



CIBN KEYNOTE ADDRESS BY THE GOVERNOR OF THE CENTRAL BANK OF NIGERIA, MR. OLAYEMI CARDOSO, AT THE CIBN ANNUAL BANKERS' DINNER, FRIDAY, NOVEMBER 28, 2025

Protocol.

Good evening, distinguished guests, esteemed members of the Chartered Institute of Bankers of Nigeria, colleagues, and friends.

It is my honour to join you at the 60th Annual Bankers' Dinner. I extend my appreciation to the leadership of the Institute for your continued partnership and the pivotal role you play in shaping the evolution of Nigeria's financial system. Your commitment to ethics, professionalism, and service has shaped our banking landscape over the decades.

During past years, this annual gathering, midwifed by the CIBN, has become a tradition and a platform for reflection, accountability, and shared purpose. It is a night when the central bank and the financial industry deepen dialogue, renew commitments, and affirm our collective resolve to strengthen Nigeria's economy. It reinforces our shared responsibility to uphold trust, transparency and integrity across the financial system.

Tonight, we gather at a defining moment for our nation—one marked by global uncertainty, domestic recalibration, and deep institutional rebuilding. Yet amid these challenges lies a moment of renewed clarity. Over the past year, we have collectively committed to restoring macroeconomic stability, rebuilding trust, and strengthening the credibility of the Central Bank of Nigeria. I am pleased to report meaningful progress on all three fronts, even as we remain fully aware of the work ahead. Our actions continue to reflect the policy direction we articulated from the outset, in other words, we said what we would do, and we have done it, transparently and consistently.

Now, for those who know me, there is always a risk that my speeches at the CIBN can be long, but tonight, the punishment is mine. Because standing throughout is uniquely my cross to bear.

Tonight, as you sit — comfortably — I will take you on a journey. Over the past two years, Nigeria has undertaken one of the most ambitious cycles of reforms in its history. These reforms required courage, sacrifice and patience. This evening, I will reflect on our journey from November 2024 to date, highlighting the bold policies that are restoring stability to the macroeconomic environment. I will also look ahead to the emerging opportunities before us as we enter 2026 with a newfound resilience and stronger economic fundamentals.

Distinguished guests, before I proceed, I must acknowledge the very real challenges facing many communities across our country. Recent incidents, and the renewed international spotlight on Nigeria's security situation, have underscored the human toll of conflict and the urgency of sustained solutions. On behalf of the Central Bank, I extend our deepest sympathies to all families who have experienced loss or disruption.

While security matters fall outside the Bank's mandate, we recognise their profound economic implications. The Government is taking steps to address these issues, and as monetary authorities, our role is to ensure that the economic foundations remain stable and supportive, so that investment, livelihoods, and community resilience can continue to strengthen as broader national efforts advance.

Recent reforms have begun to ease inflationary pressures, stabilise the exchange rate, and restore investor confidence. The remarkable endurance and tenacity of Nigerians bolster our resolve at the Central Bank to improve our internal processes, deepen analytical rigour, and ensure that every policy is anchored on evidence, transparency, and our duty to the Nigerian people, even amid global uncertainties. Our vision is clear: a Central Bank of Nigeria that is trusted and respected.

Nigeria in a Shifting Global Landscape

To fully understand Nigeria's trajectory today, it is important to situate our recent reforms within the world around us. Global growth continues to moderate as geopolitical tensions, supply-chain realignments, and rising protectionism reshape the world economy. Advanced economies are adjusting to slower growth paths, while many emerging markets, particularly in Africa, continue to contend with tightening external financing conditions and persistent price pressures.

Yet, despite these headwinds, pockets of relief across the continent have been assisted by a softer U.S. dollar and easing global inflation. Many

African currencies, previously under intense pressure, are beginning to stabilise. Supported by improved economic management and domestic reforms, Sub-Saharan Africa is projected to grow by 3.8% in 2025 and 4.4% in 2026, according to the World Bank.

Nigeria, Ethiopia, and Côte d'Ivoire are leading this continental recovery, demonstrating the impact of decisive reforms, credible institutions, and focused policy direction. This type of resilience is never automatic; it is the outcome of difficult, disciplined choices - choices we too have had to make.

A case in point is Nigeria's improved economic diversification: with oil now accounting for a smaller share of our GDP, 33% of government revenue, and 51% of exports – significantly reducing our vulnerability to oil price shocks.

Where We Came From

Ladies and gentlemen, the story of Nigeria's economic recovery cannot be appreciated without first recalling where we started, because the reforms of today are borne out of a determination to change the conditions we met.

