

- **Immediate administrative & collaborative track:** Implementation relies primarily on voluntary, co-designed administrative mechanisms. These include bilateral and multilateral MoUs, joint regulatory circulars, and specialised technical working groups under CAMMIC. These flexible tools allow implementing institutions to harmonise rules, streamline processes, and execute joint initiatives within their existing statutory powers without waiting for legislative amendments.
- **Long-term statutory & legislative alignment track:** Where structural reforms require formal legislative backing under the newly enacted ISA 2025 or other sectoral laws, the SEC and CAMMIC will pursue progressive rulemaking and legislative engagement. Proactive, ongoing engagement with the National Assembly will be maintained as a strategic advocacy channel to build continuous institutional understanding across electoral cycles.

Recognising that legislative amendments are a long-term tool, the immediate administrative & collaborative track remains the primary option to ensure timely NCMMP 2.0 implementation. The collaborative track also remains the default option in instances where legislative reform is unachievable, thereby ensuring implementation is not completely stymied by delays in legislative reform. By placing senior-level representation at the PSC level and leveraging administrative tools (such as co-design sessions, bilateral MoUs, joint circulars, etc.) alongside progressive, long-term, legislative reforms, the NCMMP 2.0 governance structure ensures that implementation momentum is maintained despite political transitions during the ten-year timeframe.

The implementation-governance structure proposed for the NCMMP 2.0 is illustrated in the figure below; each level has distinct roles.

Figure 2: Governance Structure of the NCMMP 2.0



NCMMP 2.0 Project Steering Committee (PSC)

The PSC functions as the strategic decision-making and policy arbitration body for the NCMMP 2.0. Given that executing NCMMP 2.0 initiatives requires cross-institutional alignment across multiple autonomous authorities, the PSC will provide the high-level policy direction and oversight necessary to resolve jurisdictional boundary frictions, harmonise inter-agency rules, and maintain macro-policy alignment.

Chaired by the Minister of Finance, the PSC's membership comprises executive leadership (Governors, Executive Chairs, and Chief Executive Officers) from apex agencies such as the CBN, PenCom, NAICOM, DMO, MOFI, CAC, FRC, NRS, and the chief executives of major financial market infrastructures including CSCS, NGX, FMDQ, etc. To ensure continuity, the PSC will have two alternative chairpersons, with the first being the Director General of the SEC and the second being the Permanent Secretary in the Ministry of Finance.

The primary responsibilities of the NCMMP 2.0 PSC will include providing high-level strategic direction to ensure the NCMMP's alignment with macroeconomic development blueprints, as well as ensuring the presence of mechanisms for arbitrating cross-agency jurisdictional friction. PSC will also have the power of final sign-off on all deliverables and outputs from the implementation of the NCMMP 2.0.

Additionally, on a bi-annual basis, the PSC will be tasked with reviewing M&E implementation updates, approving structural adjustments or the re-sequencing of activities, in addition to mobilising budgetary, and technical resources across participating federal agencies. The PSC will be the final level of the governance framework to which any technical and implementation-related bottlenecks can be escalated. While the PSC cannot override institutional mandates, it can provide a final decision on the way forward for all matters not resolved at the CAMMIC and SEC PIU levels.

To reconcile the PSC's sign-off mandate with the principle that it cannot override statutory institutional mandates, deliverables are approved through two distinct consensus routes:

- **For represented apex agencies:** Because the PSC comprises the executive heads of participating regulatory agencies (such as the CBN, PenCom, NAICOM, DMO, and NRS), PSC sign-off represents a formal endorsement of deliverables that have been co-designed and aligned with each agency's statutory mandate through the various technical working groups. Approval by an agency head on the PSC signifies institutional endorsement and commitment to execute the reform under their respective statutory powers.
- **For non-represented agencies:** Where a deliverable falls within the statutory jurisdiction of an autonomous public entity not represented on the PSC, formal approval is contingent upon receiving a written "No-Objection" or formal consultation clearance from that entity prior to final PSC sign-off.

Through this approach, PSC sign-off functions as a high-level policy endorsement and cross-agency consensus mechanism, ensuring full alignment with national economic priorities while respecting the statutory independence and enabling statutes of all regulatory authorities.

To execute all its duties, the PSC will meet quarterly, with extraordinary sessions convened whenever urgent inter-agency policy arbitration is required. The regularity of PSC meetings during implementation ensures bottlenecks and constraints are proactively identified and addressed, thereby smoothing implementation early on. The PSC's reporting will be summarised in a semi-annual PSC report targeted at the FMoF, Office of the President, and all other stakeholders across the NCMMP 2.0 governance structure. The report will include an overview of the PSC's resolutions and decisions on deliverable approvals, in line with the PSC's role of providing strategic oversight and final sign-off on reforms. A template for the semi-annual PSC report is provided in [Section 7.6](#).

Capital Markets Masterplan Implementation Committee (CAMMIC)

CAMMIC will serve as the central coordination unit responsible for the day-to-day management and operational delivery of the NCMMP 2.0 in close collaboration with the TWGs. The day-to-day management of NCMMP 2.0 delivery will also involve acting as the strategic policy filter, quality assurance bridge, and technical approver of market deliverables.

CAMMIC will be chaired by an independent, reputable capital market authority and vice-chaired by the SEC, comprising senior technical directors (Director/Head of Strategy level) from all apex regulatory agencies (SEC, CBN, PenCom, NAICOM, FRC, NRS, DMO, and MOFI), SROs, and market infrastructure entities. Crucially, CAMMIC should also include ex-officio technical leadership from core trade associations including the ASHON, AACN, FMAN, and PEVCA.

The CAMMIC chair will be a distinguished individual (rather than an institution) appointed by the SEC in consultation with the FMoF. The Chair will be selected on the basis of proven market gravitas, extensive practical capital markets experience, and established standing across both the public and private sectors. To ensure a structured and objective selection process, the SEC will establish a dedicated selection panel with a published role description and terms of reference to identify, conduct due diligence on, and recommend qualified candidates. Independence is explicitly defined to exclude serving civil or public servants, as well as active executives or serving officers of regulated capital market operators and trade associations, thereby preventing commercial conflicts of interest or trade-group capture.

The ideal Chair will possess the professional standing and market influence required to convene senior stakeholders, command institutional respect, and leverage technical expertise across the market. Furthermore, the Chair will be subject to thorough due diligence regarding potential commercial conflicts, with mandatory disclosure requirements and formal recusal protocols embedded into the CAMMIC's governance rules, while vice-chairmanship will be held ex-officio by the SEC.

The key responsibilities of the CAMMIC will include:

- Supervising the activities of the technical working groups and tracking milestone progress against the M&E framework.
- Identifying operational bottlenecks, data-sharing delays, or regulatory lags and deploying remediation.
- Ensuring alignment with market participants, including investors, intermediaries and FMs, among others).

- Escalating significant implementation challenges or cross-institutional issues to the PSC where strategic guidance or intervention is required.
- Directly communicating with capital market participants to ensure open market engagement and establish a continuous avenue for market feedback.
- Serving as the final technical gatekeeper by reviewing, refining, and validating all draft regulations, policy frameworks, and implementation outputs produced by the TWGs to ensure they meet international best practices and domestic market realities.
- Facilitating technical alignment and consensus among participating regulatory agencies and FMs, ensuring high technical quality before proposals reach the PSC level.
- Providing technical guidance to the TWGs and the SEC PIU on the sequencing and execution of complex initiatives in collaboration with other stakeholders.
- Providing technical advice on resolution of implementation bottlenecks and escalating matters to the PSC through high-level strategic decision memos.

The CAMMIC will meet on a quarterly basis, in advance of the NCMMP 2.0 PSC meetings, to review progress in the implementation of NCMMP 2.0 initiatives and identify any outstanding implementation challenges. Insights from these meetings will be consolidated by the SEC, which will serve as the secretariat to the CAMMIC. In this role, the SEC will coordinate inputs from technical working groups, consolidate implementation updates, and support the preparation of progress reports for submission to the PSC. CAMMIC will further develop a quarterly report for the NCMMP 2.0 PSC aimed at providing a consolidated quarterly assessment of implementation progress, drawing on PIU reports and focusing particularly on coordination across the TWGs and issues that require escalation. A template for the quarterly CAMMIC report is provided in Section 7.6.

SEC Project Implementation Unit (PIU)

In coordination with CAMMIC and other implementing agencies, the SEC's PIU serves as the dedicated day-to-day programme management office, and administrative secretariat underpinning the NCMMP 2.0 governance structure. While the PSC and CAMMIC provide policy direction, technical vetting, and inter-agency oversight, the PIU delivers the full-time, institutional backing required to handle continuous project execution, cross-agency tracking, resource administration, and stakeholder communication.

Housed directly within the SEC's Executive Management structure and led by a dedicated, full-time Head of PIU reporting to the Director General, the unit should be staffed by a multidisciplinary team of experienced project management professionals, regulatory policy analysts, M&E specialists, and communications experts.

The core responsibilities of the SEC PIU will include:

- Managing the NCMMP 2.0 M&E dashboard, gathering monthly milestone data directly from TWG champions, validating execution metrics, and building unified progress dashboards.
- Providing administrative support to the PSC and CAMMIC, including organising meetings, drafting agendas, minuting

- proceedings, tracking action items, and preparing consolidated progress reports for executive review.
- Working directly with TWG champions on a daily basis to resolve routine administrative delays, clear data-sharing bottlenecks, and prepare formal policy escalation memos for CAMMIC when higher-level intervention is required.
- Coordinating stakeholder engagement activities, executing the NCMMP 2.0's change management strategy, and maintaining an open, transparent communication loop across market operators, trade associations, media, and foreign investors.
- Annual communication of NCMMP 2.0 implementation progress to the market through drafting and publishing of the annual market-facing report (template provided in [Section 7.6](#)).

Operating as a continuous operational node rather than a periodic meeting committee, the PIU maintains continuous engagement across all implementing units and TWG champions, ensuring that the strategic objectives of the NCMMP 2.0 are translated into execution. The PIU further provides monthly reporting to the SEC Executive Management and CAMMIC on implementation progress, milestone-level bottlenecks and a monthly view of resource utilisation. A template for the monthly SEC PIU report is provided in [Section 7.6](#).

Technical Working Groups (TWGs)

To ensure that market operators, intermediaries, and professional bodies feel they actively co-own the NCMMP 2.0 rather than perceiving it as top-down regulation, operational execution will be decentralised into five pillar-aligned TWGs. Each TWG will focus on advancing initiatives within its respective pillar of focus and will coordinate the implementation of initiatives and activities assigned to that pillar.

Working groups will comprise representatives from relevant public institutions, regulators, market infrastructures, and other market participants involved in the implementation of NCMMP 2.0 initiatives. Where appropriate, working groups may also draw on external expertise from industry specialists, professional bodies, and development partners to support the advancement of specific reform initiatives.

The core responsibilities of the working groups will include:

- Coordinating task execution across responsible institutional owners in accordance with the NCMMP 2.0's RACI framework.
- Providing technical input and expertise to support the implementation of reform initiatives.
- Monitoring progress in the implementation of assigned initiatives and tracking performance against implementation milestones.
- Reporting on progress and implementation challenges to CAMMIC through designated working group champions.
- Liaising with relevant stakeholders and institutions involved in the implementation of specific reform initiatives.

Each technical working group will designate a representative or "champion" who will liaise directly with CAMMIC, submitting monthly technical milestone tracking data and ensuring continuous bilateral communication between market operators and the higher tiers of the governance framework.

The five pillar-aligned TWGs presented in the table below serve as the primary technical execution engines for the NCMMP 2.0. Member institutions and technical experts are appointed based on technical competence, execution capacity, and strategic relevance to the pillar's various workstreams. To manage the volume of work efficiently without creating an overly rigid administrative structure, the TWGs function with built-in operational flexibility:

- **Objective-level sub-TWGs and taskforces:** While the five pillar-aligned TWGs maintain overarching accountability for their respective pillars, each TWG has the explicit mandate to establish objective-level sub-TWGs or specialised taskforces to execute specific objectives or complex workstreams (such as digital assets, netting frameworks, or sub-national bond guarantees). These sub-groups are dynamic and disband upon deliverable completion.

- **Flexible institutional mapping:** Institutional representation on a pillar-aligned TWG is deployed dynamically across objectives. Participating entities (including regulators, SROs, FMs, and trade associations) allocate specialised departmental experts to specific objective sub-groups based on technical scope, rather than assigning a single representative across an entire pillar.

This structure ensures there is a streamlined number of TWGs, while also recognising that sub-groups within the TWGs are necessary for specific objectives, workstreams and activities to be achieved within the proposed timelines. The following table provides a breakdown of the proposed TWGs, their areas of responsibility, and their membership, as well as the distribution of members across the objective-level sub-TWGs.

