

VOLUME 26, ISSUE 1

# Fintech

## AFRICA

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# WEALTH CREATION

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# Editor's Note

## THE DISCIPLINE BEHIND WEALTH



**I**n today's fast-moving financial landscape, wealth is often associated with speed, access, or opportunity. But this edition shifts the focus to something far more enduring, discipline. Not the loud or dramatic kind, but the quiet, consistent habit of making intentional financial choices over time.

This issue explores a powerful shift in how people approach money: the steady rise of saving as a structured and reliable path to wealth creation. For years, wealth felt distant, something reserved for a select few or tied to rare opportunities. Today, that perception is evolving. More individuals are taking ownership of their financial journeys, embracing systems that encourage consistency, accountability, and long-term thinking.

At the heart of this transformation is a simple truth: wealth is not only defined by how much you earn, but by how well you manage and grow what you keep. The #3 trillion savings milestone highlighted in this issue stands as more than just a number, it is a reflection of collective discipline. It represents millions of intentional decisions: choosing to set aside rather than spend impulsively, choosing structure over uncertainty, and choosing progress over delay.

While technology has played a significant role in enabling this shift, the real story extends beyond digital platforms and features. It is about mindset. Tools may provide the framework, but it is people who bring commitment and consistency. Every saved amount, no matter how small, contributes to a larger narrative of growth, resilience, and financial empowerment. This moment also signals a broader evolution within the financial ecosystem, one that is becoming more inclusive, more intuitive, and more aligned with everyday realities. Financial systems are no longer just transactional; they are behavioral,

helping individuals build habits that support sustainable outcomes. In doing so, they are not only facilitating savings but actively shaping the future of wealth creation.

As you move through this edition, we invite you to reflect on your own relationship with saving and wealth creation. Not as a distant ambition, but as a daily practice shaped by discipline and intention. What small, consistent actions can you take today that will compound into meaningful progress tomorrow? Because in the end, wealth is not built in a moment. It is built over time, quietly, steadily, and intentionally.

Warm regards,  
Ajetunmobi Olumayowa

# Previous Edition



**Fintech** AFRICA  
MAGAZINE

## CREDIT &amp; LENDING

# NIGERIA'S CREDIT ECONOMY: REAL PROGRESS, DEEP ROOTS STILL MISSING



**F**ew people in Nigeria are better positioned to assess the country's credit economy than Dr. Stanley Jacob, the President of the FinTech Association of Nigeria. In a candid assessment shared with the News Agency of Nigeria, Jacob described the current state of Nigeria's credit sector with a deceptively simple metric: about three out of five on a scale of readiness. That number encapsulates both genuine progress and stubborn limitations — and unpacking what it means reveals a great deal about where Nigeria's financial ecosystem stands and where it must go. On the positive side, the evidence of growth is unmistakable. Fintech companies have fundamentally transformed access to credit in Nigeria over the past decade, particularly for populations that traditional banks have consistently failed to serve. Platforms such as Carbon, FairMoney, CredPal, and CDCare have scaled services including Buy Now, Pay Later and micro-lending at velocities that would have seemed implausible even five years ago. Their secret weapon is technology: mobile-first application processes,

alternative data sources for credit scoring including mobile transaction histories, airtime purchase patterns, and behavioural data and automated decision engines that can disburse credit within minutes of application.

## The Urban-Digital Divide

Despite this progress, Jacob is careful not to overstate how far Nigeria has come. Credit adoption remains heavily concentrated among urban, younger, and transactionally active Nigerians, people who have smartphones, use digital payment services regularly, and possess the digital footprint that alternative credit scoring algorithms rely upon. For the vast majority of Nigerians rural residents, older citizens, informal sector workers whose economic activity leaves little digital trace access to formal credit remains as elusive as it has ever been. This urban concentration of credit adoption is both a reflection of broader infrastructure inequalities and a constraint on the sector's own growth. The most significant growth opportunities in Nigerian consumer credit lie precisely in the populations that remain underserved today: smallholder farmers who need seasonal credit to buy inputs, informal traders who need working capital to manage cash flow cycles, and household consumers in secondary and tertiary cities who could benefit from BNPL products but lack the digital transaction history to qualify for them under current algorithms. Cracking these markets requires not just better technology but a fundamentally different approach to risk underwriting — one that incorporates data from agricultural value chains, mobile money agents, and community-level information networks.

## CREDIT & LENDING

### The Trust Deficit

Perhaps the most significant barrier to Nigeria's credit economy scaling is not a technological or economic one but a cultural and historical one: a deep-seated mistrust of credit among large segments of the Nigerian population. Jacob was direct on this point, and importantly, he refused to dismiss that mistrust as irrational. It is, he argued, rooted in very real past experiences with the credit industry opaque pricing structures that disguised the true cost of borrowing, aggressive and sometimes abusive loan recovery

*“Fintechs have played a major role in democratising access to credit. Platforms like Carbon, FairMoney, CredPal and CDCare have scaled services such as Buy Now, Pay Later and micro-lending.” — Dr. Stanley Jacob, FintechNGR President*

practices, and a history of credit products designed more to extract value from desperate borrowers than to help them build financial resilience.

The legacy of these practices is a population that views borrowing as a last resort rather than a strategic financial instrument. For Nigeria's credit economy to truly mature, that cultural relationship with debt must change — and Jacob argued that the industry itself bears significant responsibility for making that change happen. Transparent pricing, fair recovery practices, and products genuinely designed with the borrower's interest in mind are not just good ethics; they are good business strategy in a market where trust is scarce and word-of-mouth is powerful.

### The Government's Credit Infrastructure

Jacob was broadly supportive of recent government initiatives to strengthen the credit infrastructure, specifically citing the Nigeria Credit Guarantee Company and the Nigerian Consumer Credit Corporation as potentially transformative institutions.

The Consumer Credit Corporation, also known as CREDICORP, was established to provide guarantees and other credit-enhancement mechanisms that enable lenders to extend credit to populations they might otherwise consider too risky. If implemented effectively, such mechanisms can dramatically expand the addressable market for consumer credit without requiring lenders to bear unsustainable levels of credit risk.

His assessment of CREDICORP was measured acknowledging its potential while emphasising that implementation would be the critical variable. Institutions with strong mandates and adequate capitalization have historically failed in Nigeria due to governance deficiencies, political interference in credit allocation decisions, and inadequate risk management frameworks. The sector's hope is that CREDICORP can avoid these pitfalls and instead serve as a genuine multiplier of private sector credit activity. The coming years will be the test of whether that hope is well-founded.

Looking at the broader picture, Nigeria's credit economy is in a transitional phase that has parallels with the development trajectories of other large emerging markets. Brazil's credit sector was similarly limited in the early 2000s before a combination of regulatory reform, fintech innovation, and credit bureau development transformed it into one of the most dynamic in the emerging world.

India's credit expansion through Jan Dhan accounts and UPI payment infrastructure has demonstrated how rapidly financial inclusion can shift when the right policy and technology conditions align. Nigeria has the raw ingredients for a similar transformation — a young, mobile-connected population, a vibrant fintech ecosystem, and a government that has identified financial inclusion as a priority. What it needs now is the patient, sustained commitment to building the infrastructure of trust, data, and regulation that credit markets require to function at scale.

## BANKING &amp; PAYMENTS

# ZENITH BANK AND VISA UNVEIL THE SIGNATURE CARD FOR NIGERIA'S ELITE



**Z**enith Bank Plc has officially launched the Visa Signature Card in a strategic partnership with global payments giant Visa, marking a major push into premium banking for Nigeria's high-net-worth and internationally mobile customers. The announcement was made at a high-profile press

airport lounge programmes, travel insurance and assistance services, concierge support, privileges across more than 900 luxury hotel properties worldwide, and discounts of up to 25 per cent on car rentals. Group Managing Director Dame Dr. Adaora Umeoji noted that the card reflects the bank's commitment to delivering globally relevant solutions that meet the lifestyle demands of its premium clientele. She added that innovation and customer-centricity remain at the heart of Zenith Bank's long-term strategy, as competition for high-value clients in Nigeria

intensifies.

Andrew Uaboi, Vice President and Cluster Head of Visa West Africa, emphasised that modern consumers increasingly operate across borders for business, travel and everyday transactions. Beyond travel perks, the card incorporates online shopping

***“The Zenith Visa Signature card will ensure that our customers enjoy greater convenience, flexibility, and value wherever they are in the world.”***

***— Dame Dr. Adaora Umeoji, GMD, Zenith Bank***

conference in Lagos, where executives from both organisations outlined the card's suite of lifestyle and security features.

The Visa Signature Card is dollar-denominated and offers a higher transaction limit than conventional cards, designed to meet the cross-border needs of affluent Nigerians. Benefits include access to global

fraud coverage, extended warranty protection, and purchase protection — underscoring how financial products are evolving from transactional tools into comprehensive lifestyle companions.

## INSIGHTS

# AFRICA FINTECH FORUM 2026 CONVENES INDUSTRY LEADERS IN SOUTH AFRICA



## African Continental Free Trade Area

WHAT YOU NEED TO KNOW ABOUT AFCFTA

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

The latest edition of the Africa Fintech Forum commenced in Johannesburg, South Africa, bringing together the most influential voices in the African continent in the realms of technology, finance, and policy. The theme of the 2026 forum, “Inclusive Innovation: Scaling the Next Frontier,” has been centered on the ability of fintech innovations to bridge the wealth and gender gaps in the African financial market. The main topics of discussion at the forum include the incorporation of AI in the context of neo-banking, the possibility of decentralized finance, and the need for harmonization of regulations in the African market.

This forum has proven to be a critical platform for startups to share their ideas with global venture capitalists and for regulators to share their expertise

in creating a safe and innovative space for fintech innovations in the region. The participants of the forum will also discuss the possibility of leveraging the African Continental Free Trade Area (AfCFTA) in creating a unified digital market in the region. As the region continues to bypass the conventional banking system, the Africa Fintech Forum remains the leading platform for creating strategies that are likely to propel the economic growth of the region in the next ten years. The information generated at the forum is likely to have a significant impact on the policies of the region for the next decade, ensuring that the fintech revolution remains a critical factor in social and economic inclusion in the region.

