ICFB-UCB-2026-021

Financial Law Reforms for Economic Resilience in Africa: Lessons from Nigeria's Regulatory Experience

Onofiok A. Luke (Ph.D.)

Meliora Law Partners, Federal Capital Territory, Abuja, Nigeria
onofifi1@gmail.com

Abstract

Africa's largest economy, Nigeria, presents a compelling case study for examining how financial legal frameworks can either accelerate or constrain economic resilience. The paper examines the legal architecture governing Nigeria's financial and banking sector, with particular focus on recent reforms, their regulatory effectiveness, and their capacity to advance the country's One Trillion Dollar economy agenda, at a moment when African states face compounding pressures from global market volatility, digital disruption, and post-pandemic fiscal stress. Adopting a doctrinal and comparative methodology, the paper draws on primary legislation, subsidiary regulation, institutional reports, and comparative legal scholarship. It finds that while recent reforms have meaningfully modernized the regulatory landscape, their transformative potential remains unrealized. Structural impediments, including weak enforcement mechanisms, institutional fragmentation, overlapping statutory mandates, and politicized appointment processes, continue to undermine regulatory independence and expose the system to regulatory capture. Critically, the absence of a dedicated statutory framework for digital financial services leaves the rapidly expanding fintech sector in legal uncertainty. The paper maps the gap between legislative intent and regulatory outcome in Nigeria's reformed financial law regime, diagnoses the institutional deficiencies perpetuating this gap, and advances targeted reform proposals to strengthen Central Bank governance and accountability; insulate appointment processes from political interference; enhance consumer protection mechanisms; and enact a sector-specific statute for digital financial services. The paper concludes that statutory refinement and institutional realignment are not merely technical corrections; they are preconditions for a banking sector capable of anchoring Nigeria's continental economic ambitions.

Keywords: Financial law reform, banking regulation, regulatory independence, fintech regulation, economic resilience, Nigeria, Africa
border

JEL Classification: G21, G18, G28, K23, L51, O55, G20

Introduction

The financial services sector constitutes a foundational pillar of economic resilience in Sub-Saharan Africa. Beyond its conventional intermediation functions, the financial system operates as an essential shock absorber, enabling economies to absorb, withstand, and recover from macroeconomic disturbances. The financial sector, comprising banking, insurance, and capital markets, supports resilience through the mobilisation of savings, efficient capital allocation, risk-sharing, and liquidity provision. When these functions operate effectively, they stabilise consumption and investment and reduce the transmission of systemic shocks. Conversely, weak financial systems amplify economic disruption, leading to credit contraction, declining output, and heightened socio-economic vulnerability.

The expansion of mobile money and digital payment systems has further strengthened this stabilising role, sustaining access to transactions, particularly for households and small and medium-sized enterprises during periods of disruption. However, the stabilising capacity of financial systems remains contingent on the strength of their legal and regulatory frameworks. Weak regulation and fragmented supervision have historically undermined financial stability in the region, with adverse implications for growth and poverty reduction (World Bank, 2024; Demirgüç-Kunt et al., 2022). Despite sustained reform across African jurisdictions, a major gap persists between modernised financial legal frameworks and actual resilience outcomes. Financial law, which refers to the set of regulations and organisations that oversee financial operations, forms the basis for maintaining stability, trust, and controlling risks; however, its success varies across contexts. This paper engages with this gap by examining why legislative reform has not consistently translated into durable institutional resilience.

Nigeria presents a particularly instructive case. As Africa's largest economy and most populous country (Omoju et al., 2026), with a nominal gross domestic product reaching ₦441.5 trillion in the fourth quarter of 2025 and year-on-year growth of 4.07 per cent (National Bureau of Statistics, 2026), the country has undergone successive waves of financial sector reform alongside episodes of institutional stress. Recent statutory developments, including the Banks and Other Financial Institutions Act 2020, the Nigeria Deposit Insurance Corporation Act 2023, and the Investments and Securities Act 2025, represent a comprehensive overhaul of the regulatory architecture. However, structural constraints persist. For example, while the capital adequacy ratio stood at 13.1 per cent in December 2023, it masked significant variation across institutions (Central Bank of Nigeria, 2024). Similarly, although financial inclusion has expanded, about 26 per cent of the population remains financially unserved (Central Bank of Nigeria, 2024).