Table 3: Working groups, key members and areas of responsibility

Working Group	Areas of Responsibility	Key Members	Sub-TWG Membership
Regulatory Clarity, Coordination & Enforcement	• Codification of unwritten principles and consolidation of scattered subsidiary rules into a single master regulatory rulebook. • Operationalisation of a unified digital single-window corporate submission portal across participating apex regulatory agencies. • Deployment of quantitative Risk-Based Supervision tools and automated off-site supervisory technology analytics platforms. • Establishment and oversight of the multi-agency Virtual Asset Council sandbox regime for digital and virtual assets. • Development of point-of-sale consumer protection measures, including standardised Key Information Documents, suitability rules, and financial influencer regulations. • Implementation of an investor redress framework, including a ring-fenced fraud restitution account and calibrated Investor Protection Fund ceilings.	• SEC • FRC • CAC • IST • CMSA • PEVCA • CBN • SRO compliance leads • NRS	Objective 1.1: Ensure regulatory clarity and harmonisation • SEC • CBN • CAC • FRC • CMSA • NRS • PEVCA Objective 1.2: Strengthen supervisory & risk management architecture • SEC • SRO compliance leads • CBN • FRC Objective 1.3: Enhance market conduct & protection • SEC • IST • SRO compliance leads • CMSA
Market Infrastructure Modernisation	• Enforcement of horizontal central securities depository and central counterparty clearinghouse interoperability rules across market venues. • Establishment of a Consolidated Tape Provider framework to unbundle pre-trade and post-trade data across competing trading venues. • Ring-fencing and transition of the CBN S4 settlement system into an independent, regulated subsidiary. • Deployment of a centralised electronic Warehouse Receipt repository to integrate physical commodity storage with financial platforms. • Implementation of risk-based capital adequacy, default fund waterfall protocols, and recovery regimes for central counterparty clearinghouses. • Modernisation of clearing and central	• NGX Group, • FMDQ Group • NASD OTC • CSCS • FMDQ Depository • NG Clearing • FMDQ Clear • Settlement banks. • AFEX • CBN	Objective 2.1: Promote open, efficient and competitive securities markets • NGX Group • FMDQ Group • NASD OTC • CSCS • FMDQ Depository • NG Clearing • FMDQ Clear • CBN Objective 2.2: Develop deeper, more developed commodity and derivative markets • AFEX • NG Clearing • FMDQ Clear • NGX Group • NASD OTC • CSCS

Working Group	Areas of Responsibility	Key Members	Sub-TWG Membership
	counterparty arrangements for over-the-counter derivatives and repurchase agreement markets.		• FMDQ Depository • Settlement banks • CBN Objective 2.3: Ensure strong & resilient capital markets infrastructure • CSCS • FMDQ Depository • NG Clearing • FMDQ Clear • NGX Group • FMDQ Group • NASD OTC • Settlement banks
Issuance Broadening & Product Diversification	• Extension of the sovereign yield curve through ultra-long debt issues and consolidation of benchmark bond issuances. • Execution of an IPO privatisation pipeline for major SOEs in partnership with government holding entities. • Establishment of standardised sub-national project bond legal frameworks backed by Standing Payment Orders and third-party credit enhancements. • Development of a national de-risking and blended finance architecture to crowd institutional capital into major infrastructure projects. • Consolidations and updates to regulatory frameworks for green, social, sustainability, transition, and sukuk instruments. • Refinement of the Growth Board listing rules and Approved Sponsor frameworks to facilitate capital market access for growth-oriented SMEs.	• DMO • MOFI • AIHN • FMAN • Representative state finance ministries • PEVCA • Commodity exchanges. • SEC • CBN • FMoF • SMEDAN	Objective 3.1: Sovereign & sub-national debt market optimisation • DMO • AIHN • FMAN • SEC • CBN Objective 3.2: Private sector capital formation • MOFI • AIHN • PEVCA • FMAN • FMoF • SMEDAN • SEC Objective 3.3: Structural product and instrument diversification • PEVCA • FMAN • AIHN • MOFI • Commodity exchanges
Investor Base Deepening & Inclusivity	• Updating pension and insurance asset allocation guidelines to enable increased allocation toward de-risked alternative asset classes. • Implementation of a Single Investor Identification Number digital onboarding architecture featuring tiered e-KYC protocols. • Integration of mobile network operator wallets and USSD platforms for direct retail distribution of government paper and unit trusts. • Operationalisation of Tax-Free Savings Accounts and a formalised Qualified Investor framework for high-net-worth individuals and family offices. • Modernisation of foreign portfolio access systems through automated digital electronic Certificate of Capital Importation repatriation dashboards. • Structuring dedicated diaspora investment pathways, including sub-national diaspora infrastructure bonds and foreign-currency retail vehicles.	• PenCom • NAICOM • FMAN • ACT • Mobile Network Operators • Fintech Association of Nigeria • SEC • CBN	Objective 4.1: Enhance domestic institutional & qualified wealth participation • PenCom • NAICOM • ACT • FMAN • SEC Objective 4.2: Enhance access for local and diaspora retail investors • Mobile Network Operators • Fintech Association of Nigeria • FMAN • PenCom • CBN Objective 4.3: Enhance access for foreign institutional investors • FMAN • ACT • PenCom • NAICOM

Working Group	Areas of Responsibility	Key Members	Sub-TWG Membership
Institutional Capability & Professional Depth	- Revision of the regulatory funding model to secure multi-year capital for advanced surveillance technology and technical capacity. - Modernisation of the NCMI curriculum and its integration into university tertiary degree pathways. - Implementation of a unified competency framework and mandatory annual Practising Certificates linked to Continuing Professional Development. - Delivery of specialised technical capacity-building programmes for regulatory personnel, judicial officers, and state finance ministries. - Establishment of an accredited Capital Markets Journalism framework and Fellowship Fund to enhance public financial reporting quality. - Conduct of post-recapitalisation evaluations to support orderly consolidation, technology adoption, and operational resilience across market operators.	- SEC - NCMI, - CIS - CFA Society Nigeria, - ICAN, - ANAN, - Nigeria Union of Journalists (NUJ), - Tertiary education partners. - PenCom - NAICOM - IST	Objective 5.1: Strengthen institutional and regulatory capacity - SEC - NCMI - CFA Society Nigeria - CIS - PenCom - NAICOM - IST Objective 5.2: Enhance intermediary risk and operational resilience - ICAN - ANAN - CFA Society Nigeria - CIS - NCMI Objective 5.3: Develop professional and capital market participant capacity - Tertiary education partners - NUJ - NCMI - CIS - CFA Society Nigeria

Funding considerations

To ensure effective implementation of the NCMMP 2.0, a predictable financial envelope is required to sustain programme management activities, technical assistance, and institutional capacity building over its ten-year lifecycle. A key insight from the evaluation of the previous CMMP as well as the political economy analysis was that there was no dedicated budget for CMMP implementation activities, no allocation for external research, stakeholder engagement and technical assistance, or monitoring. This created dependence on ad hoc donor contributions with uncertain availability and potentially misaligned priorities. To ensure operational continuity, high-level technical expertise, and institutional resilience, the NCMMP 2.0 should adopt a structured funding model built on formal regulatory budgeting, aligned donor co-financing, targeted market levies, multilateral development bank funding, and private sector co-financing.

The efficient execution of various capital market reforms depends on attracting, retaining, and motivating highly qualified technical specialists across the various layers of the governance framework. This requires incentivisation and reward mechanisms to compensate for the level of effort and time spent on implementation activities. The core implementers require the capacity to manage multi-agency regulatory harmonisation, market re-alignment with the NCMMP 2.0's objectives, and surveillance integration, among other things. Accordingly, to prevent institutional attrition and maintain interest among all stakeholders, the NCMMP 2.0 should incorporate a formal, performance-aligned incentive framework. Key implementation personnel and technical experts should be backed by structured performance-based retainers, and facilitation for working sessions and NCMMP 2.0-related engagements. This would ensure that implementation teams operate with the appropriate incentives,

technical independence, accountability, and operational urgency required to deliver core market reforms.

Multilateral DFIs and international development partners (e.g. FSD Africa) represent a potential source for the funding envelope, but their support should be tailored to avoid market dependence on donor funds. These agencies typically have mandates aligned with capital market development and can provide the funding envelope in the near term as national budget lines are established by the FMoF. In the near term, DFI funding could represent a majority of the funding envelope, but this would gradually decline through a transition period in the medium term, and finally taper off in the long term, giving way to dedicated national budget lines established during the earlier years to fund the implementation of the NCMMP 2.0. Through this approach, initiatives receive much-needed funding in the short term, while the SEC and FMoF develop the relationships and buy-in necessary to secure dedicated funding lines in the medium to long-term.

While this overarching funding model described above sets out the broad financing logic across the ten-year horizon, specific institutional funding responsibilities and cost expectations are assigned on an activity-by-activity basis within the NCMMP 2.0 Implementation Plan (Section 5). As detailed in the implementation plan tables, every specific activity is mapped to a primary funding source — including SEC fee income/internal budgets, dedicated market levies, DFI implementation partnership, donor/DFI technical assistance, multilateral development bank facilities, or private sector co-financing — alongside an estimated cost envelope. This structure ensures funding flexibility at the strategic level while maintaining clear institutional responsibility for activity execution.

7.4 Monitoring and Evaluation (M&E) Framework

Monitoring and evaluation will play an important role in ensuring that the reforms set out in this NCMMP 2.0 are implemented effectively and contribute to the development of Nigeria's capital markets. As a ten-year reform programme, the NCMMP 2.0 introduces a range of policy, regulatory, institutional, and market development initiatives intended to strengthen the capital market and support its gradual expansion over time. A structured monitoring and evaluation approach will therefore be required to track progress in implementing these reforms, identify any delays or implementation challenges, and assess whether the intended changes in the market are beginning to materialise.

While the NCMMP 2.0 prioritises indicators that can be measured using existing data sources, not all indicators are currently tracked in a consistent or systematic manner. Where data is not yet available, appropriate data collection and reporting practices will need to be established over time to enable effective monitoring of market development.

The tables below set out the proposed indicators, together with available baselines, reporting frequency, and indicative targets over the three-, seven-, and ten-year horizons. The GDP projections across the 10-year target period have been developed using IMF projections to Year 6, and forecasted from year 7 to year 10 using IMF's average GDP growth rate of 5.65% from years 1 to 6.^{83,84}

The indicator sets below are split across different dimensions. The first set of indicators are plan or market-level indicators, which focus on headline measures that will track the market's progress over time. These are followed by pillar-level indicators, which follow conceptually similar logic, but focus on the achievement of the pillars, rather than on the market as a whole.

⁸³ World Bank, 2025. Available [here](#)

⁸⁴ Nigeria's projected GDP in Year 3 GDP is USD 406 Bn, Year 7 is USD 524 Bn and Year 10 is USD 618 Bn

Table 4: NCMMP 2.0 Monitoring and Evaluation Indicators

Indicator	Data Source	Reporting Frequency	Baseline (Year)	Target			Rationale
				3 Year	7 Year	10 Year	
Plan indicators, and Market-level indicators							
Capitalisation of listed domestic companies as a (% of GDP)	NGX, NBS	Annual	33% ⁸⁵ (USD 96 Bn) (2025)	41% (USD 167 Bn)	52% (USD 272 Bn)	60% (USD 371 Bn)	Set using historical, post-Covid targets and African comparator nations, e.g. South Africa (327% of GDP), Morocco (63% of GDP), Kenya (17% of GDP), Egypt (17% of GDP) ⁸⁶ Informed by expected GDP growth rates for Nigeria.
Number of listed companies	NGX	Annual	146 ⁸⁷ (2026)	176	216	250	Set based on market capitalisation target above and African benchmarks: the target of 250 is comparable to Egypt (253) and closer to but not yet equal with South Africa (431) ^{88,89} The inferred market capitalisation per listed company is assumed to grow from USD 0.7 billion to USD 1.5 billion, which is well within the South African benchmark of USD 3.5 billion.
Capitalisation of unlisted domestic companies on NASD OTC as a (% of GDP)	NASD, NBS	Annual	0.7% ⁹⁰ (USD 2 Bn) (2026)	1% (USD 4 Bn)	1.4% (USD 7.4 Bn)	1.8% (USD 11 Bn)	Capitalisation of unlisted domestic companies currently sits at 0.7% of GDP and based on various NCMMP 2.0 interventions, the aim is for this to grow to 1.8% of GDP by year 10. When compared to the current value of listed companies on the NGX, the capitalisation on NASD is approximately 1.7% of that value. This is expected to grow to 3% of the NGX capitalisation by year 10.
Number of retail investors	NGX, CSCS, SEC, FMAN	Annual	6 Mn ⁹¹ (2025)	10.2 Mn	15.8 Mn	20 Mn	The 10-year target of 20 Mn has been chosen in line with SEC's target, which is set to leverage on digital platforms and fintech partnerships to increase retail participation of Nigeria's largely youthful population.
Number of retail investors (active)	NGX, CSCS, SEC, FMAN	Annual	2.7 Mn ⁹² (2026)	5 Mn	8.8 Mn	12 Mn	Active investor participation builds off the number of retail investors listed above. Currently, 2.7 Mn active investors implies an active rate of 45%, which should increase to 60% in line with growth in overall retail investors.
Foreign portfolio investor share of annual traded value	NGX	Annual	22% ⁹³ (2025)	27%	35%	40%	Nigeria has strong historical (pre-Covid) foreign investor participation (~50%), which reduced dramatically during and after Covid. The recovery to 40% would place Nigeria first among African markets on this measure.
Sovereign debt as a (% of GDP)	DMO, NBS	Annual	35% ⁹⁴ (USD 102 Bn) (2025)	41% (USD 166 Bn)	49% (USD 257 Bn)	55% (USD 340 Bn)	Within Nigeria's Medium-Term Debt Strategy , the aim is for Nominal Debt as a % of GDP to be a maximum of 60% by 2027. Given that the DMO's objective is to fund capital expenditure while also managing debt exposure, a conservative approach has been taken with regard to debt as a % of GDP, and this rate has been maintained as the ceiling and the 10-year target. The maximum of 60% is the total of sovereign and sub-national debt, so it has been split between both in a similar proportion to what it is now - 55% and 5% respectively.
Sub-national debt as a (% of GDP)	DMO, NBS	Annual	3% ⁹⁵ (USD 9 Bn) (2025)	3.6% (USD 15 Bn)	4.2% (USD 23 Bn)	5% (USD 31 Bn)	This number aims to maintain the relationship between sub-national and sovereign debt as described above. The 10-year target takes into account the DMO ceiling of Debt as a % of GDP to be a maximum of 60% by 2027 and carries it through to the end of the 10-year period. The maximum of 60% is the total of sovereign and sub-national debt, so it has been split between both in a similar proportion to what it is now - 55% and 5% respectively.
Corporate debt issuance as a (% of GDP)	Exchanges, NBS	Annual	0.6% ⁹⁶ (USD 2 Bn) (2026)	1.1% (USD 4 Bn)	1.6% (USD 13 Bn)	2% (USD 13 Bn)	Corporate debt issuance in Nigeria currently stands at 0.6% of GDP and recently experienced a decline. The target aims for this to grow to 2% of GDP, which would place Nigeria ahead of many African countries (<1%), albeit behind leader South Africa (around 14%). ⁹⁷
Sukuk debt as a (% of GDP)	DMO, NBS	Annual	0.3% ⁹⁸ (USD 1 Bn) (2025)	1.7% (USD 7 Bn)	3.6% (USD 19 Bn)	5% (USD 31 Bn)	Sukuk debt is a component of the sovereign and sub-national debt percentages of GDP that already exist in the line items above. Currently, these numbers are at 0.3% of GDP and make up approximately <1% of Sovereign debt. Given the number of objectives in the NCMMP 2.0 aimed at sukuk issuance, a year target of 5% as a % of GDP has been set, which would position Nigeria as an African leader.