## BANKING &amp; FINANCE

# ZENITH BANK POSTS N1.26 TRILLION PROFIT, DOUBLES DIVIDEND PAYOUT TO N10 PER SHARE

*Nigeria's premier financial institution delivers another trillion-naira result for 2025, declaring a record final dividend of N8.75 per share — signalling confidence in the bank's long-term trajectory even as FX headwinds bite.*



**I**n what has become an annual hallmark of Nigeria's financial sector, Zenith Bank Plc on Tuesday, April 7, 2026, filed its audited group financial results for the full year ended December 31, 2025 — and once again, the bank demonstrated its resilience by sustaining profit before tax above the trillion-naira threshold. The group posted a profit before tax of N1.26 trillion, a marginal 4.78 per cent decline from the N1.33

trillion recorded in the prior financial year, even as the broader economic environment remained

characterised by naira volatility, elevated credit costs, and muted foreign exchange gains.

For investors and market watchers, however, the headline figure belies what is, on closer inspection, a considerably more impressive underlying performance. Gross earnings climbed to N4.19 trillion from N3.97 trillion in 2024, while profit after tax rose — albeit slightly — to N1.04 trillion from N1.03 trillion, boosted by a marked reduction in the bank's tax obligations. Taxation fell from N293.96 billion to N222.82 billion, providing a meaningful cushion that helped protect the bottom line even as certain non-interest income streams

came under pressure.

## **Interest Income: The Engine of Growth**

The standout performance across the 2025 results is the remarkable surge in interest income, which rose to N3.6 trillion from N2.7 trillion the prior year — an increase of nearly 35 per cent year-on-year. Placements with banks and discount houses came in at N210 billion, further diversifying the interest income pool.

Despite the surge in interest income, funding costs

## BANKING & FINANCE

This growth was anchored by robust earnings from loans and advances to customers, which contributed N1.8 trillion and grew 20.15 per cent, reflecting both an expanded loan book and higher interest rate environments that prevailed through much of the year. Treasury bills contributed N1.1 trillion, while government and other bonds added N507.9 billion. Interest expenses rose to N1.03 trillion from N992.4 billion, leaving net interest income at N2.6 trillion — a 52.67 per cent year-on-year increase that underscores how effectively the bank managed the spread between earning assets and funding costs. After absorbing N742.1 billion in impairment charges on financial instruments — a figure that reflects conservative provisioning against

*“2025 was a year of purposeful execution. We grew our core business and improved the quality of our risk assets.” — Adaora Umeoji, GMD/CEO, Zenith Bank*

credit risks in a still-challenging macro environment — net interest income after impairment settled at N1.89 trillion, still demonstrating strong underlying core banking strength.

### Non-Interest Revenue and FX Headwinds

On the non-interest side, Zenith Bank earned N291.8 billion from fees and commissions, a jump of 41.06 per cent year-on-year that reflects strong transactional volumes and the continued growth of digital banking channels. Other operating income stood at N176.2 billion. However, a N63.1 billion trading loss weighed on the overall pre-tax number, contributing to the modest year-on-year decline.

The most significant headwind for the group in 2025 came from foreign exchange translation losses. Total comprehensive income fell to N1.11 trillion from N1.52 trillion, driven by an FX translation loss of N82.13 billion — a stark reversal from the

N220.29 billion gain booked in 2024 when the naira's devaluation initially created revaluation windfalls. Fair value gains on equity instruments also shrank dramatically, falling to N7.38 billion from N151.01 billion, further reducing comprehensive income. These FX-related movements, largely accounting adjustments rather than cash impacts, explain much of the gap between underlying operating performance and the reported comprehensive income figure.

### A Balance Sheet Built for the Long Run

Zenith Bank's balance sheet continued its upward trajectory in 2025. Total assets rose to N31.46 trillion from N29.96 trillion in the previous year, demonstrating continued expansion of the bank's footprint across the Nigerian economy. Total shareholders' equity grew to N4.92 trillion from N4.03 trillion, reflecting retained earnings growth to N2.81 trillion from N2.02 trillion and an increase in other reserves to N1.50 trillion from N1.40 trillion. These metrics position the bank comfortably above regulatory thresholds and signal a strong capital buffer heading into 2026.

Importantly, the bank's Ghana subsidiary also delivered a standout performance. Zenith Bank Ghana posted a pre-tax profit of N193.3 billion, nearly doubling from N82.2 billion in the previous year, as operating income surged to N483.5 billion from N247 billion. Customer deposits at the Ghana unit climbed to N2.8 trillion, representing 11.9 per cent of the group's N24.3 trillion deposit base, up from N1.6 trillion in 2024. This international contribution reinforces the group's diversification strategy and demonstrates that Zenith Bank's value proposition extends well beyond its Nigerian home market.

### Record Dividend Signals Shareholder Confidence

Perhaps the most immediately market-moving element of the results is the proposed dividend. The board has recommended a final dividend of N8.75 per share, more than double the N4.00 final dividend paid in 2024. Combined with the N1.25 interim dividend paid earlier in the year, the total FY2025 dividend

## BANKING & FINANCE

amounts to N10.00 per share — a staggering 100 per cent increase compared to the N5.00 total dividend declared for 2024, and a 150 per cent rise over the N4.00 total paid out that year if comparing the final-only figures. Group Managing Director and CEO Adaora Umeoji framed the results as confirmation of the bank's strategic direction: "We entered 2026 as a stronger, more resilient institution that remains dedicated to supporting our customers as they build scale and capture emerging business opportunities. With our strong corporate governance, an expanding global footprint, and above all, our unicorn workforce, we remain confident in our ability to continue to deliver long-term value for all our stakeholders."

### **The Broader Context: Banking Sector Recapitalisation**

Zenith Bank's results arrive against the backdrop of the successful completion of the Central Bank of Nigeria's two-year banking sector recapitalisation exercise, which concluded on March 31, 2026. Across the industry, 33 banks raised a combined N4.65 trillion to meet new minimum capital requirements — a historic mobilisation of private capital that has fundamentally reshaped the competitive landscape of Nigerian banking. The completion of this exercise sets the stage for a new chapter in Nigerian banking, one in which better-capitalised institutions can pursue larger lending mandates, support infrastructure projects, and compete more effectively in regional and global markets.

For Zenith Bank specifically, the recapitalisation exercise has further strengthened an already formidable balance sheet. With total assets now standing at N31.46 trillion and shareholders' equity at N4.92 trillion, the bank is well-positioned to deploy capital into productive credit opportunities — including the chronically underserved small business sector — while maintaining the capital adequacy ratios that regulators demand. The challenge going forward will be to translate these imposing balance

sheet numbers into meaningful lending growth to the real economy, particularly at a time when the CBN is signalling its intent to reform the development finance sector and bridge the enormous funding gap facing MSMEs.

From an investor perspective, Zenith Bank's FY2025 results represent a clear case for continued confidence. While the headline pre-tax profit number disappointed relative to 2024's peak, the underlying operating metrics — interest income growth, fee income expansion, balance sheet expansion, and the landmark dividend — paint the picture of a bank in robust health, navigating a complex macro environment with skill and strategic clarity. The road ahead will not be without challenges, including managing FX exposures, provisioning in a high-rate environment, and the competition that a newly recapitalised peer group will bring. But Zenith Bank's track record suggests it is more than capable of meeting those challenges head-on.

## FINANCE

# CBN REVOKES LICENSES OF ASO SAVINGS AND UNION HOMES IN SECTOR CLEANUP



**I**n a move that can be seen as a major step towards ensuring the integrity of Nigeria's financial system, the Central Bank of Nigeria (CBN) has officially revoked the operating licenses of Aso Savings and Loans and Union Homes Savings and Loans. The apex bank cited failure to meet regulatory requirements and a decline in capital adequacy as major reasons for the revocation. This is part of a bigger plan by the CBN to "clean up" the mortgage banking industry, with a view to making sure only healthy and well-run institutions are allowed to hold public deposits.

The CBN has assured depositors in both institutions

that their deposits are protected by current insurance schemes and have promised a smooth liquidation process. Although this is a sad end of an era for two of the longest-serving names in the industry, it is also a strong statement by the CBN of its zero-tolerance policy for financial mismanagement. The industry is expected to consolidate further as stronger mortgage banks move in to pick up the assets and customer bases of both failing institutions. At the end of it all, the CBN hopes to have created a stronger and more trustworthy mortgage industry that can support the government's vision for a home for all Nigerians.

## FINANCIAL INCLUSION

# MASTERCARD'S AUDACIOUS MISSION: CONNECT 500 MILLION MORE UNDERBANKED PEOPLE BY 2030

*After a decade of linking one billion people to the digital economy, the global payments giant is doubling down with a new commitment to reach the next half-billion — leveraging essential debit products, small business tools, and a growing coalition of fintech partners.*



**T**he statistics around global financial exclusion are well-known but no less sobering for their familiarity. Approximately two billion people around the world remain either unbanked or underbanked — lacking access to the basic financial services, credit products, and digital payment infrastructure that most people in developed economies take entirely for granted. For years, governments, NGOs, and financial institutions have wrestled with how to close this gap, with mixed results. Now, Mastercard has stepped forward with one of the most ambitious corporate commitments to financial inclusion ever announced, pledging to

connect an additional 500 million people and small businesses to the digital economy by the year 2030. The announcement, made on April 6, 2026, builds on a decade of prior work during which the company claims to have already helped connect one billion people and 65 million small businesses to the formal financial system. That track record lends credibility to the new commitment, even as the

scale of what remains to be accomplished is genuinely daunting. The two billion underbanked figure is not merely a number — it represents families unable to save securely, small businesses starved of the credit they need to grow, and communities locked out of the productivity gains that financial access enables.

### **The Strategic Toolkit**

Central to Mastercard's strategy for reaching the next 500 million is a portfolio of products and programmes specifically designed for populations who have historically been excluded from mainstream financial services. The company's Essential Debit and Essential Prepaid programmes — already live in

## FINANCIAL INCLUSION

Nigeria and Colombia — offer simplified, low-cost payment credentials that serve as entry points into the digital economy. In the coming months, these programmes are expected to expand to additional countries, extending the reach of affordable, accessible digital payments to new markets across Africa, Latin America, and beyond.

