

Venix Report

Volume 1

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EDITORIAL TEAM NOTE

This report was developed to provide deeper insight into the dynamics of Nigeria's tech ecosystem. It is grounded in secondary data sources, including reports, articles, expert commentaries, and publicly available records, combined with in-depth observation of developments within the space. The insights reflect contributions across sectors, including fintech, startup leadership, human resources, and tech policy analysis.

At Venix, we believe technology reporting should go beyond mere event documentation; it should inform, inspire, and drive strategic decisions.

We are deeply grateful to everyone whose work, insights, and expertise contributed to shaping this report.

Editor-in-Chief

Paul Omugbe

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Michael Ajibola



MEET US

Venix Partners builds digital tools that address real-world problems. We empower businesses and individuals across finance, legal, entertainment, and communication with practical platforms that simplify tasks and create value.

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Manages bill payments for SMBs, NGOs, and digital entrepreneurs. Offers deals on airtime and data with 24/7 support to save time and reduce costs.



Mesaj

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THE VENIX TEAM

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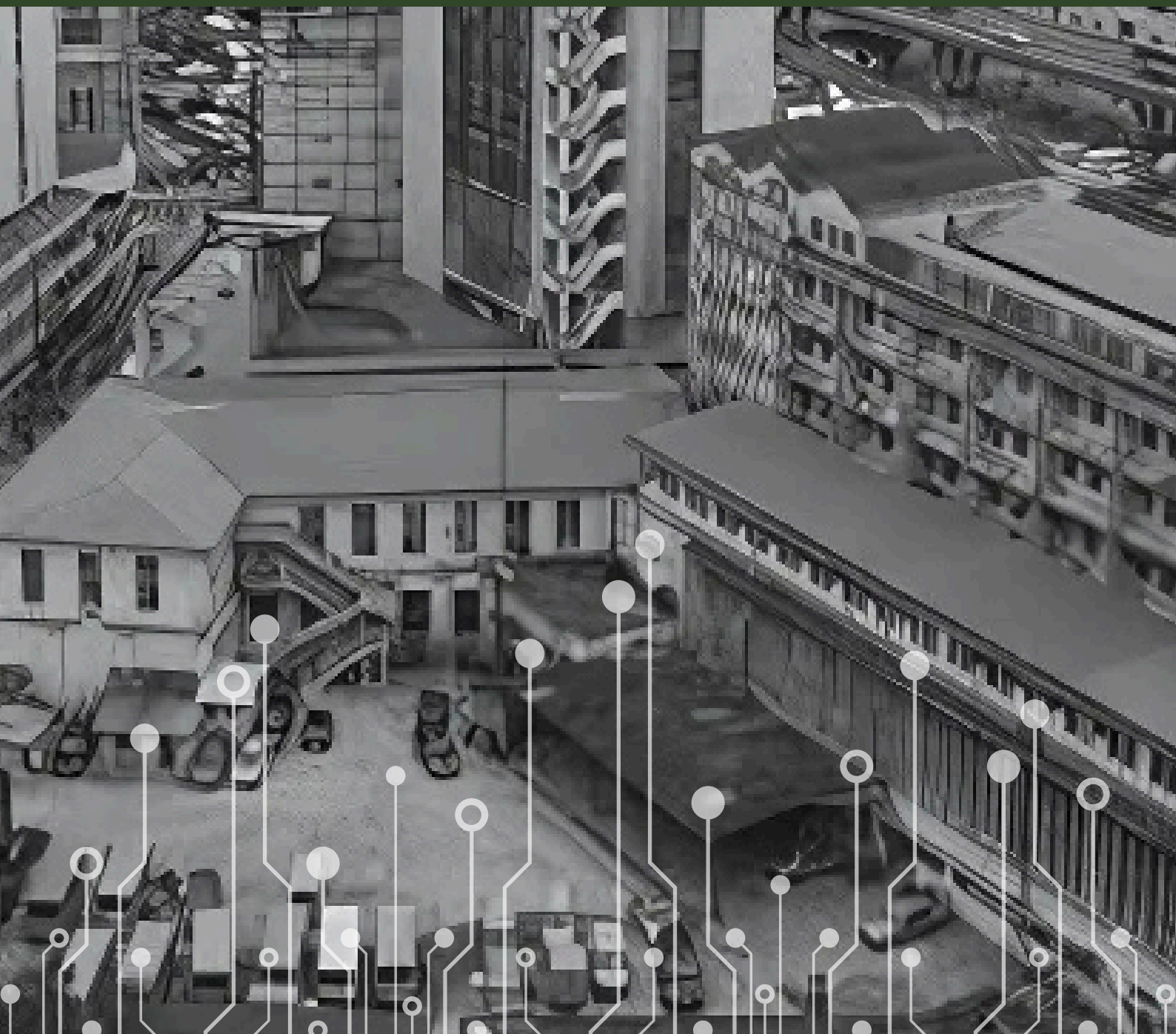
Michael Ajibola
Research Analyst

Table of Contents

- 01.** NIGERIA'S ECONOMIC LANDSCAPE: A VIEW 2024
- 02.** IMPACT OF INFLATION ON NIGERIA'S TECH ECOSYSTEM
- 03.** INVESTMENT LANDSCAPE
- 04.** START-UP CONSOLIDATION AND CLOSURE
- 05.** TECH ECOSYSTEM BEYOND FINTECH
- 06.** KEY POLICY CHANGES IN 2024 CBN FINTECH REGULATIONS



NIGERIA'S ECONOMIC LANDSCAPE: A VIEW 2024



An analysis of the nation's GDP, sectoral performance, and the critical headwinds facing the telecommunications industry.