⁸⁵ World Bank, 2025. Available [here](#)⁸⁶ World Bank, 2025. Available [here](#)⁸⁷ NGX, 2026. Available [here](#)⁸⁸ The Egyptian Exchange, 2026. Available [here](#)⁸⁹ Mansa Markets, 2026. Available [here](#)⁹⁰ NASD, 2026. Available [here](#)⁹¹ NGX, 2025. Available [here](#)⁹² NGX, 2026. Available [here](#)⁹³ NGX, 2026. Available [here](#)⁹⁴ DMO, 2025. Available [here](#)⁹⁵ DMO, 2025. Available [here](#)⁹⁶ Nairametrics, 2025. Available [here](#)⁹⁷ OECD, 2025. Available [here](#)⁹⁸ DMO, 2025. Available [here](#)

Indicator	Data Source	Reporting Frequency	Baseline (Year)	Target			Rationale
				3 Year	7 Year	10 Year	
Pension assets as a (% of GDP)	PenCom, NBS	Annual	6.2% ⁹⁹ (USD 13 Bn) (2025)	7.7% (USD 31 Bn)	12.5% (USD 65 Bn)	16.1% (USD 100 Bn)	Target set in line with PENCOM ambitions (to grow AUM to NGN 100 trillion /USD 65 billion), and benchmarked in line with Kenya (also 16% of GDP). ^{100,101}
Insurance gross written premiums as a (% of GDP)	NAICOM, NBS	Annual	0.5% ¹⁰² (USD 2 Bn) (2025)	0.8% (USD 3 Bn)	1.6% (USD 13 Bn)	2.6% (USD 16 Bn)	Growth is forecast off a low base, driven by stronger enforcement of compulsory insurance, wider product penetration and digital distribution. The target of 2.6% of GDP in GDP would close the gap against the African average. Compared to countries such as South Africa (11%), Kenya (2.15%) and Morocco (2.8%), the target for Nigeria appears reasonable. ^{103,104}
Sustainable finance issuance (% of GDP)	DMO, Exchanges, NBS	Annual	0.03% ^{105,106,107} (USD 0.1 Bn) (2025)	0.5% (USD 2 Bn)	1.2% (USD 6 Bn)	1.7% (USD 10.5 Bn)	Sustainable instruments is a component of the total amount of debt (sovereign, sub-national and corporate) within Nigeria. It represents Green, Social, Transition, Sustainability Bonds, and any other labelled thematic instrument. A labelled sukuk is a sustainable instrument. This indicator does not cover conventional (unlabelled) sukuk. The plan aims to significantly increase the number of sustainable instruments which are currently valued at USD 0.1 Bn to USD 10.5 Bn over the 10 year period. This might appear ambitious, however, the NCMMP 2.0 and accompanying activities have an emphasis on encouraging sustainable finance instruments issuances, so significant reforms are expected.

As mentioned above, the NCMMP's 25 distinct workstreams have been grouped into 15 strategic blocks to ensure clarity of the logical pathway. For each strategic block, relevant indicators have been developed; when taken in aggregate, give expression to the pillar's intended effects as driven by its workstreams.

Table 5: NCMMP 2.0 Monitoring and Evaluation Indicators

Objective Blocks	Indicator	Output / Outcome	Data Source	Reporting Frequency	Baseline (Year)	Target			Rationale
						3 Year	7 Year	10 Year	
Pillar Level Indicators									
Pillar 1: Foster regulatory clarity, coordination, and enforcement									
Regulatory clarity and harmonisation	Share of CMOs that report clarity and accessibility of rules and regulations ¹⁰⁸	Outcome	CMOs reporting to SEC	Annual	N/A - To be established	50%	80%	90%	This indicator will be built during the activities in the NCMMP 2.0. As it is yet to be established, there is no baseline value. A year 10 target of 90% establishes a benchmark for high regulatory clarity and ease of compliance across the market.
	Number of inter-agency coordination mechanisms that are operational and producing outputs ¹⁰⁹	Output	SEC	Annual	Status Quo	75%	100%	100%	This indicator tracks activities aimed at improving inter-agency coordination. The “Status Quo” baseline captures current inter-agency fragmentation. Full establishment and operationalisation is expected from year 4, leading to sustained 100% operational functionality across years 7 and 10.
	Number of Virtual Asset Service Providers (VASPs) graduating to licensed market operators through the SEC’s ARIP	Outcome	SEC	Annual	0	10	20	30	Although SEC recently cleared nine new entities for admission into its ARIP (Accelerated Regulatory Incubation Program) , this indicator measures the number of VASPs that graduate into fully licensed market operators. As there is no current clear path, the baseline score is 0, with a cumulative number of 30 to be achieved as the 10-year target.

⁹⁹ PenCom, 2025. Available [here](#)

¹⁰⁰ RBA, 2026. Available [here](#)

¹⁰¹ As at June 2026, PenCom monthly reporting indicates that approximately 2% of total pension fund assets were held in cash and other assets, while 98% of pension assets were channelled into the capital markets and long term domestic investments. We do not envisage this will change over the 10-year target period.

¹⁰² Vanguard, 2026. Available [here](#)

¹⁰³ Africa Reinsurance, 2026. Available [here](#)

¹⁰⁴ As at 2024, Global Insurance Market Trends reported by OECD identified that the average asset allocation in cash and deposits by domestic non-life insurers was 11.2%. Upon review of the annual reports of three large insurance companies in Nigeria, approximately 15% of assets were held in bank deposits and securities, while the balance of 85% were channelled into the capital markets and long term domestic investments. Given that 70% of Nigeria's Gross Written Premiums (GWPs) is made up of non-life insurers, this does not materially differ from the global average and we expect that 85% of GWPs will continue to be channelled in the same direction.

¹⁰⁵ DMO, 2025. Available [here](#)

¹⁰⁶ FSD Africa. Available [here](#)

¹⁰⁷ FMDQ, 2026. Available [here](#)

¹⁰⁸ The implication of this indicator is that the SEC will need to launch an annual survey to measure this. Annual survey could be conducted using a Likert scale, allowing CMOs to give ratings on a scale (i.e. Very Unclear, Unclear, Neutral, Clear, Very Clear).

¹⁰⁹ Producing outputs would be defined as the mechanism being active, with participating entities and showing use, e.g. the active operationalisation of mutual recognition frameworks with foreign regulators.

Objective Blocks	Indicator	Output / Outcome	Data Source	Reporting Frequency	Baseline (Year)	Target			Rationale
						3 Year	7 Year	10 Year	
Supervisory and risk management architecture	Share of CMOs inspected or reviewed in line with off-site supervisory monitoring platform	Output	SEC	Annual	N/A - To be established	50%	80%	100%	As this is yet to be established, the baseline figure is not available. In line with the NCMMP 2.0, the supervisory platform is set to be established by year 3. A 100% target by year 10 represents full market coverage.
	Operationalisation and maturity of systemic risk management mechanisms ¹¹⁰	Output	SEC	Annual	N/A - To be established	Initial traction - outputs produced as per NCMMP 2.0	Full operationalisation - annual stress testing programme implemented and operational	Ongoing annual stress testing	A baseline figure for this indicator is not available as the Systemic Risk Council (SRC) and contagion map need to be developed. As outlined in the NCMMP 2.0 the SRC and contagion map are expected to be established and developed by year 3. By year 7, full operationalisation with annual stress testing is expected, with the target by year 10 being ongoing annual stress testing.
Market conduct and protection	Operationalisation of investor protection, compensation and restitution mechanisms ¹¹¹	Output	CMOs reporting to SEC	Annual	Status Quo	Initial traction - frameworks and mechanisms developed 0% adoption	100% adoption	100% adoption	This indicator monitors market-wide adoption of upgraded investor safety nets and restitution protocols. The "Status Quo" baseline acknowledges current mechanisms while signalling required new frameworks. Years 1 - 3 focus on framework development (0% adoption target). Mandatory market adoption is expected to follow, driving 100% adoption by years 7 - 10.
	Operationalisation of market conduct and consumer protection frameworks ¹¹²	Output	CMOs reporting to SEC	Annual	Status Quo	Initial traction - Governance rules established 0% adoption	70% adoption	100% adoption	This indicator requires work during year 1 - 3 of the NCMMP 2.0, with the development of market-conduct and consumer-protection frameworks before their establishment by year 3, hence the initial traction. From then onwards, market participants are expected to fully adopt the frameworks by year 10 of the NCMMP 2.0.
Pillar 2: Modernise market infrastructure									
Open, efficient and competitive securities markets	Equity market turnover ratio (turnover velocity) ¹¹³	Outcome	NGX	Monthly	6% ¹¹⁴ (2025)	10%	18%	25%	As infrastructure, investor participation and market depth improve, the current turnover figure should converge towards that seen in more liquid African peer markets. Year 10 target set using African comparator nations, e.g. South Africa (26%) and Egypt (48%) as references.. ¹¹⁵
	Share of post-trade transactions processed end-to-end without manual intervention ¹¹⁶	Outcome	CSDs, Exchanges	Semi Annual	N/A - To be established	20%	80%	90%	The interoperability framework and subsequent real-time connectivity upgrades are expected to progressively reduce manual processing across the post-trade chain. Limited improvement is therefore expected by Year 3, with stronger STP adoption thereafter as common standards, APIs and settlement/payment interfaces become operational, supporting the 90% long-term target.
	Share of designated cross-FMI post-trade access routes that are operational on a competition-neutral and STP basis ¹¹⁷	Output	CBN, FMIs	Annual	N/A - To be established	Pilot connectivity	75%	Full Interoperability of post-trade FMIs via certified, real-time API	Interoperability is a core Pillar 2 objective, aimed at reducing currently fragmented post-trade silos and enabling competition-neutral access across FMIs. As the initial years focus on mapping and establishing the interoperability framework, only limited operational connectivity is expected by Year 3; coverage should increase materially as real-time connectivity and competition-neutral access arrangements are implemented thereafter.

¹¹⁰ Operationalisation for this indicator involves the SEC establishing the SRC, implementing and undertaking ongoing stress testing exercises.

¹¹¹ Operationalisation is defined as relevant entities developing, implementing and actively using appropriate frameworks. For this indicator, SEC will require annual reporting from the relevant entities, demonstrating that the framework exists and is in use.

¹¹² Operationalisation is defined as relevant entities implementing product governance, disclosures and other consumer protection frameworks aimed at safeguarding investors. For this indicator, SEC will require annual reporting from the relevant entities, demonstrating that the framework exists and is in use.

¹¹³ Equity market turnover velocity is measured by: (Equity Turnover / Equity Market Capitalisation).

¹¹⁴ NGX, 2026. Available [here](#).

¹¹⁵ The Global Economy, 2024. Available [here](#) and [here](#).

¹¹⁶ The denominator comprises all post-trade transactions processed through designated infrastructures during the reporting period. STP is understood as transaction processing from trade capture/settlement instruction through reconciliation and settlement without manual re-keying or manual reconciliation intervention.

¹¹⁷ SEC should establish the inventory of economically relevant cross-FMI and FMI/payment systems access routes as denominators.