The Nigeria rollout is particularly instructive. Mastercard and Zenith Bank jointly launched the Essential Debit Card in Nigeria in late 2025, a product explicitly designed to lower the barriers to digital payments for populations who may not have traditional bank accounts or may find standard card products prohibitively expensive. By working through an established banking partner with deep local networks, Mastercard was able to leverage existing distribution infrastructure while adding its global payments technology and acceptance network — a model it intends to replicate across new markets.

### Small Businesses: The Overlooked Engine

While individual consumers tend to dominate the

*“Financial health doesn’t happen all at once. It’s a journey, from obtaining a payment credential and building transaction history to accessing more advanced services like credit, loans or insurance.” — Jon Huntsman & Jorn Lambert, Mastercard*

narrative around financial inclusion, Mastercard’s 2030 commitment places significant emphasis on small businesses — the backbone of most emerging market economies but often the most underserved by formal financial institutions. The company’s acceptance and issuance offerings for small businesses are designed to help micro and small enterprises accept digital payments, build transaction histories, and ultimately access the credit products they need to invest and grow.

This focus reflects a growing recognition in the financial services industry that the path to financial inclusion for individuals is often intertwined with the financial health of the small businesses that employ

them and serve their communities. A corner shop that can accept digital payments is a corner shop that can grow, hire more people, and help its customers manage their finances more effectively. By building the infrastructure for small business inclusion alongside consumer inclusion, Mastercard is taking a more holistic approach to the challenge than simply issuing cards.

### The Global Financial Health Coalition

Perhaps the most ambitious structural innovation in Mastercard’s new commitment is the recently launched Global Financial Health Coalition. This multi-stakeholder body brings together financial institutions, non-governmental organisations, telecommunications companies, digital wallet providers, and other industry leaders under a shared mandate to promote healthy financial behaviour and long-term resilience for consumers and small businesses. The coalition represents a recognition that no single institution, however large or well-resourced, can solve the financial inclusion challenge alone.

Telecommunications companies are particularly important coalition members in the African context, where mobile network operators have become the primary conduit through which millions of people access digital financial services. The success of M-Pesa in East Africa, and of MTN MoMo across West and Central Africa, has demonstrated that telcos can reach populations that traditional banks simply cannot. By bringing these operators into the coalition alongside banks, NGOs, and fintech companies, Mastercard is attempting to build a genuinely multi-channel approach to financial inclusion that meets people where they are.

## FINANCIAL INCLUSION

### The Challenge of Sustainable Inclusion

The most persistent critique of financial inclusion initiatives is that they focus on access rather than outcomes — getting people into the formal financial system is not the same as ensuring that being in the formal financial system actually improves their lives. Mastercard has been at pains to acknowledge this distinction in framing its 2030 commitment. The company's definition of financial health emphasises not just access to a payment credential, but the ability to build a transaction history, access credit, purchase insurance, and ultimately absorb financial shocks — the kind of resilience that transforms a bank account from a novelty into a genuine economic asset. This orientation toward financial resilience rather than mere financial access represents a maturation of the field. The early years of financial inclusion advocacy were often dominated by the simple goal of getting more people banked. The next phase — which

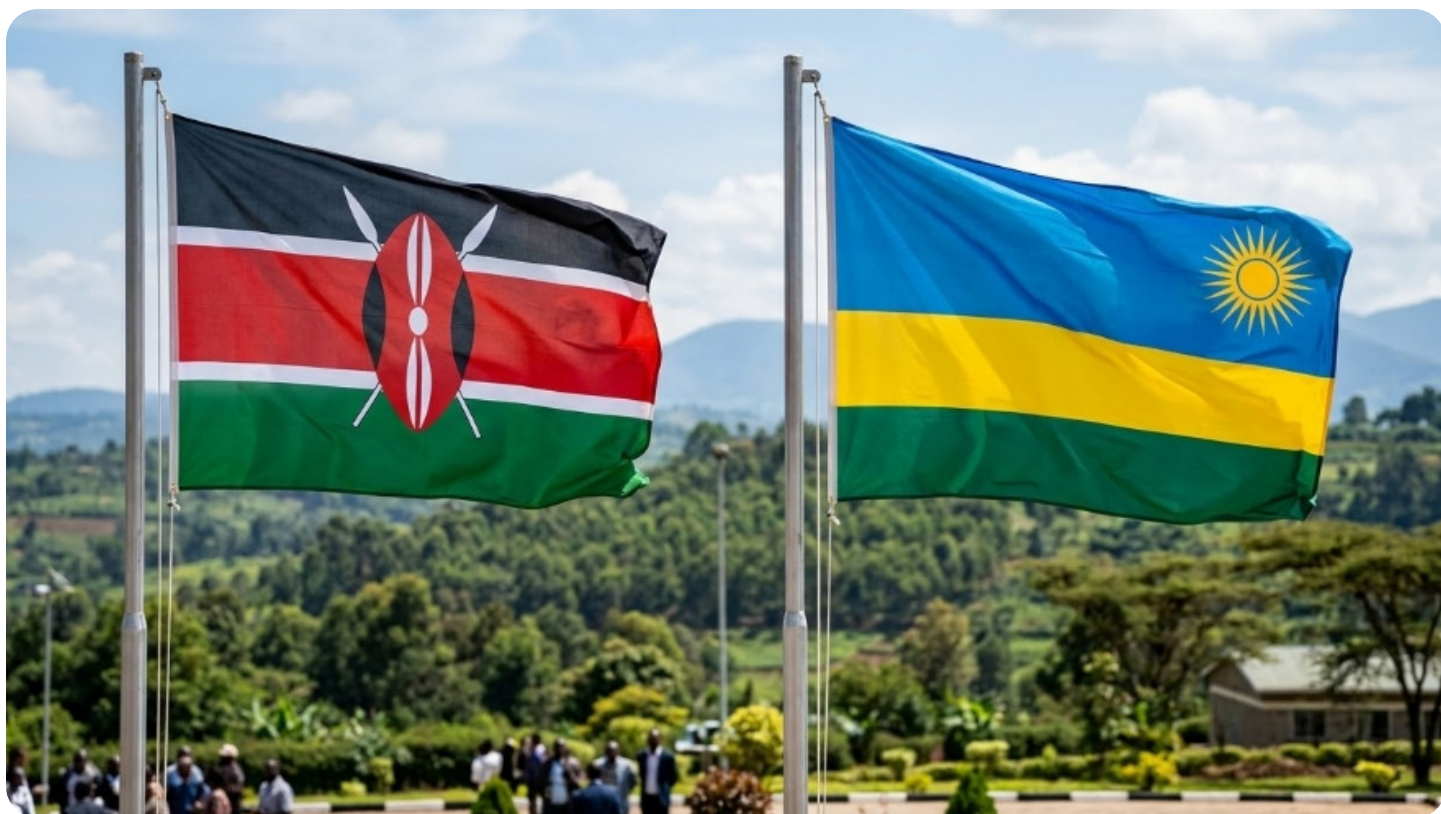
Mastercard's 2030 commitment embodies — is about ensuring that being banked translates into genuine economic empowerment, particularly for the most vulnerable populations who have the most to gain from financial resilience.

For Africa specifically, where Mastercard's Essential Debit programme has already begun to take root in Nigeria, the 2030 commitment carries particular weight. The continent is home to a disproportionate share of the world's unbanked population, and its young, rapidly urbanising, mobile-connected demographic profile makes it both a major challenge and a major opportunity for financial inclusion. With the right products, the right partnerships, and the right regulatory environment, the path to reaching the next 500 million runs substantially through Africa — and Mastercard appears to know it.



## INSIGHTS

# KENYA AND RWANDA MOVE TOWARD UNIFIED LICENSE FOR CROSS-BORDER FINTECH



**I**n a major move towards integration, it has been announced by the regulators of Kenya and Rwanda that a joint plan is underway to come up with a single unified license for fintech companies in both nations. This will enable a fintech company to carry out its operations in both nations without going through a lengthy application process.

This move is expected to reduce the regulatory burden on fintech companies and increase their chances of expansion within the East African Community. The move is a significant one for both nations, as it will increase competition and promote innovation, enabling consumers in both nations to benefit

from a wider variety of fintech services. The move has been announced by both nations, with their regulators stating that it is a major move towards a unified digital market in Africa, a factor that will be necessary for both nations in their quest to compete with global players. The plan will also include a data-sharing approach for both nations, as well as a unified approach to consumer protection. The move is a significant one for both nations, as it will usher in a new era for a borderless fintech industry in Africa.

# FLUTTERWAVE SECURES BANKING LICENCE, SIGNALS A NEW ERA FOR AFRICAN PAYMENTS



**A**frica's leading payments technology company, Flutterwave, has secured a national microfinance banking licence from the Central Bank of Nigeria — a milestone that fundamentally reshapes how the fintech giant operates in its biggest market.

The licence allows Flutterwave to hold customer deposits and manage settlement flows directly for the first time in its ten-year history.

Until now, Flutterwave relied on a 'sponsorship' model, partnering with established commercial banks to access Nigeria's clearing and settlement systems.

That arrangement, standard across the industry, limited the company's pace of innovation and required sharing a portion of each transaction's value with

partner banks. The new licence gives Flutterwave direct control over fund flows and eliminates the middleman from settlements.

CEO Olugbenga Agboola described the development as a transformational step for margins and long-term growth. He hinted that Flutterwave may pursue a Nigerian stock listing as part of its IPO strategy, adding that banking licences in other African markets are also in the pipeline. The company has processed over \$40 billion in payments and enabled more than one billion transactions to date.

The licence, obtained through the acquisition of open banking startup Mono, allows Flutterwave to offer consumer banking services via its SendApp ecosystem, payroll and treasury tools for businesses, and API-driven financial products for developers. The company's four million business customers and two million SendApp users stand to benefit directly, with deposits now protected by the Nigeria Deposit Insurance Corporation.

*“In ten years’ time, I see Flutterwave will be either the JP Morgan of Africa or acquired by one.” — Olugbenga Agboola, Founder & CEO, Flutterwave*

## BANKING &amp; FINANCE

# KUDA BANK DOUBLES UK FOOTPRINT AS SPRINGBOARD FOR GLOBAL GROWTH STRATEGY



**K**uda Bank, also referred to as “the bank of the free”, has made a major announcement regarding the expansion of its presence in the United Kingdom, essentially doubling its presence in the fintech industry in London. This is the core idea behind the expansion and growth strategy of the bank, which has gained widespread recognition in Nigeria and the global fintech industry because of its digital banking concept. However, the bank is now focusing on the African diaspora and has set up shop in the UK to offer a banking service that is not only affordable but also familiar to the people in the region.

