The Informal Economy Report 2025

Powered by Moniepoint

In partnership with

FEDERAL MINISTRY OF INDUSTRY, TRADE & INVESTMENT

SMEDAN

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Foreword

Tosin Eniolorunda

Founder and Group CEO,
Moniepoint Inc.

The average monthly income of an informal business is less than ₦250,000. While this data point was one of the most shocking from our previous report, it's something that most people familiar with Nigeria's informal sector already sensed. We see these businesses around us, interact with them, and even depend on them every day. Still, the report was one of the first times that it was quantifiable.

With the 2024 Informal Economy Report, we were able to accomplish something that hadn't been done before: provide important context and data on Nigeria's informal economy. Its reception made it clear that, from government stakeholders to everyday people, everyone across Nigeria and beyond realises the importance of the informal economy.

This felt like a personal win for everyone on the team. We've spent years building the kind of products and solutions that these informal businesses could rely on. Now, we had also shed light on them for everyone to understand their unique challenges. Beyond Moniepoint, everyone could get involved in understanding them and solving their problems.

This year, we're asking many of the same questions as we did previously, but new ones as well. Beyond a general idea of what the informal economy looks like, we're asking how these businesses are doing. With a backdrop of the previous year, this report provides continued context for fully understanding Nigeria's informal economy.

The business landscape in Nigeria has changed in the past year. Under the radar, the cost of doing business has increased for 80% of informal businesses in that same period. A goal for us in this report was to establish context like this: helping key stakeholders see and understand the effects of every decision made on informal businesses, and giving them a voice where they've previously gone largely unheard.

At Moniepoint, we strongly believe in the importance of the informal economy and its role in Nigeria's economy. There's a lot of potential for growth that is possible when they're supported and receive access to the tools they need to grow. This is why we've built systems and services that take their unique situations into account, and work with that context to match their needs.

Beyond this, however, we also realise that there's a lot of access and support that becomes available to them when they become formalised. Over the past year, we've collaborated with the Federal Ministry of Trade, as well as the Corporate Affairs Commission (CAC) in Nigeria, to make it easier for these informal businesses to become formalised. In that period, we've helped four times more businesses become formalised. This means 4 times more informal businesses that can now gain access to a better range of tools and services that can help them grow.

The government and other relevant stakeholders can see them and consider them in policy and decision-making.

We've also created an Informal Economy AI bot at **informalreport.moniepoint.com** to provide everyone with access to deeper than surface level insights on the informal economy. This takes our commitment to providing useful data and insights to the next level.

As you read this report and engage with the data, from regulators and policymakers to the general public and media, our hope is to foster collaboration across all sectors to create sustainable solutions for the informal economy that will positively impact the Nigerian economy as a whole.

Over the past year, we've collaborated with the Federal Ministry of Trade, as well as the Corporate Affairs Commission (CAC) in Nigeria, to make it easier for these informal businesses to become formalised.

Foreword

Hon. Dr. Jumoke Oduwole, MFR

Honourable Minister of Industry, Trade and Investment Federal Republic of Nigeria

The informal economy is central to Nigeria's story of resilience and enterprise. From market traders and artisans to small service providers and young entrepreneurs, millions of Nigerians sustain livelihoods and drive commerce in ways that often remain unseen. This report provides an important window into their realities—the opportunities they create, the challenges they navigate, and the scale of their contribution to national development. By documenting their experiences with data and context, it deepens our understanding of the sector and offers a stronger foundation for inclusive policymaking.

At the Federal Ministry of Industry, Trade and Investment, we recognise that unlocking the potential of the informal economy by bridging transitions to the formal operations is essential to building a more prosperous future. We are committed to easing the processes of formalisation and compliance with regulations. We also work with partners to expand access to finance, and empower entrepreneurs with the skills and tools they need to grow.

I commend Moniepoint for producing this timely report with the support of the International Finance Corporation. As Moniepoint marks its 10-year milestone, this effort underscores the power of collaboration in advancing shared prosperity.

Foreword

Charles Odii

Director General,
SMEDAN

The informal sector remains the backbone of Nigeria's economy, vibrant and deeply embedded in the fabric of daily life. From market vendors to artisans, millions of Nigerians depend on it for their livelihoods, and as a nation, we collectively rely on their resilience and resourcefulness. Ensuring their survival and catalysing their growth is crucial for poverty elimination, rural industrialisation, and the enhancement of livelihoods, all three core mandates of SMEDAN.

In 2024, we partnered with Moniepoint on the first Informal Economy Report, a milestone that provided unprecedented insights into the scale and impact of Nigeria's informal businesses. That partnership underscored the importance of data in shaping interventions, designing policy, and highlighting the needs of entrepreneurs who form the majority of our enterprise landscape.

Yet, while the informal sector is indispensable, we must also confront its limitations. Informality restricts access to finance, markets, and structured interventions that enable businesses to thrive. This is why SMEDAN is intentional about promoting formalisation. Formal businesses can develop brand value and build financial histories, which indicate creditworthiness and attract investment. Their formalisation unlocks opportunities for growth and creates pathways to sustainability.

One of the most significant steps toward this goal is our partnership with the Corporate Affairs Commission to register 250,000 business names at no cost. This initiative directly addresses one of the biggest barriers faced by small businesses and opens the door for entrepreneurs, particularly youth and women, to formalise their operations and gain access to opportunities that were previously beyond their reach.

Beyond registration, SMEDAN continues to provide ongoing support through capacity development, market access initiatives, and financial interventions. We see formalisation not as an end in itself, but as the starting point of a journey that leads to job creation, poverty reduction, and prosperity. With dedicated partners like Moniepoint, we can accelerate this transformation by combining insights from research with actionable programmes that empower small businesses across the country.

The 2025 Informal Economy Report builds on the foundation laid last year, reminding us of the indispensable role informal businesses play while calling all stakeholders to action. At SMEDAN, we remain committed to ensuring that Nigeria's entrepreneurs have the tools, structures, and opportunities they need to move from survival to growth, and from informality to prosperity.

Foreword

Ms. Dahlia Khalifa

IFC Division Director for
Nigeria and Central Africa

The simple, hard facts from the Moniepoint 2025 Informal Economy report highlight how micro, small, and medium-sized enterprises (MSMEs) are essential contributors to Nigeria's economy. Together, they contribute around 65% of GDP and provide more than 80% of all jobs. For millions of Nigerians, especially women and young people, small businesses are the main source of livelihoods and opportunity. Yet too many of these enterprises remain in survival mode, unable to access the finance, skills, and markets they need to grow.

This reality underscores both a challenge and an opportunity. Across Africa, 12 million young people enter the labor market each year, but only about 3 million formal jobs are created. Nigeria reflects this paradox: a dynamic, entrepreneurial population facing limited pathways into stable, decent work. Unlocking the potential of MSMEs and informal businesses is therefore not only an economic priority but a social imperative for inclusion, resilience, and shared prosperity.

We know that 90% of jobs in Africa are created by the private sector, and that sustainable job creation depends on empowering small businesses to grow, and most importantly, to scale. This is why supporting SMEs and jobs is at the core of the World Bank Group's global strategy, carried out steadfastly by all member institutions. As the private sector arm, IFC invests to help MSMEs access finance, integrate into value chains, leverage digital tools, and build the capacity needed to transition from informality to formality.

Players like Moniepoint are crucial partners in this journey. By equipping MSMEs with digital payment solutions and expanding financial inclusion, Moniepoint helps small businesses move away from cash dependency, improve resilience, and gain access to opportunities in the formal economy. Our investment in Moniepoint, made under the landmark Africa MCAP Platform launched in 2022, reflects IFC's broader commitment to innovative models that can transform access to finance and accelerate job creation.

This report is a timely and valuable contribution to that effort. By shedding light on the realities of Nigeria's informal economy, Moniepoint provides insights that can inform smarter policies and stronger partnerships. IFC congratulates Moniepoint for this initiative, and we look forward to continuing to work with partners across Nigeria to transform informality into a launchpad for inclusive, sustainable growth and decent jobs.

Introduction

Across Africa, one of the greatest contributors to both GDP and employment has historically been out of sight to governments, regulators, and other key decision-makers. The informal sector is often labelled the "shadow" economy and carries the negative connotations of the name. In reality, however, and with context, the informal economy represents an opportunity for immense growth and development across Africa.

In the pilot edition of the Nigeria Informal Economy Report, we established, through our internal data and external sources, a solid first look at Nigeria's informal economy and its important role. Commercial activities are considered informal when they operate outside formal legal and economic frameworks, without being registered or regulated. In our research, we've defined informality in Nigeria by non-registration with the Corporate Affairs Commission, as this is the primary body through which businesses become officially registered and recognised by the Nigerian Federal Government.

With this definition, key learnings from the 2024 report include the fact that Nigeria's informal economy is relatively young, with significant economic potential that remains largely untapped. Although they're sometimes considered non-taxpayers, we found that taxes simply appear in another way: 89% of informal operators said they pay some form of taxes or market levies. We identified unemployment as the primary reason why people start informal businesses, with many of them ultimately entering the retail and trade industry.

The second edition of the report examines how the business landscape for these individuals has evolved over the past year, offering a timely pulse check of Nigeria's informal economy. With some insight into how they operate, we've conducted a deeper examination of their business structures, contributions to employment, and performance in the context of Nigeria's economic conditions over the past year.

Key insights on Nigeria's informal economy

79%
of informal businesses have experienced increased costs of doing business in the past year.

38%
of informal businesses make a profit of less than N10,000 ($7) daily.

42%
of informal businesses have only enough saved to last a month if their business stops running.

48%
of informal business owners primarily use transfers to pay for goods and services.

65%
of informal businesses have experienced an increase in revenue in the past year, but only 47% have also seen their profits grow.

50%
of informal business payments are still made with cash.

Unemployment
remains the most common reason for starting an informal business.

4 out of 10
informal businesses are employers of labour.

What does Nigeria's informal economy look like today?

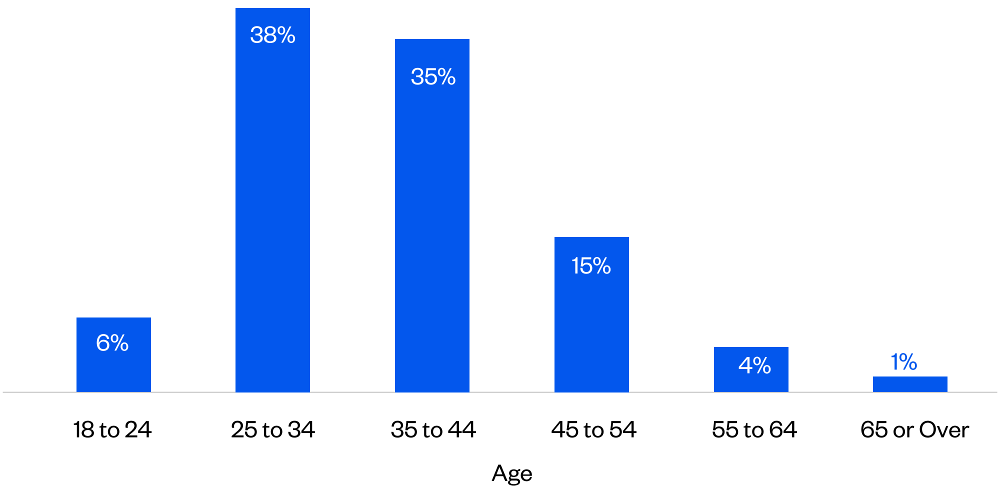
Nigeria's informal economy is primarily driven by a young population, many of whom are found in Nigeria's commercial capital, Lagos. In this section, we'll explore how Nigeria's informal economy is distributed by age and location, the ownership structures you're likely to find, and how many people they employ.

1.1 Nigeria's informal economy is still largely young and growing

Zainab is a 29-year-old business owner in Lagos, Nigeria. Originally from Northeast Nigeria, she moved to Lagos in search of employment opportunities. She started a gift shop where she's responsible for every aspect of the business, from preparing orders to handling messages from her customers. Businesses owned by her peers represent a sizeable portion of Nigeria's informal economy (38%).

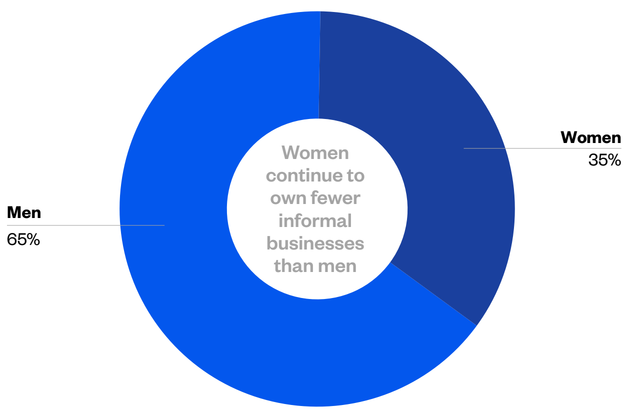
While most of Nigeria's informal economy remains young, data shows a growing participation from the middle-aged population. The proportion of business owners aged 35-44 increased to 35%, compared to 29% in our 2024 Informal Economy report.

Nigeria's informal economy is still largely young and growing.



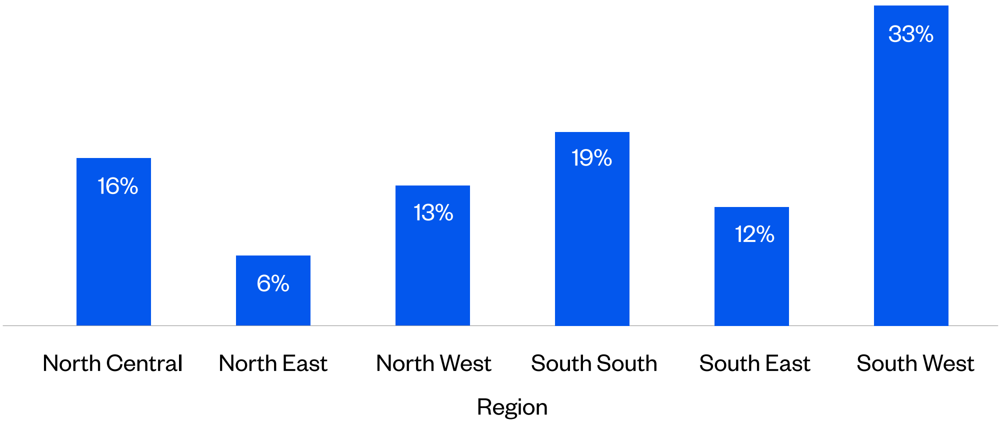
1.2 Women continue to own fewer informal businesses than men

According to the National Bureau of Statistics, women are more likely to be employed in the informal economy than men; however, the ownership numbers differ. Our data shows that Zainab and other women business owners own 35% of businesses in the informal economy. In comparison, they made up 37% in our previous report.



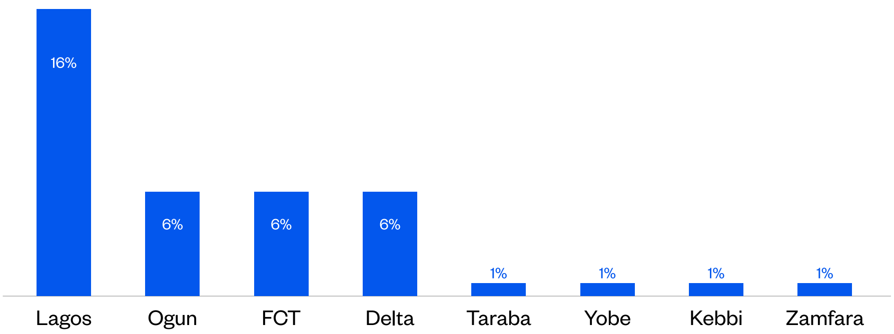
1.3 Nigeria's southwest has the highest concentration of informal businesses

Zainab's move to the southwest for economic reasons isn't unique to her. The southwest remains the region with the highest number of businesses in Nigeria's informal economy, with Lagos playing a significant role. For context, according to 2024 data from the National Bureau of Statistics, Lagos recorded the highest IGR in 2023, at ₦815.86 billion, almost four times the next on the list, the FCT (₦211.10 billion).



One in three informal businesses in Nigeria is located in the South West, and the concentration of informal businesses in the region has increased by 2% over the past year. Lagos alone accounts for 16% (1 in 6) of businesses in the informal sector, about the same as the North East and South East combined. The North East maintained the lowest number of informal businesses.

1 in 6 informal businesses in Nigeria are found in Lagos.

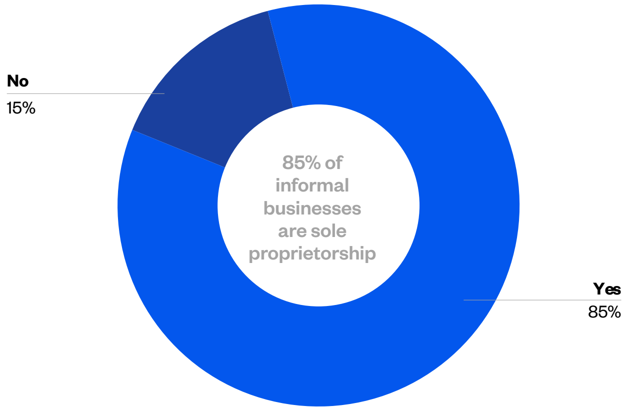


The South West remains the region with the highest number of businesses in Nigeria's informal economy, with Lagos playing a significant role.