Objective Blocks	Indicator	Output / Outcome	Data Source	Reporting Frequency	Baseline (Year)	Target			Rationale
						3 Year	7 Year	10 Year	
Deeper, more developed commodity and derivative markets	Share of standardised, CCP-cleared OTC derivative and repo transactions cleared through Nigerian CCPs	Outcome	SEC, CBN, CCP	Quarterly	N/A - To be established	25% (subject to baseline calibration)	70%	90%	This indicator requires work during years 2 - 4 of the NCMMP 2.0, hence the baseline is yet to be established. Initial traction is expected by year 3 as frameworks, regulatory and capital adequacy reviews are expected to materialise, and by year 10, 90% of commodity and derivative transactions will be cleared by CCPs.
	Electronic warehouse receipt utilisation through the national EWR repository ¹¹⁸	Outcome	SEC, warehouse operators, commodity exchanges	Quarterly	0%	0% (if National Repository not yet operational)	60%	85%	Currently, 0% of Electronic warehouse receipt utilisation is through national EWR repository, and in response work is required on this indicator during years 1 - 4 of the NCMMP 2.0. During these years, EWR framework and repository is set to be operational, resulting in the 10 year target utilisation of 85%.
Strong and resilient capital markets infrastructure	Share of FMs meeting SEC/CBN cyber and operational resilience ¹¹⁹	Output	CBN, FMs	Annual	N/A - To be established	Initial traction - approved frameworks submitted	100% of systemic FMs audited-compliant	100% - Sustained resilience	This indicator is yet to be established and requires work during years 1 - 4 of the NCMMP 2.0. However, initial traction is expected by the year 3 target with board-approved frameworks, incident-reporting-regime operational, baseline assessment complete and at least one market-wide exercise per year. By year 7, the target is for 100% of systemic FMs to be audit-compliant and by year 10, the target is for sustained resilience.
Pillar 3: Broaden Issuance, Product and Instrument Diversification									
Sovereign and subnational debt market optimisation	Number of non-bank primary market dealers	Outcome	DMO	Annual	Status Quo	Updated primary dealer framework in place	2	3	This indicator requires work during years 1 - 3 of the NCMMP 2.0, with the development of an updated framework to expand the dealer base beyond commercial and merchant banks by year 3, with a 10-year target of 3 non-bank dealers (i.e. broker-dealers).
	% of Primary Market Dealers complying with the enhanced primary market dealer framework	Outcome	DMO	Annual	0%	0%	50%	100%	Given that this activity aims to be concluded by year 3, compliance is expected to start from year 4, and be 100% by year 10.
	Number of States with sub-national debt issuances listed on exchanges	Outcome	Exchanges	Annual	3 ^{120,121} (5%) (2025)	6 (14%)	10 (24%)	13 (32%)	Target for this indicator is set in line with the value of sub-national debt issuances at the plan/market level indicator. This indicator looks at the number of sub-nationals/states in Nigeria that are issuing debt and how many of them are able to access financing from the capital markets. Currently, only 3 states have bonds listed and traded on the NGX or FMDQ. This number is expected to increase to 13, with 1 new state per year a realistic target.
Private sector capital formation	Value of capital mobilised by SMEs in the capital markets	Outcome	Exchanges, CFAN, NBS	Annual	>0.01% of GDP ¹²² (USD 13 Mn) (2025)	0.12% of GDP (USD 0.5 Bn)	0.3% of GDP (USD 1.5 Bn)	0.4% of GDP (USD 2.5 Bn)	Target set using African comparator nations e.g. Rwanda (SME Growth Fund raised equivalent to 0.6% of GDP) and India (SME IPO Market raising equivalent to 0.1% of GDP). ^{123,124} The 10 year target factors in the cumulative value of capital mobilised by SMEs in Nigeria via crowdfunding, NGX growth board and the new SME debt fund platform recommended in NCMMP 2.0.

¹¹⁸ Value of eligible commodities held in SEC-licensed/certified warehouses and represented by active EWRs registered in the national repository, as a percentage of total eligible commodity value held in those warehouses.

¹¹⁹ Share of designated critical FMs meeting SEC/CBN cyber and operational-resilience requirements in the latest independent assessment and coordinated resilience test.

¹²⁰ NGX, 2026. Available [here](#)

¹²¹ FMDQ, 2026. Available [here](#)

¹²² CFAN, 2026. Available [here](#)

¹²³ FSD Africa, 2026. Available [here](#)

¹²⁴ Transique Advisors, 2026. Available [here](#)

Objective Blocks	Indicator	Output / Outcome	Data Source	Reporting Frequency	Baseline (Year)	Target			Rationale
						3 Year	7 Year	10 Year	
	Number of Cross-border listings	Outcome	Exchanges	Annual	5 ¹²⁵ (2025)	16	30	40	Target set using African comparator nations, e.g. South Africa (135) and Kenya (8) as a reference. ^{126,127}
	Number of Corporate Bond issuances	Outcome	Exchanges	Annual	100 ^{128,129} (2025)	220	380	500	Target is set in line with the growth in the value of corporate debt issuances at the plan/market level indicator. The inferred average issuance size for the 100 issuances currently sits at USD 20 Mn. This is set to increase to USD 26 Mn by year 10, based on the expected issuance numbers.
Structural product and instrument diversification	Number of priority commodities with at least one active exchange product and transparent national reference price (in that commodity) ¹³⁰	Outcome	Commodity Market Development Council, SEC, commodity exchanges	Annual	0 (under CMMMP definition, requires designation of priority commodities)	0	3	5	Related activity is implemented during Years 4 - 6, first identifying 5 - 7 priority commodities and establishing standardised grades and reliable national reference prices. At least 3 priority commodities should meet both conditions by Year 7 expanding to at least 5 such commodities by Year 10.
	Annual value of commodity transactions executed on SEC regulated commodity exchanges	Outcome	Commodity Market Development Council, SEC, commodity exchanges	Annual	USD 10 Mn ^{131,132} (2026)	USD 40 Mn	USD 70 Mn	USD 100 Mn	The target is to significantly increase the annual value of commodity transactions over the 10 year period by at least 10 times.
	% of domestic commodity production that is traded on the commodity exchange	Outcome	Commodity Market Development Council, SEC, commodity exchanges	Annual	5%	7.5%	12%	20%	The target aims to reduce the number of soft commodities that are produced in Nigeria and traded informally/outside of regulation. Currently, 5% of these commodities are traded on the commodity exchange and the target aims to increase it to 20% by year 10.
	Value of long-term capital deployed into REITs	Outcome	PenCom, NAICOM	Annual	USD 0.4 Bn ^{133,134} (2025)	USD 1.4 Bn	USD 3 Bn	USD 4.5 Bn	Targets set in line with the expected growth of Institutional (CIS and Pension) AUM, and the increased allocation of institutional portfolios across the continent into non-sovereign assets.
	Number of REITs registered with SEC	Outcome	SEC	Annual	6	8	12	15	The primary indicator to measure the success of REITs is going to be AUM (shown in the indicator above). However, growth in AUM will result in the additional registration of REITs, together with existing REITs expanding in AUM size. The target will be to grow the number of registered REITs to 15 by year 10. This target has also been set using the number of REITs listed in South Africa (36) as a reference. ¹³⁵
	Annual value of assets securitised to GDP % following the strengthening of ABS/ securitisation framework	Outcome	SEC, Exchanges, NBS	Annual	Status Quo: 0.3% of GDP ¹³⁶ (USD 0.8 Bn)	Framework Established: 0.3% of GDP (USD 1.2 Bn)	0.5% of GDP (USD 2.6 Bn)	1% of GDP (USD 6.2 Bn)	This indicator requires work during years 1 - 2 to strengthen the ABS / Securitisation framework and review institutional guidelines to support an increased uptake of ABS. Given the work required to strengthen the framework, little traction is expected to be made by year 3. However, from year 5 - 7, securities issuances are expected and the targets are set using South Africa (USD 10 Bn) and Egypt (USD 5 Bn) as a reference. ¹³⁷

¹²⁵ NGX, 2026. Available [here](#)

¹²⁶ CMS, 2021. Available [here](#)

¹²⁷ Project Reserve. Available [here](#)

¹²⁸ NGX, 2026. Available [here](#)

¹²⁹ FMDQ, 2026. Available [here](#)

¹³⁰ A commodity should count only where (i) a national reference price is regularly published using an agreed methodology and data from certified warehouses/ex-

changes, and (ii) at least one qualifying commodity-linked product is actively traded, rather than merely listed. Qualifying products may include forwards, EWR repos, commodity ETFs, futures/options or other SEC-recognised commodity-linked instruments; simple spot trading alone should not qualify.

¹³¹ AFEX, 2025. Available [here](#)

¹³² The baseline value of USD 10 Mn is an estimate using the most recently available monthly market turnover data provided by AFEX for July 2026. This figure is to be used as an indicative guidance as there is limited data published by AFEX and the other commodity exchanges. Going forward, we recommend that data reporting and collection be improved to better

establish a baseline and adjust the targets.

¹³³ PenCom, 2025. Available [here](#)

¹³⁴ SEC, 2025. Available [here](#)

¹³⁵ Emira Property Fund, 2026. Available [here](#)

¹³⁶ FSD Africa, 2025. Available [here](#)

¹³⁷ FSD Africa, 2025. Available [here](#)

Objective Blocks	Indicator	Output / Outcome	Data Source	Reporting Frequency	Baseline (Year)	Target			Rationale
						3 Year	7 Year	10 Year	
	Value of listed PE/VC and other AIF vehicles	Outcome	Exchanges, FMAN	Annual	USD 92 Mn ^{138,139} (2025)	USD 330 Mn	USD 490 Mn	USD 650 Mn	10-year target set using India as a comparator. Over the past decade, AIF fundraising in India has seen more than 20x growth.
	Number of listed PE/VC and other AIF vehicles	Outcome	Exchanges, FMAN	Annual	3 (12%)	6 (23%)	10 (38%)	13 (50%)	The primary indicator to measure the success of listed PE/VC and other AIF vehicles will be AUM growth (shown in the above indicator). However, this sub-indicator will also be used to track the number of listed vehicles. The 10 year target aims to increase the existing share of listed vehicles from ~12% of total vehicles registered with SEC to 50% by year 10.
Pillar 4: Deepen and Diversify the Investor Base									
Enhance domestic institutional and qualified wealth participation	% of institutional portfolios in non-sovereign assets ¹⁴⁰	Outcome	PenCom, NAICOM	Annual	~40% ¹⁴¹ (2025)	43%	47%	50%	Year 10 target set using African comparator nations, e.g. Kenya (52% of institutional portfolios in non-sovereign assets).
	Value of investments by qualified investors in capital markets	Outcome	Exchanges, CSCS	Annual	To be established	USD 12.7 Bn	USD 16 Bn	USD 19 Bn	Given that the qualified investor framework does not yet exist, the baseline for this indicator is yet to be established. The 3, 7 and 10 year targets model a 10% capital market allocation across domestic High Net Worth Individual (HNWI) wealth and are grown in line with IMF GDP growth projections. ^{142,143}
Enhance access for local and diaspora retail investors	Annual value of Diaspora investment channelled into capital markets	Outcome	Exchanges	Annual	USD 4 Bn (15% of diaspora remittances) (2025)	USD 6 Bn (22.5% of diaspora remittances)	USD 8 Bn (32.5% of diaspora remittances)	USD 10 Bn (40% of diaspora remittances)	Targets scale from a 15% baseline to a 40% allocation by year 10, anchored on survey data that indicates a 40% investment propensity of those in the diaspora. ¹⁴⁴ Currently the remittance figure into Nigeria is USD 20 Bn to USD 25 Bn per annum. We expect an annual estimate of USD 25 Bn per annum to be received throughout the 10 year period. ¹⁴⁵
	Value of collective investment schemes (CIS) AUM	Outcome	SEC, FMAN	Annual	USD 5.6 Bn ¹⁴⁶ (2025)	USD 21 Bn	USD 41 Bn	USD 56 Bn	As detailed in the NCMMP 2.0, broader investor participation and greater mobilisation of long-term capital to finance Nigeria's economic development is expected as a result of the various activities. Hence, the target is to increase CIS AUM by at least 10x by the 10-year target.
	Number of fund managers offering collective investment schemes (CIS)	Outcome	SEC, FMAN	Annual	63	75	90	100	The primary indicator to measure the success of CIS will be AUM (shown in the indicator above). However, an increase in the number of fund managers will result in growth in CIS AUM.
	% of female retail investor accounts with CSCS/NGX	Outcome	Exchanges, CSCS	Annual	~40% (2025)	43%	47%	50%	Within the NCMMP 2.0, measures are taken to increase the participation of female retail investors in the market, in line with the National Gender Policy.
	Value of micro pension contributions ¹⁴⁷	Outcome	PenCom	Annual	USD 1.2 Mn ¹⁴⁸ (2025)	USD 200 Mn	USD 500 Mn	USD 1.1 Bn	10-year target set using micro pensions in India as a comparator which has over 90 Mn subscribers and an AUM of USD 5.4 Bn (average value of USD 60 per contributor). ¹⁴⁹

¹³⁸ Coronation Infrastructure Fund, 2025. Available [here](#)¹³⁹ Nigeria Infrastructure Debt Fund, 2026. Available [here](#)¹⁴⁰ % of portfolios in non-sovereign assets is measured by: (Total AUM - AUM in sovereign assets)/Total AUM.¹⁴¹ Calculated using the financial statements of Insurance Companies and data from PenCom¹⁴² HNWI baselines are derived from 2025 wealth estimates: 7,200 Millionaires (average of USD 10 Mn), 20 Centi-millionaires (average of USD 200 Mn) and 3 Billionaires (average of USD 5 Bn), representing a total wealth of USD 91 Bn. Targets assume a 10% capital market allocation, projected to year 6 using IMF GDP growth rates, and year 7 to 10 using an average annual GDP growth rate of 5.65%.¹⁴³ Henley & Partners, 2025. Available [here](#)¹⁴⁴ The Commonwealth, 2018. Available [here](#)¹⁴⁵ World Bank. Available [here](#)¹⁴⁶ By year 10, 17.7 Mn Nigerians are assumed to be enrolled into micro pension plans and contributing an average of USD 60 each.¹⁴⁷ SEC, 2025. Available [here](#)¹⁴⁸ PenCom, 2025. Available [here](#)¹⁴⁹ Government of India, 2026. Available [here](#) and [here](#)