THE BIG PICTURE

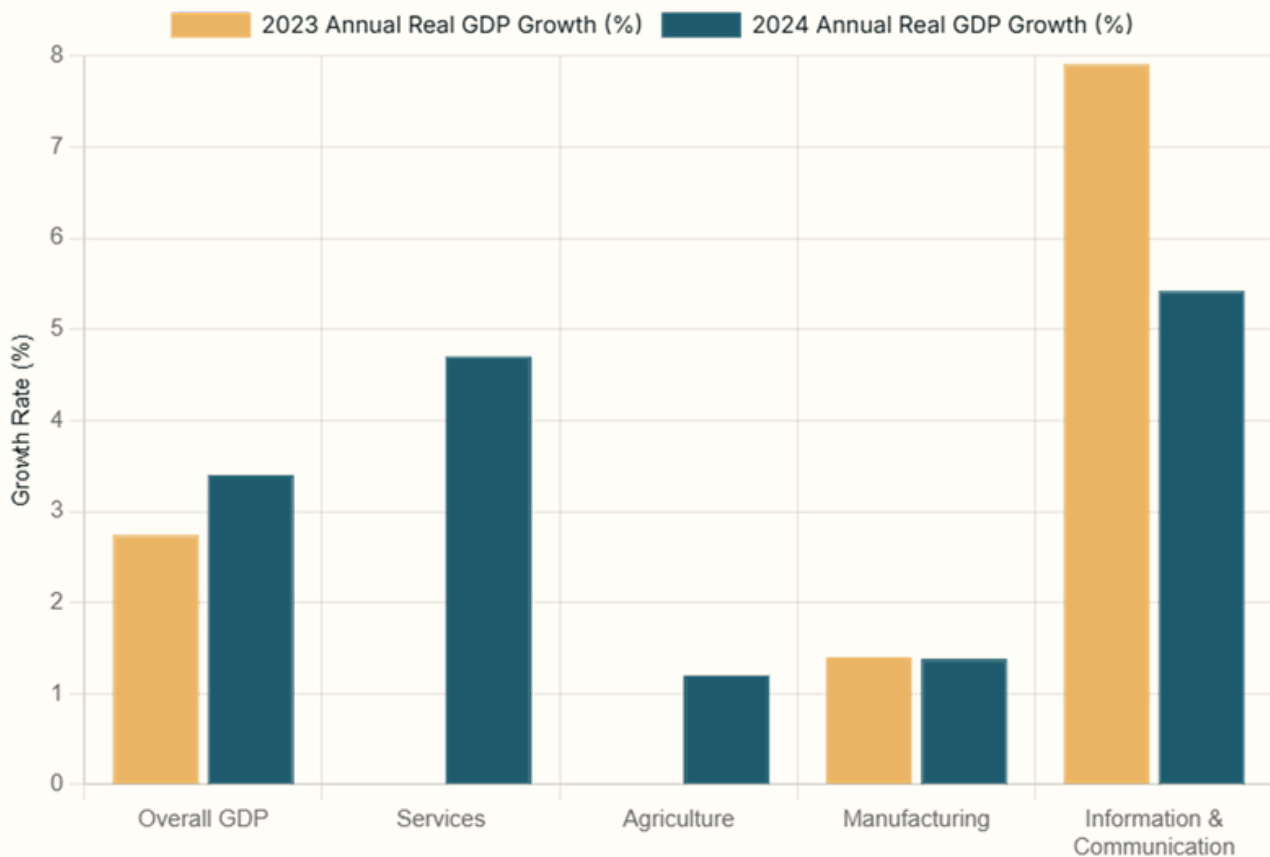
3.40%

Annual Real GDP Growth
(2024)

3.84%

Q4 2024 Real GDP
Growth (YoY)

While the overall GDP figures are positive, a closer look reveals a significant divergence. Key sectors like Agriculture and Manufacturing remained sluggish. More critically, the high-contributing ICT sector saw its growth rate decelerate significantly, flashing a warning sign for a major economic driver.



SECTORAL ANALYSIS: TELECOMMUNICATIONS



WHY TELECOMS SLOWED DOWN

The slowdown in the telecommunications sector wasn't caused by one issue, but a cascade of interconnected challenges. This created a "perfect storm" that increased costs, squeezed profits, and ultimately stifled investment and growth across the industry.



Macroeconomic Headwinds

The slowdown in the telecommunications sector wasn't caused by one issue,



Soaring Operational Costs

Skyrocketing diesel prices and energy costs for infrastructure.



Infrastructure Damage

Frequent fibre cuts divert funds from expansion to repairs.



Reduced Investment & Growth

Lower Profitability curtails CapEx, stalling the sector's GDP contribution.

CASE STUDY: MTN NIGERIA

As the largest operator, MTN Nigeria's financial performance provides a stark illustration of the industry's plight. Despite record-breaking revenue from strong data and voice service demand, catastrophic foreign exchange losses wiped out all profits, pushing the company into a massive net loss.

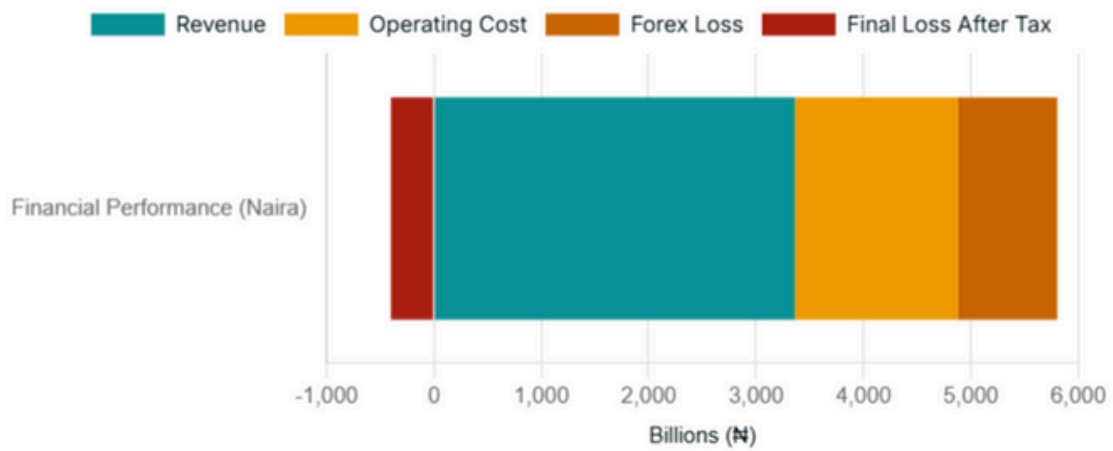
**₦3.36
Trillion**

Record Service Revenue

**₦400.4
Billion**

Loss After Tax

The primary driver for this loss was the staggering N925.36 Billion in Foreign Exchange losses, dwarfing all other operational factors.