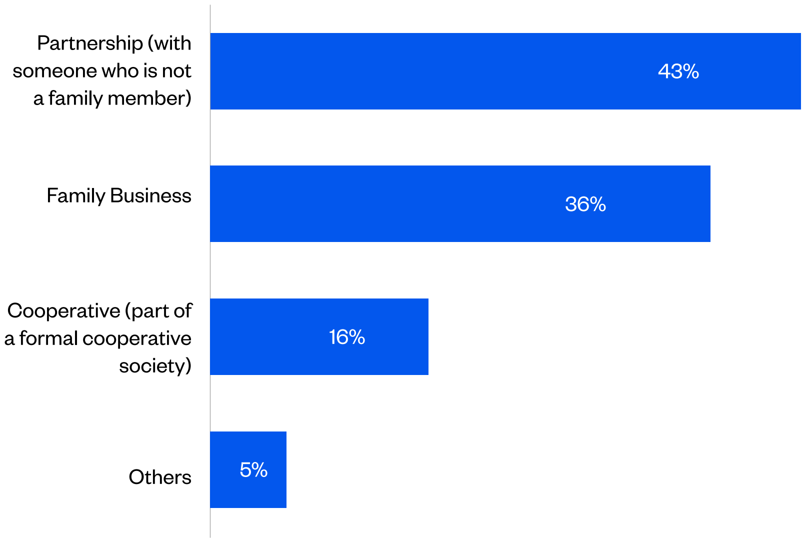
1.4 Running an informal business is a solo affair

In much of Nigeria's informal economy, business is a one-person mission; 85% of businesses are sole proprietorships. The business owner is responsible for all business decisions and actions.

Among the 15% that are not owned by just one person, partnerships with someone who's not a family member are the most common (43%), followed by family-owned businesses (36%). Women are also slightly more likely than men to start a family business in the informal economy.



Partnerships with someone who's not a family member are the most common method of co-owning informal businesses.



Partnerships with someone who's not a family member are the most common (43%), followed by family-owned businesses (36%).

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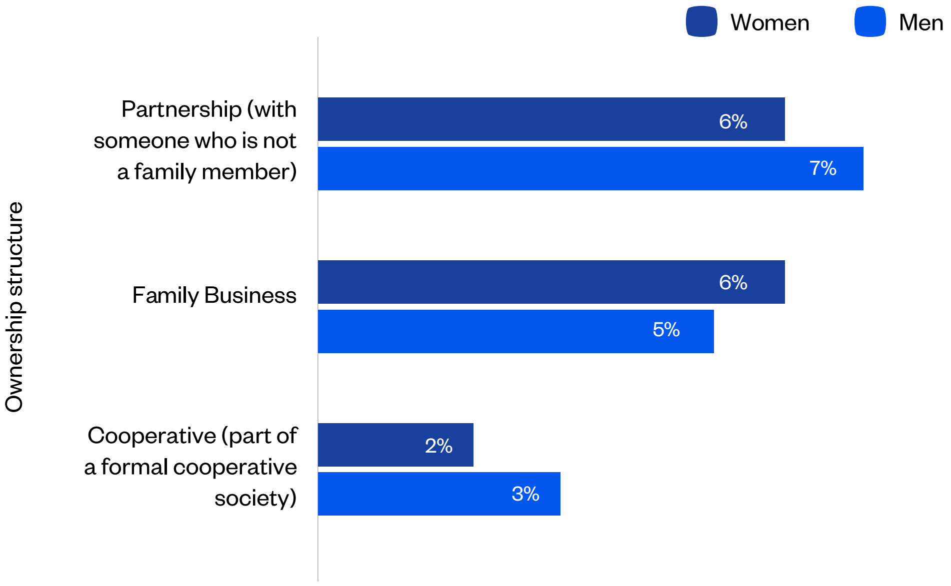
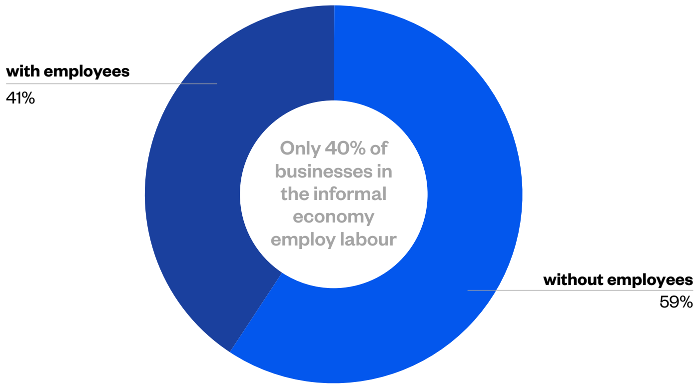
Women are slightly more likely than men to start a family business in the informal economy.



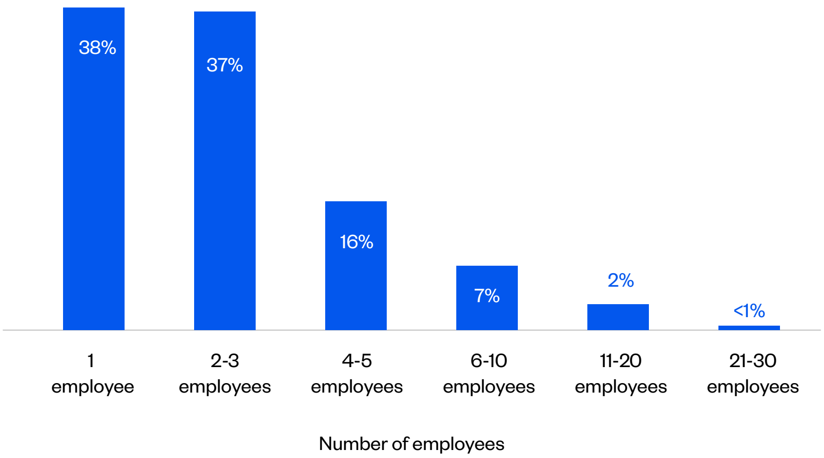
1.5 Most informal businesses have very small teams

As we've established, running an informal business is typically a solo affair. With this view, it's not difficult to see why most of them do not have employees. Only 40% of businesses in the informal economy employ labour. Of those who hire, 75% have between 1 and 3 employees.



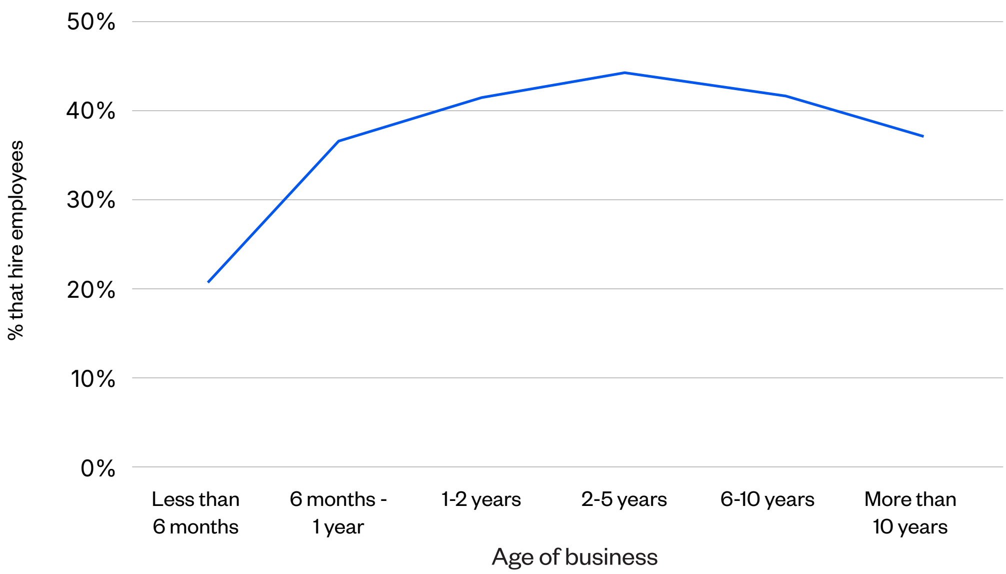
Only 40% of businesses in the informal economy employ labour.

Most informal businesses have very small teams.



Businesses that have been around for longer are more likely to hire employees, with the likelihood increasing twice when they reach a year of operation. Giving informal businesses the tools they need to survive longer, and eventually get formalised benefits, not just the businesses themselves. It enables them to contribute more to the economy.

Informal businesses that have been around for longer are more likely to hire employees.



The financial and operational state of informal businesses

The informal economy in Nigeria remains a significant contributor to economic growth and employment. We analysed this contribution based on the different industries where you're likely to find informal businesses, the value of these industries, and how informal businesses contribute to employment.

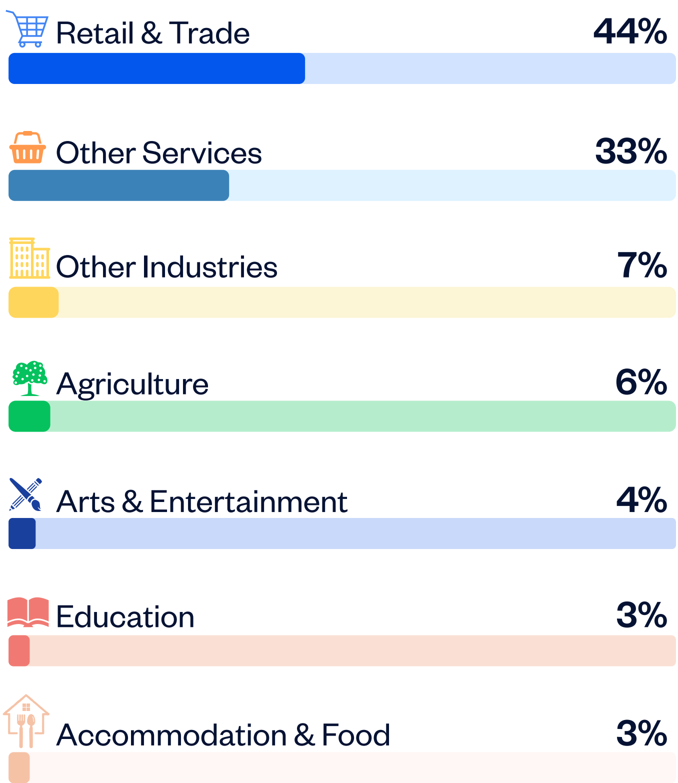
2.1 Retail and general trade remains the easiest way to start an informal business in Nigeria

Tolu is between jobs. He decides to start a business because he doesn't have money, but here's the catch—he needs money to start a business. For many Nigerians like Tolu, the informal economy is the answer, and retail is where they end up. Tolu reaches out to a family member, and they pitch in to provide him with funds, with which he buys some goods to sell at a corner of his street, and his business journey begins.

This year, we classified businesses in the informal economy using the categorisation used by Nigeria's National Bureau of Statistics. With this, the number of businesses reflected in the retail and trade category of the informal economy increased to 44%, followed by Other Services (33%), Agriculture (7%), and Arts, Entertainment, and Recreation (4%).

Businesses in the Other Services category include Religious Organisations, Civic and Social Organisations, Repair and Maintenance Services, Non-profit Organisations and others.

Retail and general trade is the largest industry in Nigeria's informal economy.



2.2 How much money do informal businesses make?

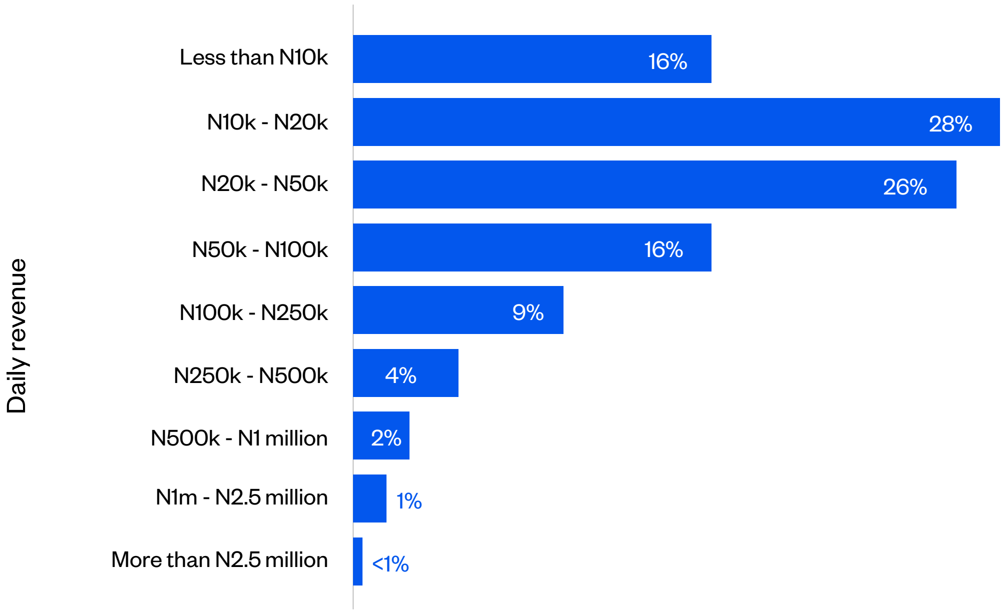
To analyse the value of businesses in the informal economy, we examined their daily revenue and profit. The focus on daily revenue was to provide a more accurate analysis of their income, as the majority of them keep their records informally.

2.2.1 44% of informal businesses make less than N20,000 daily in revenue

Tolu is incredibly lucky, and his business takes off. The provisions he has chosen to sell are a hit on his street, but the margins are slim. This mirrors the reality of many informal businesses: high revenues, but low profits.

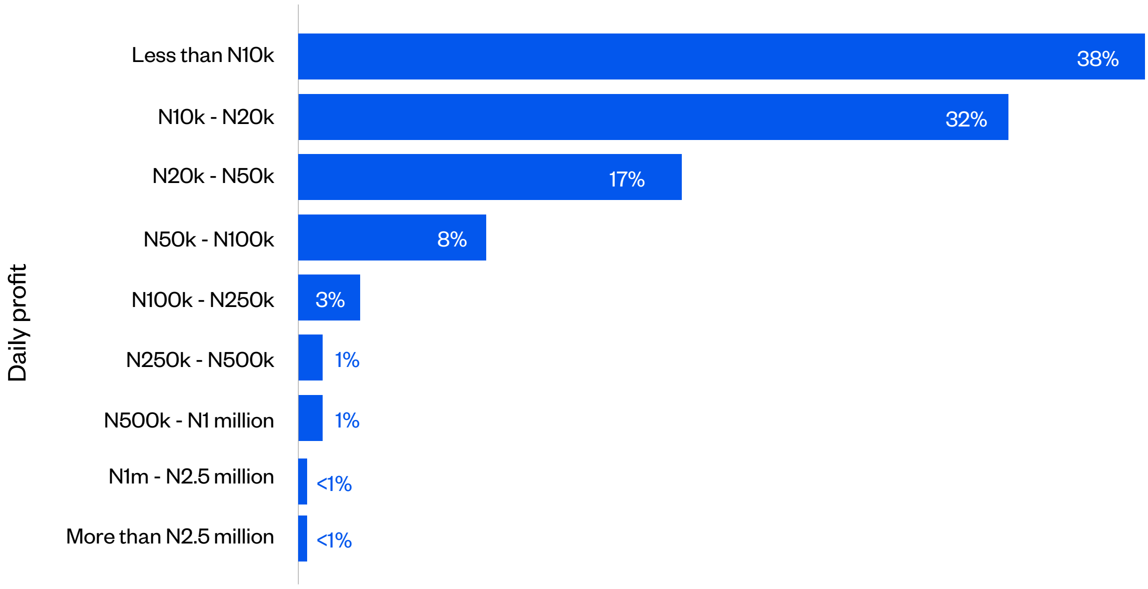
44% of businesses in Nigeria's informal economy make less than N20,000 ($12) daily. The median daily revenue range is between N20,000 and N50,000. By comparison, the median profit range is between N10,000 and N20,000, with 70% of them earning less than N50,000 per day. This is a trend that has continued from last year, where high revenue values do not necessarily translate to significant profit.

44% of businesses in Nigeria's informal economy make less than ₦20,000 daily in revenue.



**Percentages may not sum to 100% due to rounding.*
Conversion rate: N1600/$

Most informal businesses make a profit of under N10,000 daily.

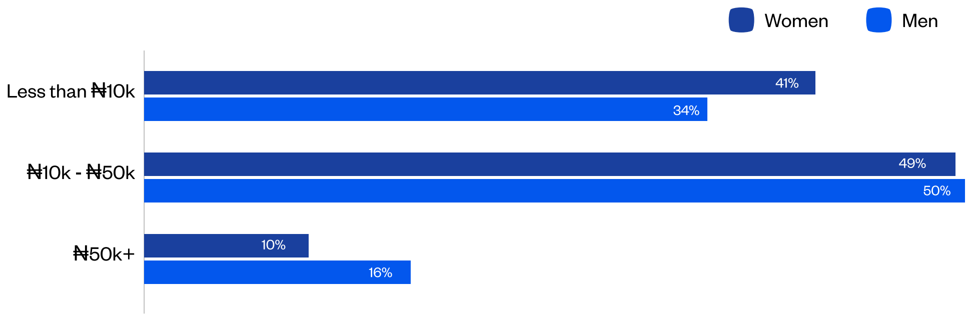


2.2.2 Most women-owned businesses earn less than their men-owned counterparts

Data shows that even though Tolu's profit is low, he's likely to earn significantly more than a woman-owned business over time. Similar to last year, a higher proportion of women were in the low revenue and profit range, while men were more likely to be higher earners.

41% of women-owned businesses in the informal economy earn less than ₦10,000 per day in profit, compared to 34% of businesses owned by men. On the other hand, 16% of men-owned businesses earn above ₦50,000 compared to 10% of women-owned businesses.

41% of women-owned businesses in the informal economy earn less than N10,000 per day in profit.



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2.3 What does it take to run a business in Nigeria's informal economy?