Objective Blocks	Indicator	Output / Outcome	Data Source	Reporting Frequency	Baseline (Year)	Target			Rationale
						3 Year	7 Year	10 Year	
Enhance access for foreign institutional investors	Operationalisation of regulatory objectives aligning local custodians with international best practice ¹⁵⁰	Output	CBN, Local Custodians	Annual	Status Quo	Established 0% adoption	50% adoption	100% adoption	This indicator requires work during year 1 - 3 of the NCMMP 2.0, with the development of regulatory objectives, rules and data-sharing pathways to align local custodians with international best practice. As outlined in the plan, this is set to be established by year 3, hence the low adoption of 0%. From then onwards, local custodians are expected to fully adopt the frameworks by year 10 of the NCMMP 2.0.
Pillar 5: Build Institutional Capacity and Professional Depth									
Strengthen institutional and regulatory capacity	Share of SEC staff reporting increased competence in areas highlighted within NCMMP 2.0 ¹⁵¹	Outcome	SEC	Annual	Status Quo	70%	100%	100%	This indicator tracks activities aimed at improving capacity building within the SEC. The "Status Quo" baseline aims to reflect ongoing capacity building initiatives taking place. In line with the NCMMP 2.0, work towards building capacity is required during years 1 - 5 of the NCMMP 2.0, with some initial traction expected by year 3 towards improving staff capacity, hence the 70% score. From year 5, all capacity building initiatives will be implemented and the emphasis is on maintaining knowledge hence the target of 100% in years 7 and 10 respectively. ¹⁵²
	Number of technical workshops undergone for the broader regulatory and government agencies per year	Output	Broader regulatory and government agencies (i.e. PenCom, NAICOM, DMO, IST) reporting to SEC	Annual	Unknown	10	4	2	Given that the capacity building initiatives are set to take place during years 1 - 5 of the NCMMP 2.0, the aim is for the number of training to be high at the start with 10 training per annum by year 3. In the medium to long term years, capacity building will be aimed at maintaining knowledge and informing staff of any new developments, hence the reduction to 1 training per quarter by year 7, and 1 training every 6 months by year 10.
Enhance intermediary risk and operational resilience	Share of CMOs that have implemented technology and operational resilience roadmaps	Output	CMOs reporting to SEC	Annual	N/A - To be established	25% adoption	70% adoption	90% adoption	Within the NCMMP 2.0, updated operational resilience is expected to have a phased implementation, testing and supervisory monitoring from Years 2–5. By year 10, the target is for 90% implementation.
Develop professional and capital market participant capacity	Number of capacity building sessions held for board members, CFOs, sustainability officers and auditors per year	Output	CMOs reporting to SEC	Annual	Unknown	10	4	2	This capacity building initiative is set to take place during years 1 - 3. The aim is for the number of capacity building sessions to be high at the start with 10 trainings per annum by year 3. In the medium to long term years, capacity building will be aimed at maintaining knowledge and ensuring board members, CFOs, sustainability officers and auditors are kept updated of any new developments, hence the reduction to 1 training per quarter by year 7, and 1 training every 6 months by year 10.

¹⁵⁰ Operationalisation is defined as custodians implementing regulations, rules and processes aimed at aligning them with international best practice. For this indicator, SEC will require annual reporting from CBN and the relevant entities, demonstrating that the framework exists and is in use.

¹⁵¹ Areas highlighted within the NCMMP 2.0 for capacity building include training on smart-contract audits, decentralised finance, virtual asset service provider (VASP)

supervision, sukuk regulation, Islamic fund structures, Shariah governance, Islamic fintech, ESG-linked non-interest products.

¹⁵² The implication of this indicator is that the SEC will need to launch an annual survey with staff to measure this. Survey could be conducted using the Likert scale, allowing staff to give ratings on a scale (i.e. Novice, Beginner, Competent, Proficient, Expert).

Objective Blocks	Indicator	Output / Outcome	Data Source	Reporting Frequency	Baseline (Year)	Target			Rationale
						3 Year	7 Year	10 Year	
	Share of professionals covered by the CPD framework	Output	Professional bodies reporting to SEC	Annual	N/A - To be established	0%	40%	100%	The CPD framework is set to be newly implemented as part of the NCMMP 2.0 and the overall activity is expected to be concluded by year 5, with 100% compliance expected by Year 10.
	Number of capacity building held for potential issuers per year	Output	SEC	Annual	Unknown	10	4	2	This capacity building initiative is set to take place during years 1 - 4 of the NCMMP 2.0. During this period, the aim is to educate SMEs, larger private sector issuers and state governments on the benefits of the capital markets, hence the number of training is high at the start with 10 trainings per annum. In the medium to long term, it will be about maintaining knowledge and informing these potential issuers of any new developments, hence the reduction to 1 training per quarter by year 7, and 1 training every 6 months by year 10.
	Operationalisation of capital markets journalism capacity and accreditation framework ¹⁵³	Output	NCMI, NUJ and professional bodies reporting to SEC	Annual	Status Quo	Initial traction	40% adoption	90% adoption	This indicator requires work during year 2 - 4 of the NCMMP 2.0 before the financial journalism certification framework is established. In year 3, the capacity and accreditation frameworks will still be in development, hence initial traction being the target.

7.5 Implementation risks

The implementation of the NCMMP 2.0 is subject to a number of cross-cutting risks that may affect delivery over the ten-year horizon. These include plan-level risks as informed by the PEA, as well as specific pillar-level risks and activity-level risks. The risks listed below do not necessarily exist right now, but are potential risks that could conceivably affect overall implementation progress.

¹⁵³ Operationalisation is defined as the development, implementation and active use of the capacity and accreditation framework. For this indicator, SEC will require annual reporting from capital market journalists, demonstrating that the framework exists and is in use.

Table 6: NCMMP 2.0 Implementation Risks

Category	Risk Description	Impact	Rating	Mitigation Strategies	Primary Owner
Plan-Level Risks					
Governance	NCMMP 2.0 lacks statutory backing and is institutionally orphaned following a change of minister or administration, as occurred with the previous plan.	High	Critical	1. Establish executive-level policy gravity and strategic alignment by ensuring the PSC is constituted by senior-level representation from institutions vital to NCMMP 2.0 implementation. 2. Leverage co-design sessions, bilateral and multilateral MoUs as well as joint-circulars to ensure buy-in across all activities that require inter-agency collaboration. 3. Over the long term, incorporate ongoing engagement with the National Assembly where reforms require formal legislative amendments.	SEC / PSC / CAMMIC / National Assembly
	CAMMIC lacks binding authority over member agencies and cannot compel cross-institutional action, replicating the coordination failure of the previous cycle.	High	Critical	1. CAMMIC mandate to include the authority to escalate implementation issues to the PSC for intervention. 2. Establish a funded, professional Secretariat separate from SEC operational teams. 3. Schedule quarterly CAMMIC meetings with enforcement mechanisms for non-attendance.	FMoF / SEC
	SEC PIU is chronically underfunded, preventing sustained implementation momentum and making the NCMMP 2.0 dependent on ad hoc donor contributions.	High	Critical	1. Secure a multi-year budget line within FMoF's Investment Budgeting framework. 2. Establish an endowment model with DFI co-funding for the Secretariat's first five-year operating costs. 3. Incorporate market levies, multilateral development bank funding as well as private sector co-financing where necessary to supplement DFI co-funding and SEC internal budgets.	FMoF / SEC
	Given the ten year horizon, a loss of reform momentum over time may weaken implementation credibility and delay delivery of the NCMMP 2.0.	Medium	High	1. PSC oversight sustains senior-level ownership across political and administrative cycles. 2. Regular progress reporting against milestones and the mid-term review would provide structured opportunities to re-prioritise the reform agenda.	SEC / PSC
Political / Inter-agency	Incoming political leadership following the 2027 elections does not champion the CMMP, reducing inter-agency cooperation and deprioritising the plan's funding and governance architecture.	High	High	1. Ensure early wins (TFSA, SOE listing, InfraCredit flagship bond) are completed before the election cycle. 2. Build a cross-party civil society and private sector constituency for the CMMP through annual public reporting.	SEC / CAMMIC / FMoF
	Recapitalisation mandates (banking, insurance, PFAs, CMOs) absorb institutional bandwidth, reducing ecosystem actors' capacity to engage constructively in NCMMP 2.0 implementation.	Medium	High	1. Sequence most demanding institutional design tasks outside the peak recapitalisation window (June–December 2026). 2. Establish fast-track SEC approval protocols for regulated entities undergoing statutory recapitalisation. 3. Use the recapitalisation period to focus on governance design, planning, and gatekeeper engagement.	SEC / CAMMIC
Market / Structural	Fiscal crowding out persists as the DMO's domestic borrowing programme continues to absorb the institutional capital supply that would otherwise support private sector issuers.	High	Critical	1. Build a relevant pipeline of bonds that can safely co-exist alongside sovereign debt by leveraging credit enhancements to lower risk and attract institutional investors. 2. Develop the yield curve argument for the DMO: a deeper secondary bond market supports sovereign borrowing efficiency.	FMoF / DMO / SEC
	Macroeconomic instability or external shocks may disrupt reform sequencing and market development.	High	Critical	1. Keep all involved agencies engaged through co-design sessions, allowing for discussions on resequencing and reprioritisation. 2. Leverage the PSC's access to the FMoF and Office of the President to ensure steady funding allocations for implementation that are not disrupted by external shocks.	SEC / PSC / FMoF
Regional / International	West African capital market integration proceeds without Nigeria's constructive engagement, resulting in regional standards that conflict with Nigeria's regulatory framework.	High	High	1. Establish a dedicated West African integration working group (SEC, NGX Group, FMDQ, CSCS). 2. Leverage Nigeria's comparative advantage to lead regional integration design.	SEC / NGX Group / FMDQ / CSCS

Category	Risk Description	Impact	Rating	Mitigation Strategies	Primary Owner
Pillar-Level Risks					
Pillar 1 - Foster regulatory clarity, coordination, and enforcement	Agency cooperation is limited, or reforms suffer from limited buy-in.	High	Critical	1. Integrate co-design sessions with relevant agencies at the start of each major initiative to ensure buy-in from the ground up. 2. Ensure initiatives are aligned with institutional mandates rather than oppositional, reducing inter-agency frictions and encouraging participation.	SEC
	Insufficient capacity results in regulatory reforms that are not effectively enforced.	Medium	Medium	1. Prioritise and sequence SEC capacity building activities in the first years of NCMMP 2.0 implementation to ensure the regulator has sufficient capacity to enforce key regulatory reforms. 2. Ensure sufficient market-based funding for capacity building initiatives.	SEC
	Greater connectivity leads to cyber-security failures which disrupt market functioning	High	Medium	1. For complex rules, conduct extensive engagements with regulated entities to validate them and ensure they are fit for purpose rather than likely to dampen market participation.	SEC
Pillar 2 - Modernise market infrastructure	The reform agenda imposes undue costs on the market, or is implemented only partially, creating duplication without materially improving interoperability or transparency	High	High	1. Establish minimum standards FMs must all meet to participate in a fully interoperable market. 2. Work with FMs to co-create interoperability standards thereby ensuring standards are tailored to the market and achievable by all providers.	SEC
	Higher risk of cyber-security failures induced by greater connectivity disrupt market functioning	High	High	1. Operationalise risk-based supervision to ensure infrastructure providers are regularly monitored and assessed on their cyber security readiness, thereby allowing proactive identification of vulnerable providers.	SEC / FMs
Pillar 3 - Broaden issuance, product and instrument diversification	Negative macroeconomic trends make market-based financing less viable, reducing activity	High	Critical	1. Deploy credit enhancement & risk-sharing tools to lower credit risk premiums and improve the bankability of corporate, subnational, and infrastructure debt during high-interest-rate cycles. 2. Operationalise TFSAs, expand mobile-enabled retail distribution channels, and broaden PenCom/NAICOM asset allocation guidelines to aggregate long-term domestic savings that can insulate the market from exogenous macroeconomic shocks.	SEC / NAICOM / PenCom
	The sub-national issuer pipeline fails to develop due to weak state-level governance capacity or fiscal dependency	Medium	Medium	1. Map states by IGR diversification and identify a priority cohort for targeted engagement in the first three years. 2. Deploy state-specific technical assistance teams to support capacity building across the priority cohort of state governments. 3. Establish an appropriate regulatory framework for derisking instruments along with suitable partnerships with guarantee providers (e.g. InfraCredit) and DFIs.	SEC / DMO / FMOF / SEDC
	Incentives or de-risking architecture prove unsustainable or distortive	High	High	1. Require project sponsors, state issuers, or originators to retain a meaningful, non-transferable economic interest in all funding structures to ensure alignment of interests and mitigate moral hazard. 2. Ensure de-risking instruments are specifically applied to feasible projects that demonstrate commercial viability. 3. To prevent dependence on de-risking tools, leverage guarantees only as a demonstration of viability while establishing mechanisms for crowding in institutional and private capital in the long-term.	FMOF / SEC / InfraCredit / DFIs
	Firms may continue to rely predominantly on bank financing or internal funding, resulting in low utilisation of capital market pathways	Medium	Medium	1. Rationalise SEC registration fees, simplify shelf registration protocols, and reduce time-to-market in order to lower transaction costs relative to traditional bank loans. 2. Scale SEC and exchange-led IPO clinics and technical assistance programs to guide corporates and SMEs through listing readiness support, reducing barriers to entry.	SEC / The Exchanges (NGX, FMDQ NASD)
	Issuance remains concentrated among a small number of entities	High	High	1. Partner with the MOFI to establish an IPO-led privatisation calendar targeting high-performing, large-cap SOEs across priority sectors. 2. Reduce constraints to SME listing to encourage an increase in SME participation in the capital market. 3. Capacity building for SMEs, larger private sector issuers and state governments to promote an understanding of the benefits of the capital markets, including labelled instruments.	SEC / MOFI
	Institutional resistance blocks sales of state owned assets and enterprises through IPOs	High	High	1. Engage the FMOF and Office of the President to promote awareness of the benefits of SOE IPOs and facilitate buy-in from all relevant stakeholders. 2. Capacity building for officials within SOEs to ensure internal readiness to issue when political approvals are obtained	SEC / FMOF