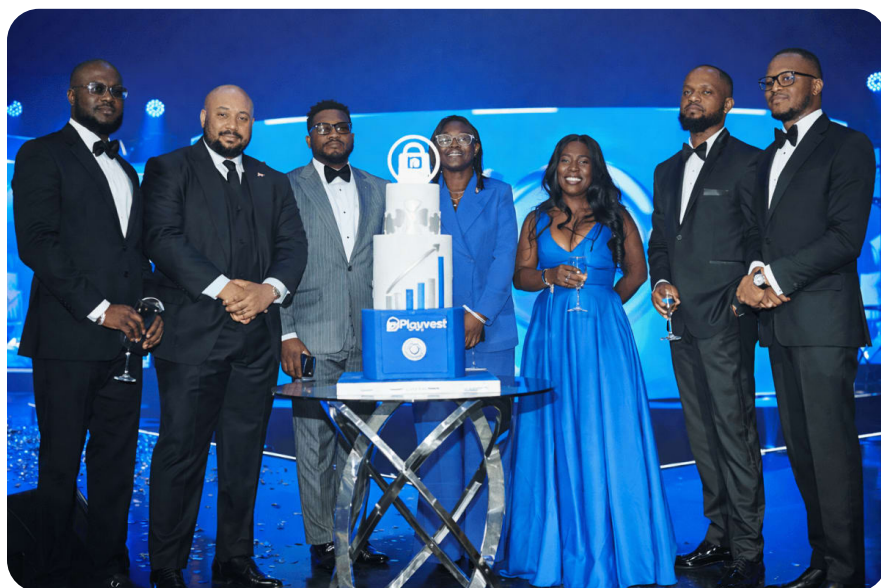
This is a great opportunity for the people in the

region, as the bank is expanding and hiring more people in the UK to handle the global product development and expansion into new markets. This is a great idea, as the insights gained from the UK market would be invaluable in the future, and the bank is looking to make a name in the global fintech industry, essentially becoming the primary financial solution for the people of Africa all over the world. This is not only a great concept but also a reflection of the overall idea of the African fintech industry, which is looking to capture the “home and away” market and offer a unified banking solution to the people in the region.

## FINTECH MILESTONES

# PIGGYVEST AT 10: HOW A SAVINGS APP BECAME AN N3 TRILLION ENGINE FOR WEALTH CREATION

*Nigeria's pioneer digital savings platform has crossed a landmark N3 trillion in total user payouts on its tenth anniversary — a milestone that reflects not just the company's growth but a generational shift in how Nigerians relate to money.*



Victoria Island, Lagos, was a very different kind of occasion. The event brought together co-founders, early investors, ecosystem leaders, customers, and staff to celebrate a milestone that few Nigerian startups have reached — not just in terms of longevity, but in terms of genuine, measurable impact on millions of people's lives. The headline number was staggering: N3 trillion in total payouts to users since the platform launched in January 2016 as Piggybank.ng.

## The Numbers Behind the Milestone

**W**hen Odunayo Eweniyi, Joshua Chibueze, and their co-founders at PiggyVest traced the origins of their company, they pointed not to a business school whiteboard or a venture capital pitch deck, but to a tweet. In December 2015, a Nigerian woman shared on Twitter that she had saved N1,000 every day for a year in a wooden box and was celebrating the result. That simple, analogue story of disciplined saving resonated so deeply with Eweniyi that it became the seed of what would eventually become Africa's leading digital savings platform.

A decade later, PiggyVest's tenth anniversary gala at

The N3 trillion total payouts figure represents the cumulative value of matured savings and investment returns that PiggyVest has disbursed to more than six million registered users over the past decade. To put that in context: N3 trillion is approximately equivalent to the entire banking sector recapitalisation capital raised by several mid-tier Nigerian banks during the recent CBN-mandated exercise. It is a number that speaks to the scale of financial behaviour change that PiggyVest has catalysed — the aggregate of millions of individual decisions to save, hold, and build rather than spend immediately.

## FINTECH MILESTONES

The trajectory of growth is itself impressive. PiggyVest paid out N1.3 trillion to users in 2025 alone — a 56 per cent increase from the N835 billion disbursed in 2024, and a figure that reflects accelerating momentum. Assets under management on the platform more than doubled in 2025, growing by 110 per cent, though the company has not disclosed the absolute AUM figure. The platform now processes over N61,000 in savings every second — up from N49,000 the previous year. These are not vanity metrics; they represent real capital being accumulated by real Nigerians who, without PiggyVest, might have spent those funds rather than saved them.

### Building Through Economic Turbulence

What makes PiggyVest's ten-year journey particularly remarkable is the economic environment through which it built its business. The period from 2016 to 2026 included multiple Nigerian recessions,

*“Ten years ago, we were just trying to solve a personal problem of saving money. To see it scale into an N3 trillion engine for wealth creation is humbling. We are only just getting started.” — Somto Ifezue, PiggyVest CEO*

periods of inflation that peaked above 30 per cent in 2024, three distinct naira devaluations, and the economic shock of the COVID-19 pandemic. The company not only survived these headwinds but grew through them — a performance that speaks to how it positioned its product offering relative to the macroeconomic environment.

The key insight was that PiggyVest's core products — particularly its SafeLock feature, which locks savings for a defined period at a high interest rate — are most valuable precisely when economic conditions are most difficult. When inflation is eating away at the purchasing power of idle cash, a high-interest savings product that earns above-inflation returns becomes not just a convenience but a necessity for financially

aware Nigerians trying to protect their wealth. Similarly, the Flex Dollar product, which allows users to hold savings in dollars, became enormously popular during periods of naira weakness, providing a simple, accessible hedge against currency depreciation.

### The Infrastructure Innovation

An under-appreciated element of PiggyVest's evolution was a significant infrastructure transformation it undertook in 2025: the transition to an in-house payment system powered by PocketApp, its subsidiary. This move retired the virtual account number infrastructure that PiggyVest had relied on since its early days, replacing it with a proprietary system that gives the company direct control over its deposit and withdrawal processes. The business case for this transition was straightforward — lower fees, greater reliability, and improved user experience — but the strategic significance goes deeper. By owning its core financial infrastructure, PiggyVest reduces its dependence on third-party providers and positions itself more firmly in the financial services value chain.

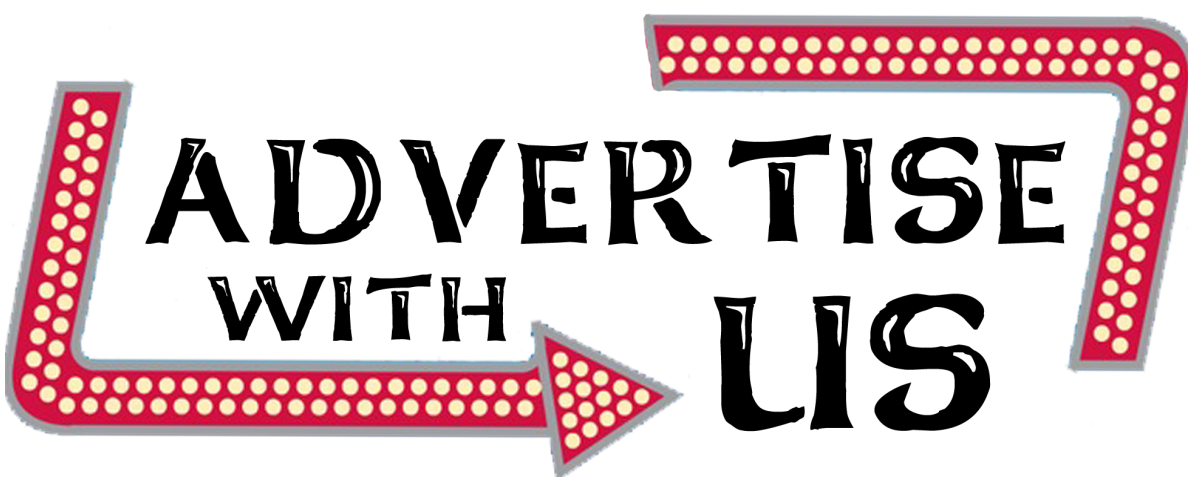
This infrastructure investment also reflects a broader maturation in how PiggyVest thinks about its role in the ecosystem. Chibueze noted at the anniversary event that the platform now processes a volume of financial transactions that would have seemed extraordinary for a startup barely a decade old — and that managing those transactions reliably, securely, and at scale requires an infrastructure foundation that cannot be outsourced indefinitely. The decision to build internal payment rails is a bet on the platform's continued growth and a signal that PiggyVest sees its future as a financial infrastructure player, not just a consumer savings app.

## FINTECH MILESTONES

### The Road Ahead: Credit, Insurance, and the Financial Operating System

PiggyVest's vision for its second decade is both ambitious and specific. Co-founders have described the goal as becoming the "financial operating system of the Nigerian household" — a phrase that captures their aspiration to move beyond savings into every aspect of their users' financial lives. The immediate product priorities include an expansion into consumer credit and specialised insurance, both of which would represent significant departures from the savings-focused core that defined the first decade. Credit expansion is the more consequential of the two moves. PiggyVest has a data asset that few Nigerian lenders can match: a decade of detailed information about how millions of Nigerians save, how disciplined they are, how they respond to financial pressures, and how their saving behaviour evolves over time. This behavioural data is arguably more predictive of creditworthiness than the credit bureau records that traditional lenders rely upon — particularly for the segment of Nigerians who have been financially

disciplined but have never borrowed formally. The challenge is building the risk management infrastructure and regulatory framework to lend responsibly at scale, a task that requires different capabilities from those that built a savings platform. On the insurance front, PiggyVest's user base — millions of financially conscious Nigerians who have already demonstrated a willingness to use digital tools to manage their money — represents an exceptionally attractive customer segment for appropriate insurance products. The combination of high financial awareness, digital engagement, and a demonstrated capacity to maintain regular financial commitments makes PiggyVest users ideal prospects for health, life, and property insurance. Whether PiggyVest chooses to build insurance capability in-house, partner with insurers, or act as a distribution platform will be a key strategic decision in the coming years. Either way, the N3 trillion milestone marks not an endpoint but an inflection point — the moment when a savings app became a financial institution.



