

Fintech Update

The 2025 CBN Fintech Report: Shaping the Future of Fintech in Nigeria

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The Central Bank of Nigeria (CBN) has released its inaugural fintech assessment report, detailing the strategic trajectory of the nation's digital financial ecosystem. The data highlights a significant expansion in transaction infrastructure, with the Nigeria Inter-Bank Settlement System (NIBSS) processing approximately 11 billion transactions in 2024. This figure represents a 100% increase in volume compared to 2022, cementing Nigeria's position as a global leader in real-time payments.

Despite this growth, the report identifies critical operational bottlenecks. Survey data indicates that 87.5% of fintech operators consider the escalating costs of regulatory compliance a primary inhibitor to innovation. Additionally, 62.5% of firms reported that lengthy regulatory approval cycles and licensing timelines have a material impact on their product rollouts, with more than one-third of respondents experiencing delays exceeding 12 months.

The report also reveals a strategic shift toward regional integration. Currently, 62.5% of Nigerian fintech firms intend to expand into other African markets. To facilitate this, the Central Bank of Nigeria (CBN) is exploring regulatory passporting frameworks designed to allow mutual recognition of licenses across jurisdictions.

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This ambition is further supported by Nigeria's official exit from the Financial Action Task Force (FATF) grey list, a milestone expected to enhance international investor confidence and lower the country-risk premium for digital assets.

Technological adoption remains high, with 87.5% of fintechs utilizing Artificial Intelligence (AI) specifically for fraud detection and risk management. However, infrastructure gaps persist, particularly in the reliability and cost of digital identity verification via the National Identity Management Commission (NIMC) APIs. Moving forward, the Central Bank of Nigeria (CBN) has prioritized the deployment of Supervisory Technology (SupTech) to enable real-time oversight and has committed to establishing structured, high-trust engagement forums to bridge the current communication gap between regulators and innovators.

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