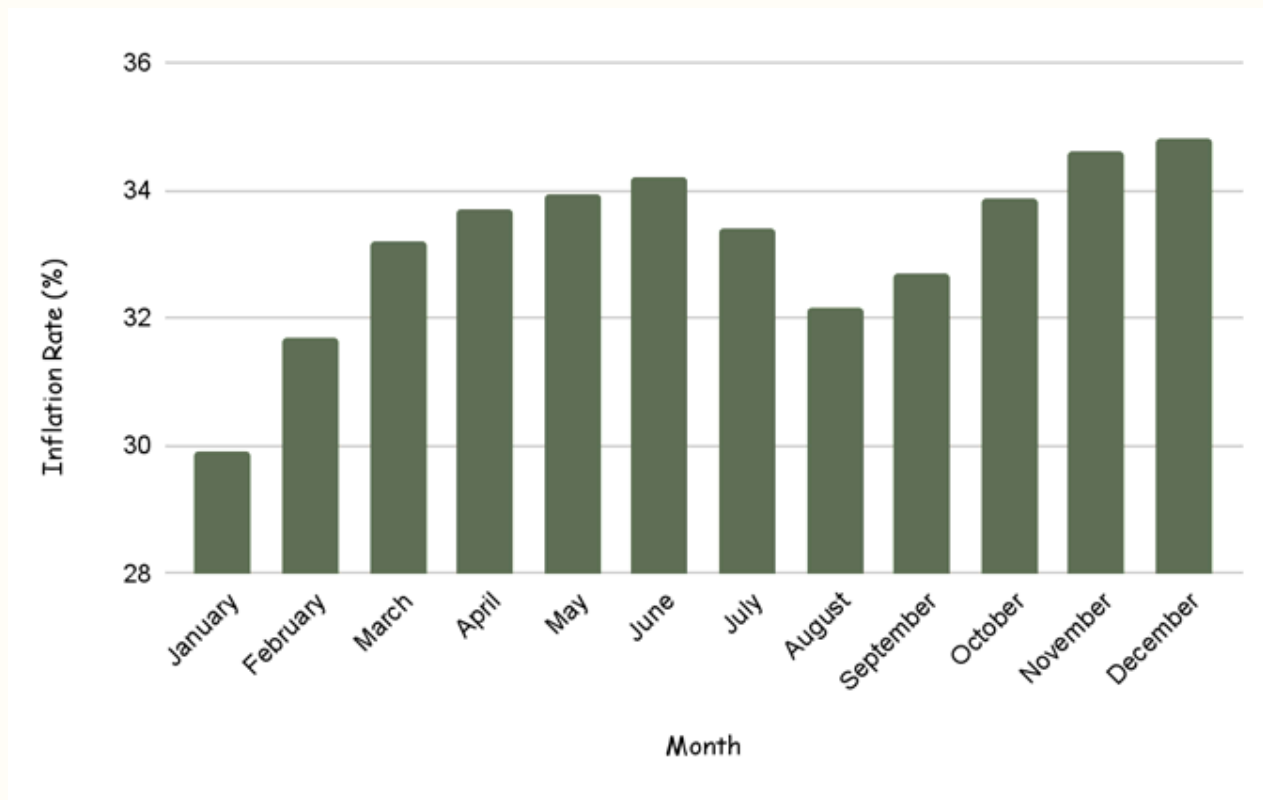




IMPACT OF INFLATION ON NIGERIA'S TECH ECOSYSTEM



A. NIGERIA'S INFLATION TREND IN 2024



STRUCTURAL DRIVERS FOR INFLATION

1. Naira Depreciation:

- The naira lost 68% of its value against the dollar between June 2023 and June 2024.

2. Energy Cost Spiral:

- Diesel prices tripled to ₦1,200/liter by Q3 2024.
- 48% of startups cited power as their top cost driver.

ADAPTATION STRATEGY

How the Tech Sector Adjusted To Their Inflation Drive

1. Energy Innovation

Startups implemented hybrid power models to reduce National grid dependence:

- Dukka deployed solar-UPS systems, cutting generator runtime by 40%.
- Lagos Tech Cluster launched shared solar microgrids serving 120 startups at ₦150/kWh (50% below diesel costs).

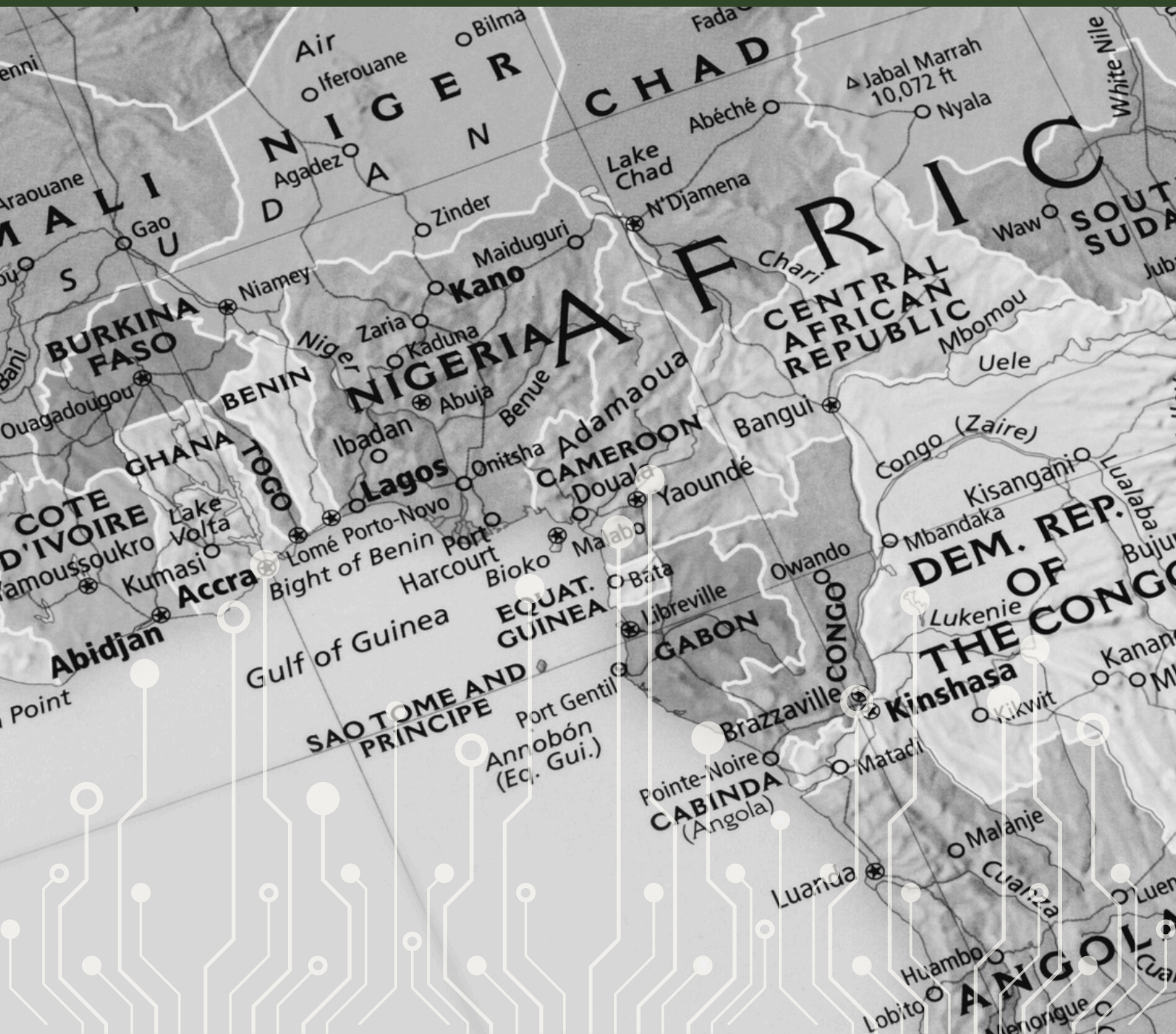
2. Talent Optimization

With senior developer salaries rising 35% amid inflation, firms adopted:

- Geoarbitrage Hiring: 22% of startups recruited remote engineers from Kenya/Ghana at 30% cost savings
- AI Productivity Tools: Andela's code automation suite reduced developer hours per project by 18%



INVESTMENT LANDSCAPE



NOTABLE INVESTMENT DEALS

Sector	Company	Amount Raised
Fintech	Moniepoint	\$110 Million
	Zone	\$8.5 Million
	Waza	\$8 Million
Crypto-Currency	Yellow Card	\$33 Million
Energy Technology	Beacon Power Services	\$12 Million
Ride-Hailing	Moove	\$110 Million
Health Tech	Field	\$11 Million
E-Commerce	Omni Retail	\$10 Million

HOW NIGERIA, KENYA, EGYPT & SOUTH AFRICA ARE BETTING BIG (AND DIFFERENTLY) IN 2025

This is a By 2025, the four economies most closely watched by venture capital, development finance, and other investors on the African continent are Nigeria, Kenya, Egypt, and South Africa. The news is the four (4) countries no longer operate in the same market logic. Each ecosystem has evolved past the early-stage race for funding headlines and is now driven by a deeper internal narrative: one determined by its regulatory stance, capital discipline, and each country's macroeconomic environment.