Category	Risk Description	Impact	Rating	Mitigation Strategies	Primary Owner
Pillar 4 - Deepen and diversify the investor base diversification	Foreign portfolio investment in Nigeria remains constrained by FX repatriation risks, a shallow hedging market, burdensome account-opening requirements, and global risk-off sentiment, despite ongoing reforms.	Medium	High	1. Establish a joint SEC-CBN technical working group on foreign investor access. 2. Restructure non-resident investor access by replacing the traditional, restrictive BVN requirement with a tiered, risk-based identity verification framework. 3. Standardise and codify repatriation processing requirements by publishing a streamlined, exhaustive checklist of divestment and repatriation documentary requirements.	SEC / CBN
	High sovereign yields make diversification away from sovereign paper challenging	Medium	High	1. Draft a formal tax exemption renewal proposal for corporate debt instruments, to ensure corporate debt investments are not tax disadvantaged. 2. Leverage de-risking architecture to create a broader pool of investable assets and provide alternatives to institutional investors. 3. Promote product diversification across the entire market to increase the variety of instruments available to investors across diverse time horizons.	PenCom / SEC / PenOp
	Retail investor participation remains constrained by high onboarding costs, low trust, limited digital access, and competition from informal savings mechanisms and unregulated crypto platforms.	Medium	High	1. Leverage MNO and fintech partnerships to support seamless onboarding of new investors, particularly youth and first-time retail investors. 2. Undertake ongoing, targeted retail investor education. 3. Establish robust investor protection mechanisms ensuring retail investors have clear redress mechanisms in the event of fraud. 4. Establish a clear framework for regulation of virtual and tokenised assets in close collaboration with other key regulators (e.g. CBN).	SEC / CBN / MNOs / Fintechs
	De-risking tools prove insufficiently credible in shifting investor behaviour	Medium	High	1. Structure credit enhancement facilities in direct partnership with AAA-rated, highly credible institutions (e.g., InfraCredit, NSIA, and multilateral DFIs) to ensure guarantees provide true capital relief and credit uplift for institutional investors. 2. Work with PenCom and NAICOM to recognise credit-enhanced and guaranteed non-sovereign instruments as eligible, lower-risk asset classes, reducing capital provisioning haircuts for institutional holders.	SEC / PenCom / NAICOM / DFI Partners
Pillar 5 - Build institutional capability and professional depth	SEC's market-funded model and inadequate human capital prevent it from fulfilling the NCMMP 2.0's implementation leadership role	Medium	High	1. Pursue structural fee reform to increase SEC's market-sourced revenue without relying on government appropriation. 2. Engage DFI technical assistance (World Bank, IFC, AfDB) for human capacity building and surveillance technology. 3. Establish a dedicated NCMMP 2.0 Secretariat staffed separately from SEC operational teams.	SEC / DFI Partners
	Capacity building is sporadic or not sustained, leading to weak retention and limited institutionalisation	High	High	1. Transition ad-hoc training into structured, mandatory CPD frameworks and annual practising certification 2. Strengthening the NCMI's curriculum to adapt to a modernised capital market. 3. Leverage DFI support to ensure continuous funding of capacity building initiatives.	SEC / NCMI / DFIs
	States and private-sector participants do not translate improved capacity into actual capital market activity because financing conditions, incentives, or internal priorities remain unchanged	Medium	High	1. Deploy briefings for State Governors and Commissioners of Finance demonstrating how long-term capital market vehicles lower borrowing costs and shift infrastructure liabilities off balance sheets (relative to bank loans). 2. Instead of generic training workshops, TA programmes should be designed as transaction-linked incubation clinics that directly support live project preparation, SPV structuring, and prospectus filings.	SEC / DFIs / NCMI

The NCMMP 2.0 proposes that the risk register review schedule is maintained by the CAMMIC Secretariat.

Reviews should be conducted as follows:

- Quarterly: For risks rated Critical or High update likelihood, impact, and mitigation status.
- Semi-annually: Full register review including Medium and Low risks; revise ratings if context has changed.
- Annually: Formal review presented to CAMMIC; new risks added; resolved risks archived.

Ad hoc: Any triggering event (significant inter-agency conflict, political transition, macro shock) prompts an immediate risk register update and escalation to CAMMIC chair.

In addition to the above identified plan- and pillar-level risks, implementation of the NCMMP 2.0 is subject to a range of activity-level risks including:

Risk: Loss of reform momentum because multiple activities depend on unilateral action from several stakeholders, regulators or government agencies, which is typically outside the SEC's control. Through the various political and administrative cycles spanning the NCMMP 2.0's 10-year horizon, implementing institutions could experience shifts in senior leadership and strategic direction or unexpected budgetary shocks, risking the consistency of reform momentum.

Mitigation: Incorporate co-design sessions with all relevant stakeholders prior to implementation of activities that require inter-agency cooperation to ensure alignment on timelines, key milestones and deliverables for all involved institutions. Leverage components of the NCMMP 2.0 governance structure (specifically CAMMIC and the PSC) which are designed to foster collaboration, prompt escalation, and resequencing of activities as implementation progresses.

Risk: Implementation of some activities may be delayed by other overarching priorities (e.g. NAICOM's focus on recapitalisation and NIIRA operationalisations) taking precedence as operators in the respective sectors adjust to these new mandates.

Mitigation: Sequence activities of this nature to start in the later years (beyond year 3) to allow for completion of aspects such as

recapitalisation exercises, which are necessary prerequisites to efficient implementation.

Risk: Given the broad and wide-ranging nature of the NCMMP 2.0's activities, there are many dependencies which could result in implementation delays in cases where requisite actions have not been started or fully completed.

Mitigation: The PSC is empowered to re-sequence activities following recommendations from CAMMIC, as well as independent consideration by the PSC. The risk can therefore be mitigated by leveraging the PSC's powers to ensure delays do not affect subsequent activities that are dependent on earlier initiatives.

7.6 M&E Reporting Templates

To ensure the M&E framework described above is operational and effective, regular reporting is required on activities and their implementation across all levels of the governance structure. This can be achieved through dedicated templates designed to guide and streamline regular reporting for the SEC PIU, CAMMIC, and the PSC. The purpose of each report varies depending on the institution producing it, as well as the ultimate audience and input sources. Through these reports the SEC accounts for activity-level implementation progress, CAMMIC reports on coordination issues and challenges, deliverables, technical decisions and recommendations, while the PSC reports on progress at a higher-level consolidating CAMMIC and SEC information for consumption by the FMoF and Office of the President.

While the following templates provide a standard structure, the examples included are illustrative rather than prescriptive. Where relevant, controlled lists have been incorporated across the different tables to ensure consistency of reporting, simplify completion, and facilitate aggregation and analysis of data across institutions and reporting periods. Refer to column footnotes for clear instructions on all controlled lists. The M&E Reporting Templates are presented below.

Monthly SEC PIU Internal Progress Report

NIGERIA CAPITAL MARKETS MASTERPLAN (NCMMP) 2.0

Purpose of report: To provide a view of activity-level progress on the NCMMP 2.0's implementation on a monthly basis, with the aim of identifying progress, bottlenecks and further interventions. The report also serves as an input into the CAMMIC report.

Input sources for report: Internal SEC and SEC PIU activity reporting, CAMMIC meeting minutes, TWG minutes and reporting, NCMMP 2.0 implementation plan, SEC internal resource tracker, previous monthly SEC PIU progress reports.

Proposed length of report: <= 10 pages

Reporting Period: [Month, Year]

Submission Date: [DD/MM/YYYY]

Prepared By: SEC Project Implementation Unit (PIU)

Cleared By: Head, SEC PIU

Target Audience: SEC Executive Management, CAMMIC

1. Executive summary and progress dashboard

1.1. Executive summary

[Written in paragraph/narrative format, this sub-section includes a summary of what has been achieved in the month of reporting, which specific activities/objectives have been started, completed, or remain pending, as well as a high-level summary of bottlenecks/challenges faced during implementation across the reporting period]

1.2. High-level progress dashboard

The following table presents a high-level summary of implementation progress as of [insert reporting period].

Metric	Current Month	Previous Month	Share of Total
Total active initiatives/activities	[#]	[#]	[Total number of active initiatives] ¹⁵⁴
On track	[#]	[#]	[Current month/Total active initiatives]
Delayed but progressing	[#]	[#]	[Current month/Total active initiatives]
Critically blocked	[#]	[#]	[Current month/Total active initiatives]
Completed activities (cumulative)	[#]	[#]	[Completed/total NCMMP 2.0 initiatives] ¹⁵⁵

¹⁵⁴ "Total number of active initiatives" refers to all the activities that should be underway during the reporting year. This provides an overall figure from which the portions of the on track, delayed, and critically blocked activities can be calculated.

¹⁵⁵ "Total NCMMP 2.0 Initiatives" refers to the total number of all activities across all pillars in the NCMMP 2.0 implementation plan. This provides a high-level view of overall implementation progress at any point in time.

2. Pillar-by-pillar activity and milestone tracker

(Complete for all 5 Pillars. Focus only on active operational workstreams for the reporting month. The tracker should also include notable activities that have not yet commenced despite being sequenced/scheduled for the reporting month).

Key for current status: **Red** indicates the activity is critically blocked, **Yellow** indicates the activity is delayed but progressing, while **Green** indicates that an activity is on track.

Objective	Initiative / Activity	Assigned TWG	Completion Target	Current Status	Bottlenecks / Blockers	Immediate Next Steps ¹⁵⁶	Escalation Required	Escalate To	Responsible	Escalation Due Date
Pillar 1: Foster regulatory clarity, coordination, and enforcement										
[Objective 1]	[Activity name & no.]	[TWG 1 - 5]	[DD/MM/YY]	[Red/Yellow/Green]	[e.g. No major blockers]	[Refer to column footnote]	[Yes / No]	[CAMMIC / PSC]	[e.g. SEC PIU]	[DD/MM/YY]
[Objective 2]	[Activity name & no.]	[TWG 1 - 5]	[DD/MM/YY]	[Red/Yellow/Green]	[e.g. Slow delivery time]	[Refer to column footnote]	[Yes / No]	[CAMMIC / PSC]	[e.g. TWG 1 - 4]	[DD/MM/YY]
[Objective 3]	[Activity name & no.]	[TWG 1 - 5]	[DD/MM/YY]	[Red/Yellow/Green]	[e.g. Inter-agency coordination friction]	[Refer to column footnote]	[Yes / No]	[CAMMIC / PSC]	[Insert responsible entity]	[DD/MM/YY]
Pillar 2: Modernise market infrastructure										
[Objective 4]	[Activity name & no.]	[TWG 1 - 5]	[DD/MM/YY]	[Red/Yellow/Green]	[e.g. Limited data on progress]	[Refer to column footnote]	[Yes / No]	[CAMMIC / PSC]	[e.g. SEC PIU]	[DD/MM/YY]
[Objective 5]	[Activity name & no.]	[TWG 1 - 5]	[DD/MM/YY]	[Red/Yellow/Green]	[e.g. Slow delivery time]	[Refer to column footnote]	[Yes / No]	[CAMMIC / PSC]	[e.g. TWG 1 - 4]	[DD/MM/YY]
[Objective 6]	[Activity name & no.]	[TWG 1 - 5]	[DD/MM/YY]	[Red/Yellow/Green]	[e.g. Inter-agency coordination friction]	[Refer to column footnote]	[Yes / No]	[CAMMIC / PSC]	[Insert responsible entity]	[DD/MM/YY]
Pillar 3: Broaden issuance, product and instrument diversification										
[Objective 7]	[Activity name & no.]	[TWG 1 - 5]	[DD/MM/YY]	[Red/Yellow/Green]	[e.g. No major blockers]	[Refer to column footnote]	[Yes / No]	[CAMMIC / PSC]	[e.g. SEC PIU]	[DD/MM/YY]
[Objective 8]	[Activity name & no.]	[TWG 1 - 5]	[DD/MM/YY]	[Red/Yellow/Green]	[e.g. Slow delivery time]	[Refer to column footnote]	[Yes / No]	[CAMMIC / PSC]	[e.g. TWG 1 - 4]	[DD/MM/YY]
[Objective 9]	[Activity name & no.]	[TWG 1 - 5]	[DD/MM/YY]	[Red/Yellow/Green]	[e.g. Inter-agency coordination friction]	[Refer to column footnote]	[Yes / No]	[CAMMIC / PSC]	[Insert responsible entity]	[DD/MM/YY]
Pillar 4: Deepen and diversify the investor base										
[Objective 10]	[Activity name & no.]	[TWG 1 - 5]	[DD/MM/YY]	[Red/Yellow/Green]	[e.g. Limited data on progress]	[Refer to column footnote]	[Yes / No]	[CAMMIC / PSC]	[e.g. SEC PIU]	[DD/MM/YY]
[Objective 11]	[Activity name & no.]	[TWG 1 - 5]	[DD/MM/YY]	[Red/Yellow/Green]	[e.g. Slow delivery time]	[Refer to column footnote]	[Yes / No]	[CAMMIC / PSC]	[e.g. TWG 1 - 4]	[DD/MM/YY]
[Objective 12]	[Activity name & no.]	[TWG 1 - 5]	[DD/MM/YY]	[Red/Yellow/Green]	[e.g. Inter-agency coordination friction]	[Refer to column footnote]	[Yes / No]	[CAMMIC / PSC]	[Insert responsible entity]	[DD/MM/YY]

Add or remove rows as necessary in each reporting period)

¹⁵⁶ Potential Immediate Next Steps: 1. Deliverable ready for CAMMIC review, 2. PSC Intervention required, 3. CAMMIC intervention required, 4. Resequencing recommended, 5. Implementation continues as scheduled

3. Resource utilisation and financial tracking

3.1 Monthly budget line execution

All amounts are quoted in ₪ with US\$ equivalents quoted based on the applicable exchange rate in the reporting period.