# CBN TIGHTENS ANTI-MONEY LAUNDERING STANDARDS WITH JUNE 2026 DEADLINE



**T**he Central Bank of Nigeria has issued a sweeping new directive ordering all banks, fintechs, mobile money operators, and payment service providers to upgrade their anti-money laundering systems and submit detailed implementation roadmaps by June 10, 2026. The circular, issued on March 10, 2026, signals one of the most substantive overhauls of Nigeria's AML regulatory framework in recent years.

Under the new Baseline Standards for Automated

***“Manual controls are no longer sufficient as financial services become more digitised and complex.” — Central Bank of Nigeria Circular, March 2026***

AML/CFT/CPF Solutions, deposit money banks have 18 months to achieve full compliance, while other financial institutions have 24 months. The

framework sets mandatory minimum requirements for automated systems capable of real-time customer due diligence, sanctions screening, suspicious transaction monitoring, and regulatory reporting. Institutions are also permitted — and encouraged — to deploy artificial intelligence and machine learning models, subject to independent annual validation.

The CBN's directive

represents a shift away from a 'tick-box' compliance approach, where institutions often delegated responsibility to third-party technology vendors. Regulators stressed that compliance will be assessed at the institutional level, with both organisations and individual compliance officers carrying personal regulatory exposure for failures. Incomplete submissions could attract supervisory action. This development follows Nigeria's successful removal from the Financial Action Task Force grey list in

October 2025, a milestone that has heightened expectations for continued progress. The directive is expected to drive significant investment in compliance

technology across the industry, with smaller operators facing particular pressure to overhaul legacy systems before the approaching deadline.

## DEVELOPMENT FINANCE &amp; AGRITECH

# AFDB'S EUR7.5M BET ON BREEGA AFRICA: FUELLING THE NEXT GENERATION OF AFRICAN STARTUPS

*The African Development Bank's investment in the Breega Africa Seed I Fund, alongside EUR2.5m from the European Commission, targets early-stage technology startups across Nigeria, Kenya, South Africa, Egypt and Franco-phone Africa — with agritech and climate tech as strategic priorities.*



**T**he African Development Bank Group has approved a EUR7.5 million investment in the Breega Africa Seed I Fund, providing a significant capital injection aimed at supporting the continent's most promising early-stage technology startups. The investment structure is itself a model of development finance design: the AfDB contributes EUR5 million in equity capital, while an additional EUR2.5 million flows through as a junior tranche funded by the European Commission under the Boost Africa Initiative — a blended finance mechanism that uses the junior tranche to absorb a disproportionate

share of early losses, thereby de-risking the senior capital and making the fund more attractive to institutional co-investors.

Breega, the Paris and Lagos-based fund manager behind the Breega Africa Seed I Fund, is a well-regarded operator in the European startup ecosystem that has progressively expanded its Africa presence over the past several years. The firm manages over EUR700 million in assets under management across its European and African vehicles and has developed operational

capabilities in Lagos that position it to source, evaluate, and support early-stage investments on the continent. Unlike many Africa-focused venture funds that operate primarily from London, New York, or Johannesburg, Breega's physical presence in Lagos is a meaningful differentiator in a market where relationship-based dealflow and hands-on portfolio support matter greatly.

## **The Investment Thesis**

The Breega Africa Seed I Fund will target early-stage companies across a deliberately broad range of technology sectors: fintech, insurtech, agritech, healthtech, logistics, edtech, and climate technology.

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This breadth is intentional — Africa's most significant opportunities at the seed stage are not concentrated in a single vertical but distributed across the full spectrum of human needs that technology can address more efficiently.

The fund's mandate to invest across multiple sectors also reduces concentration risk and maximises the portfolio's potential for discovering category-defining companies in unexpected domains.

Geographically, the fund will concentrate on five markets: Nigeria, South Africa, Kenya, Egypt, and Francophone Africa. These are not arbitrary choices. They represent the five most active startup ecosystems

productive in the world, constrained by limited access to quality inputs, inadequate extension services, poor market linkages, and vulnerability to climate-related shocks.

Technology has extraordinary potential to address these constraints. Precision agriculture tools, digital marketplaces that connect farmers to buyers, access-to-finance platforms that use agricultural data for credit scoring, and weather-indexed insurance products that protect smallholders against crop losses are all categories where African startups are building genuinely impactful solutions. By earmarking agritech as a priority within the fund, AfDB and Breega are

betting that the agricultural technology wave that has transformed farming in developed markets — and, more recently, in India — will find its African moment in the next decade.

### **The Blended Finance Logic**

The fund's structure illustrates

a model of development finance that has gained significant traction in the African startup ecosystem over the past five years: blended finance, in which development institutions use their capital to catalyse private sector investment that would not otherwise occur. By providing the junior tranche through the European Commission, the Breega Africa Seed I Fund can offer more attractive terms to institutional investors in the senior tranche, effectively using public capital as a first-loss buffer that makes the fund viable for pension funds, insurance companies, and other institutional investors who might otherwise find the risk-return profile of early-stage African startup investing too uncertain.

The broader implication is that the AfDB's EUR7.5 million commitment is not simply EUR7.5 million — it is a multiplier. By de-risking the fund's returns profile, the investment should attract additional private capital that would not have flowed to African early-stage startups without this institutional backing.

*The fund will inject resources into early-stage companies across fintech, agritech, healthtech, insurtech, climate tech, edtech, and logistics — with a focus on five major African innovation hubs.*

on the continent, with the deepest pools of entrepreneurial talent, the most developed regulatory frameworks for technology businesses, and the largest populations of potential customers for technology-enabled services. Nigeria alone has more than 200 million people, a smartphone penetration rate that has crossed 50 per cent, and a startup ecosystem that — despite funding declines in recent years — remains among the three or four most dynamic on the continent.

### **The Agritech and Climate Imperative**

While the fund's mandate is broad, the AfDB has placed particular emphasis on agritech and climate technology as strategic priorities aligned with its continental development mandate. Agriculture remains the backbone of most African economies, employing the largest share of the workforce in nearly every Sub-Saharan African country and contributing significantly to GDP across the continent. Yet African agriculture is simultaneously among the most under-

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In the long run, the development value of catalysing private sector investment at scale is far greater than any individual portfolio company's impact. For a continent where the gap between available capital and fundable startup opportunities remains enormous, this leverage effect is precisely what development finance is designed to provide.

For Nigerian entrepreneurs and startup founders specifically, the Breega Africa Seed I Fund represents another source of patient, equity capital from an

operator with genuine continent-level expertise and a track record of supporting companies from pre-seed through to growth stages. In an ecosystem where seed-stage funding remains scarcer than later-stage capital — and where the quality of investor support matters as much as the quantum of capital — the fund's arrival is a welcome addition to the financing landscape.

# LEMFI PLEDGES £100 MILLION INVESTMENT TO TRANSFORM UK- AFRICA REMITTANCES

**L**emFi, a leading fintech company specializing in international payments for immigrants, has announced a commitment of £100 million over the next five years to transform the UK-Africa corridor. This is a huge commitment, which will see the company strengthen its digital capabilities, enhance its product offerings, and reduce the overall cost of remittance services to the people of Africa living in the UK. This is a big challenge to the dominance of money transfer operators, who have long exploited the situation and made the process extremely expensive. This commitment will also see the company integrate more local payment systems in Africa, ensuring the smooth transfer of funds to the people who need

them most. This is the reason the company has quickly become a household name in the industry, catering to the needs of the diaspora. The company's leaders have always seen the potential in the reduction of the cost of remittance services, which has the potential to spur the growth and

development of the continent. This is because the money sent by the diaspora is the hard-earned money, and it is the only way the people on the continent can access the services and goods they need. This commitment by

the company is a clear indication of the company's vision of a future where distance is not a barrier to the people in Africa, and the diaspora is able to participate in the growth and development of the continent.



## SAVINGS &amp; INVESTMENT

# PIGGYVEST MARKS A DECADE WITH N3 TRILLION IN TOTAL PAYOUTS



**N**igeria's pioneer digital savings platform PiggyVest is celebrating its tenth anniversary with a landmark achievement: over N3 trillion in cumulative payouts since its 2016 founding as Piggybank.ng. The company, which now serves more than six million registered users, recorded N1.3 trillion in payouts in 2025 alone — a

56 per cent increase from the N835 billion distributed in 2024 — with assets under management growing by 110 per cent within the same period.

What began as a simple savings app with deliberately difficult withdrawal restrictions has evolved into one of Africa's most impactful digital financial platforms. The company marked its tenth anniversary with a gala event in Victoria Island, Lagos, where co-founders Somto Ifezue, Odunayo Eweniyi, and Joshua Chibueze reflected on the platform's journey from a niche product into the financial backbone of millions of Nigerian households.

A key milestone in 2025 was the launch of PiggyVest's in-house payment infrastructure, powered by its subsidiary PocketApp. By retiring the virtual account numbers it had used since inception, the platform gained greater reliability and control over deposits and withdrawals — a critical operational shift in Nigeria's fast-moving digital finance landscape. Looking ahead, PiggyVest is targeting a launch of PiggyVest Kids, a savings product designed for children, ahead of Children's Day 2026. The company has also announced ambitions to become the 'financial operating system of the Nigerian household,' expanding its reach into enterprise savings tools and broadening its OpenHouse community programme to more cities nationwide.

*“As a predominantly low-trust environment, we're proud of the consistent work we have put in over the years to win the trust of Nigerians.” — Joshua Chibueze, CMO, PiggyVest*

## REGULATION &amp; COMPLIANCE

# FLUTTERWAVE, PAYSTACK, AND JUICYWAY JOIN CBN'S LANDMARK AML/CFT PILOT FOR VIRTUAL ASSETS

*Nigeria's apex bank has selected six fintech and crypto firms for a groundbreaking regulatory pilot designed to strengthen anti-money laundering and counter-terrorism financing compliance in the country's fast-growing virtual asset space — a move that signals a new era of structured oversight.*

**I**n a development that marks a significant step forward in Nigeria's approach to digital asset regulation, the Central Bank of Nigeria has selected six financial technology companies — including three of the country's most

The announcement, made public in a CBN press release, describes the pilot as designed to develop what it calls a “structured understanding” of the AML/CFT/CPF risks, business models, and operational practices across participating entities. In plain terms, the regulator is using the pilot to build institutional knowledge about how these companies operate, what risks they present, and how best to supervise them — before committing to a full-blown regulatory framework that may constrain innovation or, conversely, leave gaps that bad actors can exploit.