When this leadership team assumed office, our economy faced severe macroeconomic distortions. Inflation was surging. FX liquidity had evaporated. External reserves were non-existent. Trust in economic management had weakened. Unorthodox monetary practices had eroded confidence. Businesses could not plan or price. Investors could not commit.

The foreign exchange market was in paralysis. A backlog of over US\$7 billion in unmet FX obligations undermined market integrity. The spread between official and parallel market rates had blown out to more than 60%, creating distortions and rent-seeking opportunities.

High inflation had become normalised, stuck in double digits for most of the last 35 years and risen to 34.6% as of November 2024. Food prices were crippling households. Liquidity conditions were unstable. Many businesses faced an existential threat.

The banking sector, though fundamentally sound, was at risk of being dragged into distress by a deteriorating macro environment and inconsistent policy signals.

This was the Nigeria we inherited, not one standing at the edge of a macroeconomic precipice, but one that had already gone over the cliff. It is important to recall this not for drama, but for context: the progress we cautiously acknowledge today is meaningful only when measured against the depth of the challenges that came before it.

Economic Turnaround

Over the past twelve months, Nigeria's economy has transitioned from crisis management to laying the groundwork for a sustainable recovery. After nearly a decade in which real GDP growth averaged about 2%, reforms have restored momentum and confidence in our broad macroeconomic environment. Our economy grew by 4.23% in the second quarter of 2025, the strongest pace in four years, driven by improvements in telecommunications, financial services, and oil production.

More importantly in terms of long-term stability, inflation, while still high, has moderated consistently. From a peak of 34.6% in November 2024, it has more than halved to 16.05% in October 2025. This marks seven consecutive months of disinflation. Food inflation, the largest single component of the basket, fell to 13.12 per cent in October, down from 16.87 per cent in September and 21.87 per cent in August.

This significant, steady decline in inflation is restoring real purchasing power for households and businesses. It also demonstrates disciplined execution and Nigeria's return to orthodox monetary policy.

We continue with determination to bring inflation down further. The current double-digit rate cannot be acceptable. Price stability is the foundation of sustainable growth. Our transition to an inflation-targeting framework is gaining traction. We have improved data analytics, strengthened communication, and ended monetary financing of fiscal deficits. These actions have strengthened monetary policy transmission and anchored expectations.

Our models project continued disinflation in 2026, helped by stronger domestic production, improved FX liquidity, and more disciplined liquidity management. As inflation moderates and becomes firmly anchored, we will calibrate the policy rate in line with evolving data.

Domestic and international observers alike have noted Nigeria's "huge turnaround" in macroeconomic management. Our commitment remains

clear: monetary policy will stay evidence-based, data-driven, and unwavering in its pursuit of price stability.

Foreign Exchange Market Reforms

Perhaps the most visible sign of renewed confidence in our economy is the transformation of the foreign exchange market. Over the past year, we have sustained the unification of the multiple exchange-rate windows. Today, the once-crippling multi-billion-dollar FX backlog has been fully cleared, restoring credibility and giving businesses the confidence to plan.

The introduction of the Nigerian Foreign Exchange Code has established clear rules for transparency, ethics, governance, and fair dealing among authorised dealers while the deployment of the Electronic Foreign Exchange Management System (EFEMS) system, powered by Bloomberg BMatch, has transformed FX trading through mandatory order submission, real-time regulatory visibility, and enhanced price discovery.

Together, these reforms have reduced opacity and manipulation, and restored discipline to the market. The naira now trades within a narrow, stable range. The once-substantial gap between the official and parallel markets has shrunk to under 2%, down from over 60%.

Foreign capital inflows reached US\$20.98 billion in the first ten months of 2025, a 70% increase over total inflows for 2024 and a 428% surge compared to the US\$3.9 billion recorded in 2023, reflecting a clear resurgence in investor confidence.

External Sector Progress

Nigeria's external sector strengthened decisively in 2025, with the current account balance rising over 85% to US\$5.28 billion in Q2, up from US\$2.85 billion in Q1. Bolstering our external buffers, foreign reserves reached US\$46.7 billion by mid-November, the highest in nearly seven years, providing over 10 months of forward import cover and significantly enhancing the economy's resilience.

What is most important here is that our FX reserves are being rebuilt organically, not by borrowing, but through improved market functioning, stronger non-oil exports, and robust capital inflows.

While oil production improved modestly to an average of 1.45–1.52 million barrels per day in 2025, the truly encouraging development is the strong performance of non-oil exports. Supported by ongoing reforms and greater exchange-rate flexibility, non-oil exports have grown by more than 18% year-on-year, reflecting rising competitiveness under a truly market-driven FX framework.