Against this background, the central problem this paper discusses is the persistent gap between legislative ambition and resilience outcomes in Nigeria's financial system. This paper attempts to answer the following questions:

1. How effectively do Nigeria's financial laws support economic resilience?
2. What institutional and structural deficiencies undermine the translation of legislative intent into regulatory outcomes?
3. What reform pathways, informed by comparative experience and African regional frameworks, can strengthen Nigeria's financial legal architecture?

The central argument of the paper is that financial regulation serves as an effective means to strengthen economic resilience. Achieving this objective requires not only well-crafted legislation but also institutional capacity, regulatory independence, and effective enforcement that translate statutory provisions into practical outcomes. For Nigeria and other African economies, the challenge lies not merely in designing robust financial laws but in ensuring that those laws sustain stable institutions, protect financial consumers, deepen markets, and enable economies to withstand and adapt to systemic shocks.

Literature Review

Conceptual and Theoretical Framework

Figure 1: Conceptual Framework

Independent Variables: Financial Laws & Regulatory Frameworks	**Dependent Variable: Economic Resilience**
Banking Regulation Prudential Supervision Deposit Insurance Fintech Regulation	Financial Stability Banking Sector Stability Investor Confidence Crisis Management Capacity
Mediating Variables: Regulatory & Institutional Effectiveness (enforcement capacity, regulatory independence, institutional coordination)	

Source: Researcher, 2026.

Conceptual precision is essential in interdisciplinary research at the intersection of law, finance, and economic governance, where key terms often carry divergent meanings. This paper explains concepts in terms of their practical impact on regulatory outcomes, focusing on usefulness instead of theoretical definitions.

Financial Laws

Financial laws are understood as the body of statutes, regulations, and enforceable rules through which the state governs financial activity, ensures systemic stability, and protects market participants (Singh, 2020). They are not merely constraints on markets but constitute the institutional framework within which financial systems operate. In Nigeria, these include core instruments such as the Banks and Other Financial Institutions Act 2020, the Central Bank of Nigeria Act 2007, the Nigeria Deposit Insurance Corporation Act 2023, the Asset Management Corporation of Nigeria Act 2010 (as amended), and the Investments and Securities Act 2025, as well as complementary legislation supporting prudential regulation, depositor protection, corporate governance, foreign exchange control, and financial integrity.

Economic Resilience

Economic resilience is operationalised as the capacity of a financial system to withstand shocks, sustain core functions, adapt to structural change, and support recovery (Martin, 2012; Hill et al., 2008). This functional definition guides the analysis by linking legal design directly to resilience outcomes.

Financial Regulation, Banking Stability and Financial Inclusion

Financial regulation refers to the body of public law instruments and supervisory practices through which states address market failures and externalities in financial markets, particularly those arising from risk-taking and systemic interdependence within the banking system (Alexander, 2019; Barth et al., 2010). Regulation, therefore, constitutes the operational dimension of financial law, translating statutory mandates into enforceable standards and practices. Banking stability denotes the condition in which financial institutions can withstand economic shocks and continue their intermediation functions without disruption or recourse to extraordinary public support. It captures both the resilience of individual banks and the entire banking system.

Financial inclusion refers to a state in which individuals and businesses, particularly those traditionally excluded due to income, geography, gender, or informality, have access to a useful and affordable range of financial products and services, including payments, savings, credit, and insurance, delivered in a responsible and sustainable manner (World Bank, 2021; Demirgüç-Kunt et al., 2022). These concepts are analytically interconnected. Financial law provides the normative framework, regulation operationalises that framework, and their effectiveness is assessed through measurable outcomes, most notably banking stability, financial inclusion, and broader system resilience.

Theoretical Framework

The theories considered in this paper serve as analytical tools rather than descriptive exposition, providing lenses for evaluating how financial law translates into resilience outcomes. The analysis draws selectively on complementary perspectives, each applied to specific regulatory challenges in the Nigerian context.