## Why These Six Companies?

The selection of Flutterwave and Paystack will surprise few industry observers. Both companies are titans of the Nigerian fintech ecosystem. Flutterwave, founded in 2016, has grown to become one of Africa's most valuable privately held technology companies, with a payment processing infrastructure that spans dozens of African countries and serves thousands of businesses. Paystack, acquired by Stripe in 2020 for a reported \$200 million, is the dominant payment gateway for Nigerian businesses ranging from small online merchants to major corporations. Juicyway is a newer entrant that has built a reputation for cross-border payment capabilities. The company emerged from stealth after processing a reported \$1.3 billion in cross-border payments for African



prominent payment processors — to participate in a new pilot programme targeting anti-money laundering, counter-terrorism financing, and counter-proliferation financing compliance in the virtual asset ecosystem. The selected participants are Flutterwave, Paystack, Juicyway, KuCoin, KoinKoin, and cNGN.

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businesses, establishing itself as a significant player in the B2B payments space before most people outside the fintech community had heard of it. Its selection alongside the more established Flutterwave and Paystack suggests that the CBN is deliberately casting a wide net to understand compliance practices across companies at different stages of development and with different business models.

The inclusion of KuCoin, a global cryptocurrency exchange, and KoinKoin and cNGN — both of which operate in the Nigerian digital currency space — reflects the CBN's recognition that the virtual asset ecosystem extends beyond payment processors to include crypto trading platforms and digital currency issuers. The cNGN, a tokenised Nigerian naira stablecoin, is particularly interesting in this context:

its inclusion in the pilot reflects growing regulatory  
***The pilot signals a more structured regulatory approach to digital assets, as Nigeria continues to grapple with rising adoption and associated risks.***

attention to the question of how stablecoins and tokenised fiat currencies fit within existing AML/CFT frameworks.

### The FATF Dimension

A critical element of the pilot's regulatory architecture is its alignment with the recommendations of the Financial Action Task Force, the global standard-setting body for AML/CFT policy. The CBN has specified that the pilot will focus on FATF Recommendations 15 and 16. Recommendation 15 deals with the risk management requirements for new technologies — including virtual assets and virtual asset service providers. Recommendation 16 concerns the “travel rule,” which requires financial institutions to collect and transmit identifying information about the originators and beneficiaries of fund transfers, a requirement that presents significant technical challenges for blockchain-based transactions. Nigeria's engagement with FATF has not always been

smooth. The country was placed on the FATF grey list in 2023, meaning it was identified as having strategic deficiencies in its AML/CFT regime. While Nigeria was subsequently removed from the grey list in June 2023 following the implementation of an action plan, the reputational damage of that episode has left Nigerian policymakers acutely aware of the need to maintain robust compliance standards. The CBN's virtual asset pilot can be read, in part, as an extension of that broader effort to demonstrate the strength and sophistication of Nigeria's AML/CFT architecture.

### A Broader Regulatory Moment

The launch of the CBN pilot comes at a pivotal moment for cryptocurrency and virtual asset regulation globally. Across major economies, regulators are wrestling with how to bring the digital asset industry within meaningful supervisory frameworks without stifling the innovation that makes the sector so economically valuable. Nigeria's approach — a structured, limited pilot with a small number of participants

before scaling to a broader framework — is consistent with regulatory best practice and reflects the sophistication that the CBN has developed in approaching complex fintech policy questions. The Nigerian Financial Intelligence Unit, the country's financial intelligence body, will be involved in supervisory engagements with pilot participants alongside the CBN itself — a detail that underscores the seriousness with which regulators are approaching the compliance dimension. This dual-agency engagement is not merely symbolic: the NFIU has direct access to financial intelligence data and international law enforcement networks that make it a powerful partner in identifying and disrupting illicit financial flows.

For the participating companies, the pilot is simultaneously an opportunity and an obligation. Inclusion signals regulatory recognition of their importance to the ecosystem, but it also brings

## REGULATION & COMPLIANCE

heightened scrutiny and the expectation that they will cooperate fully with supervisory engagements, implement the required AML/CFT enhancements, and serve as models for the broader industry. Given the reputational stakes — and the potential for full licensing or expanded regulatory approval to follow a successful pilot — the incentives for genuine compliance are substantial.

As Nigeria positions itself to take advantage of the

extraordinary growth of the digital economy across Africa, the regulatory framework that the CBN builds through this pilot will have implications far beyond the six companies currently selected. It will shape the rules of the road for an entire generation of virtual asset businesses seeking to operate in the country — and potentially set a model that other African regulators look to as they build their own digital asset frameworks.

# MASTERCARD REAFFIRMS COMMITMENT TO NIGERIA'S DIGITAL TRANSFORMATION JOURNEY

**I**n a high-profile appearance at the Lagos Tech Fest, Mastercard's regional leadership reaffirmed their commitment to the Nigerian digital economy in the long term. They reiterated their plans to continue investing in local fintech startups, providing infrastructure to enable small businesses to transition to digital commerce, and more. Mastercard also emphasized their work in collaborating with different banks in Nigeria to launch new products to cater to the unbanked and underbanked in society, which is in line with the Nigerian government's plan to achieve 95% financial inclusion in the country. They also announced new initiatives to empower women entrepreneurs in society through digital literacy programs and micro-credit facilities. Mastercard, through their

global network, aims to assist Nigeria in developing a stronger digital ecosystem in the country.

Mastercard's leadership emphasized that Nigeria is one of the most exciting markets in the world, considering the dynamic, tech-savvy, and young population in the country. This move is seen as a strong vote of confidence in the Nigerian economy, especially considering the major reforms in the country's economy. For Mastercard, Nigeria is not just a market but a strategic partner in their mission to create a world beyond cash, a world in which every person can thrive in the digital age.



**ADVERTS**

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## BANKING RESULTS

# ZENITH BANK POSTS N1.26 TRILLION FY2025 PROFIT AND DOUBLES DIVIDEND



**Z**enith Bank Plc has released its audited group financial results for the year ended December 31, 2025, recording a profit before tax of N1.26 trillion. While this represents a marginal 4.78 per cent decline from the N1.33 trillion recorded in 2024, the bank's overall performance reflects resilience amid a challenging macroeconomic environment shaped by currency volatility, elevated interest rates, and a sharp swing in trading income.

Gross earnings grew to N4.19 trillion from N3.97 trillion in 2024, driven by a 35 per cent surge in interest income to N3.6 trillion. Interest income from loans and advances to customers contributed N1.8 trillion, while Treasury bills generated N1.1 trillion. Net interest income rose 52.67 per cent to N2.6 trillion, with

net interest margin improving to 13 per cent from 10 per cent the previous year — reflecting the bank's ability to reprice assets upward in a high-rate environment.

Profit after tax edged up marginally to N1.04 trillion from N1.03 trillion in 2024, supported by a significant reduction in tax expenses to N222.82 billion from N293.96 billion. Total shareholders' equity grew to N4.92 trillion, and total assets expanded to N31.46 trillion, up 5.0 per cent year-on-year. The bank's year-to-date share price on the NGX has surged over 66 per cent in 2026.

The most notable headline from the results is the bank's dividend

announcement: a final dividend of N8.75 per share, more than double the N4.00 final dividend declared in 2024. Including the interim dividend of N1.25 per share paid earlier in the year, total dividends for the 2025 financial year amount to N10.00 per share — representing a total payout of approximately N410.7 billion to shareholders, pending approval at the annual general meeting.

***“2025 was a year of purposeful execution. We entered 2026 as a stronger, more resilient institution.” — Dame Dr. Adaora Umeoji, GMD, Zenith Bank***

## FINANCIAL INCLUSION

# MASTERCARD COMMITS TO CONNECTING 500 MILLION MORE UNDERBANKED PEOPLE BY 2030



**M**astercard has announced an ambitious new commitment to connect and protect 500 million people and small businesses on their pathways to financial health by 2030 — its latest pledge after having successfully

own a mobile phone. Despite these gains, more than two billion people remain underbanked or unbanked. In emerging economies, only slightly more than half of adults could reliably access extra money within 30 days to manage an emergency. To address these gaps, Mastercard has designed Essential Debit and Essential Prepaid programmes for underbanked consumers, enabling them to receive wages, government disbursements, and conduct daily purchases within the Mastercard global acceptance network.

These programmes are already live in Nigeria and Colombia, with additional markets expected in the months ahead. Small businesses are a central focus, as they remain disproportionately vulnerable to cybercrime.

***“Access alone doesn’t create stability. Secure infrastructure, confident digital engagement, and an expanding credit profile are what make financial resilience possible.” — Jon Huntsman, Mastercard***

brought one billion individuals into the digital economy over the past decade. The announcement, made on April 7, 2026, reflects the company’s recognition that access alone is insufficient to build lasting financial resilience.

According to the 2025 World Bank Global Findex, nearly 80 per cent of adults worldwide now have a bank or mobile money account, and 84 per cent of adults in low- and middle-income countries

Mastercard’s Vice Chair Jon Huntsman and Chief Product Officer Jorn Lambert described financial health as a journey — from obtaining a first payment credential, building a transaction history, and eventually accessing credit, insurance, and other services that provide shock absorption. The commitment builds on the company’s existing coalition convened in November 2025 to deploy digital tools for financial resilience at scale.

## POLICY &amp; DEVELOPMENT FINANCE

# NIGERIA'S N122 TRILLION MSME FUNDING CHASM: WHY THE CBN IS EYEING A DFI OVERHAUL

*The CBN's deputy governor has sounded the alarm on a staggering gap between available development finance and the credit needs of Nigeria's small businesses — and proposed a sweeping restructuring of the country's development finance institutions as the answer.*



**A** figure revealed at the launch of the World Bank's Nigeria Development Update in Abuja has crystallised one of the most daunting challenges facing Nigerian economic policymakers: the country's development finance institutions have a total asset base of barely N8 trillion, while the actual development finance needs of micro, small, and medium-sized enterprises across the economy exceed N130 trillion. In some estimates, the figure runs even higher — as much as N230 trillion. The gap, whichever number one accepts, is not a policy problem. It is a structural crisis.