As with foreign investor inflows, diaspora remittances have also strengthened with confidence returning to official channels following enhancements in transparency, settlement efficiency, and reporting. Remittances increased by approximately 12% this year, and we expect this momentum to continue as the Non-Resident BVN, launched earlier this year, becomes more widely adopted in 2026.

We are committed to maintaining the current flexible exchange-rate framework that allows the naira to act as a shock absorber while limiting excessive volatility. To strengthen this framework further, we will shortly be unveiling the revised FX Manual to expand market participation and tighten documentation standards, enhance EFEMS surveillance, and ensure consistent implementation to avoid any possibility of policy reversal.

Fixed-Income Market Reforms

A functional, transparent and liquid fixed-income market is critical for effective monetary-policy transmission and for mobilising long-term domestic savings.

Working closely in the past year with the SEC and PENCOM, both of whom have issued complementary rules, the over-the-counter secondary market is transitioning to a more transparent and robust regulatory framework that better serves investors and market participants. These reforms are foundational steps towards ensuring that Nigeria's financial markets can support deeper investment, accurate pricing, and stronger monetary-policy transmission.

We expect continued progress into the new year, as implementation strengthens and market participants adapt to the higher standards of disclosure and discipline required. The Central Bank of Nigeria will do everything necessary to protect the financial stability that is rewarding us with improved international investor sentiment.

Growing International Confidence: Rating Agencies

Recent assessments by rating agencies have provided significant external validation of Nigeria's reform trajectory.

Fitch, Moody's, and Standard & Poor's have all acknowledged the positive impact of Nigeria's reforms, from stronger reserves to improved fiscal discipline and greater FX transparency. Across all three agencies, the direction is consistent: fundamentals are strengthening, reform credibility is rising, and Nigeria's risk profile is improving.

Fitch upgraded Nigeria from B- to B (stable), recognising our commitment to orthodox policies including FX reform, monetary tightening, and ending deficit monetisation. Moody's also raised its rating from Caa1 to B3 in May, citing improved fundamentals and a stronger outlook. And just this November, S&P affirmed B-/B and revised its outlook to positive, underscoring sustained reform momentum, rising reserves, and enhanced macroeconomic resilience.

This evening, Moody's concluded its periodic review and while headlines may highlight risks, as rating agencies are mandated to do, the substance of the report reaffirms ongoing improvements, including stronger fiscal metrics and deeper diversification.

These nuances matter and this is precisely why we must continue to tell our own story clearly, consistently, and confidently. Nigeria's model-implied scores are trending upward, and as reforms deepen and data continues to validate progress, these legacy qualitative reservations will diminish paving a clearer path to future upgrades.

These endorsements of Nigeria's policy direction have translated directly into improved borrowing terms, increased investment inflows, and enhanced credibility. Underscoring this progress, Nigeria this month successfully raised US\$2.35 billion through a Eurobond issuance, attracting US\$13 billion in orders, the largest in the nation's history.

Banking Sector Health

Nigeria's banking system remains fundamentally sound and resilient, a cornerstone of our financial stability. At the same time, we remain vigilant to emerging risks, including cyber threats, credit-concentration pressures, and operational vulnerabilities. These are being addressed through

strengthened risk-based supervision and our ongoing transition to Basel III, which will further bolster resilience, improve capital quality, and strengthen liquidity monitoring.

With just four months to the conclusion of the recapitalisation exercise, I am pleased to report that the process is firmly on track. Several banks have already met the new capital thresholds, while others are advancing steadily and are well positioned to comfortably meet the March 31, 2026, deadline. To date, twenty-seven banks have raised capital through public offers and rights issues, and sixteen have already met or exceeded the new requirements — a clear testament to the depth, resilience, and capacity of Nigeria's banking sector.

As we strengthen the capacity of our banks, stress-testing this year confirms that Nigeria's banking sector remains fundamentally robust. Key financial soundness indicators overwhelmingly satisfied prudential benchmarks during the year.

We are reinforcing operational discipline to ensure the financial system serves all Nigerians reliably. Our starting point was a comprehensive, end-to-end review of the entire cash lifecycle: from production, to transportation, to distribution, and eventual access by consumers.

This holistic assessment enabled us to address root causes rather than symptoms. As a result, we recalibrated our cash-printing models, issued guidelines on the optimal ATM-to-card ratio, strengthened requirements for CBN approval before ATM or branch closures, enforced sanctions on banks whose ATMs fail to dispense cash, and intensified supervision of payment agents and POS operators nationwide.