Exchange rate in [reporting period]: US\$ 1 = ₪ XXXX

Funding Source	Approved Allocation	Monthly Expenditure	YTD Expenditure	Variance (%)	Remarks/Reallocation Requests
FMoF allocation	[Amount]	[Amount]	[Amount]	[%]	[e.g. Delays in accessing allocation resulted in implementation delay]
SEC Internal Budget	[Amount]	[Amount]	[Amount]	[%]	[e.g. Funding reallocation needed to support pre-requisite capacity building]
DFI TA Grants	[Amount]	[Amount]	[Amount]	[%]	[e.g. Grant funding from DFI XX received in Month XX and used for XX]
Other [Specify]	[Amount]	[Amount]	[Amount]	[%]	[e.g. Private sector co-financing received in Month XX from XXXX]

Quarterly CAMMIC Report

NIGERIA CAPITAL MARKETS MASTERPLAN (NCMMP) 2.0

Purpose of report: To provide a consolidated quarterly assessment of implementation progress, drawing on PIU reports and focusing particularly on coordination across the TWGs and issues that require escalation.

Input sources for report: Internal SEC PIU monthly reports, TWG meeting minutes, TWG milestone submissions, NCMMP 2.0, previous quarterly CAMMIC reports, CAMMIC meeting minutes

Proposed length of report: ~ 5 - 7 pages

Reporting Period: [Quarter X, Year]
Submission Date: [DD/MM/YYYY]
Prepared By: SEC Secretariat
Cleared By: Chair, CAMMIC
Target Audience: NCMMP 2.0 PSC

1. Executive Summary

[Summary narrative highlighting any major milestones achieved, implementation challenges faced and inter-agency coordination frictions delaying implementation]

2. Implementation Summary

[This section includes a tabulated view of quarterly implementation progress, focusing on initiatives/activities at 4 mutually exclusive completion stages]
The following table presents a high-level summary of implementation progress as of [insert reporting period].

Metric	Current Month	Previous Month	Share of Total
Total active initiatives/activities	[#]	[#]	[Total number of active initiatives ¹⁵⁷
On track	[#]	[#]	[Current month/Total active initiatives]
Delayed but progressing	[#]	[#]	[Current month/Total active initiatives]
Critically blocked	[#]	[#]	[Current month/Total active initiatives]
Number of open inter-agency issues from TWGs	[#]	[#]	[Total inter-agency issues]
Number of resolved inter-agency issues	[#]	[#]	[Resolved/Total inter-agency issues]
Completed activities (cumulative)	[#]	[#]	[Completed/Total NCMMP 2.0 initiatives] ¹⁵⁸

¹⁵⁷ "Total number of active initiatives" refers to all the activities that should be underway during the reporting year. This provides an overall figure from which the portions of the On track, delayed, and critically blocked activities can be calculated.

¹⁵⁸ "Total NCMMP 2.0 Initiatives" refers to the total number of all activities across all pillars in the NCMMP 2.0 implementation plan. This provides a high-level view of overall implementation progress at any point in time.

3. Implementation, Coordination and Bottleneck Resolution

3.1 Milestone tracking

This section includes a tabulated view of key milestones expected during the reporting period, split by pillar

Milestone Due	Current Status ¹⁵⁹	Implementation/Coordination Bottlenecks	CAMMIC Action ¹⁶⁰	Support Required	Responsible/Owner ¹⁶¹	Completion Target
Pillar 1: Foster regulatory clarity, coordination, and enforcement						
[Milestone 1]	[Refer to column footnote]	[e.g. Inter-agency capacity constraint]	[Refer to column footnote]	[e.g. Funding support]	[Insert responsible CAMMIC individual]	[DD/MM/YY]
[Milestone 2]	[Refer to column footnote]	[e.g. Partner implementing agency reluctant to support implementation]	[Refer to column footnote]	[e.g. Direct action from PSC]	[Insert responsible CAMMIC individual]	[DD/MM/YY]
[Milestone 3]	[Refer to column footnote]	[e.g. Jurisdictional overlap and lack of clarity on rules]	[Refer to column footnote]	[e.g. Legal expert clarification]	[Insert responsible CAMMIC individual]	[DD/MM/YY]
Pillar 2: Modernise market infrastructure						
[Milestone 1]	[Refer to column footnote]	[e.g. Inter-agency capacity constraint]	[Refer to column footnote]	[e.g. Funding support]	[Insert responsible CAMMIC individual]	[DD/MM/YY]
[Milestone 2]	[Refer to column footnote]	[e.g. Partner implementing agency reluctant to support implementation]	[Refer to column footnote]	[e.g. Direct action from PSC]	[Insert responsible CAMMIC individual]	[DD/MM/YY]
[Milestone 3]	[Refer to column footnote]	[e.g. Jurisdictional overlap and lack of clarity on rules]	[Refer to column footnote]	[e.g. Legal expert clarification]	[Insert responsible CAMMIC individual]	[DD/MM/YY]
Pillar 3: Broaden issuance, product and instrument diversification						
[Milestone 1]	[Refer to column footnote]	[e.g. Inter-agency capacity constraint]	[Refer to column footnote]	[e.g. Funding support]	[Insert responsible CAMMIC individual]	[DD/MM/YY]
[Milestone 2]	[Refer to column footnote]	[e.g. Partner implementing agency reluctant to support implementation]	[Refer to column footnote]	[e.g. Direct action from PSC]	[Insert responsible CAMMIC individual]	[DD/MM/YY]
[Milestone 3]	[Refer to column footnote]	[e.g. Jurisdictional overlap and lack of clarity on rules]	[Refer to column footnote]	[e.g. Legal expert clarification]	[Insert responsible CAMMIC individual]	[DD/MM/YY]
Pillar 4: Deepen and diversify the investor base						
[Milestone 1]	[Refer to column footnote]	[e.g. Inter-agency capacity constraint]	[Refer to column footnote]	[e.g. Funding support]	[Insert responsible CAMMIC individual]	[DD/MM/YY]
[Milestone 2]	[Refer to column footnote]	[e.g. Partner implementing agency reluctant to support implementation]	[Refer to column footnote]	[e.g. Direct action from PSC]	[Insert responsible CAMMIC individual]	[DD/MM/YY]
[Milestone 3]	[Refer to column footnote]	[e.g. Jurisdictional overlap and lack of clarity on rules]	[Refer to column footnote]	[e.g. Legal expert clarification]	[Insert responsible CAMMIC individual]	[DD/MM/YY]
Pillar 5: Build institutional capability and professional depth						
[Milestone 1]	[Refer to column footnote]	[e.g. Inter-agency capacity constraint]	[Refer to column footnote]	[e.g. Funding support]	[Insert responsible CAMMIC individual]	[DD/MM/YY]
[Milestone 2]	[Refer to column footnote]	[e.g. Partner implementing agency reluctant to support implementation]	[Refer to column footnote]	[e.g. Direct action from PSC]	[Insert responsible CAMMIC individual]	[DD/MM/YY]
[Milestone 3]	[Refer to column footnote]	[e.g. Jurisdictional overlap and lack of clarity on rules]	[Refer to column footnote]	[e.g. Legal expert clarification]	[Insert responsible CAMMIC individual]	[DD/MM/YY]

¹⁵⁹ Current Status for CAMMIC milestone tracking: 1. Open, 2. Under CAMMIC Consideration, 3. Escalated to PSC, 4. Resolved

¹⁶⁰ CAMMIC Actions: A. No Action Necessary, B. Resolve Issue at CAMMIC Level, C. Escalate to PSC

¹⁶¹ The Responsible/Owner column in this table should be populated with the name of the CAMMIC individual tasked with coordinating CAMMIC's response to the required support.

3.2 CAMMIC-facilitated market engagement and coordination sessions

[Insert introductory paragraph on the purpose of CAMMIC-facilitated market sessions, description of participants, as well as a high-level summary of market feedback and issues raised by implementing agencies]

[Insert full list of participants]:

Date	Market Issue/Feedback Raised	Agency Raising Issue	Stakeholders represented	TWG Involved	CAMMIC Response	Responsible/ Owner
[DD/MM/YY]	[e.g. Clashing institutional mandate]	[e.g. SEC]	[e.g. SEC & FRC]	[TWG 1 - 5]	[e.g. Escalation to PSC recommended]	[e.g. SEC]
[DD/MM/YY]	[e.g. Implementing partner is not providing senior management approvals]	[e.g. CBN]	[e.g. CBN & ONSA]	[TWG 1 - 5]	[e.g. Lead implementing agency takes precedence]	[e.g. SEC]
[DD/MM/YY]	[e.g. Stakeholder unable to agree on deliverable structure]	[e.g. PenCom]	[e.g. SEC & PenCom]	[TWG 1 - 5]	[e.g. Funding constraint communicated to PSC]	[e.g. PenCom]
[DD/MM/YY]	[e.g. Implementing agency lacks capacity]	[e.g. NAICOM]	[e.g. NAICOM & PenCom]	[TWG 1 - 5]	[Insert CAMMIC response here]	[e.g. NAICOM]
[DD/MM/YY]	[Insert issue here]	[e.g. NRS]	[Insert stakeholders here]	[TWG 1 - 5]	[Insert CAMMIC response here]	[e.g. SEC & NRS]

4. Pillar-level Output & Deliverable Vetting Matrix

This section synthesises progress across all five pillars, highlighting the readiness and vetting status of key deliverables per pillar, and key bottlenecks/PSC decisions needed following CAMMIC vetting. This section specifically focuses on deliverables and outputs earmarked for execution during the quarter in focus.

Output/Deliverable	TWG	Lead Agency	Vetting Status ¹⁶²	Deliverable Rating ¹⁶³	Proposed Next Steps ¹⁶⁴	Comment
Pillar 1: Foster regulatory clarity, coordination, and enforcement						
[Deliverable 1]	TWG 1 - 5	[e.g. SEC/FRC]	[Refer to column footnote]	[Refer to column footnote]	[Refer to column footnote]	[Insert comment on rating, vetting status and proposed next steps]
[Deliverable 2]	TWG 1 - 5	[e.g. PenCom]	[Refer to column footnote]	[Refer to column footnote]	[Refer to column footnote]	[Insert comment on rating, vetting status and proposed next steps]
[Deliverable 3]	TWG 1 - 5	[e.g. NAICOM]	[Refer to column footnote]	[Refer to column footnote]	[Refer to column footnote]	[Insert comment on rating, vetting status and proposed next steps]
Pillar 2: Modernise market infrastructure						
[Deliverable 1]	TWG 1 - 5	[e.g. SEC/FRC]	[Refer to column footnote]	[Refer to column footnote]	[Refer to column footnote]	[Insert comment on rating, vetting status and proposed next steps]
[Deliverable 2]	TWG 1 - 5	[e.g. CSCS]	[Refer to column footnote]	[Refer to column footnote]	[Refer to column footnote]	[Insert comment on rating, vetting status and proposed next steps]
[Deliverable 3]	TWG 1 - 5	[e.g. NAICOM]	[Refer to column footnote]	[Refer to column footnote]	[Refer to column footnote]	[Insert comment on rating, vetting status and proposed next steps]
Pillar 3: Broaden issuance, product and instrument diversification						
[Deliverable 1]	TWG 1 - 5	[e.g. SEC/FRC]	[Refer to column footnote]	[Refer to column footnote]	[Refer to column footnote]	[Insert comment on rating, vetting status and proposed next steps]
[Deliverable 2]	TWG 1 - 5	[e.g. CSCS]	[Refer to column footnote]	[Refer to column footnote]	[Refer to column footnote]	[Insert comment on rating, vetting status and proposed next steps]
[Deliverable 3]	TWG 1 - 5	[e.g. NAICOM]	[Refer to column footnote]	[Refer to column footnote]	[Refer to column footnote]	[Insert comment on rating, vetting status and proposed next steps]

¹⁶² Levels for the Vetted Status: Level 1 - Reviewed and feedback shared - first version, Level 2 - Deliverable update in progress following review. Level 3 - Reviewed and feedback shared (if relevant) - second version, Level 4 - Cleared

¹⁶³ Deliverable Ratings: A - Acceptable, B - Acceptable but minor revisions needed, C - Substantial revisions needed, D - Complete rework recommended

¹⁶⁴ Potential Next Steps: 1. Under review, 2. Returned for revision, 3. Cleared subject to specific conditions, 4. Approved and recommended for PSC sign-off

Output/Deliverable	TWG	Lead Agency	Vetting Status ¹⁶²	Deliverable Rating ¹⁶³	Proposed Next Steps ¹⁶⁴	Comment
Pillar 4: Deepen and diversify the investor base						
[Deliverable 1]	TWG 1- 5	[e.g. SEC/FRC]	[Refer to column footnote]	[Refer to column footnote]	[Refer to column footnote]	[Insert comment on rating, vetting status and proposed next steps]
[Deliverable 2]	TWG 1- 5	[e.g. PenCom]	[Refer to column footnote]	[Refer to column footnote]	[Refer to column footnote]	[Insert comment on rating, vetting status and proposed next steps]
[Deliverable 3]	TWG 1- 5	[e.g. NAICOM]	[Refer to column footnote]	[Refer to column footnote]	[Refer to column footnote]	[Insert comment on rating, vetting status and proposed next steps]
Pillar 5: Build institutional capability and professional depth						
[Deliverable 1]	TWG 1- 5	[e.g. SEC/FRC]	[Refer to column footnote]	[Refer to column footnote]	[Refer to column footnote]	[Insert comment on rating, vetting status and proposed next steps]
[Deliverable 2]	TWG 1- 5	[e.g. CSCS]	[Refer to column footnote]	[Refer to column footnote]	[Refer to column footnote]	[Insert comment on rating, vetting status and proposed next steps]
[Deliverable 3]	TWG 1- 5	[e.g. NAICOM]	[Refer to column footnote]	[Refer to column footnote]	[Refer to column footnote]	[Insert comment on rating, vetting status and proposed next steps]

Add or remove rows as necessary in each reporting period)

5. Next Steps

[Insert narrative overview of CAMMIC's upcoming role in coordination of implementation activities in the next quarter]

- **[E.g. Inter-agency coordination decision]** : [Insert narrative description here]
- **[E.g. Escalation to the PSC]:** [Insert narrative description here]
- **[E.g. Achieving major implementation milestone]:** [Insert narrative description here]

Semi-annual project steering committee report

NIGERIA CAPITAL MARKETS MASTERPLAN (NCMMP) 2.0

Purpose of report: To provide an overview of the PSC's resolutions and decisions, in line with its role of providing strategic oversight, resolving conflict and signing off on reforms.