Public Interest Theory of Regulation

Public Interest Theory considers regulation as a response to market failure and as a mechanism for promoting overall social welfare (Hertzog, 2010). Regulatory intervention in financial systems is warranted due to underlying weaknesses such as information imbalances, systemic risks, and contagion effects — issues that market participants are unable to handle independently (Alexander, 2019; Barth et al., 2010). Banking crises provide a clear illustration of these failures, as their effects extend beyond individual institutions to the wider economy through credit contraction, output decline, and rising unemployment (De Grauwe, 2010). In this setting, therefore, the primary objectives of financial regulation — financial stability and consumer protection — are treated as public goods that require public policy intervention. In the Nigerian context, this theoretical perspective underpins the development of prudential supervision, depositor protection, and crisis-management mechanisms embedded in statutes such as the Banks and Other Financial Institutions Act 2020 (BOFIA 2020) and the Nigeria Deposit Insurance Corporation Act 2023. However, the Nigerian experience demonstrates that statutory objectives do not automatically translate into resilience outcomes. In this framework, Public Interest Theory acts as a useful standard for evaluation: when enforcement is inadequate and institutions lack coordination, the aims of regulation — such as financial stability and consumer protection — are only partially achieved. This underscores the central argument of this paper: that the effectiveness of financial law in promoting economic resilience depends not only on statutory design, but on the strength and coherence of institutional implementation.

Private Interest Theory and Regulatory Capture

Private Interest Theory challenges the assumption that regulation serves the public welfare, arguing instead that regulatory outcomes often reflect the interests of regulated entities or organised groups with influence over policymaking (Stigler, 1971). This viewpoint highlights how regulations can sometimes be dictated by motivations that prioritise industry participants instead of serving the wider public good. Regulatory capture extends this critique by demonstrating how supervisory authorities may become aligned with the industries they regulate through mechanisms such as information asymmetries, regulatory forbearance, and institutional proximity (Carpenter & Moss, 2014). From a Nigerian perspective, this analytical lens is particularly relevant to recurring concerns regarding regulatory forbearance toward systemically significant institutions, governance weaknesses, and the influence of political incentives on regulatory credibility.

Incomplete Law Theory

Incomplete Law Theory explains why financial statutes in complex and rapidly evolving markets deliberately leave gaps, delegating broad discretionary authority to regulators to enable flexible and adaptive rulemaking (Pistor & Xu, 2003). This approach recognises that it is neither feasible nor efficient for legislation to anticipate all contingencies in dynamic financial systems, particularly where innovation continuously reshapes market structures.

Nigeria's financial regulatory framework reflects this logic through the extensive rule-making and supervisory powers vested in the Central Bank of Nigeria under the Banks and Other Financial Institutions Act 2020 (BOFIA 2020), as well as similar delegated authority granted to other financial regulators. Such delegation allows regulatory responses to evolve in line with emerging risks, especially in areas such as financial technology, digital payments, and market conduct. On the other hand, this framework raises important questions about accountability and oversight. While Nigeria's delegation model reflects the logic of Incomplete Law Theory by allowing flexible and adaptive regulation, particularly under BOFIA 2020, the effectiveness of such discretion depends on the presence of strong institutional safeguards. Consequently, this paper uses the incomplete law perspective to evaluate whether regulatory discretion in Nigeria is effectively upheld by systems of transparency, coordination, and accountability. The findings suggest that in areas such as fintech and payment systems, where regulatory discretion has expanded more rapidly than primary legislation, gaps in institutional capacity and oversight may limit the extent to which legal frameworks translate into effective economic resilience outcomes.

Institutional Theory

Institutional Theory provides the central viewpoint for this discourse. It highlights that regulatory results depend not just on laws themselves, but also on factors such as institutional strength, governance systems, and how rules are enforced (North, 1990). Simply put, financial regulation works best when legal rules are properly applied and maintained within established institutions. In the Nigerian context, ongoing differences between what the law requires and what happens are mostly due to institutional shortcomings rather than flaws in the legal system itself. Issues such as weak regulatory coordination, inconsistent enforcement, and limited organisational capability prevent legislative goals from becoming effective regulations. This perspective reinforces the paper's core argument that financial system resilience requires alignment between legal rules and institutional performance. Without such alignment, even well-designed statutory frameworks are unlikely to deliver sustained stability, effective supervision, or inclusive financial outcomes.