Our decisive actions on regulatory forbearance mark another turning point. As recapitalisation progresses, we are redesigning the credit-risk framework to enforce stronger governance, greater transparency, and firmer accountability across the sector. We are determined to break the boom-and-bust cycle that has accompanied past recapitalisation efforts.

MSMEs remain central to our efforts. This year alone, microfinance lending expanded by over 14%, and new digital-credit products reached more than 1.2 million small enterprises — evidence of the sector's growing depth and capacity. We are improving access to credit, supporting microfinance

institutions, and expanding financial products tailored to smaller enterprises.

Payment-System Modernisation & Digital Finance

Nigeria's digital-finance transformation accelerated in 2025, reflecting our twin priorities of fostering innovation while safeguarding stability across the payments ecosystem. Earlier this year, we extended our Payments System Vision roadmap to 2028, an ambitious commitment to modernise payments infrastructure and strengthen cybersecurity.

More than 12 million contactless payment cards are now in circulation. Our regulatory sandbox has expanded to over 40 fintech innovators, enabling safe experimentation and responsible scaling of new digital-finance solutions.

Revised agent-banking guidelines have tightened anti-money-laundering controls, including geo-fencing of high-risk areas, while improving consumer protection at the last mile. Integration across switching companies has improved, bringing Nigeria closer to seamless domestic interoperability.

Supported by these measures, Nigeria today stands among Africa's most advanced digital payments markets, with a dynamic fintech ecosystem that has produced eight of the continent's nine unicorns. By mid-2025, leading fintech apps had surpassed 10 million downloads each, with one surpassing 50 million downloads, reflecting deep consumer adoption.

In parallel, our engagement with the global fintech community has been a further significant supportive mechanism. The Strategic Fintech Dialogue at the IMF Fall Meetings brought together policymakers, innovators and investors, culminating in a consultative report that will guide Nigeria's next phase of fintech evolution.

As digital assets, tokenisation and stablecoins become critical topics for central banks worldwide, our stance remains clear: we will lead thoughtfully, with discipline and clarity of purpose. Innovation must proceed responsibly, anchored in consumer protection and financial stability.

FATF Grey-List Exit: Restoring Confidence

One of the most significant achievements this year was Nigeria's exit from the Financial Action Task Force (FATF) grey list. This milestone was the result of a coordinated national effort led by the Federal Government, with critical contributions from the Central Bank of Nigeria, the Ministry of Justice, the NFIU, the EFCC, and our regional partners. Through stronger supervision, improved reporting standards, enhanced intelligence-sharing, and governance tools such as EFEMS and the FX Code, we addressed the deficiencies identified by FATF during its on-site assessment.

Nigeria's grey-listing carried a significant cost: countries in this category typically experience a 7.6% of GDP drop in capital inflows in the first year, for Nigeria, that translates to more than USD 30 billion in potential investment. Exiting the list therefore signals a major restoration of confidence and eases compliance frictions for correspondent banks.

The global financial community has welcomed Nigeria's exit, noting improved access to international finance and smoother cross-border payments.

Financial Inclusion & Expanding Participation

Financial inclusion in Nigeria continues to deepen. At 74%, the share of adults with access to formal financial services is approaching the global average. More than 3 million agent bankers now serve communities nationwide. Inclusion, however, must go beyond account ownership. It must translate into meaningful economic participation.

To this end, we launched a Women's Financial Inclusion Dashboard, a Women Entrepreneurs Finance Code, and an Inclusion Roadmap for Displaced Persons — initiatives designed to ensure underserved groups can access and use financial services.

Digital wallets, mobile money platforms, and fintech-enabled microcredit solutions continue to expand options for households and MSMEs.

Strengthening Trust Through Transparency & Thought Leadership

Trust is the backbone of any financial system, and it is built through transparency, consistency, and sustained engagement, principles that guide our relationship with the CIBN and the broader financial community.

This year, we expanded our external engagements and thought-leadership initiatives to rebuild credibility, elevate Nigeria's presence in global economic discourse, and reinforce confidence in our reform trajectory.

For example, in New York, we presented Nigeria's reform story at the Nasdaq MarketSite in Times Square. Sharing the stage with a Nobel Prize-winning economist and leading global emerging markets investors, we directly engaged key institutions and Nigerians in the diaspora.

At universities – the Lagos Business School and the London Business School, for example – we met with young Nigerians alongside policy makers, business leaders, investors, and members of our diaspora community, deepening understanding of our monetary reforms and building trust across generations and constituencies.