Input sources for report: CAMMIC quarterly reports, CAMMIC meeting minutes, SEC internal resource tracker, PSC meeting minute

Proposed length of report: ~ 5 pages

Reporting Period: [Half X, Year]¹⁶⁵

Submission Date: [DD/MM/YYYY]

Prepared By: NCMMP 2.0 PSC

Cleared By: Chairman, NCMMP 2.0 PSC

Target Audience: Federal Ministry of Finance, Office of the President

1. Executive overview

[Summary of NCMMP 2.0 implementation to date, brief narrative on challenges faced, acknowledge key implementation partnerships and successful inter-agency cooperation, etc. Any major resolutions can also be introduced here]

The following table also provides a PSC-level view of implementation progress as of [reporting period]

Overarching area	Status(R/A/G)	Summary of PSC view	PSC action
Overall delivery	[Red/Amber/Green]	[Number of completed activities]	[e.g. Highlight actions that are behind schedule]
Major risks	[Red/Amber/Green]	[List of risks affecting implementation]	[e.g. Update implementation risk register]
Budget/resourcing position	[Red/Amber/Green]	[Budget used vs. budget allocated]	[e.g. Lobby the FMoF for additional allocations]
Inter-agency cooperation	[Red/Amber/Green]	[Number of inter-agency frictions resolved]	[e.g. Measures in place to promote smooth inter-agency cooperation]
Outcome (KPI) realisation	[Red/Amber/Green]	[Number of KPIs met to date]	[e.g. Approve outcomes for market dissemination]

Key for Status column: **Red** indicates the overarching area is at risk or lagging behind expectations, **Amber** indicates the overarching area is at risk or delayed, while **Green** indicates that the overarching area is on track.

2. Final sign-offs and market deliverables

Following approval by the NCMMP 2.0 CAMMIC, the deliverables below have been reviewed and signed-off by the PSC for market dissemination:

- [e.g., *Framework for Sub-National Infrastructure Bond Guarantees*]
- [e.g., *Joint SEC-NRS Circular on Tax Parity for Corporate Green & Sukuk Debt*].
- [Add entries as necessary per quarter]

While the above deliverables have been approved for market dissemination, the following table provides a complete register of PSC decisions made on deliverables in the reporting period.

¹⁶⁵ Despite the PSC meeting quarterly, reporting will be done on a semi-annual basis to ensure all inputs from CAMMIC's quarterly meetings and the PSC's quarterly meetings are incorporated at the time of reporting.

Date	Deliverable	PSC Decision ¹⁶⁶	Justification	Responsible	Deadline	Status
DD/MM/YY	[e.g. Drafted framework for XX]	[Refer to column footnote]	[Insert justification here]	[e.g. PenCom]	DD/MM/YY	[Red/Yellow/Green/Grey]
DD/MM/YY	[e.g. Joint circular on tax parity]	[Refer to column footnote]	[Insert justification here]	[e.g. SEC & NRS]	DD/MM/YY	[Red/Yellow/Green/Grey]
DD/MM/YY	[Insert deliverable here]	[Refer to column footnote]	[Insert justification here]	[e.g. TWG 3]	DD/MM/YY	[Red/Yellow/Green/Grey]
DD/MM/YY	[Insert deliverable here]	[Refer to column footnote]	[Insert justification here]	[e.g. TWG 5]	DD/MM/YY	[Red/Yellow/Green/Grey]

Key for Status column: **Red** indicates the deliverable is at risk, **Amber** indicates the deliverable is in progress/in revision, **Green** indicates that a deliverable has been completed and approved, while **Grey** indicates a deliverable has stalled.

Additionally, the following table presents pending PSC decisions. This includes issues escalated to the PSC from CAMMIC.

Date	Decision required	PSC Responsible Institution(s)	Decision deadline	Follow-up reporting date
DD/MM/YY	[e.g. Proposed joint circular/guideline]	[e.g. FMoF & SEC]	DD/MM/YY	DD/MM/YY
DD/MM/YY	[e.g. Inter-agency friction arbitration]	[e.g. SEC & PenCom]	DD/MM/YY	DD/MM/YY
DD/MM/YY	[Insert deliverable here]	[e.g. NAICOM]	DD/MM/YY	DD/MM/YY
DD/MM/YY	[Insert deliverable here]	[e.g. NGX]	DD/MM/YY	DD/MM/YY

3. Inter-agency & implementation friction resolution

[In a narrative and bullet-point format, highlight specific operational or jurisdictional friction points between participating agencies (e.g., policy or execution disagreements between sister regulators) and the respective resolutions/arbitration decisions taken by the PSC along with justifications for the decisions]

Resolution 1 [e.g. Jurisdictional overlap]: [Insert narrative on the issue and resolution]

Resolution 2 [e.g. Political friction]: [Insert narrative on the issue and resolution]

Resolution 3 [e.g. Technical friction]: [Insert narrative on the issue and resolution]

4. Workstream re-sequencing & reprioritisation

The PSC considered the following requests for re-sequencing and reprioritisation

- **Request 1 [e.g. Dependency-driven resequencing request]:** [Insert summary narrative on the request and PSC decision]
- **Request 2 [e.g. Statutory & legislative dependency reprioritisation]:** [Insert summary narrative on the request and PSC decision]
- **Request 3 [e.g. Resource-related delay]:** [Insert summary narrative on the request and PSC decision]

5. Resource mobilisation

[Narrative write up on high-level resource mobilisation guidance where executive backing or intervention from apex heads is needed to unlock operational support]

¹⁶⁶ Potential PSC Decisions for deliverables: 1. Under review, 2. Returned for minor revisions, 3. Major rework recommended following realignment, 4. Approved and recommended for market-wide dissemination

Annual market-facing progress report

NIGERIA CAPITAL MARKETS MASTERPLAN (NCMMP) 2.0

Annual Market-Facing Progress Report

Purpose of report: To provide the general public with a transparent view of implementation progress and major market changes arising out of NCMMP 2.0 implementation

Input sources for report: SEC monthly Internal progress reports, CAMMIC quarterly reports, NCMMP 2.0 implementation plan, PSC semi-annual reports, relevant market data sources as per M&E framework.

Proposed length of report: ~ 10 pages

Reporting Period: [Year]

Submission Date: [DD/MM/YYYY]

Prepared By: SEC PIU

Cleared By: SEC Executive Management, NCMMP 2.0 PSC

Target Audience: General public, market participants

1. Executive summary

[This section should be approximately 1 page]

- **Macro overview:** [High-level annual statistics to set the background e.g. GDP, market capitalisation, number of listed entities, etc.]
- **Implementation achievements:** : [A narrative summary of overall NCMMP 2.0 execution over the past year. Specifically, what has been achieved, what key milestones were completed out of the NCMMP 2.0's total activity list (e.g., 25 out of 112 activities completed), and what work is currently in progress]
- **Public dashboard reference:** [Provide a link to the full granular activity-level tracking data which is accessible via the public NCMMP 2.0 MEL Tracking dashboard]

2. Market performance and M&E Framework indicator update

During the year in focus, a number of key performance indicators (KPIs) have progressed as indicated in the table below. Each indicator is attached to one of the 15 objective blocks outlined in the ToC and the M&E framework.

The table below serves as an illustrative template. When preparing the report, additional rows should be added to capture all applicable indicators across the 15 objective blocks.

Objective Block	Indicator	Baseline (2025)	Current Value (YYYY)	Target			Direction of Travel vs. Target	Notes/Reason for Direction of Travel
				3-year	7-year	10-year		
[Objective Block 1]	[KPI 1]	[Value, Unit]	[Value, Unit]	[Value, Unit]	[Value, Unit]	[Value, Unit]	[Positive]	
	[KPI 2]	[Value, Unit]	[Value, Unit]	[Value, Unit]	[Value, Unit]	[Value, Unit]	[Neutral]	
	[KPI 3]	[Value, Unit]	[Value, Unit]	[Value, Unit]	[Value, Unit]	[Value, Unit]	[Negative]	
[Objective Block 2]	[KPI 4]	[Value, Unit]	[Value, Unit]	[Value, Unit]	[Value, Unit]	[Value, Unit]	[Positive]	
	[KPI 5]	[Value, Unit]	[Value, Unit]	[Value, Unit]	[Value, Unit]	[Value, Unit]	[Neutral]	
	[KPI 6]	[Value, Unit]	[Value, Unit]	[Value, Unit]	[Value, Unit]	[Value, Unit]	[Negative]	
[Objective Block 3]	[KPI 7]	[Value, Unit]	[Value, Unit]	[Value, Unit]	[Value, Unit]	[Value, Unit]	[Positive]	
	[KPI 8]	[Value, Unit]	[Value, Unit]	[Value, Unit]	[Value, Unit]	[Value, Unit]	[Neutral]	
[Objective Block 4]	[KPI 9]	[Value, Unit]	[Value, Unit]	[Value, Unit]	[Value, Unit]	[Value, Unit]	[Positive]	
	[KPI 10]	[Value, Unit]	[Value, Unit]	[Value, Unit]	[Value, Unit]	[Value, Unit]	[Neutral]	
[Objective Block 5]	[KPI 11]	[Value, Unit]	[Value, Unit]	[Value, Unit]	[Value, Unit]	[Value, Unit]	[Positive]	
	[KPI 12]	[Value, Unit]	[Value, Unit]	[Value, Unit]	[Value, Unit]	[Value, Unit]	[Neutral]	

3. Forward-Looking guidance

[Set clear expectations for the year ahead. Highlight key reform priorities, upcoming product rollouts, and major regulatory frameworks market operators should expect in the next 12 months]

Annex - Theory of Change Mapping

Table 7: Streamlined objective blocks mapped to original NCMMP 2.0 workload

Pillar	Streamlined objective blocks for ToC	NCMMP 2.0 workload
Foster regulatory clarity, coordination, and enforcement	Regulatory clarity and harmonisation	Improve inter-agency cooperation
		Clarify market rules and make unwritten principles concrete
		Strengthen the supervision framework for digital, virtual and tokenised assets
	Supervisory and risk management architecture	Enhance supervisory architecture, risk-based supervision, & enforcement
		Strengthen systemic risk management across the capital markets
	Market conduct and protection	Enhance investor protection, compensation and restitution mechanisms
		Develop market conduct and consumer protection frameworks
Modernise market infrastructure	Open, efficient and competitive securities markets	Open, efficient and competitive securities markets
	Deeper, more developed commodity and derivative markets	Deeper, more developed commodity and derivative markets
	Strong and resilient capital markets infrastructure	Strong and resilient capital markets infrastructure
Broaden issuance, product and instrument diversification	Sovereign and subnational debt market optimisation	Enhance the sovereign debt market
		Promote subnational issuance
	Private sector capital formation	Expand corporate equity issuance
		Revitalise the corporate debt market
		Enhance SME access to capital markets
	Structural product & instrument diversification	Promote product and instrument diversification
Deepen and diversify the investor base	Enhance domestic institutional and qualified wealth participation	Broaden institutional investor participation
		Leverage domestic qualified investors
	Enhance access for local and diaspora retail investors	Expand domestic retail investor access
		Enhance foreign investors and diaspora participation (diaspora segment)
	Enhance access for foreign institutional investors	Enhance foreign investors and diaspora participation (foreign institutional investor segment)
Build institutional capacity and professional depth	Strengthen institutional and regulatory capacity	Strengthen the capacity of the SEC
		Strengthen the capacity of non-SEC regulatory and government agencies
	Enhance intermediary risk and operational resilience	Strengthen the resilience, efficiency and competitiveness of capital market intermediaries
	Develop professional and capital market participant capacity	Strengthen the pipeline and capacity of capital markets professionals
		Build capacity for capital markets participants beyond the regulator and professionals