When you have this set in the pretext, what follows is not a story of who raised the most or scaled the fastest, but rather how four very different countries have matured. Let's examine each country one after the other. Nigeria first; for an article that gives an expose on the different sectors and their contribution to GDP. Special emphasis should be placed on the reason for the drop in Telecommunications contribution to real GDP.

Also is there a role that MTN drop in profit had to play in this?

HOW NIGERIA, KENYA, EGYPT & SOUTH AFRICA ARE BETTING BIG (AND DIFFERENTLY) IN 2025

Nigeria: Scaling Under Constraint

Nigeria remains Africa's fintech pacesetter.. The sector still commands more than half of the country's deal volume, and its lead has been sustained not by abundance, but by discipline under pressure.

Venture capital is consolidating. Investors have adjusted to currency volatility, rising compliance costs, and unpredictable energy supply. Yet the sector is not contracting – it's adjusting. Fintechs like Interswitch, Remita, Flutterwave, UPSL, Moniepoint, etc are no longer simply innovators; they've become the new infrastructure.

Crypto and DeFi, once held at arm's length by regulation, are now supported by formal regulatory structures, including tokenized asset pilot programs under the Securities and Exchange Commission and tax reform embedded in the Finance Act of 2025.

Artificial intelligence is another critical shift. Nearly half of Nigerian tech startups now embed machine learning into their service stack, and major Nigeria-backed funding is being allocated to AI talent development. Infrastructure also shows forward motion: the \$2 billion national fiber network project is set to raise broadband penetration from 45% to 70% in less than two years.

Still, challenges persist. Energy costs eat into margins, emigration drains high-skill talent, and regulatory overlaps continue to place startups at a disadvantage. But investors are no longer surprised – they are prepared. Capital is flowing into what works: vertical-specific funds, corporate-backed venture arms, and scale-ups with clarity on burn and product-market alignment.

Kenya: Climate Capital Meets Structural Intent

Kenya's startup scene is often viewed through the lens of its fintech legacy, but the country's real strategic move is elsewhere. It is in a climate-aligned capital and agritech-led infrastructure. Agritech accounted for 30% of 2024 funding, and climate tech pulled in over \$200 million – the highest in East Africa.

Rather than building standalone companies, Kenya is building capacity systems: satellite-powered agronomic platforms, carbon trading exchanges, and neobank-integrated microfinance delivery. Mobile-first access continues to dominate, with 92% of startups still linked to M-Pesa's foundational API layer. What's new is the state's role in embedding tech into governance and youth employment pipelines.

HOW NIGERIA, KENYA, EGYPT & SOUTH AFRICA ARE BETTING BIG (AND DIFFERENTLY) IN 2025

Through the DigiKen initiative, 15 digital innovation hubs across the country serve as dual-use facilities for startup incubation and AI workforce development. Combined with tax holidays for research centers and procurement mandates for youth-led tech firms, Kenya has made digital innovation an explicit pillar of national development.

The downside is the cost of ambition. Energy remains expensive, talent outflow continues, and the regulatory environment (especially for digital assets) remains fragmented. Seven agencies oversee compliance in the fintech sector alone. Still, the state's alignment with long-horizon capital makes Kenya a predictable and strategic choice for ESG-aligned funds, particularly those focused on food security, renewable energy, and regional payment systems.

Egypt: Maturity in Motion

Egypt offers the most structured tech environment in the North African corridor. Its funding ecosystem has slowed in volume but matured in quality. After years of aggressive early-stage dealmaking, both founders and investors have pulled back from hyper growth models. The new focus is sustainability, capital efficiency, and market defensibility.

Fintech, AI, and logistics-tech remain key verticals, and the country leads the MENA region in fintech startup visibility. But the evolution lies in how capital is now deployed. Series A and B rounds dominate the funding mix, and leading funds – both domestic like Algebra Ventures and international like Global Brain – are shifting to performance-based evaluations and milestone-driven follow-on rounds.

Government support is substantive and policy-driven. The National AI Strategy (2025–2030), Cairo's Knowledge City initiative, and the Digilians tech workforce program are reshaping Egypt's startup funnel into a workforce-ready, infrastructure-stable investment zone. Cairo's positioning is clear: Egypt is not selling startups, it's selling system stability.

Yet that system is dependent on continued policy execution. Foreign investors remain cautious about FX controls and regional political uncertainty. Early-stage startups are still underfunded, with 75% of deals below Series B. Still, Egypt remains one of the few ecosystems where government narrative, regulatory clarity, and capital alignment are moving in the same direction.

HOW NIGERIA, KENYA, EGYPT & SOUTH AFRICA ARE BETTING BIG (AND DIFFERENTLY) IN 2025

South Africa: Institutional Investment at Scale

South Africa's role is more specific, it is the anchor for risk-mitigated capital. Its startup ecosystem may not match Nigeria in volume or Kenya in experimental dynamism, but it offers institutional frameworks that attract private equity, pension funds, and late-stage acquirers.

The government's Innovation Fund and co-investment strategies with the private sector are de-risking early-stage ventures, particularly in smart infrastructure, cybersecurity, and enterprise SaaS. While early-stage capital is still insufficient, exits are increasingly consistent. In 2024, South Africa recorded higher exit activity than any other African market.

The tech sector is also increasingly shaped by co-investment mandates. Corporate venture capital is expanding, particularly in climate and fintech sectors, and pan-African fund specialization is moving from generalist vehicles to vertical-specific mandates. Yet energy remains the bottleneck, not for demand, but for scale. Startup operating costs are inflated by grid instability, and infrastructure ventures face margin compression due to backup power requirements.

Still, the signal is clear: South Africa is the preferred destination for mature capital looking for stable regulation, defined exit paths, and legacy corporate alignment.

The Strategic Takeaway

These are not four countries competing in the same game. They are four ecosystems that have codified their regulatory and capital philosophies in distinct ways:

- Nigeria is betting on scale and network entrenchment, with fintech and AI at the center.
- Kenya is aligning public infrastructure with impact capital, offering high visibility in climate-aligned sectors.
- Egypt is standardizing tech investment within a structured regulatory framework, targeting long-term economic integration.
- South Africa is anchoring corporate-aligned innovation, driven by private equity and co-investment logic.

This is no longer a race for startup counts or pitch deck aesthetics. What defines each of these markets in 2025 is how well capital, regulation, and sector priority are aligned to a coherent investment strategy.

