

Nigeria's Digital Asset Ecosystem

Key Players, Roles and Regulatory Relationships

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Nigeria's digital-asset market is no longer operating at the edge of the financial system. It is becoming a regulated ecosystem in which securities, banking, taxation and financial-intelligence authorities exercise distinct but overlapping responsibilities.

The scale helps explain the policy shift. Chainalysis reports that Nigeria received more than US\$92.1 billion in on-chain value between July 2024 and June 2025, almost three times the value received by South Africa. Currency pressure, limited access to foreign exchange, remittances and demand for alternative payment and savings tools have all supported adoption.

Nigeria's policy has consequently moved from restriction towards formal supervision. The Central Bank of Nigeria restricted banks from facilitating cryptocurrency transactions in 2021, then issued guidelines in December 2023 permitting regulated financial institutions to maintain accounts for eligible virtual-asset service providers, subject to strict conditions. The Investments and Securities Act 2025 now expressly includes virtual and digital assets within the definition of securities.

This article explains who the principal players are, what each one does and how their mandates fit together. It reflects the regulatory position as at September 2026.

The regulatory architecture

The framework rests on several complementary instruments. The Investments and Securities Act 2025 anchors the SEC's capital-market jurisdiction. The CBN Act 2007 and the Banks and Other Financial Institutions Act 2020 support the CBN's supervision of banks, payments and financial stability. The Money Laundering Prevention and Prohibition Act 2022 treats virtual-asset service providers as financial institutions for specified compliance purposes. The 2025 tax legislation and the Nigeria Revenue Service's July 2026 guidelines address the taxation and reporting of virtual-asset activity.

In July 2026, the President signed the Executive Order on Virtual Assets Coordination. It created a Virtual Asset Council to coordinate existing agencies without replacing their statutory mandates. The SEC has also published proposed consolidated Rules on Digital and Virtual Asset Operations, Custody and Markets. Because those rules are presented as proposed rules, they should not be described as final law until formally adopted.

The principal regulators



Securities and Exchange Commission

The SEC is the lead regulator where a digital asset or activity falls within the capital market. Its responsibilities include registering relevant operators, supervising offerings and trading platforms, setting prudential and operational standards, protecting investors and enforcing anti-money-laundering and counter-terrorist-financing obligations within its remit. Its Accelerated Regulatory Incubation Programme provides a controlled route for eligible operators seeking full registration; approval in principle is not the same as a permanent licence.



Central Bank of Nigeria

The CBN governs the banking and payment side of the ecosystem. It regulates how financial institutions maintain accounts for eligible virtual-asset businesses, oversees fiat settlement and systemic risk, and enforces banking-sector AML and CFT controls. Banks remain prohibited from holding or trading virtual assets on their own account under the 2023 guidelines. The 2026 Executive Order also places the CBN at the head of the Virtual Asset Council and anticipates a regulatory sandbox for virtual-asset products.



Nigeria Revenue Service

The NRS administers federal tax obligations arising from digital-asset activities. Its July 2026 guidelines classify virtual assets into six categories and address income tax, VAT on related services, stamp duties, valuation, registration, filing and record-keeping. Operators and users should focus on the economic substance of each transaction: different taxable events can arise from the same activity.



Financial Intelligence and National Security

The Nigerian Financial Intelligence Unit receives and analyses suspicious transaction reports and shares intelligence with regulators and law-enforcement bodies. The Office of the National Security Adviser assesses wider security risks, including terrorism financing, fraud and threats to financial-system integrity. These bodies do not replace market regulators; they supply intelligence and security oversight.



Virtual Asset Council

The Council is the coordination layer. It is chaired by the CBN, with the SEC and NRS as vice-chairs, and includes the NFIU and ONSA. Its purpose is to reduce gaps and jurisdictional overlap, improve information sharing and develop a harmonised framework. The Executive Order is explicit that the Council does not create a new regulator or transfer statutory powers.

The market operators

Regulated market participants perform different functions, and a licence for one function does not automatically authorise another:

- Digital Asset Exchanges provide marketplaces for buying and selling approved assets and maintain trading, surveillance and reporting systems.
- Digital Asset Custodians safeguard client assets and cryptographic keys, process authorised transfers and maintain asset-protection controls.
- Digital Asset Offering Platforms connect issuers with investors and support compliant token offerings, onboarding and subscriptions.
- Virtual Asset Service Providers may provide exchange, transfer, wallet, on-ramp, off-ramp, staking or other registered services, but only within the scope of their authorisation.

- Digital Asset Intermediaries improve access through user-facing interfaces without necessarily operating an exchange, offering platform or custody service.
- Real-World Asset Tokenisation and Offering Platforms convert rights in underlying assets into transferable digital tokens and facilitate compliant offerings or trading.

How the relationships work in practice

The system is best understood by following the activity rather than the institution. A single operator may answer to several authorities because each regulator addresses a different risk. Consider a platform that exchanges digital assets for naira. The SEC may regulate the platform and the investment or trading activity. The CBN oversees its banking relationships and fiat-payment channels. The NFIU becomes relevant when reporting or financial-intelligence obligations arise. The NRS governs the tax consequences for the operator and its users. Security concerns may bring ONSA into the wider policy response. The Virtual Asset Council coordinates the agencies when their mandates overlap or responsibility is unclear.

For operators, this means that compliance cannot be treated as a single-licence exercise. Governance, capital, customer due diligence, transaction monitoring, custody, consumer disclosures, data management, tax reporting and incident response must work as one system. For investors and customers, the practical questions are equally important: Is the provider authorised for the service offered? Who holds the assets and keys? How are fiat funds settled? What disclosures and complaint channels exist? What records are needed for tax purposes?

What comes next

Nigeria has moved decisively towards formal regulation, but the framework is still developing. The test will be whether coordination produces clear licensing routes, proportionate supervision and consistent enforcement without suppressing responsible innovation.

The opportunity is substantial, but regulatory clarity is now part of the product. Operators that build compliance into their business models will be better placed to earn trust, attract institutional participation and grow with the market.

Sources and further reading

Investments and Securities Act 2025

Presidential Executive Order on Virtual Assets Coordination 2026

NRS Guidelines on the Taxation of Virtual Assets

SEC Proposed Rules on Digital and Virtual Asset Operations Custody and Markets

Chainalysis 2025 Geography of Cryptocurrency Report excerpt

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