Empirical Reviews and Validation of the Conceptual Framework

The empirical evidence reviewed supports the relationships outlined in the conceptual framework (Figure 1), which identifies financial law and regulation as the primary explanatory variables and banking stability, financial inclusion, and economic resilience as outcome variables mediated by institutional effectiveness. Igbinosa et al. (2017) and Yobo and Ezirim (2023) demonstrate that regulatory instruments, particularly capital adequacy requirements and prudential standards, significantly influence banking sector performance and financial deepening. Nigeria's capital adequacy ratio stayed within the required 10–15 per cent range, reaching about 14 per cent in 2023, indicating a stronger ability to absorb losses. This supports the framework's assumption that regulation operates as the transmission mechanism linking financial law to banking stability.

Alley et al. (2023) show that banking reforms have strengthened resilience indicators, particularly asset quality and capitalisation, though with trade-offs in profitability and credit expansion. Macro-level evidence from Dasuki et al. (2025) confirms that financial sector development contributes positively to economic performance and resilience. Nigeria's GDP grew by 3.84 per cent in Q4 2024, showing signs of economic recovery even amid ongoing macroeconomic challenges. However, these gains are not evenly distributed. Demirgüç-Kunt et al. (2022), using Global Findex data, show that only 45 per cent of Nigerian adults held formal financial accounts in 2021, indicating persistent financial inclusion gaps. This supports the framework's position that inclusion functions as an intermediate variable whose contribution to resilience may be gradual.

Finally, evidence from the Central Bank of Nigeria (2023) indicates that e-payment transactions reached approximately 38.7 billion, reflecting rapid expansion in digital financial intermediation. While this development supports financial system depth and inclusion, it also underscores the need for adaptive regulatory frameworks to manage emerging risks. Overall, the empirical evidence demonstrates that although Nigeria's financial regulatory framework has improved banking stability and financial system development, its broader impact on economic resilience remains constrained by institutional weaknesses, including enforcement limitations, regulatory fragmentation, and persistent financial exclusion.

Methodology

This paper adopts a doctrinal and structured comparative legal research design, supported by selective empirical indicators, to examine the relationship between financial law and economic resilience in Nigeria. The doctrinal approach involves the systematic examination and analysis of legal texts, including statutes, regulations, judicial authorities, policy documents, and institutional frameworks governing financial regulation in Nigeria. This method is well established in legal scholarship and is particularly suited to interpreting legal principles and to determining the scope, structure, and coherence of financial laws, using authoritative sources.

To complement the doctrinal analysis, the study incorporates a structured comparative method. Comparative legal research facilitates the identification of similarities, differences, and functional equivalents across legal systems, thereby enhancing analytical depth and policy relevance. This approach is particularly valuable for evaluating regulatory effectiveness and identifying best practices that can inform legal and institutional reform.

Nigeria is selected as the primary case study because it ranks as one of Africa's largest economies and has experienced multiple banking crises, prompting significant changes in regulation. The post-2020 reform period provides a relevant empirical and institutional context for analysing the effectiveness of financial laws in promoting economic resilience. The comparative analysis includes South Africa, Kenya, the United Kingdom, and the United States, selected for their relevance to distinct dimensions of financial regulation. South Africa offers insights into institutional separation under the Twin Peaks regulatory model; Kenya provides a practical example of adaptive regulation in fintech and mobile money; while the United Kingdom and the United States serve as established benchmarks for regulatory design, supervisory coordination, and institutional practices.

The paper draws on both primary and secondary sources of data. Primary sources consist of legislative enactments, judicial decisions, regulatory instruments, and official publications issued by relevant financial institutions. Secondary materials include academic texts, peer-reviewed journal articles, policy documents, and scholarly analyses. These sources collectively provide the basis for examining the role and effectiveness of financial laws in advancing economic resilience, ensuring regulatory stability, promoting financial inclusion, and strengthening institutional accountability in Nigeria and the wider African context.

Evolution of Financial Regulation in Nigeria

Nigeria's financial regulatory framework has evolved through successive crisis-driven reforms, reflecting a path-dependent pattern in which legal and institutional changes are reactive to systemic instability. Although each reform phase has strengthened regulatory structures, persistent weaknesses in enforcement, supervision, and institutional coordination continue to constrain sustainable economic resilience (Adekanye, 2010; Sanusi, 2010). Early banking regulation in Nigeria was characterised by limited oversight, leading to widespread institutional failures and the eventual introduction of the Banking Ordinance of 1952 and 1958, and the establishment of the Central Bank of Nigeria in 1959. While these reforms institutionalised centralised regulation, they focused primarily on structural development rather than enforcement capacity (Adekanye, 2010).