- Michael Ajibola

Research Analyst, Venix Partners



START-UP CONSOLIDATION AND CLOSURE



A. OVERVIEW OF STARTUP CLOSURES IN 2024

Company	Sector	Fund Raised	Reason for Closure/Consolidation
ThePeer	Fintech	\$2.32M	Failure to scale
HerRyde	Ride Hailing	Boot Strapped	Operational challenges
Quizac	Edutech	Undisclosed	Difficulting maintaining users engagement
Chopnownow	Food Delivery	Undisclosed	Intense competing
BuyCoinsPro	Crypto currency Trading	\$1.30M	Funding challenges

REVOLUTIONING HR: HOW PRODUCTIVITY FUELS PERFORMANCE, EMPLOYEE WELL-BEING, AND ORGANIZATIONAL GROWTH IN THE DIGITAL ERA

A couple years ago, I sat in a meeting where the pioneer head of the HR department posed a simple yet profound question: “How do we measure success in HR?” A few hands went up, some spoke about employee retention, others highlighted performance reviews, and a few mentioned productivity metrics, and I didn’t make any contribution because I was still a newbie in HR.

The room went silent when she responded, “All of these matter, but what truly determines success is the intersection of productivity, performance, and employee well-being because when those align, the growth of the organization is ensured.” That moment stuck with me.

REVOLUTIONING HR: HOW PRODUCTIVITY FUELS PERFORMANCE, EMPLOYEE WELL-BEING, AND ORGANIZATIONAL GROWTH IN THE DIGITAL ERA

In today's digital age, organizations can no longer afford to treat these factors as isolated metrics. Productivity fuels performance, which in turn shapes employee well-being, leading to enhanced employee experience and ultimately driving organizational success. The best part? Technology is making this alignment more seamless than ever before.

For years, productivity was measured in outdated ways; long hours at the office, clocked-in time, and sheer effort. Now the rise of digital tools have redefined productivity as a combination of efficiency, effectiveness, and impact. AI-powered automation has taken over repetitive tasks, allowing HR professionals to focus on strategic decision-making rather than paperwork. Employees are no longer bogged down by administrative bottlenecks; instead, they can channel their energy into high-value tasks that contribute to business objectives. Collaboration tools like Slack, Microsoft Teams, Zoho, Outlook, Google Meet, Zoom and Asana have dismantled silos, ensuring seamless workflow and eliminating unnecessary back-and-forth communication. The result? A highly engaged workforce that is not just working hard but working smart. And smart work leads to better performance.

In the traditional workplace, performance was often assessed through infrequent reviews and static KPIs. But in the digital era, real-time data and AI-driven analytics have changed the game. Companies are now leveraging performance tracking softwares that provide instant feedback, set clear goals, and allow employees to track their progress continuously. When employees see their contributions reflected in tangible performance metrics, motivation skyrockets. Real-time dashboards enable managers to pinpoint areas of excellence and improvement, ensuring that high-performing employees are recognized and those needing support receive guidance instantly. Take Google, for example, their Objectives and Key Results (OKRs) framework aligns productivity with business goals, ensuring that employees don't just complete tasks but make meaningful contributions to the company's success.

Productivity should never come at the cost of employee well-being. In fact, the forward-thinking organizations recognize that well-being is a productivity multiplier. With the rise of technology, companies are integrating wellness platforms that promote mental health, work-life harmony, and overall well-being.

REVOLUTIONING HR: HOW PRODUCTIVITY FUELS PERFORMANCE, EMPLOYEE WELL-BEING, AND ORGANIZATIONAL GROWTH IN THE DIGITAL ERA

Employee Assistance Programs (EAPs), virtual therapy sessions, and wellness initiatives offering emotional support are ensuring that employees are productive but also healthy and engaged.

When productivity, performance, and well-being are seamlessly integrated, organizations witness exponential growth. A productive workforce drives innovation, high performance ensures competitiveness, and employee well-being cultivates loyalty and long-term success. The digital transformation of HR should not be a luxury but a necessity for businesses aiming to remain agile and forward-thinking. By embracing HR technology, companies are improving their people operations and setting the foundation for sustainable success in an ever-evolving corporate landscape.

The landscape of Human Resources (HR) is undergoing a profound transformation and it's no news that HR professionals are seen as being unfriendly, rigid, and strict. However, the future of HR will not focus on policies and procedures but about people, progress, and purpose fully leading to organization's growth.

As Peter Drucker once said, "The best way to predict the future is to create it." And in the world of HR, the future is being created with every click, every algorithm, and every innovative solution that puts people first.

So, the next time someone asks, "What does HR truly do?" I'll tell them this: We shape the future of work by ensuring that productivity drives performance, well-being nurtures talent, and technology makes it all possible.

- Zainab Shekoni

HR Analyst, Venix Partners

E-TEXTILES IN HEALTHCARE: HOW SMART FABRICS ARE CHANGING MEDICINE

Imagine wearing a shirt that monitors your heartbeat, detects falls, or even helps heal wounds. This vision is becoming reality thanks to electronic textiles (e-textiles)—fabrics woven with sensors, circuits, or responsive materials to improve health outcomes. Below, we'll explore how researchers and companies are advancing this technology, along with the challenges they face.

Part 1: The Basics – What Are E-Textiles?

E-textiles are everyday fabrics like cotton or polyester embedded with tiny electronics or special materials. These textiles can sense biological signals (e.g., heart rate), react to stimuli (e.g., delivering therapeutic pulses), or communicate data wirelessly to healthcare providers. Innovations such as conductive threads and stretchable circuits allow these garments to function like wearable computers while maintaining the comfort of regular clothing.

Part 2: Real-World Applications

A. Health Monitoring

Smart socks with pressure sensors can alert diabetic patients to uneven walking patterns that may lead to foot ulcers. Similarly, bras with ECG sensors track heart rhythms to detect irregular beats like atrial fibrillation, eliminating the need for bulky hospital equipment.

These advancements rely on embedded graphene-based electrodes and inertial sensors that continuously collect data.

B. Therapy and Rehabilitation

E-textiles are also used for pain relief and recovery. Shirts with built-in electrodes deliver mild electrical pulses to soothe chronic back pain, mimicking transcutaneous electrical nerve stimulation (TENS) machines. Knee sleeves with motion sensors guide stroke patients through rehabilitation exercises at home, transmitting progress reports to physical therapists. Such systems often integrate machine learning to analyze movement patterns and personalize therapy.

C. Emergency Prevention

Fall-detection pajamas use accelerometers and gyroscopes to identify sudden movements in elderly users, automatically alerting caregivers. Meanwhile, experimental masks with functionalized fibers can detect viral particles like COVID-19 in breath, providing early infection alerts. These applications highlight the potential of e-textiles to prevent crises before they escalate.

E-TEXTILES IN HEALTHCARE: HOW SMART FABRICS ARE CHANGING MEDICINE

Part 3: The Technology Behind the Fabrics

A. Advanced Materials

Conductive materials like silver-coated yarns and carbon nanotubes enable fabrics to transmit electrical signals without compromising flexibility. Recent breakthroughs in self-healing polymers allow sensors to regain functionality after damage, addressing durability concerns. Additionally, nanoparticles are being tested to create self-cleaning fabrics that reduce sensor degradation during washing.

B. Power Solutions

Solar threads woven into sleeves harness sunlight to charge devices, while thermoelectric polymers convert body heat into electricity. These innovations aim to solve the persistent challenge of powering e-textiles sustainably.