Muhammad Abdullahi, the Central Bank of Nigeria's Deputy Governor for Economic Policy, delivered this sobering assessment during a panel session at the Abuja event, drawing a picture of a development

finance sector so undersized relative to the demands

placed upon it that incremental adjustments are simply inadequate. His conclusion — and the implicit direction of CBN policy — is that a comprehensive recapitalisation and restructuring of Nigeria's Development Finance Institutions is not just desirable but urgently necessary.

## What Are Nigeria's DFIs — and Why Are They Struggling?

Nigeria's development finance sector consists of a number of specialised institutions established to channel credit

to sectors of the economy that commercial banks find either too risky or insufficiently profitable to serve at scale. The Bank of Agriculture targets the agricultural sector. The Bank of Industry focuses on manufacturing and industrial enterprise. The Federal Mortgage Bank of Nigeria addresses housing finance. The Development Bank of Nigeria was established more recently to provide wholesale lending to financial intermediaries serving MSMEs. Despite their mandates, these institutions have consistently fallen short of the credit volumes required.

Some are burdened with high levels of non-performing loans that have eroded their capital bases and constrained their ability to make new disbursements. Others suffer from governance challenges, inadequate risk management frameworks,

## POLICY & DEVELOPMENT FINANCE

cand — critically — an inability to attract private capital that might supplement the government funding on which they have historically depended. Abdullahi was explicit that recapitalisation alone will not solve these problems: *“The only way to address this is not only through public sector capital injections into these institutions, but also by making them bankable and investable,”* he said.

### The Recapitalisation Imperative

The CBN’s proposed approach would involve both a capital infusion and a structural reform of the DFI sector. The two pillars are inseparable: even if the government injected tens of trillions of naira into the DFIs tomorrow, the fundamental governance and operational deficiencies that have limited their effectiveness would remain unless accompanied by deep structural change. What Abdullahi is describing is a transformation of these institutions from creatures of government patronage into genuinely market-oriented development finance bodies capable of attracting private co-investment and executing at scale.

recently recapitalised commercial banks can play in addressing the MSME credit gap, while also warning against expecting them to shoulder the burden alone. The banking sector’s N4.65 trillion recapitalisation exercise — completed in March 2026 — has substantially expanded the lending capacity of Nigerian commercial banks. With more capital on their balance sheets, banks have both the capacity and the incentive to pursue new lending opportunities. *“With the N4.6 trillion raised by the banking sector, there are now more funds that must generate returns for investors. We therefore expect increased credit availability going forward,”* Abdullahi said.

But the deputy governor drew a firm line against any suggestion that this expanded banking capacity could simply be directed toward MSME lending by regulatory fiat. His warning against “administratively directed credit” reflects hard-won lessons from earlier generations of Nigerian banking policy, when development finance objectives were pursued by compelling commercial banks to lend to specific sectors regardless of credit quality — an approach

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***“Across all the DFIs in Nigeria, the total asset base is slightly above N8 trillion, whereas what is required in development finance for MSMEs is over N130 trillion.” — Muhammad Abdullahi, CBN Deputy Governor***

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The CBN and the Federal Ministry of Finance — which holds significant stakes in many DFIs alongside the apex bank — are reviewing the entire sector with an eye to correcting incentive structures, improving risk appetite, and strengthening capital levels. This review is expected to produce recommendations that go well beyond simply writing larger cheques: the goal is to rebuild the DFIs as institutions that can genuinely mobilise private capital alongside public funding, thereby stretching every naira of government investment across a much larger pool of credit.

### Commercial Banks: Necessary But Not Sufficient

Abdullahi was careful to acknowledge the role that

that consistently produced high non-performing loan ratios, financial sector instability, and ultimately less credit to the intended beneficiaries.

The sustainable path, Abdullahi argued, lies in creating an environment where lending to MSMEs is commercially attractive — through better collateral frameworks, improved credit information systems, risk-sharing mechanisms, and more efficient loan recovery — rather than mandating banks to extend credit they would otherwise decline. This is a philosophically coherent position, but it requires patience and structural reform rather than the immediate results that political pressure for MSME

## POLICY & DEVELOPMENT FINANCE

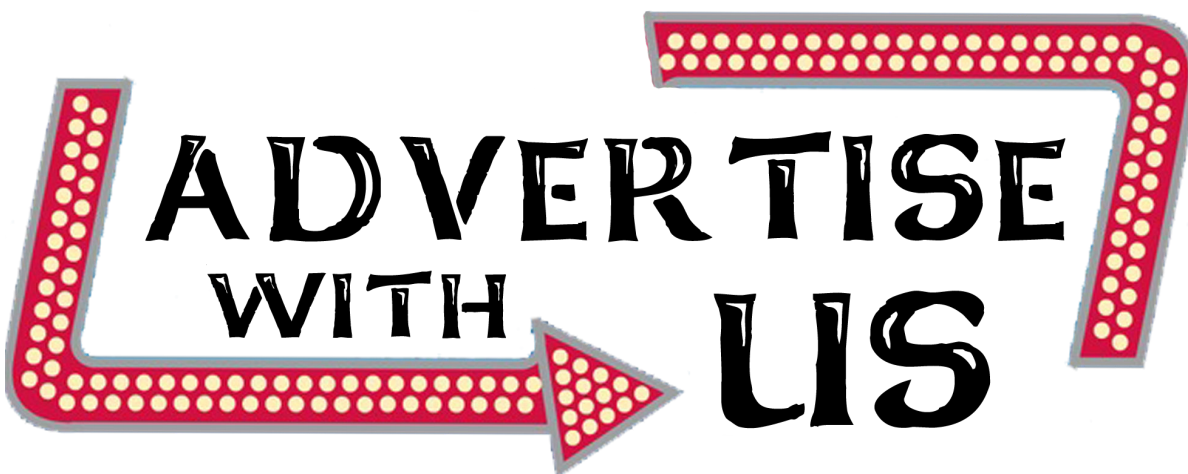
finance often demands.

### The Business Activity Paradox

Despite the severity of the MSME credit gap, Abdullahi offered a note of cautious optimism about the current state of Nigerian business activity. The Purchasing Managers' Index — a widely watched indicator of economic momentum — has remained above the 50-point threshold that signals expansion, suggesting that businesses are managing to grow even in an environment of restricted credit access and high borrowing costs. This resilience, he noted, is partly a function of businesses' ability to self-finance and access informal credit channels, though these alternatives are costly and limit the scale of investment that firms can undertake.

Foreign exchange reserves have also improved, and currency volatility has moderated relative to the extreme swings of 2023 and 2024, creating a more

predictable environment for investment planning. These positive signals should not obscure the fundamental challenge — Nigeria's MSME sector is growing despite its financing environment, not because of it, and the true potential of that sector will only be unlocked when development finance institutions and commercial banks can together provide the credit that businesses need to invest, hire, and scale. Bridging the N122 trillion gap is not a short-term project. But the CBN's acknowledgement of its scale, and its commitment to addressing it through DFI reform rather than palliatives, at least points in the right direction.



## MACROECONOMICS &amp; TECHNOLOGY

# NIGERIA'S INFLATION SHOCK: HOW RISING COSTS ARE COMPRESSING MARGINS ACROSS TECH, FINTECH AND CREATIVE INDUSTRIES

*A Lagos Business School panel has laid bare the uncomfortable reality facing Nigeria's most dynamic sectors: while revenues are growing, costs are growing faster — and for businesses in the creative economy, the margin squeeze is becoming existential.*



**B**ismarck Rewane, the economist and Managing Director of Financial Derivatives Company, is not given to hyperbole. His assessments of the Nigerian economy are characteristically measured, data-grounded, and calibrated to the structural realities rather than the political narrative. Which is why his summary of Nigeria's current economic predicament is worth taking seriously: the country is navigating a period of what he calls “resilient strain” — the economy is not in crisis, but

it is under significant cost pressure that is reshaping behaviour across every sector.

The observations emerged from a Lagos Business School Breakfast Session at which Rewane and other analysts examined the implications of the current inflationary environment — shaped by the combination of naira depreciation, fuel price increases driven by the Iran-driven oil shock, and structural energy cost pressures — for specific industries. The conclusions were sobering. Across Nigeria's technology, fintech, and creative sectors, revenues are projected to grow by approximately 30 per cent in 2026. But costs are expected to rise even faster, at around 40 per cent. The

result is a broad-based margin compression that is already forcing corporate reassessments of strategy, headcount, and capital allocation.

## **The Energy Multiplier**

The most significant driver of cost inflation across all three sectors is energy. In Nigeria's operating environment, energy costs are not a background input but a foreground competitive factor. Diesel for powering generators — the backup power infrastructure that virtually on given the chronic

## MACROECONOMICS & TECHNOLOGY

unreliability of grid electricity — has seen its cost rise dramatically in the wake of the Iran conflict's impact on global oil prices. For telecom operators, diesel costs for powering base stations have nearly doubled, significantly increasing the operating expense base at precisely the moment when competitive pressures on pricing remain intense.

For fintech companies, the energy cost story is somewhat different in character but no less significant in impact. The industry's reliance on offshore cloud infrastructure — which will be explored in depth in the following article — means that the dollar-denominated cost of computing power is subject to the combined pressure of naira depreciation and global energy price increases. Data centre operations, which underpin everything from payment processing

Case studies from the sector have illustrated the severity of the adjustment. Music artists who previously relied on live performance revenue have seen venue attendance decline as consumers prioritise essential expenditure. Film producers are grappling with production cost inflation — cinematography equipment, post-production services, and distribution logistics all carry dollar-denominated price tags — while simultaneously facing pressure on the ticket prices and streaming licensing fees that represent their revenue base. The informal creative economy, which includes the millions of Nigerians who make their living from the intersection of technology and content creation, is experiencing similar pressures.

### **Telcos and the Inelastic Service Advantage**

Not all sectors are equally exposed.

***While revenues are projected to grow by about 30 per cent in 2026, costs are expected to rise even faster at around 40 per cent — a margin compression that is becoming impossible to ignore.***

to credit scoring to fraud detection, are energy-intensive at scale, and the cost increases flow directly into the pricing and margin structure of the fintech companies that depend on them.