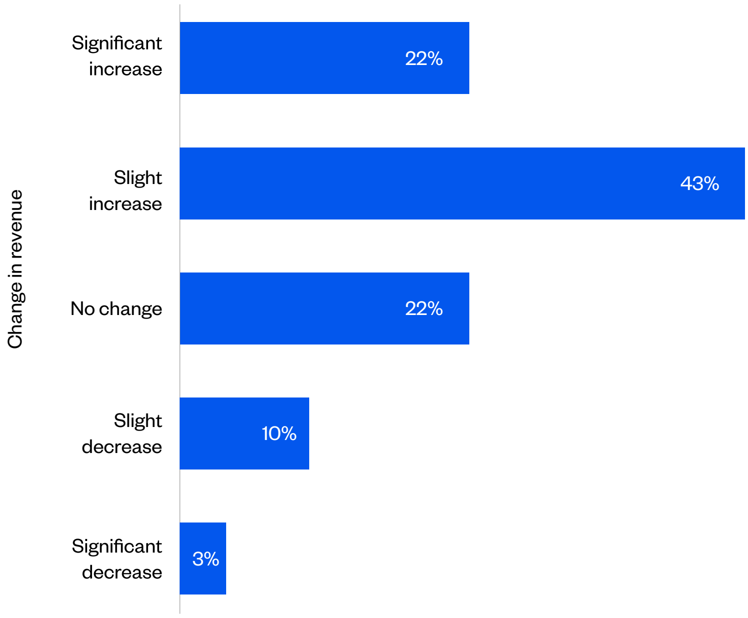
Next, we explored what it takes to run an informal business in Nigeria, from fluctuations in revenue and profit to the cost of doing business and motivations.

2.3.1 Informal business revenues are growing, but their profits don't match the pace

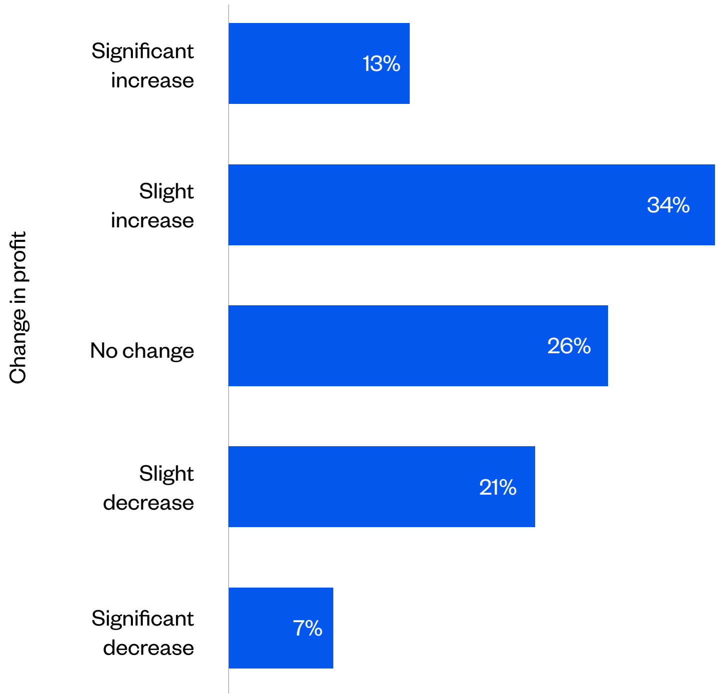
The majority of businesses in the informal economy (65%) have experienced some sort of increase in their business revenue over the past year. However, the impact on profit is lower, with only about 47% of them reporting a corresponding increase in their profit.

41% of women-owned businesses in the informal economy earn less than N10,000 per day in profit, compared to 34% of businesses owned by men.

65% of businesses in the informal economy have experienced an increase in their business revenue over the past year.



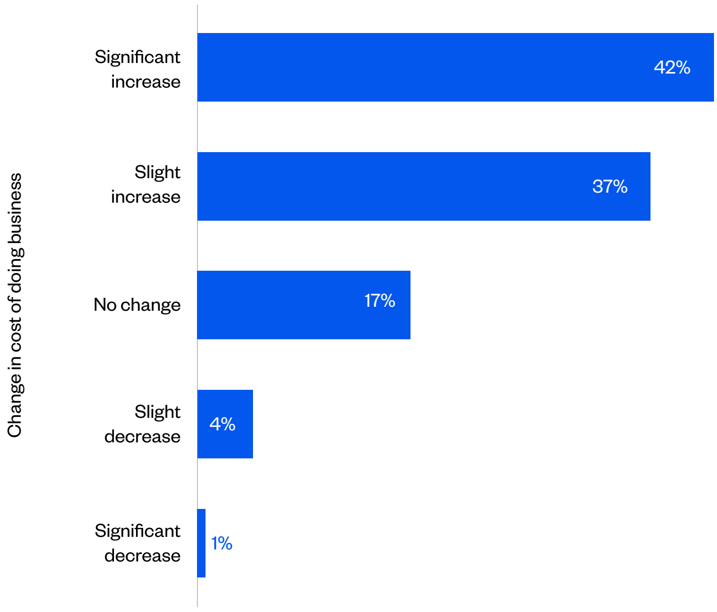
Only about 47% of informal business saw an increase in their profits.



2.3.2 It's getting more expensive to run an informal business in Nigeria

79% of businesses in the informal economy report that their cost of doing business has increased over the past year. According to them, this increase resulted from multiple things, with the top reasons being increased prices from suppliers, an increase in transportation costs, and the depreciation of the Naira.

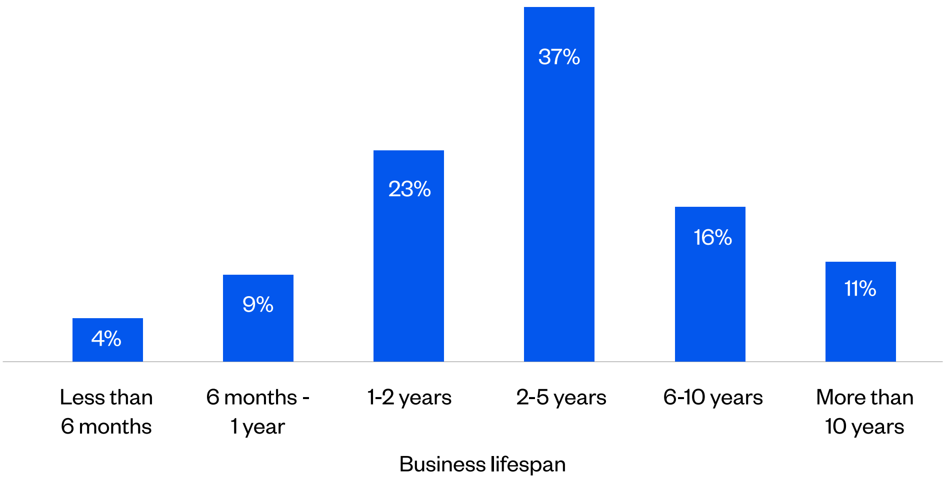
79% of businesses in the informal economy saw an increase in their cost of doing business in the past year.



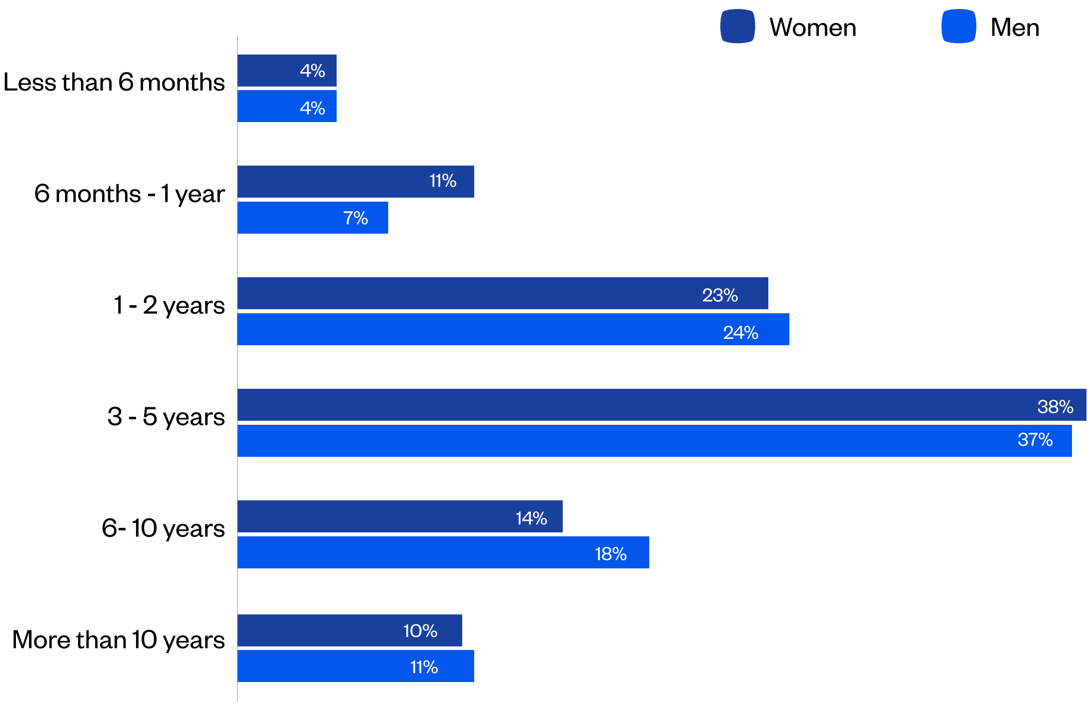
2.3.3 1 in 4 informal businesses is over 5 years old.

While the median lifespan of informal businesses remains between 2-5 years, only 27% of them are older. 13% of business owners had been in business for less than one year, with 1 in 4 of them being 5 years or older. Only 24% of businesses above 5 years were owned by women, compared to 29% owned by men.

1 in 4 informal businesses is over 5 years old.



Women-owned businesses have shorter lifespans.

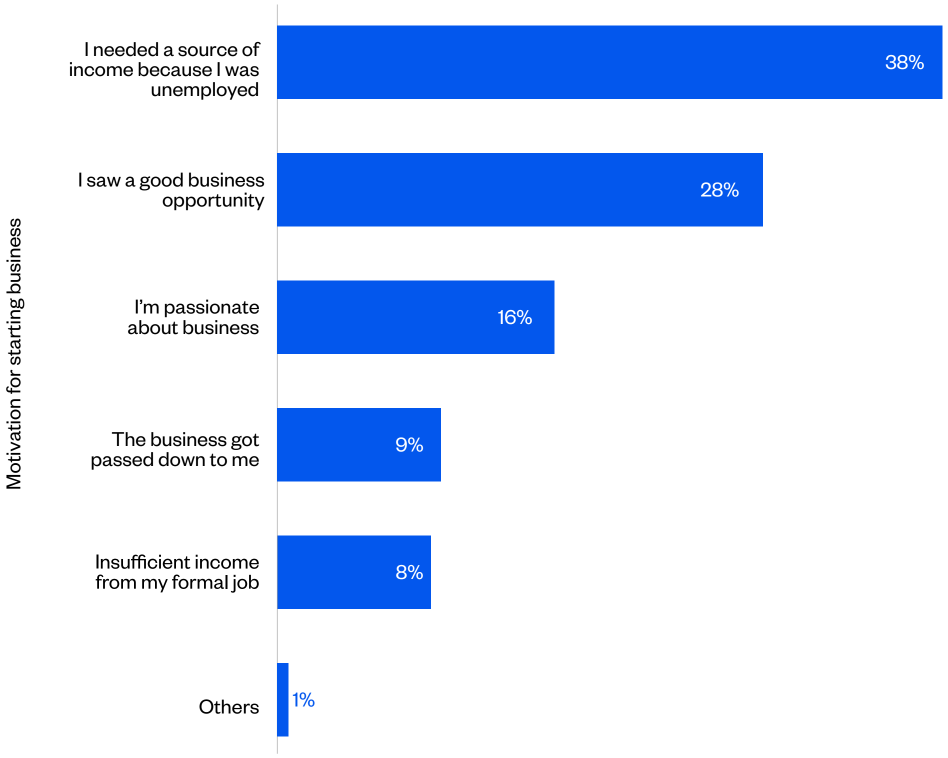


2.3.4 More Nigerians are starting informal businesses out of passion

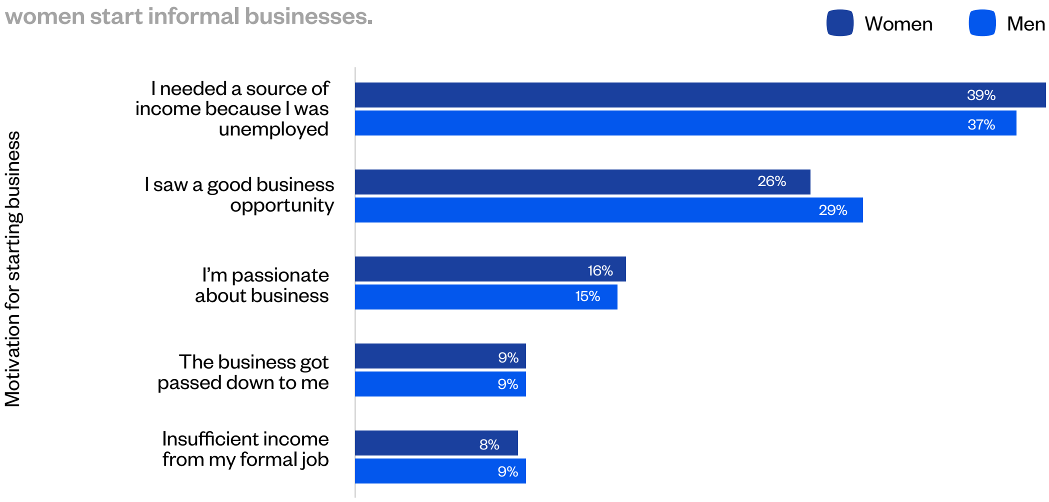
Unemployment remains the leading reason why people in Nigeria start businesses in the informal economy. However, this reduced to 38% from 52% in our previous report. We observed an increase in people starting businesses driven by passion and a desire to capitalise on a good business opportunity.

Business owners in the southeast were also the most likely to start a business due to passion, while unemployment was the greatest driver in the southwest.

Unemployment is still the most common reason why people start informal businesses.



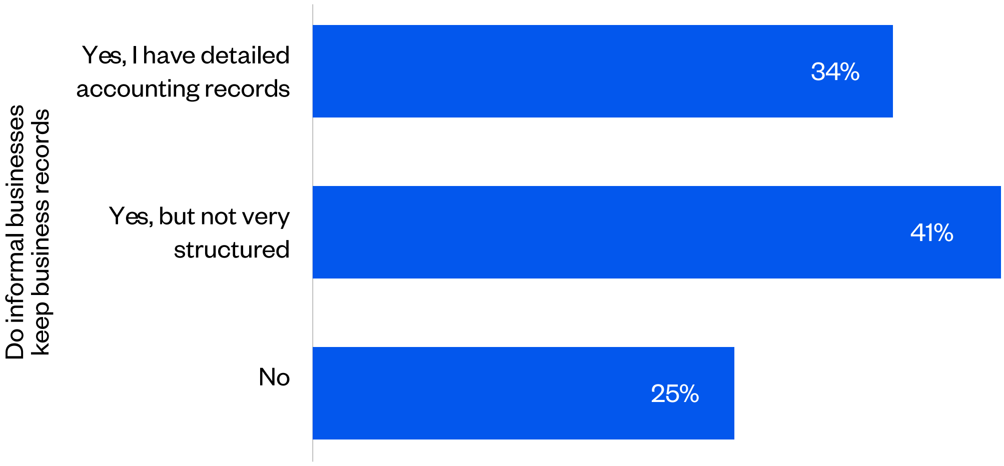
Unemployment is the most common reason why women start informal businesses.



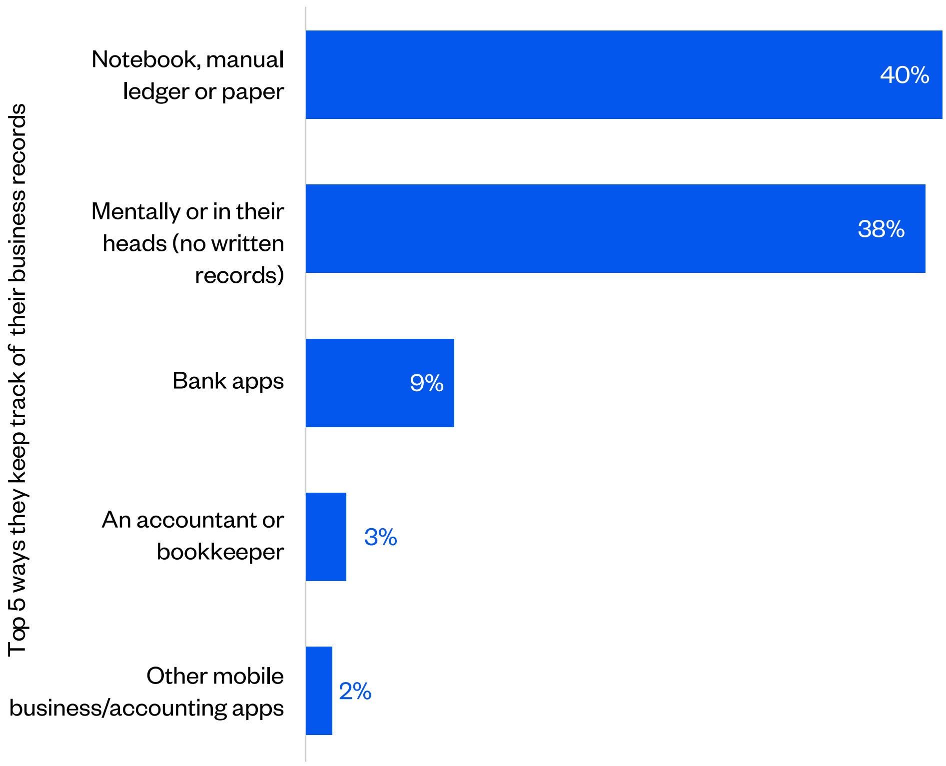
2.3.5 For many informal businesses, their memory is their bookkeeping system.

75% of informal businesses report that they track their business income, costs, and expenses, with some of them using unstructured methods. Of the share that do keep some sort of record (structured or unstructured), 38% say they keep track of their business mentally, without any written records.