Part 4: Challenges to Adoption

A. Practical Limitations

Early e-textiles often degraded after 20 wash cycles due to water damage to circuits, though advances in waterproof coatings and laser-cut sensors are improving longevity. Comfort has also improved, with newer designs using breathable, stretchable materials that mimic everyday clothing.

B. Privacy and Regulation

Wireless data transmission raises hacking risks, prompting calls for encrypted storage and localized data processing. Regulatory hurdles, such as FDA approvals for medical-grade e-textiles, delay commercialization by 5–7 years, as agencies grapple with classifying these hybrid devices.

C. Cost Barriers

High production costs keep prices elevated—a smart ECG shirt currently retails for ~\$200—though economies of scale could reduce this over time.

Part 5: The Road Ahead

Future e-textiles may integrate AI to predict health declines, such as analyzing hand tremors to track Parkinson's progression. Eco-friendly designs using biodegradable sensors aim to reduce e-waste, while prototypes like smart hospital gowns could replace wired monitors in ICUs, granting patients greater mobility. Collaboration between material scientists, clinicians, and policymakers will be critical to overcoming remaining barriers.

E-TEXTILES IN HEALTHCARE: HOW SMART FABRICS ARE CHANGING MEDICINE

Conclusion

E-textiles promise to make healthcare proactive, personalized, and accessible. From preventing diabetic ulcers to enabling remote rehabilitation, these innovations are reshaping medicine. While challenges like cost and regulation persist, ongoing research into durable materials, ethical data practices, and AI integration suggests a future where smart fabrics are as commonplace as smartphones.