Fiscal-Monetary Coordination

But monetary reform cannot be effective in a vacuum. Alignment with fiscal policy has strengthened Nigeria's macro stability and yielded tangible results including reduced domestic borrowing costs, improved liquidity conditions, and more predictable fiscal operations.

The discontinuation of direct deficit financing signals one prong in our commitment to discipline. This stance is unequivocal: there will be no return to the practice of financing fiscal deficits by the Central Bank. In parallel, the fiscal authorities have embarked on key institutional reforms – including the implementation of a Revenue Optimisation (RevOp) framework, the establishment of a new National Revenue Agency, and upgrades to the Treasury Single Account (TSA) – to strengthen revenue mobilisation and public financial management.

As we transition towards a full-fledged inflation-targeting framework, this partnership will deepen, ensuring fiscal and monetary policies reinforce each other in delivering durable price stability.

Compliance, Digitalisation & Operational Effectiveness

Digitalisation is reshaping the global financial system, and the Central Bank is preparing deliberately for this future. In 2025, we established a dedicated Compliance Department, now fully operational, with mandates

covering financial crime supervision, market conduct, enterprise security, corporate governance, and ESG.

We also accelerated our internal digital transformation, deploying AI-enabled tools to enhance productivity and rolling out DocFlow, our digital records management system, to strengthen efficiency and transparency.

Capacity building is now a core pillar of our reforms. Our people are undergoing targeted training in AI, blockchain, digital assets, and data governance frameworks, ensuring the Bank develops the technical depth required to regulate an increasingly complex financial landscape.

We are at the same time improving how we serve this market: streamlining licensing processes, accelerating approvals, reducing bottlenecks, and issuing clearer, more consistent circulars. The goal is simple, a Central Bank with the institutional capacity, digital readiness, and operational agility to meet the needs of its constituents and the demands of a rapidly evolving financial system.

Looking Ahead: Our Priorities For 2026

As we look towards 2026, our strategic priorities are clear and actionable:

1. **Strengthening the banking system:** safeguard stability, protect depositors, and support credit growth through rigorous supervision and strong governance.
2. **Delivering durable price stability:** refine our inflation-targeting framework and deploy advanced analytics to anchor expectations and lower inflation sustainably.
3. **Modernising payments and promoting financial inclusion:** expand contactless payments and strengthen digital rails.
4. **Fostering responsible fintech innovation:** support fintech expansion while protecting consumers, strengthening cybersecurity, and safeguarding financial integrity. This includes enhanced data-governance standards, stricter licensing requirements, and clearer guardrails for digital-asset experimentation.
5. **Building institutional capacity and efficiency:** strengthen staff skills, streamline processes, and reduce bottlenecks in licensing and approvals to support a more agile, responsive Central Bank.

6. **Deepening partnerships and thought leadership:** collaborate with regulators, industry stakeholders, and international partners to reinforce Nigeria's position as a trusted and respected central bank.

These priorities are not abstract aspirations, they are practical, measurable, and fully aligned with our mandate to safeguard monetary and financial stability.

Conclusion

Distinguished guests, the foundation for a revitalised Nigeria has been laid, but the journey is far from complete. The progress we have achieved reflects partnership, discipline, and the courage to pursue necessary reforms.

It demonstrates that when we unite behind difficult choices, Nigeria can chart a new economic course, one defined by stability, innovation, opportunity, and shared prosperity.

This year's actions – including the deployment of the Electronic Forex Market Surveillance System (EFEMS), the shift to a single, market-determined foreign exchange rate regime, and enhanced risk-based banking supervision – underscore our track record of reform delivery. They have strengthened Nigeria's capacity to absorb external shocks, from volatile oil prices to shifts in credit rating sentiment.

With oil now a smaller share of GDP and fiscal revenue, a sharp oil-price decline would be cushioned by the flexible FX regime, rising non-oil exports, and growing services trade. In short, Nigeria is more resilient to external shocks today than at any point in our recent history.

The Central Bank of Nigeria will continue to steer monetary policy with discipline, anchored firmly to its core mandate of price stability. Stability remains the bedrock upon which investment flourishes, resources are allocated efficiently, and purchasing power is protected.

In 2026, we will deepen engagement with stakeholders, strengthen collaboration with other regulators and international partners, and foster responsible innovation across the financial system.

We will continue to provide forward guidance, protect the integrity of our financial markets, leverage technology and AI to improve decision-making,

and build institutional capacity to support an evolving and resilient financial system.

By remaining disciplined, forward-looking, and true to our mandate, we will ensure that Nigeria's economy remains stable, inclusive, and primed for sustainable growth.

Thank you for your attention, and may God bless you all.