1 in 4 informal business owners do not keep business records.



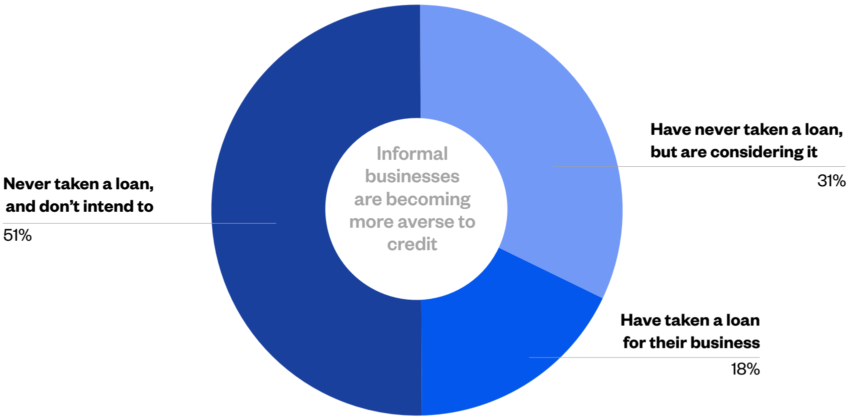
Top 5 ways they keep track of their business records.



Credit, taxation and other financial behaviours

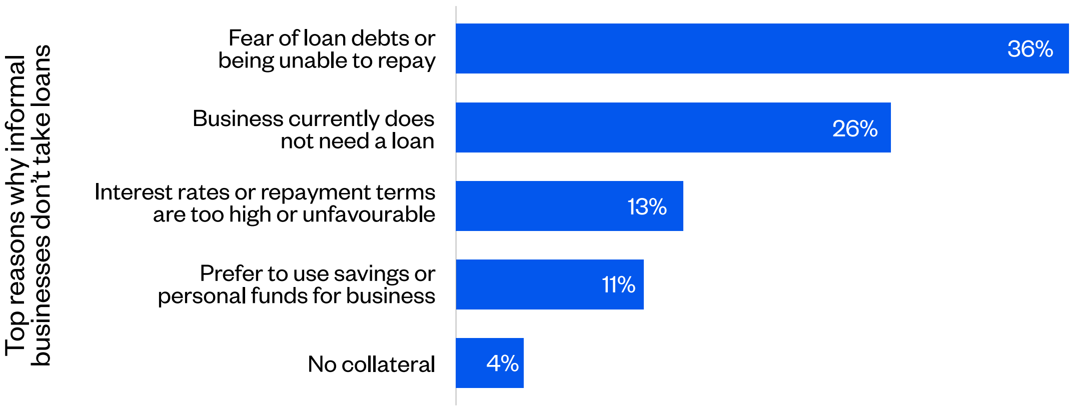
3.1 Informal businesses are becoming more averse to credit

While 30% of respondents reported not borrowing for their business in our previous report, that figure increased to 51% in this report. This shows a decline in credit appetite across the informal and small business landscape. A major reason for this could be tighter lending conditions, and a higher interest environment.



The most common reason why they don't take loans is that they're afraid of being unable to repay them. 26% of them also believe that their businesses do not need a loan, while 11% would prefer to use their savings or funds for business needs. Women are more likely to avoid getting a loan because they're afraid of being unable to repay, or because of high/unfavourable interest rates.

Most informal businesses are afraid of being unable to repay their loans.



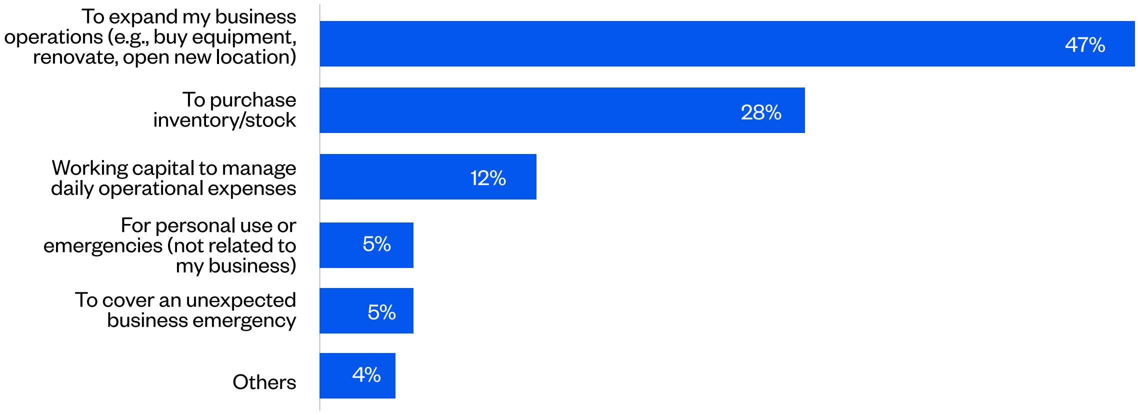
3.1.1 Informal businesses are getting loans to expand their business operations

Most informal businesses that take loans use them to expand their business operations, such as buying equipment, renovating, or opening new business locations. Purchasing goods for their inventory and managing operational expenses are other top reasons why informal businesses access loans.

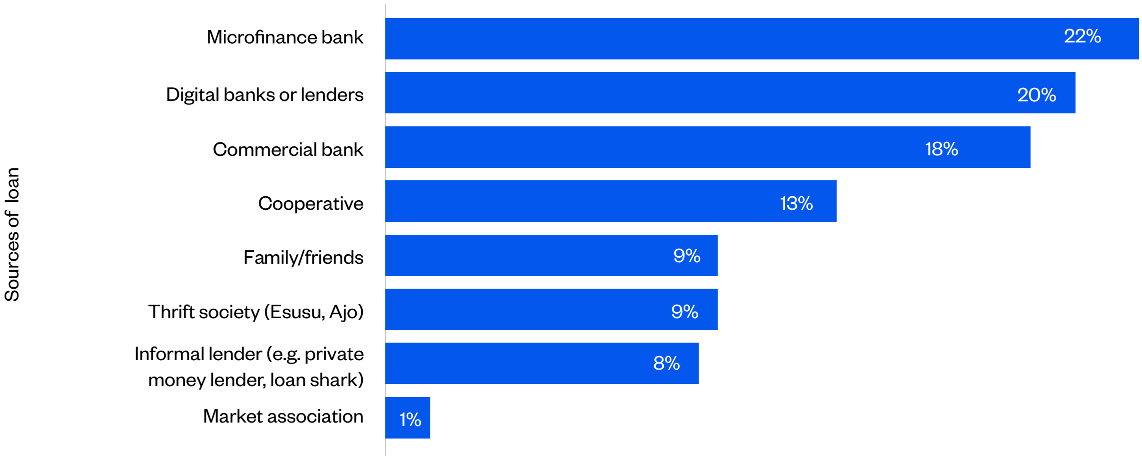
We also observed a shift in how they obtain loans, with a higher tendency to borrow from more formal institutions than in our previous report. Digital lenders and microfinance banks are the top sources of loans for informal businesses in Nigeria. Women were also more likely to get loans from informal sources than men.

Most informal businesses that take loans use them to expand their business operations, such as buying equipment, renovating, or opening new business locations.

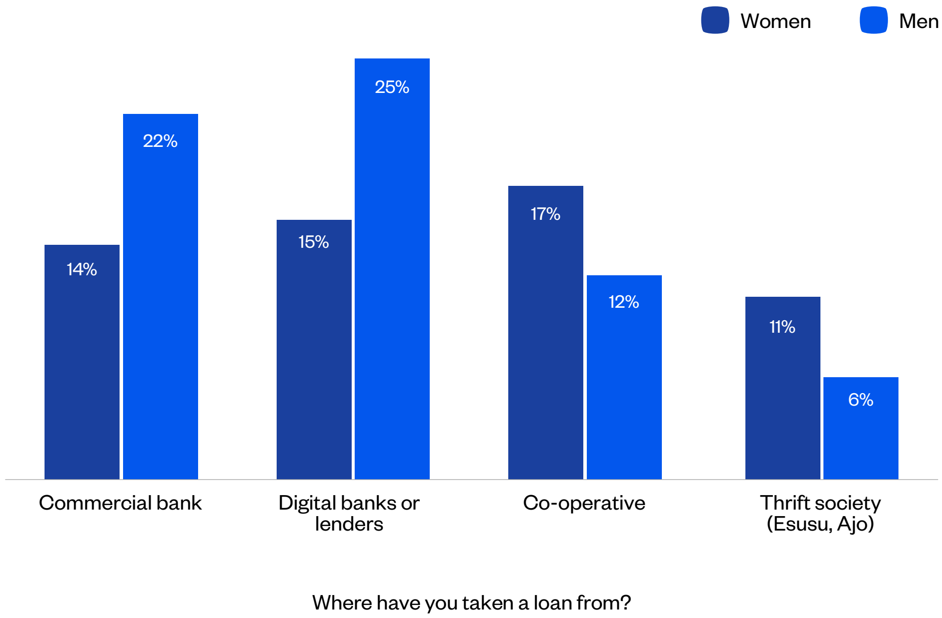
Top 5 reasons why informal businesses take loans.



Digital lenders and microfinance banks are the top sources of loans for informal businesses in Nigeria.



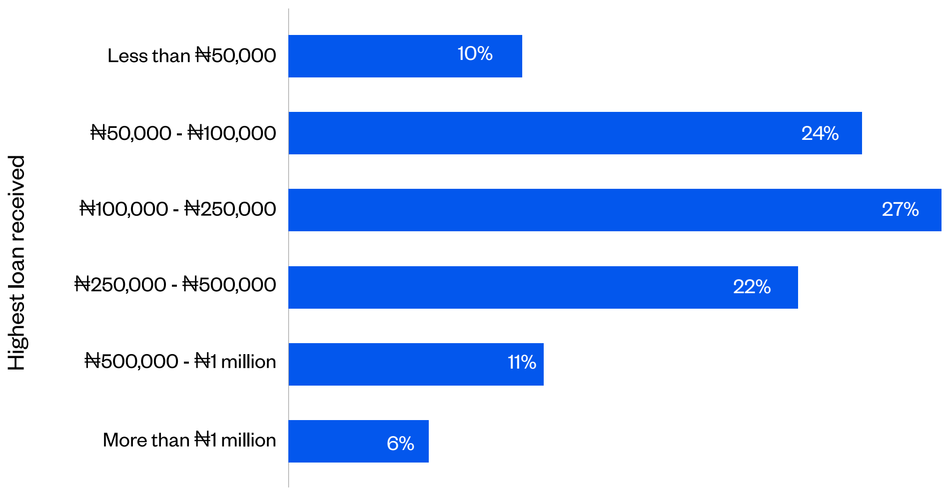
Women are more likely to get loans from informal sources than men.



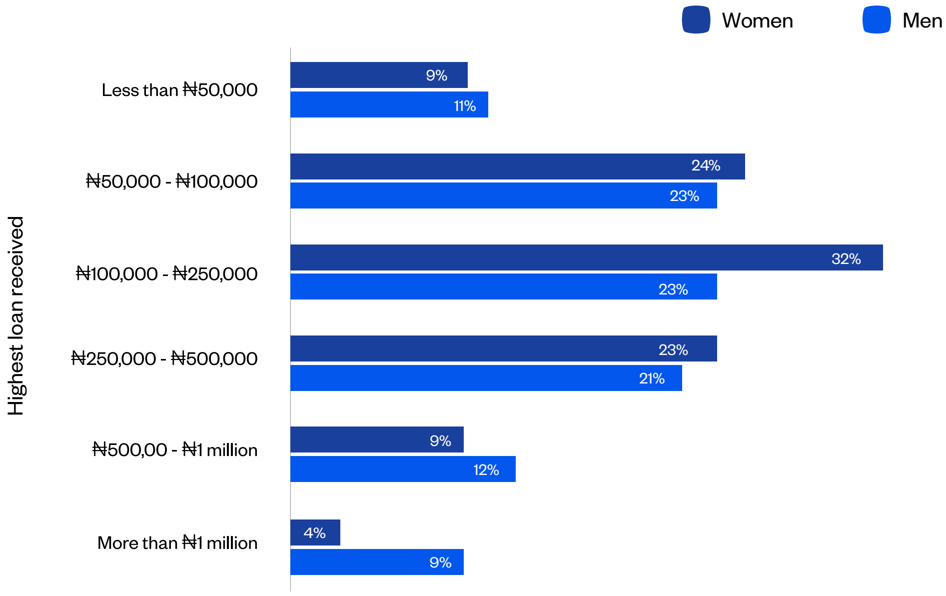
3.1.2 Informal businesses in Nigeria rarely get access to large loans

When informal businesses obtain loans, one in three of them report that the highest amount they've ever received is ₦100,000 or less. Only 6% of informal businesses have secured loans exceeding ₦1 million. Informal businesses owned by men are twice as likely to get loans above ₦1 million as women-owned businesses.

Only 6% of informal businesses have secured loans exceeding N1 million.

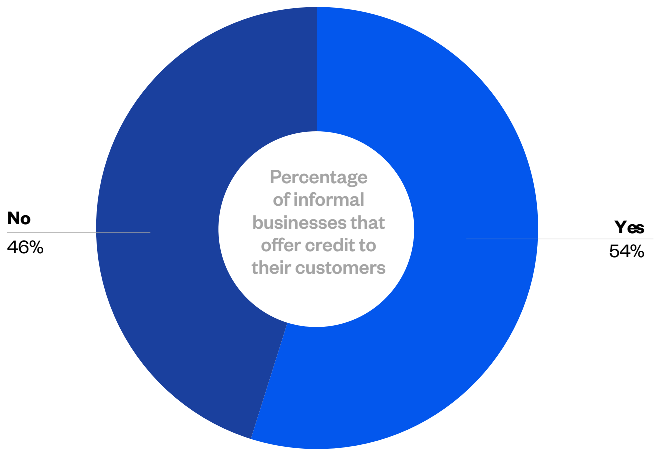


Informal businesses owned by men are twice as likely to get loans above N1 million.



3.1.3 More informal businesses are offering Buy-Now-Pay-Later to their customers

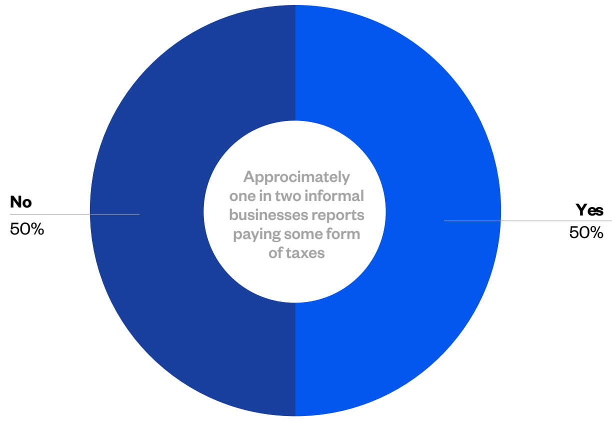
This year's data showed a relatively higher likelihood to offer credit (55%) compared to last year (36%). However, only 9% of them say they consistently offer credit, with the majority offering it on a conditional basis. Familiarity often plays a significant role in whether these businesses extend credit, as they typically lack a formal means of tracking those to whom they provide credit.



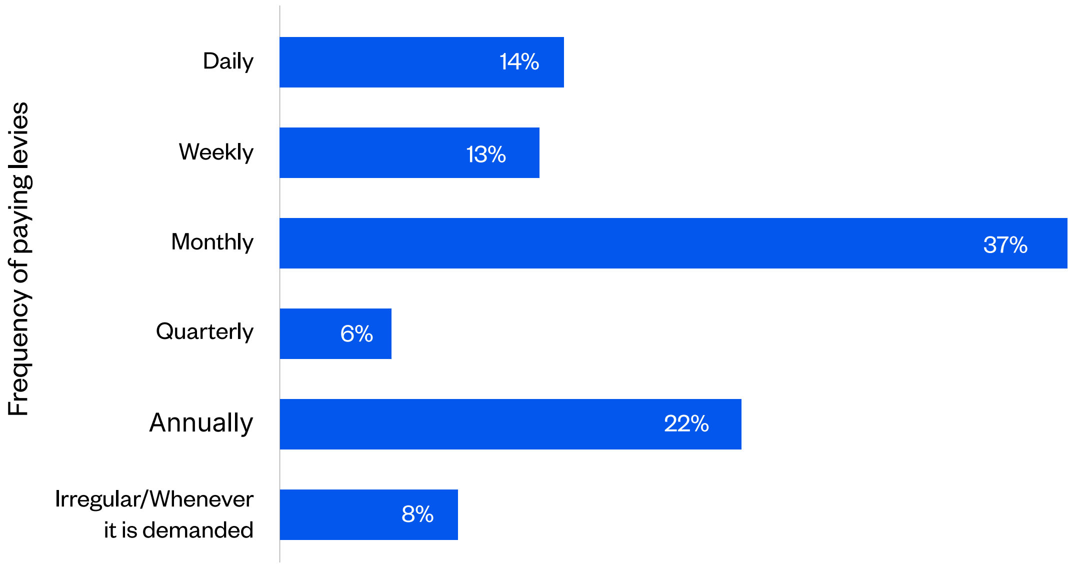
3.2 Informal businesses pay taxes daily, and the numbers add up quickly

About one in two informal businesses reports paying some form of tax, often in the form of levies or market dues. Most of them (37%) pay these taxes every month, and the absolute amount tends to increase the less frequently they pay. For example, while some traders report paying ₦500 daily in market levies. This amount, while seemingly little, adds up significantly over time.

Even at a modest estimate of 250 business days per year, this amounts to ₦125,000 annually, more than 12 times the ₦10,000 annual levy reported by others. This illustrates how daily payment structures can result in a significantly higher cost burden over the course of the year.