- **Patrick Osakwe**

Platform Analyst, Venix Partners

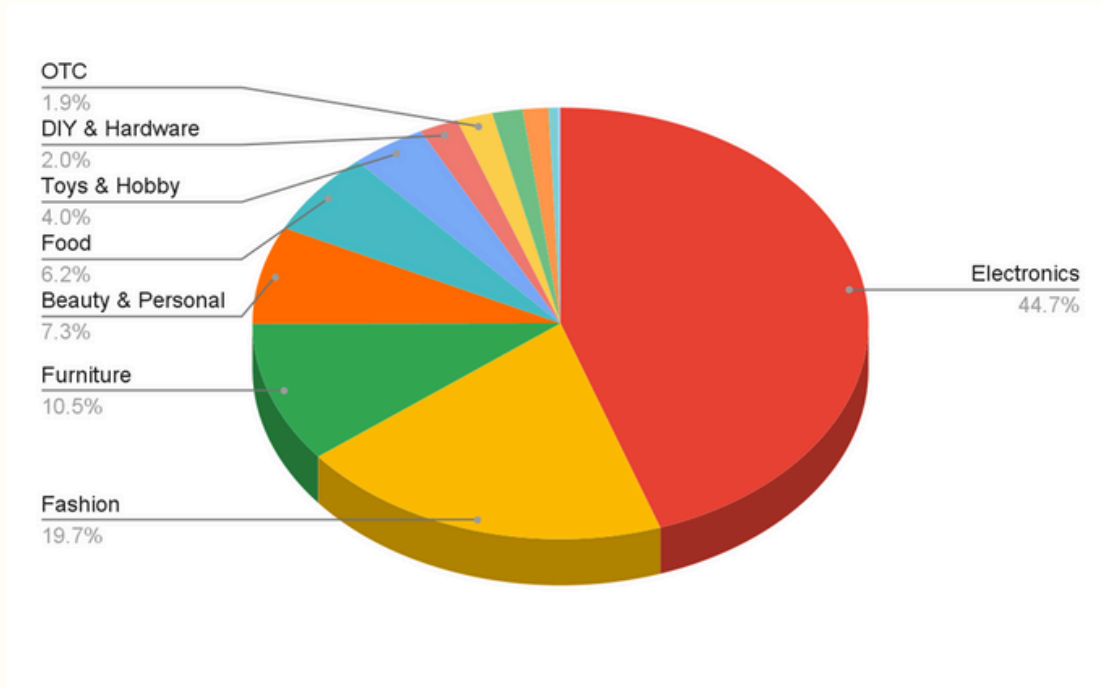


TECH ECOSYSTEM BEYOND FINTECH

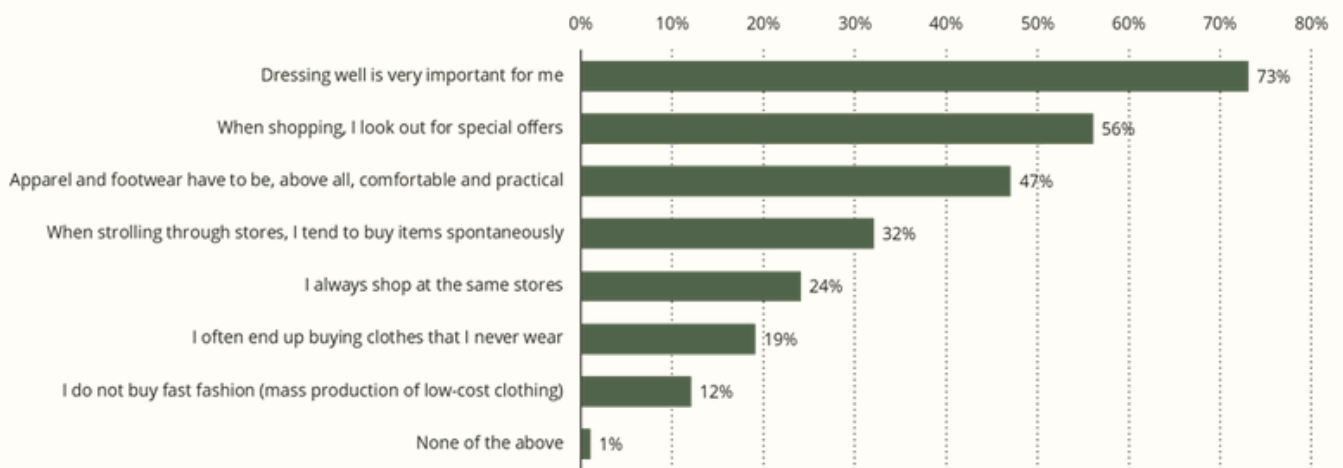


E-Commerce

A. E-commerce Revenue Share by Product Category (2024)

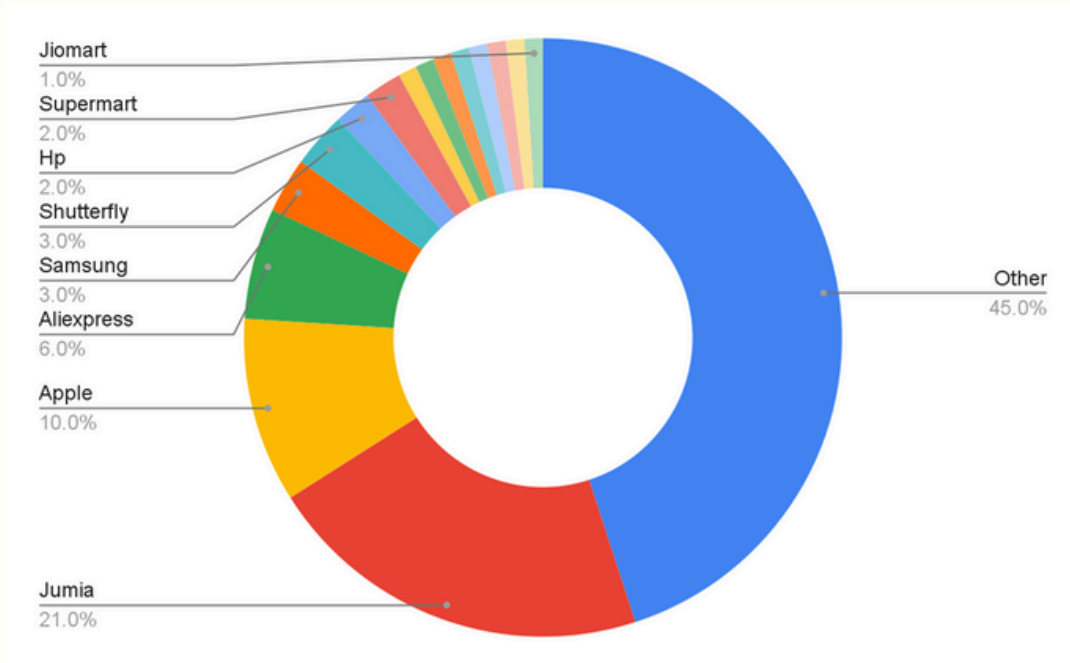


B. Nigerian Consumers' Online Shopping Attitudes (2024)



E-Commerce

C. E-commerce Brand Share Breakdown (2023)

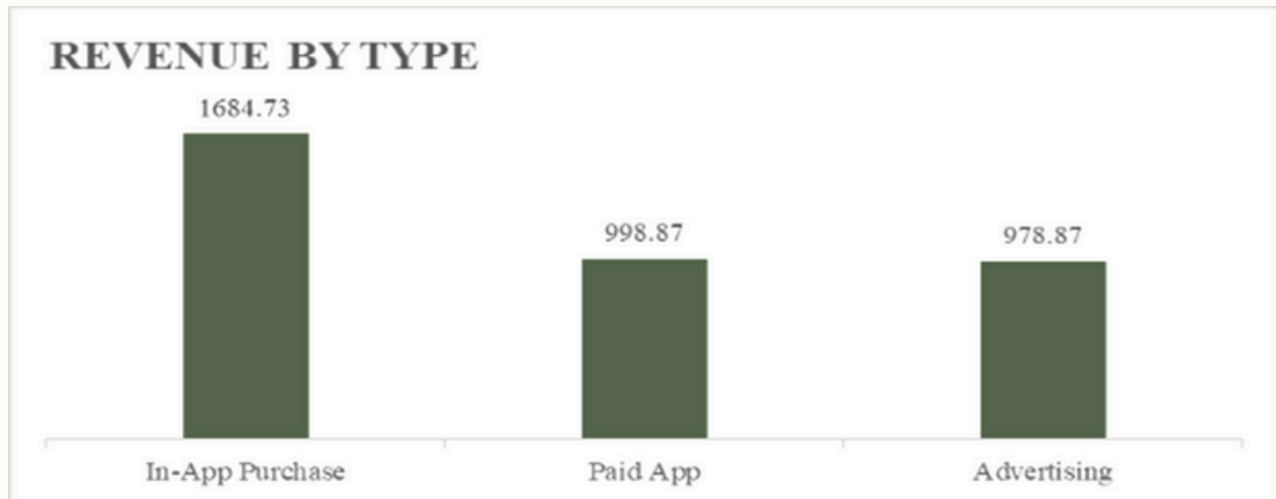
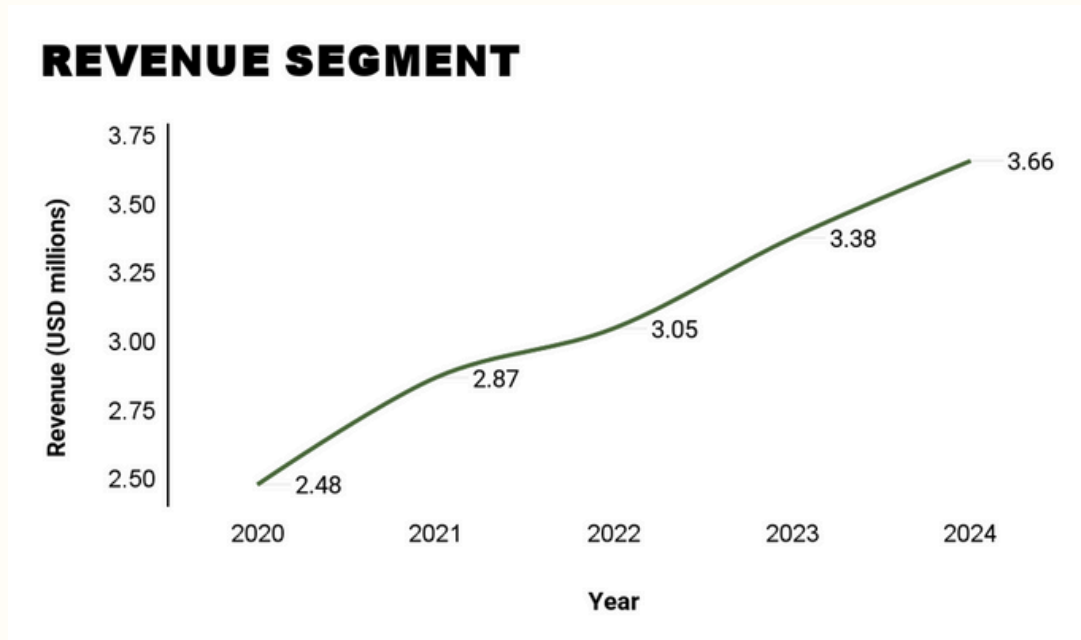


D. Active Customer Growth at Jumia

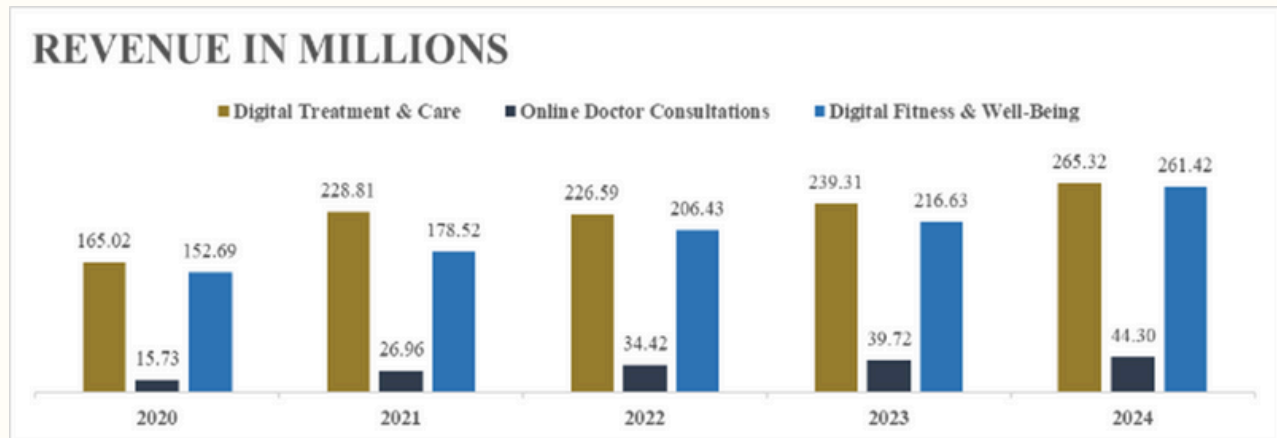


EDUTECH

C. E-commerce Brand Share Breakdown (2023)



HEALTH TECH



SURVIVAL AS STRATEGY: HOW NIGERIA CONSUMERS ARE RESHAPING THE E-COMMERCE ECOSYSTEM

Nigeria's economic landscape is totally different from any other country's marketplace. If there is one word to define it, it would be “resilience.”