### **The Creative Economy Under Particular Pressure**

Nowhere is the inflation squeeze more acute than in Nigeria's creative economy — the entertainment, music, film, and content industries that have emerged as one of the country's most internationally visible economic assets. The creative economy's revenue base is inherently discretionary: when household budgets are under pressure, spending on entertainment, streaming subscriptions, and cultural events is among the first to be cut. The combination of falling real incomes — inflation has eroded the purchasing power of the typical urban Nigerian household substantially over the past three years — and rising production and distribution costs creates a particularly difficult operating environment.

Telecommunications, by contrast to the creative economy, benefits from the inelastic nature of its core services. Mobile data and voice connectivity are no longer discretionary expenses for most Nigerians — they are essential infrastructure for economic and social participation. This inelasticity means that telcos have greater pricing power than discretionary service providers, and recent tariff increases approved by the NCC have allowed operators to pass some of their cost inflation to consumers.

MTN Nigeria's financial performance illustrates this dynamic sharply. The company recorded a dramatic turnaround from a N400.44 billion loss to a N1.11 trillion profit, a recovery that reflects the combination of tariff increases, FX revaluation gains from prior periods, and the resilience of subscriber demand. But even telcos are not immune: cost growth in the 40 per cent range for fuel, equipment, and infrastructure maintenance means that the sector's margins are

## MACROECONOMICS & TECHNOLOGY

under pressure even as absolute profits recover. The lesson is not that inelastic service sectors are comfortable — it is that they are better positioned to manage margin compression than discretionary ones.

### The Path Through

For Nigeria's tech and fintech sectors specifically, Rewane's prescription is efficiency, scale, and digital innovation. The businesses that will emerge from the current cost pressure period in the strongest position are those that have invested in operational efficiency — including the automation of repetitive processes, the renegotiation of infrastructure contracts, and the

identification of cost structures that can be sustainably reduced without impairing customer experience or regulatory compliance. Scale matters too: in a margin-compressed environment, the fixed cost advantage of operating at larger volumes becomes more critical. This dynamic is likely to accelerate the consolidation that many industry analysts have been predicting for Nigeria's crowded fintech market, as smaller operators find it increasingly difficult to compete on service quality while maintaining viable unit economics against a backdrop of rapidly rising costs.



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## FINANCE

# MASTERCARD LAUNCHES CUTTING-EDGE AI ENGINE FOR SECURE GLOBAL PAYMENTS



**M**astercard has announced a new milestone in the never-ending fight against financial crimes: a sophisticated generative AI model designed to combat fraud and provide new insights into payments. The new AI model is an advanced fraud detection tool that analyzes billions of transactions on the Mastercard network worldwide. The AI model is equipped with cutting-edge machine learning technology to detect even the slightest patterns indicative of fraud with high accuracy. The AI model is also useful for merchants and financial institutions as it provides new insights into consumer spending habits. Mastercard's leadership emphasized that, as digital

payments are becoming increasingly sophisticated, AI's role in safeguarding the payments ecosystem is no longer optional but indispensable. The new AI model is designed to be proactive in detecting new types of fraud by learning from new types of attacks in real-time. For consumers, it means less friction at checkout and stronger protection for their digital assets. The announcement of Mastercard's AI model is part of a significant investment in cybersecurity and digital trust. The world is gradually becoming a cashless society, and technologies like Mastercard's AI will be the foundation on which a safe, inclusive, and efficient global economy will function, where every transaction is not only fast but also secure and intelligent.

## BANKING &amp; FINANCE

# MONIEPOINT ANNOUNCES MAJOR LONDON EXPANSION TO BOOST AFRICAN CONNECTIVITY



**T**he African fintech powerhouse, Moniepoint, has made a groundbreaking announcement of its plans to expand its London operations, with a goal of recruiting 100 new staff members by the end of 2026. The move is part of the company's overall vision of connecting Africa with the global diaspora in a seamless manner. The London office will be focused on product development, engineering, and international regulatory compliance, with the goal of becoming the keystone to Moniepoint's international growth. The company's move to one of the world's most important financial centers will help to strengthen its remittance capabilities while providing African businesses with access to international financial systems. The move

will also be a way of attracting the best global talent to address the unique financial challenges of the African continent.

The company's leadership explained that London's fintech ecosystem, as well as its favorable regulatory environment, made it the perfect location for the international headquarters of the company. The move, therefore, underscores the rising global influence of African fintechs, which are ready to compete with the best globally. The London hub of Moniepoint, therefore, becomes much more than just an office for the company; it becomes a vital investment in the future of African commerce.

**BANKING & FINANCE**

# ZENITH BANK EXPANDS UK FOOTPRINT WITH LANDMARK MANCHESTER OPENING

**Z**enith Bank has officially opened its new strategic branch in Manchester, which marks a major milestone in its international expansion journey, with a commitment to supporting trade between the UK and Africa. The bank's new branch in Manchester aims to be a hub for Nigerian businesses in the North of England, providing specialized trade finance solutions to British businesses looking to enter the lucrative West African market. The bank's new opening in Manchester takes advantage of the location's strong reputation for industry and

technology, which are two areas with vast business opportunities for collaboration. The bank's senior officials emphasized that the UK is a critical country for Nigeria, and this new opening will provide a direct route for investment flows and remittances. The

bank's new opening in Manchester is also equipped with state-of-the-art technology to provide customers with a seamless international banking experience.



## BANKING &amp; FINANCE

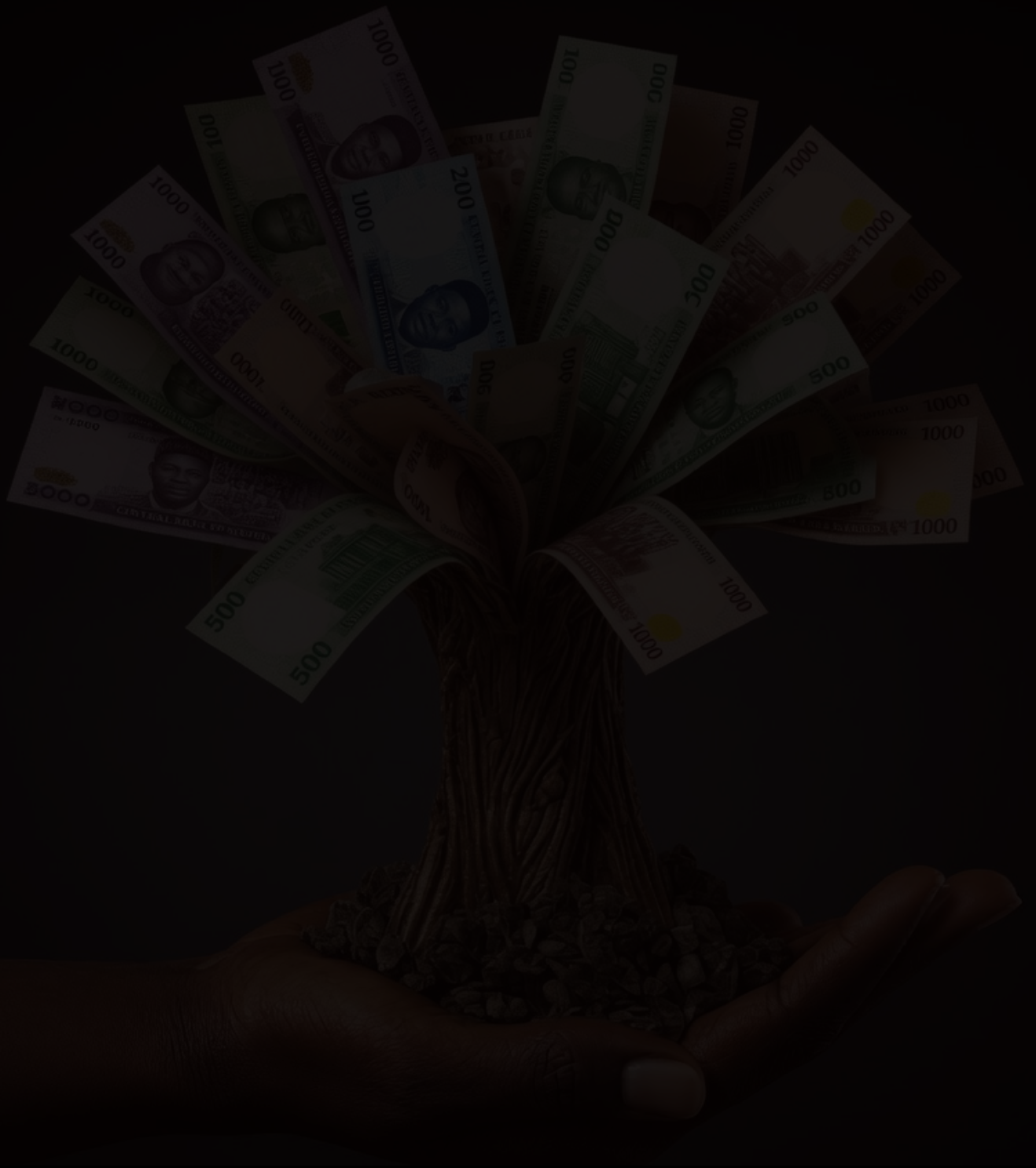
# NIGERIA RECORDS \$96 BILLION IN CRYPTO VOLUME AS SEC TIGHTENS OVERSIGHT



**N**igeria's Securities and Exchange Commission (SEC) has announced that cryptocurrency transactions in the country have recorded a sharp increase to \$96 billion in the last one year, thus reinforcing Nigeria's status as one of the most dynamic cryptocurrency markets in the world. This is happening in a period of high volatility in the cryptocurrency space, in addition to a challenging economy in Nigeria. According to the SEC, the transactions are mainly carried out by retail investors, motivated by the need to protect their portfolios against inflation risks, in addition to seeking more efficient ways of transacting business across borders. In this regard, the SEC is planning to impose even

stricter controls over cryptocurrency exchanges in the country, in addition to licensing more exchanges to operate in the country. This is aimed at providing a safer space for investors, in addition to protecting the country against the risks of money laundering, among other criminal activities.

Although some players in the cryptocurrency space are expressing fears that stricter controls could undermine the space, the SEC is of the view that a comprehensive legal framework is a must-have in order to lend legitimacy to this space. Nigeria is leading the way in Africa in terms of cryptocurrency adoption.



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