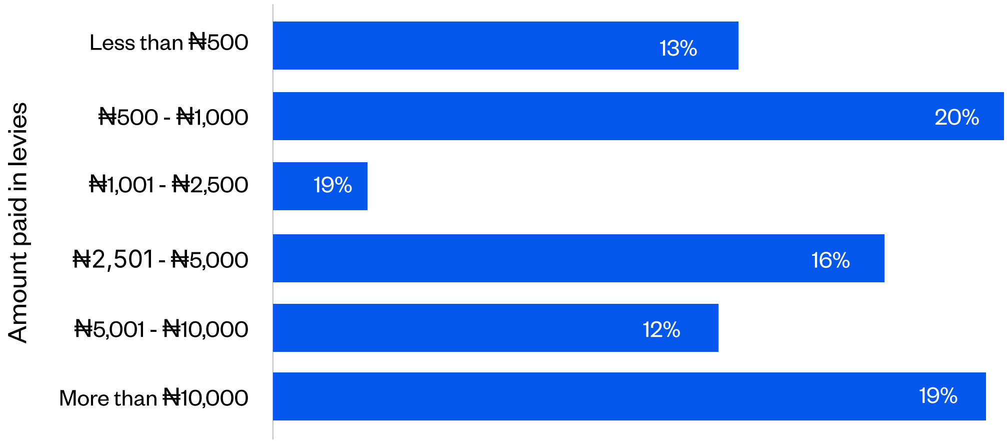


The most common payment frequency for informal business levies is monthly.

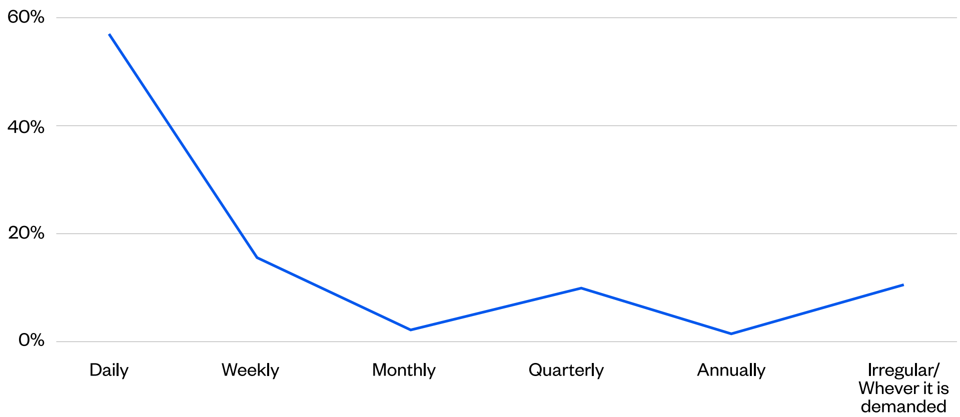


While some traders report paying as little as ₦500 daily in market levies, this adds up significantly over time.

Approximately 1 in 3 informal businesses pay N1000 or less in levies.



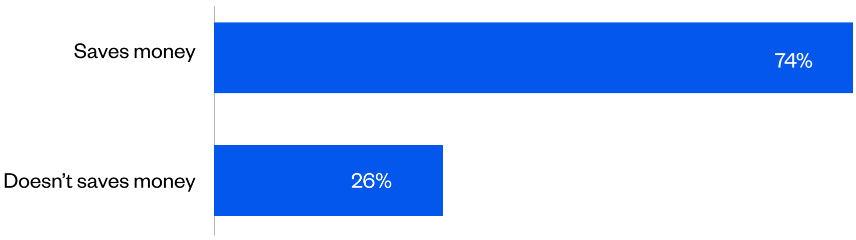
Informal businesses paying N500 or less, pay their levies more frequently.



3.3 Informal businesses and savings

74% of informal businesses report saving money, compared to 92.4% in the previous year. Cooperatives and digital banks remain the most common methods for informal businesses to save money. About 8% of these businesses, or nearly one in 10, report saving money informally by keeping cash at home or with a trusted person.

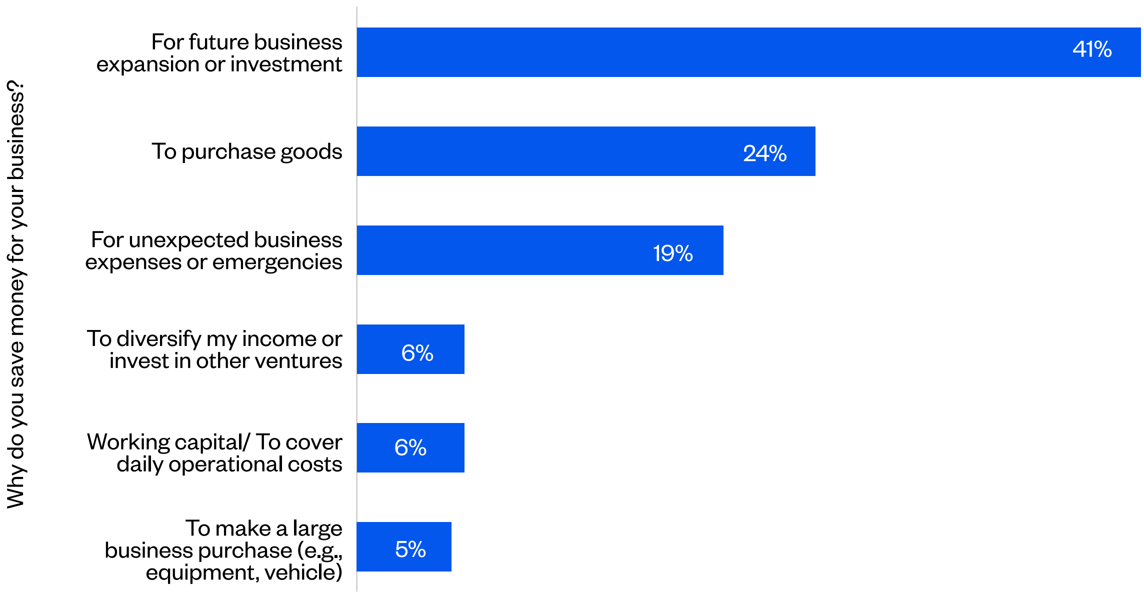
3 out of 4 informal business owners save money for their business.



3.3.1 Informal businesses are saving to grow their businesses

Savings for informal businesses are primarily channelled to business expansion (41%) or purchase of goods (24%). Given the aversion to borrowing that has risen in the past year, savings are the primary means by which these businesses access the funding they need to expand their operations or cater to emergencies.

Top 5 reasons why informal businesses save money.

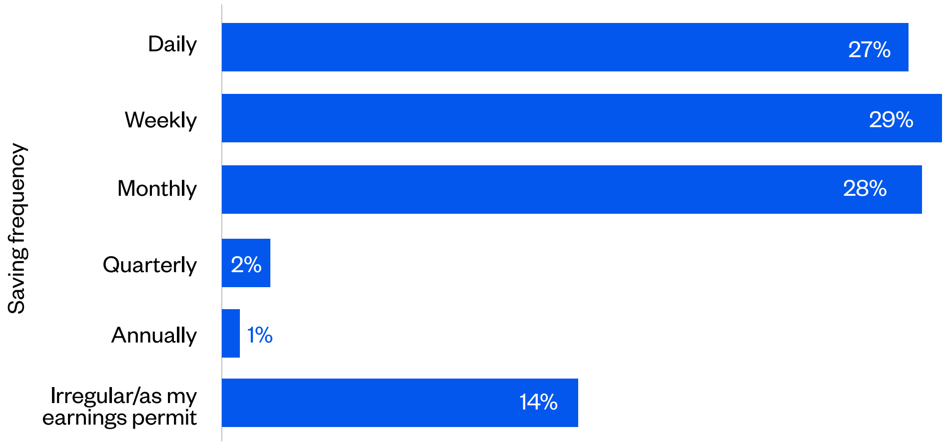


Get deeper insights into this data on our Informal Economy AI bot at **informalreport.moniepoint.com**

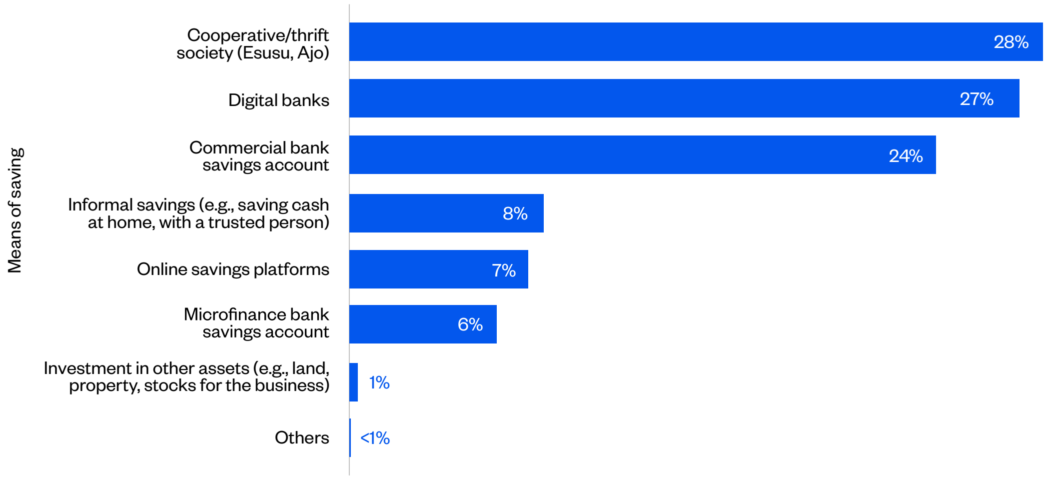
3.3.2 Informal businesses are saving weekly with cooperative societies

The most common savings frequency for informal businesses is weekly (29%), which aligns with their tendency to save through cooperatives that typically collect funds on a weekly basis. 14% of these businesses do not have a regular savings frequency, however, and put money away as their earnings permit.

The most common savings frequency for informal businesses is weekly.



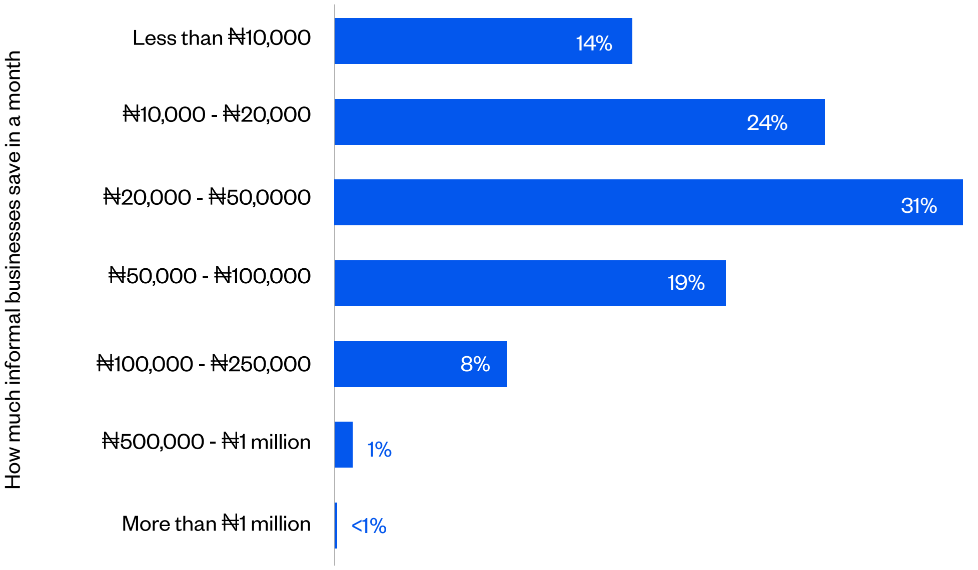
Informal businesses are saving weekly with cooperative societies.



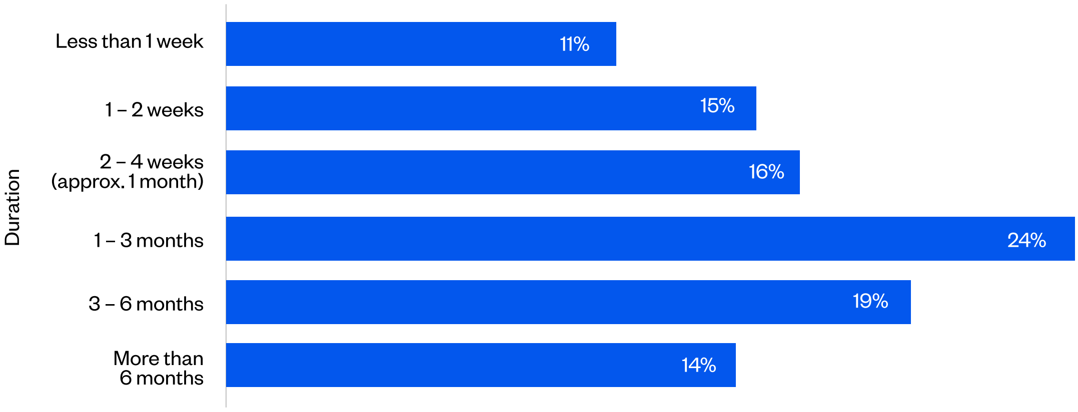
3.3.3 Most informal businesses are saving less than N50,000 monthly

69% of informal businesses save less than ₦50,000 monthly. 42% of them also report that their current savings can last them less than 1 month if they stopped getting income from their business.

Most informal businesses are saving less than N50,000 monthly.



Most informal businesses can't last more than 3 months on just their savings.



Digital adoption and payments

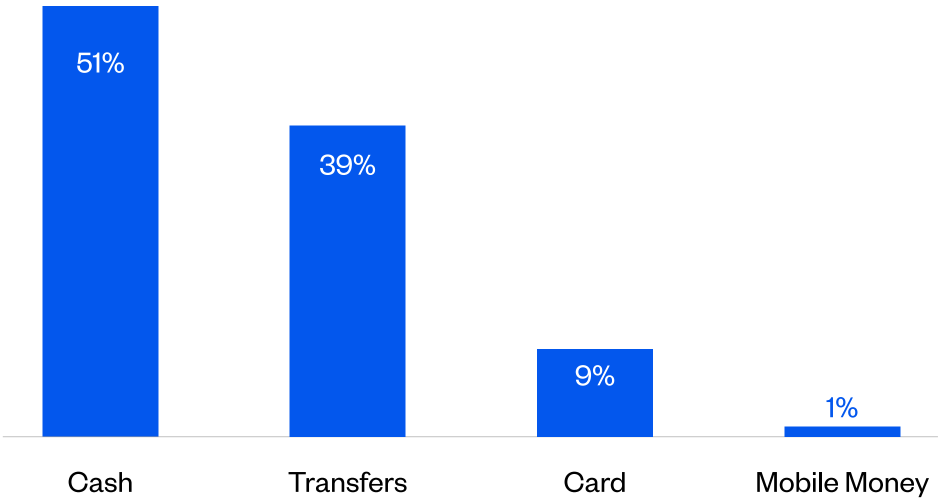
Access to digital payments can be pivotal for businesses in the informal economy. The idea that “cash is king” is particularly prevalent in emerging economies, and this is especially true for informal businesses.

4.1 Informal businesses still prefer cash payments

Most informal businesses report receiving payments primarily through cash from customers, with transfers being the second most common method. They also prefer to receive payments in this manner. Cards are one of the least common ways that informal businesses accept payments, and when asked why, the majority of them say that it’s because they prefer to accept cash payments or do not have the means to accept card payments (they don’t own a POS terminal).

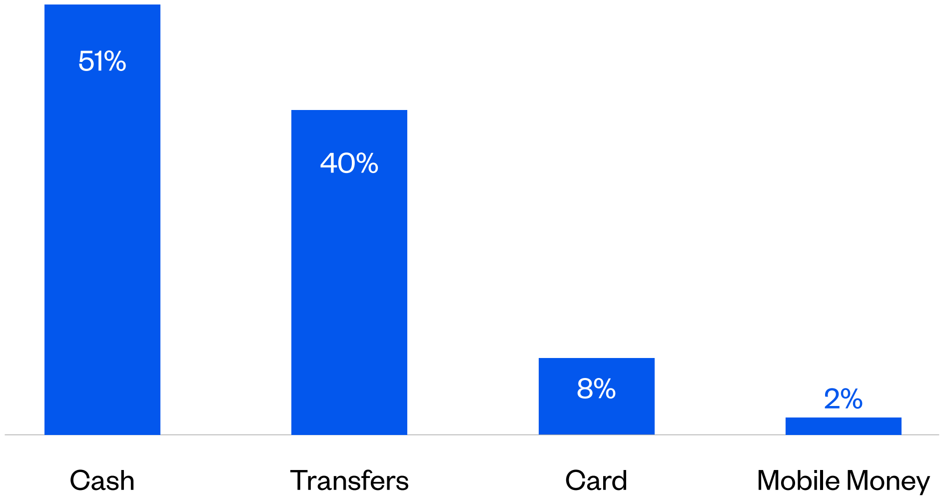
We saw a shift towards transfers as the primary means of accepting payments for digital businesses. When asked why they don’t receive card payments, a preference for cash and difficulty procuring a terminal were the top reasons. This, in addition to increased costs in the past year, has made informal businesses less capable of receiving digital payments via cards, leading to a heavier reliance on transfers.

Most informal business customers prefer to pay by cash.



