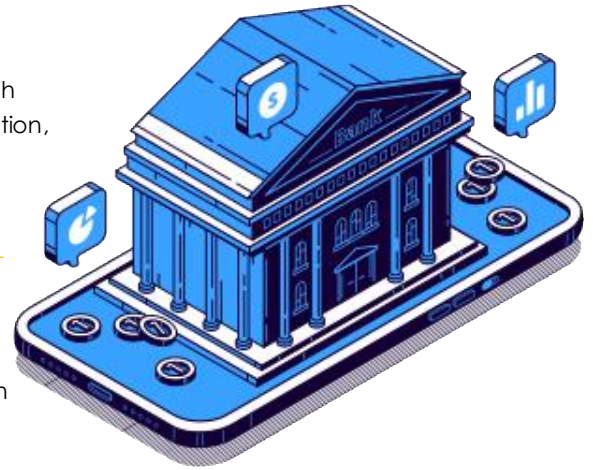


INTRODUCTION

The Central Bank of Nigeria (CBN) released its inaugural Fintech Report titled “Shaping the Future of Fintech in Nigeria – Innovation, Inclusion and Integrity” (**the Report**). The Report provides a comprehensive evaluation of Nigeria’s fintech ecosystem and outlines a strategic roadmap for its continued development.

CBN’s Role

From the Report, CBN’s key mandate in relation to fintech is embracing a move from being a traditional gatekeeper to an enabler of sustainable growth.



Ten Priority Policy Options

Based on stakeholder feedback, the Report identifies ten (10) priority policy levers with short- to medium-term impact:

02 Establishment of a single regulatory portal to coordinate licensing and supervision across regulatory bodies.

03 Widening scope and participation in CBN’s regulatory sandbox to support experimentation in emerging fintech areas.

04 Creation of a charter to drive responsible innovation and foster trust in the ecosystem. The charter will cover data governance, cybersecurity, competition, and consumer protection.

05 Potential consolidation of PSB and MFB licence categories for dedicated digital banking operations.

01 Launch of a Fintech Engagement Forum to enable engagement between regulators and fintech operators.

10 Position Nigeria as a hub for Responsible AI in Finance.

09 Advancement of regional regulatory harmonisation by engaging peer central banks to pilot mutual licence recognition or regional sandbox programs.

08 Promotion of interoperability and reduction of data access costs for fintechs and non-bank institutions.

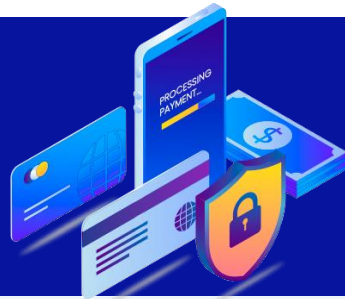
07 Expansion of access to digital identity infrastructure through affordable, API-based verification for regulated entities.

06 Acceleration of open banking implementation.



Establishment of Open Finance Lab

An Open Finance Lab (**OFL**) will be established to support innovation in consumer data portability, embedded finance, and personalised financial services. The OFL is likely to be embedded in the Financial Services Innovation Hub being developed by the CBN.



Dealing with Fraud

The Report highlights the implementation of a Fraud Prevention and Cyber Defence model enabling near-real-time fraud intelligence sharing, unified reporting protocols, and a single live repository for fraudulent accounts.

Derisking Lending

The Report proposes the design and pilot of a Fintech Credit Guarantee Window to de-risk MSME lending through blended-finance mechanisms.



Infrastructure and Institutional Capabilities

The report underscores the need to strengthen underlying infrastructure and institutional capabilities. Priority areas for investment and alignment include digital identity integration, interoperability standards, supervisory technology and skills development and knowledge exchange.

Implementation Timelines

The report provides an 18-month period for actualisation of all policy options:

Immediate (0-3 months):

- Fintech Engagement Forum
- Open Banking implementation
- Technical Scoping of Single Regulatory Window and Smart Licensing Gateway.

Near-Term (3-9 months):

- Launch Pilot Cohort for Regulatory Sandbox 2.0
- Operationalise Fintech Credit Guarantee Window
- Issue Guidance on Data Portability and Consumer Protection under Open Finance
- Initiate Bilateral Consultations with Regional Bodies.

Long-Term (9-18 months):

- Formalise Fintech Advisory Council,
- Launch Regulatory Engagement Platform
- Embed Supervisory Analytics and Early-Warning Tools
- Participate in ECOWAS and AU Regulatory Alignment.