It is what I will call a true definition of resilience and adaptive innovation.

Let's dig deeper,
If there is one thing all Nigerians will agree on, it's that economic pressure keeps mounting. The biggest challenge is *inflation*, which is impacting consumer behavior. But in the midst of all this, Nigerians are rewriting and recreating the rules of digital commerce (e-commerce).

The economic environment is complex and challenging. The high inflation rates and economic uncertainties we face in Nigeria might have paralyzed or even crippled other markets, but not Nigeria. Instead, consumers are becoming strategic navigators of the new economic reality.

The question is, how are they doing this?

- Switching brands
- Seeking more affordable options
- Making calculated purchase decisions
- Actively comparing prices before buying

According to Statista, by 2027, **internet penetration** is projected to reach **48%**. This means that half of Nigerians will be shopping online.

The current online shopping trends reveal fascinating patterns:

- Electronics dominate online purchases
- Clothing represents the most frequently bought category

But beneath all these statistics lies a deeper story.

There is a growing preference for locally made products.

This is driven by Nigerian economic pragmatism.

I would love to refer to it as the “Nigerian Common Sense.”

It's not a “**Buy Nigeria**” trend.

It's an economic strategy of cultural resilience, as customers are no longer buying based on brand loyalty but rather a rational approach focused on affordability.

Jumia stands as the undisputed leader in this digital ecosystem. It has the highest monthly website visits and the most downloaded shopping application. Other platforms like Konga and Jiji maintain significant user bases.

SURVIVAL AS STRATEGY: HOW NIGERIA CONSUMERS ARE RESHAPING THE E-COMMERCE ECOSYSTEM

The Nigerian consumer behavior is full of complexity. Shoppers are no longer passive recipients but more active researchers.

They carefully compare prices, spread their spending across different platforms, and make purchasing decisions that reflect deep economic understanding.

Despite various challenges (limited broadband access, unreliable logistics, complex digital payment ecosystems), Nigerian entrepreneurs and consumers are creating solutions. The economic pressures have sparked an innovation mindset where survival becomes a form of entrepreneurship.

Behind every digital transaction lies a story of Nigeria's resilience and adaptation.

WHAT ARE THE IMPLICATIONS FOR TECH BUSINESS?

To assume that success is about competitive pricing alone is a recipe for failure. It demands cultural resilience, mobile optimization, and an understanding of the nuanced economic landscape.

It's a must for tech businesses to embrace mobile-first economic strategies that reflect the lived realities of Nigerian consumers.

The opportunities are immense:

- Localizing product offerings
- Enhancing digital payment systems
- Improving mobile internet access
- Creating culturally relevant experiences

These are not just business strategies but pathways to economic empowerment.

As technology continues to evolve, so will Nigeria's e-commerce.

What we have is not just an e-commerce ecosystem but a resilient economic model that turns challenges into opportunities.

Each smartphone tap, each locally purchased product, tells a story of innovation, survival, and hope in the Nigerian market.

This is more than a market transformation. This is Nigeria's Digital Economic Revolution.

- **Michael Ajibola**

Research Analyst, Venix Partners.



KEY POLICY CHANGES IN 2024 CBN FINTECH REGULATIONS



2024 was a transformative year for Nigeria's fintech regulatory environment, marked by significant policy changes and heightened oversight from the Central Bank of Nigeria (CBN). These changes aimed to strengthen market integrity, enhance consumer protection, and foster innovation while addressing emerging risks in the rapidly evolving fintech sector.

MAJOR CBN REGULATORY DEVELOPMENTS IN 2024

1. Stricter KYC and Onboarding Requirements:

In April 2024, the CBN imposed a two-month suspension on customer onboarding for major fintech including Moniepoint, OPay, Kuda Bank, and Palmpay—due to deficiencies in their Know-Your-Customer (KYC) processes. The CBN now requires more stringent identity verification and due diligence, signaling a shift from light-touch to more robust regulation as fintech risks increase.

2. Revised International Money Transfer Guidelines:

The CBN issued new Guidelines for International Money Transfer Operators (IMTOs) in January 2024, repealing the 2014 guidelines. The new framework restricts banks and fintech from being licensed as IMTOs, introduces stricter licensing and operational requirements, and aims to boost remittance flows while ensuring compliance and transparency.

3. Foreign Exchange (FX) Market Reforms:

The CBN rolled out several FX market reforms, including:

- The implementation of an Electronic Foreign Exchange Matching System for all interbank FX transactions, ensuring real-time price visibility and transparency.
- Prohibition of trading FX rates with unlicensed intermediaries.
- Mandatory real-time reporting of FX transactions to the CBN within 10 minutes of execution.
- Introduction of the FX Code, aligning market operations with global best practices and requiring annual compliance attestations from authorized dealers.

4. Regulatory Guidelines for Bureau De Change (BDC) Operations:

In May 2024, the CBN issued new guidelines for BDCs, introducing:

- A tiering licensing system with higher minimum capital requirements.
- Mandatory caution deposit.
- Digital integration requirements for seamless connection with the CBN.
- Enhanced anti-money laundering and counter terrorism financing measures.

5. Prohibition of Foreign Currency Collateral for Naira Loans:

In April 2024, the CBN prohibited the use of foreign-currency-denominated collateral for Naira loans, with limited exemptions for federal government Eurobonds and foreign bank guarantees.

6. Payment System and POS Transaction Reforms:

In September 2024, the CBN mandated that all Point of Sale (POS) transactions be routed through a licensed Payment Terminal Service Aggregator (PTSA), reducing systemic risk and fostering competition in the payment ecosystem.

7. Relaxation on Digital Assets:

The CBN lifted its ban on commercial banks collaborating with digital/virtual asset providers, provided they comply with Securities and Exchange Commission (SEC) regulations. The SEC launched a regulatory incubation program for onboarding virtual asset providers, further integrating digital assets into the financial system.

8. Foreign Exchange (FX) Market Reform:

The CBN rolled out several FX market reforms, including:

- The implementation of an Electronic Foreign Exchange Matching System for all interbank FX transactions, ensuring real-time price visibility and transparency.
- Prohibition of trading FX rates with unlicensed intermediaries.
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