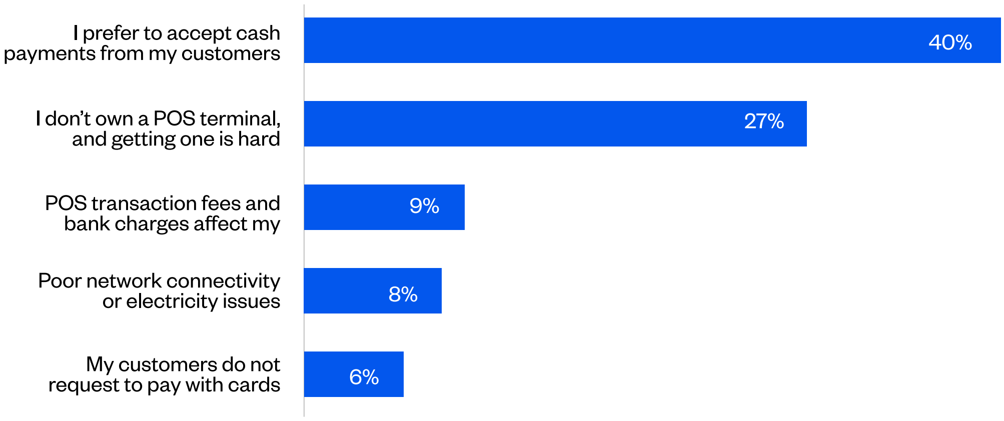
How informal businesses customers prefer to pay to them

Most informal businesses prefer to receive payment via cash.



How informal businesses prefer to receive payment from their customers

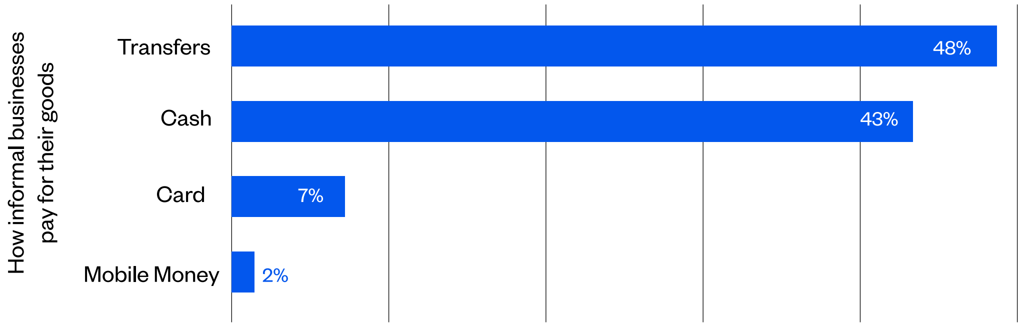
Top 5 reasons why informal businesses don't accept card payments.



4.2 Most informal businesses buy their goods via transfers

When they need to purchase goods, however, informal businesses are more likely to pay via transfers. One reason for this could be that they get their goods from larger, more formalised businesses that rely more heavily on digital transactions. For the size of those transactions, transfers are safer than cash.

Most informal businesses buy their goods via transfers.

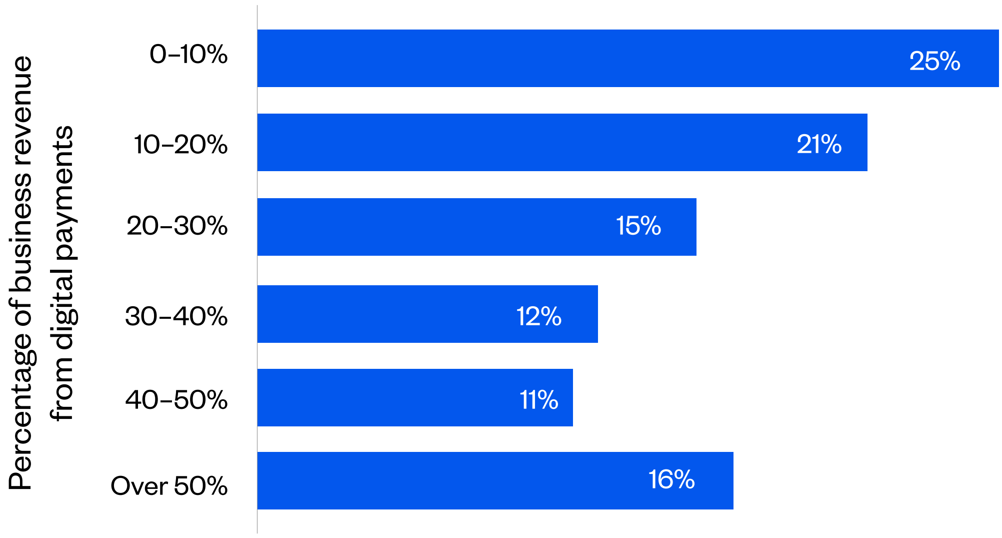


4.3 The bulk of informal business transactions happen offline

For most informal businesses, digital payments are an option, and typically not the full story. 1 in 4 of them say that digital payments account for less than 10% of their total business revenue. Only 16% of them say that digital transactions account for over 50% of their business revenue.

Digital payments have immense benefits for businesses, especially in the informal economy. However, the data shows that access to digital payments remains constrained for most of them.

1 in 4 informal businesses say that digital payments account for less than 10% of their total business revenue.



Policy implications and expert commentary

5.1 The relationship between informal businesses and formalisation

In theory, formalisation holds numerous benefits for businesses and can result in significant growth and increased access to opportunities. But many of them still operate in the informal economy, and here are some reasons why:

Informality is their default

For many informal businesses, registration isn't a deliberate choice to avoid formality. It simply doesn't cross their minds. Their businesses are run in small communities with heavy cultural influence, and a focus on making money and surviving. For these businesses, being informal isn't an aversion to registration. It's just the default.

Their dominant motivation is survival

Many informal businesses are started for a singular reason: survival. Whether as a result of unemployment or a need to cater to their basic needs, many informal business owners are often focused on catering to their basic needs, with everything else being secondary, or not even an option. As a result, many informal businesses are small, one-person operations that only think about becoming formal when they reach a certain scale.

Perceived lack of benefit

At their size and scale, many of them don't think that registering their business holds any significant value for them. Registering their business, the basic step of formalisation, is a milestone event that their small-scale business hasn't reached yet.

Cost and complexity assumptions

Although many informal businesses are unfamiliar with the process of registering their business, the assumption is that it is costly and complex. These assumptions make them unlikely to attempt the process, or take advantage of the government programs designed to reach and formalise them.

5.2 Expert commentary:

Dr. Nurudeen Abubakar Zauro,
Secretary/Head, PreCEFI Secretariat, Technical Advisor to the President on Economic and Financial Inclusion, Office of the Vice President

1. What are the most pressing challenges currently facing Nigeria's informal sector, and how have these evolved since the first Moniepoint Informal Economy Report from a policy and regulatory standpoint?

• **Economic shocks due to Fiscal and Monetary Policies:** With the removal of fuel subsidies and devaluation of the Naira by the monetary authorities, inflation rate increased from 22.41% in May 2023 to a climax of 34.8% by December 2024 according to the data from the National Bureau of Statistics (NBS). In July 2025, inflation rate declined drastically to 21.88%. The Federal Government (FG) quickly provided direct cash transfers to 12 vulnerable households in 2024 to cushion the effect of economic shocks on individual households. Through its National Social Investment Programme, FG secured a USD 800 million relief package from the World Bank Group (WBG) for disbursement via the conditional cash transfer to vulnerable households in the social register. The Nigerian Education Loan Fund (NELFUND) was established by FG to empower Nigerian students with interest-free loans for accessible higher education. As at August 2025, NELFUND has disbursed NGN 86.3 billion in loans to 366,247 student beneficiaries across the federal and state institutions. Additionally, the FG established the Nigerian Consumer Credit Corporation (CrediCorp) as a development finance institution to expand access to consumer credit for Nigeria's working population. With an initial NGN 50 billion grant for disbursement to civil servants in 2024, CrediCorp has disbursed over NGN 19.5 billion to over 111,000 beneficiaries by partnering with over 24 financial institutions as at September 2025.

• **Regulatory pressures**: The informal sector has been levied with multiple and overlapping taxation from the federal, state and local authorities. The recent barrage of tax regimes raises compliance costs and increases uncertainty for micro-entrepreneurs. Consequently, the FG signed the four (4) Tax Reform Bills into law which include the Nigeria Tax Act (NTA), The Nigeria Tax Administration Act (NTAA), The Nigeria Revenue Service Act (NRSA) and the Joint Revenue Board Act (JRBA) aimed to reposition Nigeria for economic growth, increase revenue mobilisation, and harmonise the national tax system for effective service delivery. Similarly, prior to the Nigerian Insurance Industry Reform Act (NIIRA) 2025, the insurance sector was governed by outdated and disparate Acts. Even though NIIRA repeals existing regulatory Acts and regulates the insurance industry under the leadership of NAICOM, it does not clearly repeal Acts backing the National Agricultural Insurance Commission (NAIC), National Social Insurance Trust Fund (NSITF) and the National Health Insurance Authority (NHIA). This creates a regulatory overhead that requires strategic coordination, harmonisation and collaboration between mandate agencies and sub nationals to deepen economic and financial gains for the informal sector.

• **Foreign exchange (FX) volatility**: The value of the Naira against foreign currencies depreciated from 460 NGN/USD to around 1600

NGN/USD from June 2023 - June 2025. This forced price hikes on imported commodities, reduced purchasing power, increased costs and bottlenecks in supply chain networks, logistics and transport thereby causing many SMEs to become bankrupt and diminishing the contribution of the informal economy to the country's Gross Domestic Product (GDP). In response, the Central Bank of Nigeria (CBN) stabilised the FX ecosystem by launching the Nigerian FX Code, a platform that ensures ethical trading and regulatory compliance in January 2025. Earlier, the CBN had issued the Electronic Foreign Exchange Matching System (EFEMS) to regulate interbank FX trading operations and liberalised market operations using the "willing buyer, willing seller" model at the Investors and Exporters (I&E) window. This aided to bridge the price gap between the official FX market and Bureau-de-change (BDC) rates. The CBN also cleared USD 7 billion FX obligations to ease and facilitate enhanced cross border trade.

2. What policy interventions could effectively support the growth, formalisation, and financial inclusion of the informal sector, particularly considering gender intersectionality and digital innovation?

• **Economic and Financial (EFI) governance**: The CBN released the National Financial Inclusion 3.0 to drive Nigeria's financial inclusion by 95% at the end of 2024. Having met only 74% of the target, there is a need to document a national strategy on economic and financial inclusion (NSEFI) led by the Presidential Committee on Economic and Financial Inclusion (PreCEFI) Secretariat. Unlike previous efforts primarily led by the CBN, the NSEFI will power a high-level, inter-ministerial, and public-private sector collaboration to lay a stronger foundation to achieve the government's economic goals aligned to the target of a trillion-dollar economy by 2030.

• **Gender inclusion**: The 2023 EFiNA Access to Finance (A2F) report quoted that the gender gap to the access to finance between male and female in Nigeria stands at 9% in favour of the former. By evaluating other factors, it can be inferred that the women employed in the informal sector living in rural communities in the North-East of Nigeria are likely to be more marginalised to financial access in Nigeria. FG secured a USD 500 million grant from the World Bank Group (WBG) under the Nigeria for Women Program Scale UP (NFWP-SU) to improve women livelihoods in Nigeria. Nigeria is collaborating with the UN Women's Women's Economic Empowerment Strategy (2022-2025), a global framework to advance women's economic agency, autonomy, and well-being and the World Bank Group's Gender Strategy (2024-2030), a comprehensive plan to accelerate gender equality to end poverty. In 2025, The Presidential Committee on Economic and Financial Inclusion (PreCEFI) launched an advocacy campaign tagged #ShesIncluded which brought together stakeholders to deliberate on effective and efficient approaches to bridge the gender divide to financial inclusion in line with the objectives of the Renewed Hope Agenda to make Nigeria a USD 1 trillion economy by 2030. The Bank of Industry (BOI) disbursed NGN 108 billion to 921 women-owned businesses in 2025 to increase women's access to finance. In addition, it has provided 75% guarantee to derisk lending by advancing a USD 50 million Partial Risk Guarantee (PRG) with the African Guarantee Fund (AGF). Recently, the FG launched the third phase of the Government Enterprise and Empowerment Programme (GEEP) titled Renewed Hope GEEP (RHGEEP 3.0) which will empower 5 million beneficiaries, including women entrepreneurs and informal workers, with financing facilities by 2027.

• **Digital infrastructure**: To improve the uptake of financial products by women, the CBN launched the Women Entrepreneurs Finance Code (We-Fi Code) that represents a commitment of stakeholders to increase funding to women-led micro, small and medium enterprises (WMSME). The NGX Regulation Limited (NGXRegCo) launched the EquipHer initiative to boost women investors in Nigeria's capital market through the

SheTech Digital Inclusion Program. The initiative empowers women with digital and financial literacy training and aims to develop government instruments that encourage women-led investments in stocks, commodities and more. The Nigerian Communications Commission (NCC) has partnered with the Association for Progressive Communications to explore a policy framework for enabling community networks to bridge the digital divide and increase broadband penetration to marginalised and underserved communities. Similarly, the NCC and the Rural Electrification Agency (REA) have launched the NCC-REA Collaboration Committee to co-develop and deploy integrated renewable energy solutions that power telecoms infrastructure which advances Nigeria's digital and energy inclusion objectives.

3. Given the informal sector's significant contribution to employment and GDP, what practical measures can be taken to improve access to finance, and how can policymakers simplify compliance or offer incentives that make formalisation financially and operationally appealing to informal operators?

To drive improved adoption of financial access and quality of financial services, policy makers can implement the following initiatives.

• **Digital identity**: When individuals and service providers gain access to formal financial services like bank accounts, loans, and insurance using digital identity, businesses are able to grow beyond the limitations of cash-based transactions and informal networks. Only 121 million natural persons both citizens and residents, have been captured in the National Identity Management Commission (NIMC) National Identity Number (NIN) database which excludes a significant portion of the population. With a growing population of over 200 million, policy makers and sub nationals need to collaborate more to harness individual and corporate identity data to increase coverage to underserved populations. Policy makers may use incentives such as tax reliefs to data processors and discounts to data subjects to increase onboarding to the NIN database and expand the number of those who have access to financial services.

• **Seamless information flow**: Friction in the processing of financial data can be attributed to siloed and duplicated operations of mandate agencies, service providers and sub nationals. These stakeholders require strategic coordination guided by facilitated roadmaps and/or frameworks to reduce the apparent operational bottlenecks. By leveraging an interoperable digital exchange infrastructure, policymakers can create a standardised and verifiable system for operators and consumers to access financial services for data analytics and business intelligence of financial products. This data-driven approach allows financial institutions to assess credit information of informal workers and small business owners without traditional collateral, thereby unlocking access to credit and other financial products. A streamlined flow of information also simplifies regulatory risk management and compliance, making it easier for financial institutions to adhere to "Know Your Customer" (KYC) requirements and reducing the operational costs associated with serving this segment.

• **Regulatory reforms**: The Reforms in financial sector regulations—like the Nigerian Insurance Industry Reform Act (NIIRA) 2025 and amendments to the Banks and Other Financial Institutions Act (BOFIA)—are designed to expand consumer protection, strengthen dispute resolution, and encourage micro-insurance uptake, all of which build trust among small businesses. By reducing compliance costs and embedding tangible benefits such as access to credit, pensions, and social protection within formalisation processes, government reforms make the transition to formality financially attractive. At the same time, regulatory reforms must be accompanied by deliberate advocacy and coordinated implementation across national, subnational, and regional levels to ensure alignment with local realities. Byembedding gender-sensitive provisions—such as simplified digital onboarding for female traders and co-contribution schemes for micropensions—policies can ensure that women, who dominate the informal sector, are not left behind.

4. Year on year, we see that unemployment is the primary catalyst for creating informal businesses, yet these same ventures are critical conduits for job creators. What specific policies can be implemented to support their transition into sustainable, growth-oriented employers that can formally absorb more of the labour force?

Informal businesses account for a very large share of employment in Nigeria but formalisation attempts remain low — only a small share of informal firms attempt business registration. That gap means many job-creating micro firms never access finance, markets, or protections that enable scaling. Several policy considerations can be applied to ensure informal businesses scale to robust GDP contributors.

- **Tiered registration**: To ease onboarding of informal businesses, policies can be enacted to tier the registration of these entities based on their perceived risks. The tiered registration system lets street traders and micro-firms register with simplified requirements and low/zero fees for a probationary period, with optional upgrades as income/growth triggers are met.

- **Alternative financing**: Traditional credit facilities may be difficult to access due to strict banking regulations. Development financial institutions can be empowered to issue less risky convertible grants that convert to repayable micro-loans or equity in a pooled micro-enterprise fund once revenue thresholds are reached. This ensures that incentives are aligned to the scale of revenues generated by the informal service provider.

- **Aggregator & anchor buyer**: Policy makers can create mechanisms for public institutions and large private buyers to source from clusters of formalised micro suppliers (market-making). This may involve using procurement quotas or set-aside contracts for pooled micro-suppliers to offer short term "on-ramp" contracts for certified less risky firms. This mechanism can pre-finance working capital for qualifying clusters to obtain credit to meet market demands.

- **Digital marketplace hubs**: Through effective policy coordination, stakeholders can collaborate with the public sector under a Public Private Partnership (PPP) to develop digital marketplace hubs with redeemable logistics credits so that micro producers can be incentivised and assess ready market of offtakers and buyers.

The marketplace hub can power quality verification and supplier rating mechanisms to improve investor and consumer confidence. Logistics credits can be tied to carbon credits and redeemed as insurance premiums or commodity discounts. These hubs can be used as educational and advocacy centres for the deepening of economic and financial inclusion initiatives to the last mile.

5. Recognizing that informal businesses function as a vital employment buffer for the economy, what would the execution of targeted fiscal incentives and structural support (for example a tiered system that doesn't ask mom and pop shops for board resolutions for registration) look like from talk to action?

To facilitate the execution of target fiscal instruments for the informal economy, it is important to consider the following:

- **Policy development**: This involves evaluating economic aspects against the national objectives of making Nigeria a USD 1 trillion economy by 2030 by leveraging on the informal sector. The insights derived by the feasibility studies and stakeholder engagement sessions will be used to develop a sustainable roadmap and policy framework that powers the informal economy to deepen economic and financial inclusion. It is also important to assert performance measures in alignment with the goals of the mandate agencies and the readiness to change considering cultural, political and socio-economic factors. This is established based on agreed governance structures that involve cross functional aspects of the informal sector.

• **Controlled assessment and pilots**: Policy impact assessments may be required to evaluate their effectiveness by evaluating findings from randomised controlled trials, focused sessions and/or pilot deployments. These insights establish baseline information to scale operations for initiatives such as tiered registration and digital marketplace hubs.

• **Mainstream policy implementation**: Technical and operational implementation of the fiscal structures can be conducted based on an agreed project framework. Changes such as expansion of procurement quotas, review of existing regulations, operationalisation of redeemable credits will be ratified at the organisational level and evaluated for impact by independent assessors.

• **Monitoring and evaluation**: It is important to evaluate the actual progress achieved against set objectives using the defined metrics, This is to reinforce business justification and continued policy investment.

Dr. Chinyere Almona, FCA
The Director General, Lagos Chamber of Commerce and Industry

1. Most pressing challenges in Nigeria's informal sector (policy & regulatory evolution)

Nigeria's informal sector continues to wrestle with structural fragilities that, while persistent, have taken on new dimensions since the first Informal Economy Report. Chief challenges are rising inflationary pressures, inconsistent regulatory enforcement, and a widening trust gap between operators and government institutions. While initial policies focused on financial inclusion and market access, the landscape has evolved: operators now face higher compliance costs without the compensating benefits of formalisation, leaving them vulnerable to multiple taxation and bureaucratic bottlenecks. Additionally, while digitisation has improved payment flows, poor digital infrastructure and low financial literacy remain stumbling blocks. The most pressing challenge, therefore, is misaligned policy frameworks that inadequately balance revenue generation with sectoral resilience, inadvertently driving many players further into informality. What is needed is not merely regulation, but coherent regulatory empathy, a framework that recognises informality as a springboard for innovation, employment, and resilience, rather than a nuisance to be managed. at September 2025.

2. Policy interventions for growth, formalisation, and financial inclusion (with gender and digital focus)

Policies must pivot from punitive compliance models to incentive-driven, inclusion-focused strategies to effectively support growth and formalisation. Gender-sensitive design is paramount: women dominate much of the informal economy but face disproportionate barriers in credit access, asset ownership, and digital adoption. Interventions should incorporate targeted microcredit with flexible collateral requirements, subsidised digital literacy programs, and gender-responsive financial products. On digital innovation, the government can incentivise fintechs to co-create solutions that integrate informal players into formal payment ecosystems while ensuring affordability and simplicity. Beyond finance, social protection policies linked to digital IDs and mobile wallets can create an on-ramp for savings, pensions, and insurance participation. Ultimately, an innovative policy mix should marry technology with trust, gender with growth, and compliance incentives, making formality possible and profitable

3. Practical measures to improve access to finance & simplify compliance

Improving access to finance for informal operators requires a dual-track approach of innovative financing models and regulatory simplification. First, financial institutions should be encouraged to deploy cash-flow-based lending, agent networks and savings-credit linkages that reflect the daily realities of informal traders, rather than collateral-heavy models designed for corporates. Second, policymakers should implement graduated compliance tiers, where micro-enterprises face lighter documentation and phased tax regimes, so that entry into the formal economy is neither financially punitive nor administratively overwhelming. To sweeten this pathway, incentives such as tax holidays, subsidised registration fees, and access to state-backed credit guarantees should be tied to compliance milestones. This twin strategy creates a pipeline where informal actors see direct benefits of being counted while financial institutions find new markets for sustainable lending.

4. Policies to support informal ventures into sustainable, job-creating enterprises

If informal businesses are to evolve into growth-oriented employers, policies must deliberately target their transition from survivalist enterprises to scalable ventures. A foundational step is the provision of structured capacity-building programs, embedded within local chambers of commerce and trade associations, to upskill operators in bookkeeping, inventory management, and digital tools. This should be coupled with graduated tax incentives tied to employee hiring, so micro-businesses are rewarded for absorbing labor formally. Access to affordable infrastructure, such as shared workspaces, market hubs with reliable utilities, and logistics support, can dramatically lower operational costs, freeing up capital for growth. Crucially, policymakers must link enterprise development with workforce planning, creating apprenticeship and vocational linkages that channel young people into these ventures. By reframing informality as a pipeline for enterprise-driven employment, Nigeria can convert its unemployment burden into a reservoir of grassroots job creation.

5. From talk to action: executing fiscal incentives and structural support

Executing targeted fiscal incentives requires pragmatism, precision, and phased implementation. A tiered system is the most viable model: micro businesses, such as street vendors or family-run shops, should enjoy simplified registration processes requiring minimal documentation, while medium-scale informal enterprises can gradually transition to more robust compliance. For example, instead of demanding board resolutions from micro-traders, the government can accept mobile-based registrations linked to NIN/BVN, drastically reducing friction. Fiscal support, tax credits, subsidised digital tools, and small-scale infrastructure grants should be frontloaded, ensuring operators see the tangible benefits of engaging with the government. These measures must be implemented via one-stop digital platforms to ensure accountability, reducing human discretion and rent-seeking. Transitioning from rhetoric to reality demands that policymakers meet the informal sector where it operates—lean, fast, and mobile—while designing structures that grow with it rather than against it.

Foyinsolami Akinjayeju,
CEO, EFInA (Enhancing Financial Inclusion & Advancement)

1. What are the most pressing challenges currently facing Nigeria's informal sector, and how have these evolved since the first Moniepoint Informal Economy Report from a policy and regulatory standpoint?

Nigeria's informal sector remains constrained by thin profit margins, low access to affordable credit, weak business management capacity, and high failure rates within the first five years.

Since the last report released in 2024, these challenges have deepened. Inflation continues to erode purchasing power and raise input costs, and the cost of credit has surged, leaving little room for investment or resilience-building.
The Federal Government introduced reforms to address some of the challenges faced by the sector including a new tax act characterised by tax exemptions and reliefs for small businesses, higher VAT exemption thresholds, and rationalisation of levies; establishment of a National Credit Guarantee Company (NCGC) and expansion of credit access via the Nigerian Consumer Credit Corporation (Credicorp) to support the informal sector among other target segments; and plans to integrate informal workers into a social insurance program under the auspices of NSITF, among many others.
It is, however, early to determine the broad effectiveness of these measures, some of which are narrow in scope and insufficient to alter the trajectory, coupled with the fact that awareness of these mechanisms is low.

2. What policy interventions could effectively support the growth, formalisation, and financial inclusion of the informal sector, particularly considering gender intersectionality and digital innovation?

To unlock growth and inclusion, government policy must shift from fragmented interventions to coordinated, systemic measures that should include the following:

• **Encouraging financial services providers** via mechanisms such as regulatory sandboxes and providing tax credits for operators that provide tailored, need-based, digital financial services especially microinsurance and Pay-As-You-Go credit to informal sector players, at scale.

• **Provision of outcomes-based subsidies** e.g. premium support for first-time micro-insurance policies for vulnerable segments, to be funded from welfare transfers.

• **Gender-sensitive financial policy**: Policy-backed guarantee schemes and concessional financing windows for informal business with specific quotas for women-led businesses, ensuring that banks and non-bank players are incentivised to lend inclusively.

• **Tiered formalisation frameworks**: NRS, CAC, and state revenue agencies should operate a harmonised, simplified, low-cost, digital/USSD-based business and tax registration and compliance system for micro-enterprises with immediate issuance of a taxpayer ID

• **Time-limited incentives for formalisation** e.g. fee waivers, access to grants or training for newly registered micro-businesses

• **Market-enabling policies**: Ministries of Industry and Trade to align policies with access to market opportunities by subsidising certification, easing of cross-border trade processes, and promoting value addition in key sectors like agriculture and light manufacturing.

• **Skills and digital literacy at policy level**: mandated and fund-backed capacity-building through SMEDAN-accredited BDSPs and digital platforms, making these services accessible in local markets and clusters.

3. Given the informal sector's significant contribution to employment and GDP, what practical measures can be taken to improve access to finance, and how can policymakers simplify compliance or offer incentives that make formalisation financially and operationally appealing to informal operators?

• **For access to finance**: We will benefit from an expansion of government/donor-backed credit guarantee schemes to de-risk MSME lending and crowding in development finance to subsidise interest rates for first-time borrowers. In addition, there is a need for increased capacity of lenders to use transaction data from payments and cooperatives for credit scoring and credit bureaus should integrate alternative data for expanded micro-credit scoring. From a products' perspective, we need more products that match business realities such as flexible repayment schedules for micro enterprises with irregular cashflows as well as those that consider gender constraints such as limited time/mobility for women. Furthermore, we need an expansion of the digital layaway or pay-as-you-go credit models especially for productive assets. Lastly, support is required for an expansion of women-led agent networks to reduce trust gaps especially among segments where cultural factors play a role.

• **To simplify compliance and incentivise formalisation**: create a tiered registration framework where micro-businesses begin with minimal requirements and scale obligations as they grow; embed compliance into mobile and agent-based platforms to cut friction; and ensure that registration immediately unlocks tangible value—such as access to finance, skills programmes, or temporary tax holidays.

Businesses will formalise and thrive when compliance is both easy and rewarding, and when finance is structured to support, not strain, already thin margins.

4. Year on year, we see that unemployment is the primary catalyst for creating informal businesses, yet these same ventures are critical conduits for job creators. What specific policies can be implemented to support their transition into sustainable, growth-oriented employers that can formally absorb more of the labour force?

Many informal businesses begin as survival enterprises, but with the right support they can transition into structured employers. Key policies may include:

• **Longer-tenure financing**: move beyond microcredit to offer patient capital that aligns with MSME growth cycles, giving businesses the breathing space to scale and hire.

• **Business development services**: subsidise access to SMEDAN-accredited BDSPs, so informal businesses can strengthen accounting, cost management, and digital adoption—building the structures lenders and markets require.

• **Market readiness and value addition**: prepare MSMEs for the AFCFTA opportunity through export readiness programmes, quality certification, and standards compliance, while supporting value addition in agribusiness, light manufacturing, and services.

Such policies would enable informal enterprises to shift from necessity-driven ventures into growth-oriented employers capable of absorbing more labour formally.

5. Recognizing that informal businesses function as a vital employment buffer for the economy, what would the execution of targeted fiscal incentives and structural support (for example a tiered system that doesn't ask mom and pop shops for board resolutions for registration) look like from talk to action?

Execution must focus on lowering barriers and embedding support where businesses operate:

• **Tiered compliance frameworks**: allow micro-businesses to register with simplified requirements, while obligations scale with growth.

• **Targeted fiscal incentives**: provide temporary tax holidays, reduced presumptive taxes, and performance-based rebates for businesses that employ youth, women, or adopt digital payments.

• **Structural support**: build one-stop digital compliance platforms, co-locate support desks in markets and clusters, and bundle advisory services through accredited BDSPs.

By embedding these measures into existing business touchpoints—markets, cooperatives, payment platforms—formalisation becomes less of a burden and more of a growth opportunity.

Profitability remains a huge concern for many informal market operators. What would the sector look like in the next few years, if we are able to design more flexible credit and or savings solutions that help small businesses absorb economic shocks and manage inflation?

With flexible financial tools designed around real cashflow patterns, the informal sector could look fundamentally different in a few years. Seasonal working capital loans, commitment savings, and inflation-hedged products would help businesses absorb shocks without collapsing. These buffers would enable entrepreneurs to shift from a survivalist mindset to investing in productivity, staff, and value addition.

Delivered through digital channels and paired with advisory support, such solutions would transform today's fragile informal enterprises into more resilient, future-ready drivers of inclusive growth.

Dr. Oluyemi Adeosun,
Chief Economist, BusinessDay

1. What are the most pressing challenges currently facing Nigeria's informal sector, and how have these evolved since the first report?

The sector's challenges have intensified and become more complex since the first report. While perennial issues like inadequate infrastructure persist, the macroeconomic environment has introduced acute pressures, creating a cycle of "profitless prosperity."

Inflation-driven cost pressures: Headline inflation remains stubbornly high (25.9% as of July 2025), severely eroding consumer purchasing power and profit margins. The finding that only 47% experienced higher profits despite 65% revenue growth is the central story, directly linked to soaring energy and transport costs. Businesses are selling more naira-worth of goods but producing far fewer physical units.

Monetary & FX volatility: The CBN's tight monetary policy (MPC at 24.75%) makes borrowing prohibitively expensive. Concurrently, Naira volatility continues to make the cost of imported raw materials and equipment unpredictable, crippling sectors like tailoring and small-scale manufacturing.

Regulatory fragmentation & uncertainty: The evolution has been from neglect to poorly sequenced interventions. Multiple taxation points across federal, state, and local governments create a complex compliance burden. Crucially, initiatives like the FIRS's tax drive have created significant anxiety, framing formalisation as a precursor to heavy taxation rather than a benefit.

Financial vulnerability: The finding that 42% lack savings to survive one month without income represents a critical vulnerability exacerbated by these compounded pressures and limited access to formal safety nets.

2. What policy interventions could effectively support growth, formalisation, and financial inclusion?

Policy must be holistic, incentivising, and cognisant of diversity.

Gender-responsive interventions: With women constituting over 60% of the informal sector, policy must promote collateral-free lending facilities, gender-focused digital literacy programs, and public-private partnerships for affordable childcare to enable women's full business participation.

De-risking formalisation through digital innovation: The government should create a "First-Time Formaliser" incentive, including a 12-24 month tax holiday and a single-digit interest rate loan facility. Policy should encourage API integrations between platforms like Moniepoint and government databases (CAC, FIRS) to create a seamless, low-cost, one-stop formalisation portal within existing business apps, reducing compliance time and cost dramatically.

Ecosystem enablers: Establishing regulatory sandboxes for fintech innovation and accelerating BVN-linked digital identity adoption are crucial for building the infrastructure for inclusion.

3. What practical measures can improve access to finance and make formalisation appealing?

The real challenge is not just access, but the terms of access.

Move beyond collateral to data: Policymakers and lenders must embrace alternative credit scoring. Moniepoint's own transaction data is a goldmine for assessing cash flow. SMEDAN and the CBN could fund a shared "Informal Sector Credit Database" where consented data from fintechs is aggregated to build financial identities.

Simplify compliance radically: Implement a Single Business Identifier across all agencies, introduce USSD-based tax filing for feature phone users, and adopt presumptive taxation based on simple turnover calculations to eliminate complex bookkeeping.

Create powerful incentives: A policy offering a slight VAT reduction for businesses with high digital transaction volumes promotes record-keeping. Furthermore, provide subsidised registration fees and preferential access to government procurement opportunities for newly formalised businesses.

4. What would the sector look like with more flexible credit/savings solutions?

The impact would be transformative, shifting the sector from survivalist to scalable.

In the next 3-5 years, we would witness:

Enhanced resilience: Improved working capital management could reduce the share of businesses unable to survive one month (currently 42%) to 20-25%. Access to inventory financing would allow operators to hedge against inflation and absorb seasonal shocks.

Productivity growth & investment: Businesses could invest in bulk inventory, basic equipment, and skills development, directly boosting profitability and enabling hiring.

Accelerated formalisation: Financial incentives linked to digital and tax compliance could see 20-30% of micro-businesses transition to semi-formal operations by 2030, increasing the sector's GDP contribution from 58% to 65%.

5. What does the deep-rooted reliance on cash at the final mile tell us?

This contradiction is a masterclass in user behaviour and structural barriers, not technological limitation.

It reveals:

The "customer is king": Final-mile adoption is dictated by consumer preference, driven by a trust deficit (fears of failed transactions), desire for transactional anonymity, and habit.

Ecosystem gaps: Insufficient agent network density in rural areas, high merchant discount rates (2-3%), and intermittent network reliability make cash the more reliable fallback technology.

Behavioural & generational factors: A bargaining culture favouring cash and lower digital literacy among older consumers sustains its dominance.

This suggests the push for a cashless economy must be patient, educational, and focused on solving micro-behavioural economics through enhanced consumer protection, reduced transaction costs, and unwavering reliability.

6. Is technology truly empowering or just adding expense and dependency?

Technology is a double-edged sword; its empowerment value is not automatic but contingent on design, affordability, and relevance.

Empowerment: It reduces friction—cutting remittance costs, improving supply chain payments (as seen with 48% preferring transfers for suppliers), and enabling access to new markets and financial products.

Burden: It introduces costs—POS maintenance, data plans, and platform fees erode thin margins. Complexity and the digital divide can exclude less-educated operators.

The critical variable is the low-trust gap. Technology must be built to bridge trust through transparent pricing, instant dispute resolution, and reliable service. The solution lies in creating intuitive, affordable, and interoperable technology whose immense efficiency gains render its cost negligible. We are on the right path, but the focus must remain on human-centric design.

Dr. Dotun Olowoporoku,
Managing Partner, Ventures Platform

1. What are the most pressing challenges currently facing Nigeria's informal sector, and how have these evolved since the first Moniepoint Informal Economy Report from a policy and regulatory standpoint?

The informal sector has always been Nigeria's shock absorber—a space where resilience thrives, even when formal opportunities dry up. But resilience without profitability is survival, not prosperity.

The first challenge is eroding profitability. Yes, 65% of businesses reported revenue growth over the past year. But rising input costs—fuel, rent, FX-linked goods—meant that only 47% saw higher profits. In fact, 38% still earn less than ₦10,000 ($7) daily, hardly enough to cover basic household needs. This is the paradox of our informal economy: sales can rise, yet survival feels harder because inflation peaked at 34.8% in December 2024 before moderating to 21.9% in mid-2025. That decline is welcome, but the damage is done—margins are still squeezed, and many operators remain in a perpetual state of financial fragility.

The second, perhaps more fundamental challenge, is constrained access to affordable and flexible credit. The 2024 Report showed that 70% of informal businesses rely on credit, yet most of it comes from family, friends, or informal lenders—sources that are limited, expensive, and often exploitative. This is where technology-led innovation is making a difference. In our portfolio, Moni is pioneering credit access for micro-entrepreneurs who would otherwise be invisible to traditional banks. Shekel is enabling automotive traders to access loans against their trading activity, removing the need for collateral and unlocking liquidity in a sector long considered too risky. And OmniRetail, through its OmniPay platform, has enabled small shopkeepers to access credit for inventory while helping manufacturers distribute more efficiently. These examples show that the sector's financing challenges can be solved—but only if we continue to invest in scale and supportive regulation.

Beyond finance, the sector still struggles with infrastructure bottlenecks. Erratic power forces retailers to rely on diesel or petrol generators, often at triple the cost. Logistics inefficiencies, particularly for perishable goods, eat into margins and create waste. Add to this the burden of multiple and arbitrary taxation—despite 89% of informal businesses already paying some form of levy—and the cost of doing business becomes unsustainable.

Finally, the gender gap remains stark. Women own 37% of informal businesses, but nine in ten earn less than ₦250,000 per month. Without deliberate interventions, this inequality risks becoming entrenched, limiting both household welfare and national productivity.

In short, since the 2024 Report, the sector has seen digital adoption accelerate —transfers now account for nearly half of supplier payments—but the deeper structural issues remain. The story is of a sector that is adapting under pressure, but whose growth remains fragile without stronger scaffolding from policy and investment.

2. What policy interventions could effectively support the growth, formalisation, and financial inclusion of the informal sector, particularly considering gender

intersectionality and digital innovation?

Policy must meet people where they are. The informal economy doesn't need grand speeches; it needs practical tools and incentives that respect its realities. Four priorities stand out:

a) Make formalisation simple and rewarding.

Today, registering with the CAC or FIRS is still viewed as a burden rather than a benefit. Policymakers can change this by creating digital one-stop shops where business registration, tax filing, and access to support programs are integrated. Offering 2–3 years of tax holidays or simplified presumptive taxes for nano-businesses (earning under ₦250,000 monthly) would reduce the fear of the "tax trap"—the fear of paying more to government than the business can afford—which the 2024 Report found to be a major deterrent for 89% of operators.

b) Unlock credit with data.

Collateral remains a high wall between informal entrepreneurs and affordable finance. Regulators should encourage data-driven credit scoring, allowing banks and fintechs to use transaction histories from POS devices, mobile wallets, and supply-chain records to build trust profiles. We see this in action: Moni is leveraging merchant transaction data to extend loans to small-scale businesses; Shekel is using trading flows to finance car dealers; and OmniRetail is embedding working-capital credit into its distribution platform for retailers. These are not pilots—they are real-world demonstrations of what's possible when policy enables innovation.

c) Design gender-responsive finance and support.

Women run over a third of Nigeria's informal businesses, yet nine in ten earn less than ₦250,000 a month. To close this gap, financial policies must do more than extend credit—they must reshape access. Targeted credit lines for women, lower collateral thresholds, and the integration of childcare or flexible repayment schedules can shift the trajectory for millions of female entrepreneurs. Programs like SMEDAN's National Business Skills Development could be scaled nationwide with a gender lens, creating a generation of digitally literate, financially empowered women traders.

d) Build digital and physical infrastructure.

The 2023 cash crunch proved that informal operators will embrace digital tools when they are accessible and reliable. Transfers now make up 48% of supplier payments, double pre-2023 levels. Government must sustain this momentum by expanding broadband to rural markets, stabilising power supply, and incentivising fintechs to integrate cost-saving tools such as embedded insurance and inventory financing. Our portfolio companies are already demonstrating the impact: OmniRetail's aggregated supply chain reduces costs for retailers, while Moni's credit rails help them restock at scale.

In the end, the test for policymakers is simple: can we make formalisation feel like empowerment rather than enforcement? If we can align tax policy, credit innovation, gender equity, and digital infrastructure, we will not just sustain the informal sector—we will unlock its power as Nigeria's growth engine.

3. Given the informal sector's significant contribution to employment and GDP, what practical measures can be taken to improve access to finance, and how can policymakers simplify compliance or offer incentives that make formalisation financially and operationally appealing to informal operators?

Access to finance is the oxygen of growth. Without it, most informal businesses are trapped in a cycle of subsistence, limited to what their daily sales or family loans can provide. The 2024 report shows that 70% of operators rely on credit, yet 70.7% of that credit still comes from family and friends—a fragile foundation for a sector that employs over 80% of Nigeria's workforce.

Policymakers can unlock finance by:

Scaling alternative credit scoring: Secure, consent-based data-sharing across fintechs and banks would allow millions of informal entrepreneurs to build credit profiles from digital transactions. Moni is already proving this model by turning small retail payment and saving histories into loan eligibility. Shekel applies a similar principle in the auto trade, using dealers' transaction patterns to offer working capital. OmniRetail integrates credit into its distribution network, ensuring retailers can stock shelves without prohibitive upfront cash.

Government-backed guarantees: Expanding schemes like the ₦200 billion palliative fund to cover up to 50% of MSME defaults would encourage banks to lend more confidently to small operators, reducing dependence on informal lenders.

Savings-led finance: With 42% of businesses unable to survive a month without income, building resilience through savings is vital. Platforms like PiggyVest have shown that Nigerians, even at low-income levels, are willing to save when tools are simple and trusted. A national matched-savings program could help micro-entrepreneurs build buffers that protect against inflationary shocks.

On compliance and incentives, simplicity is everything. A tiered registration pathway that scales obligations to revenue would allow nano-businesses to formalise without fear of crippling taxes. Coupled with tax rebates for digital adoption (such as reduced levies for POS-enabled businesses) and preferential access to government contracts, formalisation can shift from being a cost centre to a growth accelerator.

The lesson is clear: if you want the informal sector to formalise, you must make it cheaper, faster, and more rewarding to do so than to remain outside the system.

4. Looking at the current climate, rising costs are squeezing the minimal profits of informal retailers and players. How do you see some of your portfolio companies evolving from, say providing inventory and or finance to actively deploying cost-mitigation tools that will ensure the viability and sustainability of the sector?

Rising costs are the silent killer of small businesses. A retailer might increase her turnover, but if diesel prices climb, transport costs spike, and the naira weakens, she ends the month with less money than she began. In the informal sector, where 38% of businesses earn under ₦10,000 a day, these shocks can be existential.

That is why many forward-looking startups are shifting from simply providing credit to engineering efficiency.

OmniRetail is going beyond financing to restructure supply chains. By aggregating orders and enabling direct sourcing, it has helped manufacturers like Guinness cut distribution costs by up to 20%. This not only reduces costs for producers but also ensures that small retailers in Aba or Kano can access goods at fairer prices.

Shekel Mobility is tackling the automotive trade, where informal dealers often struggle with working-capital gaps. By tying credit decisions to trading activity rather than collateral, it lowers the cost of financing and allows dealers to turn over stock faster. That efficiency is a direct buffer against inflation and currency swings.

Fez Delivery started as a courier business but has evolved into a cost-optimisation partner. With its SafeLockers in Lagos and Abuja, it reduces failed deliveries, cuts fuel consumption, and offers merchants predictable, affordable logistics.

The pattern is unmistakable: fintech, logistics, and trade-tech are converging into cost-mitigation platforms. By reducing waste in energy, logistics, and procurement, they extend the lifespan of small businesses. The true test is whether we can scale these models from hundreds of thousands of traders to tens of millions.

In today's climate, growth will come not just from adding revenue, but from subtracting cost. That is how the informal economy can move from fragility to sustainability.

5. Profitability remains a very huge concern for many informal market operators. What would the sector look like in the next few years, if we are able to design more flexible credit and or savings solutions that help small businesses absorb economic shocks and manage inflation?

If we get this right, the informal economy could look radically different by the end of the decade. Picture the trajectory:

- By 2027, survival rates could double—from fewer than 2 in 10 informal businesses surviving beyond five years today, to nearly 4 in 10. Automated savings, micro-pension schemes, and flexible repayment structures would give entrepreneurs room to breathe when shocks hit.
- By 2028, millions of nano-businesses—the corner shops, market stalls, and roadside artisans—could graduate into formal SMEs. That "missing middle" of enterprises would deepen Nigeria's tax base and create jobs at scale.
- By 2030, we could see over 10 million digitally scored businesses actively contributing to GDP. Informality would no longer be treated as a shadow economy; it would be recognised as the backbone of our national prosperity.

We already see glimpses of this future in our own portfolio. Moni has shown that small merchants, once excluded from the formal system, can responsibly access and repay digital loans when given the right data-driven tools. Shekel is proving that even car dealers in informal clusters can be financed if we look at their trading flows rather than collateral. And OmniRetail is demonstrating that when credit is tied to lower procurement costs, businesses not only borrow—they build.

The takeaway is simple but profound:

- Revenue is a reward for solving real problems—but resilience comes from savings and flexibility.
- Credit without buffers traps entrepreneurs; credit with savings frees them.

The informal sector is not a temporary stage—it is the seedbed of Africa's future SMEs.

If we can give our entrepreneurs the financial tools to withstand shocks, Nigeria's economy will no longer be a story of survival. It will be a story of scale, prosperity, and shared progress.

Innocent Isichei,
Managing Director, ACIOE Associates

1. What are the most pressing challenges facing Nigeria's informal sector—and how have they evolved?

a) **Low profits and cost shocks:** Many informal operators are selling more but earning less because of inflation, FX pass-through to input prices, power and transportation costs, and informal levies.

b) **Thin working capital and short cash-runways:** High account receivables, Low savings buffers, long cash-conversion cycles, and buyer payment delays translate into stock-outs, liquidity challenges for businesses and missed sales, especially for women-owned and youth-owned MSMEs.

c) **Multiple taxes/levies across federal–state–LGA**; as well as registration steps that don't take into consideration how the informal sector works.

d) **Poor data on the informal economy:** Credit bureaus exist, but lenders lack routinely structured, high-frequency data. We would recommend that credit bureaus consider POS/transfer flows of merchant, utility/telco history, and possibly e-commerce records) to improve access to credit for these businesses by looking at their cash flow position.

e) **Gendered constraints**: Women face collateral hurdles (titled assets in male relatives' names), time poverty (caregiving), and safety concerns that reduce trading hours and mobility.

How have these evolved: Compared to earlier years, there has been a surge in digital payments and a growing adoption by the informal economy, but profit compression, FX scarcity, and energy/logistics costs have become the dominant challenge. On the regulatory side, the CBN is working on its open banking guidelines and the movable collateral registry; however, the use of the collateral registry remains uneven

2. Policy interventions to support growth, formalisation & inclusion (with gender & digital lenses)

A. It's important to consider tiered formalisation that mirrors the business reality of the informal economy.

- **Tier-0/Tier-1 business identity**: Allow a one-screen CAC "lite" business name (BN) plus TIN issued automatically, with USSD and WhatsApp onboarding in local languages and delivery of e-certificate in minutes. It may be also important to waive board resolutions for sole proprietors/partnerships.

- **Replace multiple LGA levies with a flat, tax paid digitally (QR/USSD).** This reduces harassment, stabilises expectations, and nudges firms into the formal net.

B. Cash-flow based lending at scale

- **Open-banking enabled credit scoring**: Mandate that banks/PSPs/POS acquirers expose standardised MSME data APIs (with consent) so any lender or a government-backed scoring utility can price cash-flow risk from real sales.

C. Strengthen the credit information backbone

- **Credit passport**: Create a portable MSME "credit passport" that combines BVN/NIN + open banking data + collateral registry entries + credit bureau files;

- **Alternative data pipes**: Bring utilities, telcos, e-commerce, logistics, and tax data into credit bureaus by default (with consent). Brazil's Cadastro Positivo and India's Account Aggregator framework show that adding positive bill-payment histories materially lowers barriers to first-time credit.

- **Movable collateral first**: Double-down on Nigeria's National Collateral Registry by nudging lenders to take receivables, inventory, equipment, and livestock as security, paired with fast, low-cost perfection and summary enforcement procedures (time-bound dispute windows via small-claims tracks).

D. Factoring & supply-chain finance (SCF)

- **Legal clarity & tax neutrality**: Issue CBN/SEC/FGN guidance that recognises assignment of receivables as a clean sale (no withholding tax distortions), protects title transfer, and allows e-assignment.

- **Anchor-led SCF**: Require large buyers (FMCG, cement, telcos, supermarkets) to publish approved MSME invoices to a marketplace, enabling competitive discounting (India's TReDS platform is the model here).

F. Gender-responsive design

- **Collateral alternatives**: Accept group guarantees and movable assets; offer title regularisation vouchers for women traders to formalise shop tenure.

3. Practical measures to improve access to finance—and make formalisation appealing

Finance (what to do now):

a) **POS/transfer-data lending at scale:** A "MSME DataStack" hosted by NIBSS/CBN (or a neutral utility) with standard APIs for daily sales, settlement flows, and chargeback rates; lenders plug-in to price working-capital lines.

b) **Guarantee + refinance lines:** Expand DBN refinancing for cash-flow loans; Partial credit guarantees absorb first loss; performance-based interest rebates (e.g., 200–300 bps) for on time payers.

c) **Receivables finance:** Launch an e-invoice registry integrated with the collateral registry; require large buyers to time-stamp acceptance within, say, 5 working days, silence equals deemed acceptance, so MSMEs can factor.

4) What policies help the informal economy to absorb labour formally?

- **Productive asset finance at scale**: Crowd in lenders to finance tools of trade (freezers, sewing machines, power solutions, delivery bikes), guaranteed by PCGs and repaid from daily sales deductions.

- **Market infrastructure**: Invest in trader-centric upgrades—lighted markets, cold rooms, shared sanitation. This raises hours open, reduces spoilage, and immediately increases labour demand.

5) "Talk-to-action" on fiscal incentives & structural support (including a tiered regime)

90-day actions

- **CAC Lite**: Roll out Tier-0/Tier-1 registration via USSD/WhatsApp; auto-issue TIN; publish a no-board-resolution rule for sole proprietors and partnerships.

- **Presumptive levy swap:** Pilot with 3 LGAs to replace ad-hoc levies with a single digital presumptive tax collected by QR/USSD.

- **Open-banking MSME spec:** CBN publishes the MSME data fields (POS totals, refunds, seasonality index) under open banking scope.

180-day actions

- **PCG window:** Launch a ₦150–₦200bn

MSME PCG focusing on cash-flow loans and productive assets; onboard 10+ banks/MFBs/fintechs.

- **Invoice acceptance code:** Issue a government circular mandating five-day acceptance for e invoices; silence equals acceptance.
- **Women's title & tenancy helpdesk:** Provide paralegal + small grants to regularise shop tenancy/title, unlocking collateral substitutes.

6) Profitability outlook if we build flexible credit & savings for shock absorption

If Nigeria mainstreams cash-flow lending, factoring, and goal-based savings, we should expect three medium-term shifts:

a) **Fewer stock-outs & higher inventory turns:** Even a 10–15 day reduction in cash-conversion cycles via receivables finance can lift annual turnover by 10–20% for trading MSMEs.

b) **Lower unit costs, higher margins:** With working capital, traders buy in larger lots; combined with energy asset finance (cutting diesel spend), gross margins can widen by 2–5 percentage points.

c) **Fewer business closures after shocks:** If 42% can't survive one month today, embedding auto-sweep savings (1–3% of daily takings) + parametric micro-insurance (illness, flood, theft) will extend runways and reduce failure rates meaningfully.

Moniepoint’s impact on the informal economy

Nigeria's informal economy has always held particular importance to us at Moniepoint. From the launch of our earliest consumer-facing products, we recognised the level of impact that's possible when informal businesses in Nigeria are powered with all the tools they need to grow.

Our approach to supporting Nigeria's informal businesses is two-pronged:

6.1 Shining the spotlight on Nigeria's informal sector

The informal nature of informal businesses, unfortunately, means that they are left out of many of the conversations that could ideally benefit them. Their default status, which is often out of the sight of key stakeholders that could ideally build products and solutions that could be impactful to Nigeria's informal sector.

This is why endeavours such as the Informal Economy Report are important to us. Through them, we're able to spotlight the informal sector, and bring attention to many of its unique attributes and the ways in which both the government and key stakeholders have the right context to build solutions

We extend this by collaborating for the future of Nigeria's informal businesses by partnering with entrepreneurs, communities, and industry stakeholders to co-create solutions that drive growth. Since our last report, we've fully executed a partnership with the Corporate Affairs Commission that enables business owners to directly register their businesses within the Moniepoint app. We've also collaborated with the Federal Ministry of Industry, Trade and Investment, as well as the Small and Medium Enterprise Development Agency of Nigeria, to foster conversations around ensuring the overall wellbeing of Nigeria's informal sector.

6.2 Building for Nigeria's informal sector

Moniepoint builds for the informal sector by creating financial solutions that meet the unique needs of small business owners in Nigeria's informal economy. Recognising that many in this sector operate without formal banking relationships, we provide accessible tools that simplify payments, collections, and help them manage their businesses.

Rather than exclude them entirely, we work with the banking tiers made available by the Central Bank of Nigeria to ensure that we can still bank them, even when their businesses are small. Integrations within our platform also make it possible for them to register their businesses within the app, and become formally recognised, opening them up to even more support.

Beyond technology, we've invested in building out a support system that speaks their language and meets them where they are. By providing flexible, user-friendly support, we ensure that their unique needs remain heard, and we keep building solutions that don't exclude them. This approach ensures that the informal sector, often underserved by traditional banks, can thrive with tools designed specifically for their needs.

Methodology

Internal data

We analysed Moniepoint's internal data on over 5 million business owners across Nigeria. As with the previous year, we excluded CICO agents and focused exclusively on businesses.

Survey

We conducted in-person surveys with thousands of businesses across Nigeria. The only qualification for this survey was being unregistered with the Corporate Affairs Commission. We surveyed 400 business owners across Nigeria's geopolitical zones: North Central, North East, North West, South East, South South, and South West, with an additional 400 sampled in Lagos & Abuja, respectively.

Analysis

We interpreted this against a backdrop of the previous edition of the report and the current socioeconomic landscape of Nigeria.

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