The financial liberalisation policies of the late 1980s expanded banking activities beyond existing supervisory capabilities, resulting in significant financial distress. In response, reforms such as the Banks and Other Financial Institutions Act 1991 and the establishment of the Nigeria Deposit Insurance Corporation strengthened prudential regulation and depositor protection. However, these reforms also reinforced a recurring pattern of regulatory expansion without a corresponding increase in institutional capacity. The 2004 banking consolidation reforms improved capital adequacy and enhanced short-term stability by reducing the number of banks (Soludo, 2004). Nevertheless, weak corporate governance and excessive credit expansion created new systemic vulnerabilities that contributed to the 2009 banking crisis. This demonstrated the limitations of capital-focused reforms in the absence of effective supervision and risk management.

Subsequent reforms following the 2009 crisis, including the establishment of the Asset Management Corporation of Nigeria, improved crisis resolution mechanisms and restored market confidence (Sanusi, 2010; Central Bank of Nigeria, 2010). Despite these gains, the reforms remained reactive and did not fully resolve underlying institutional deficiencies in enforcement and regulatory coordination. More recent legislative developments, including BOFIA 2020, the NDIC Act 2023, and the Investments and Securities Act 2025, represent a significant phase of regulatory modernisation aimed at strengthening supervisory authority, resolution mechanisms, and capital market governance (Alley, 2022). However, the effectiveness of these reforms continues to depend on institutional capacity and enforcement credibility.

Moreover, the rapid growth of digital finance in the post-COVID era has further increased regulatory complexity. Regulatory initiatives such as mobile money frameworks, open banking, regulatory sandboxes, and the 2024 bank recapitalisation directive demonstrate adaptive responses to financial innovation. Nonetheless, supervisory and enforcement frameworks have struggled to keep pace with emerging fintech-related risks (Central Bank of Nigeria, 2021; 2023; 2024). The evolution of financial regulation in Nigeria reveals a recurring pattern of reactive legal reform insufficiently matched by institutional strengthening.

Legal Frameworks as Tools for Economic Resilience

Banks and Other Financial Institutions Act 2020

The Banks and Other Financial Institutions Act 2020 (BOFIA), as a primary financial law, provides the central legal framework for banking regulation in Nigeria. It consolidates post-crisis reforms (Alley, 2022) and vests supervisory authority in the Central Bank of Nigeria (CBN), with core provisions on licensing (ss. 2–3), prudential regulation (s. 19), and supervisory oversight (s. 29). These provisions establish a structured regulatory system aimed at financial stability and depositor protection. The intent of the legislation aligns it with public interest theory underpinnings. The Act grants extensive rule-making powers to the CBN, particularly in areas such as anti-money laundering (s. 66), cybersecurity, and operational controls (s. 68). This enhances regulatory flexibility in a dynamic financial environment but shifts effectiveness from statutory provisions to institutional capacity and enforcement.

In terms of resilience, BOFIA provides key tools for risk management. Prudential controls address governance weaknesses, while resolution mechanisms, including intervention powers and the Resolution Fund (s. 74), support the management of financial distress without systemic disruption. In this regard, BOFIA also establishes a special tribunal for the enforcement and recovery of eligible loans (s. 102). As of today, the banking industry's non-performing loans ratio has climbed to about 7 per cent, exceeding the prudential benchmark of 5 per cent (Central Bank of Nigeria, 2026), and bad debts have been the bane of the banking sector in Nigeria (Agabi & Onayemi, 2016). Loan recovery efforts in the courts have met with procedural delays. It is against this background that the establishment of the special tribunal is viewed as a veritable tool for financial sector stability and overall economic resilience. The provisions of BOFIA contribute to the containment of financial shocks and align broadly with international regulatory standards.

However, its effectiveness is constrained by structural limitations. First, the supremacy provisions in sections 53 and 65(1) create potential conflict with other regulatory regimes, particularly in consumer protection. This has resulted in jurisdictional tensions, as seen in litigation involving overlapping mandates, which can weaken coordination and delay regulatory action. Second, the Act provides limited procedural safeguards in the exercise of regulatory discretion; an instance is section 56, where the Governor of the Central Bank of Nigeria is given wide latitude of rule-making powers without a check or mechanism for review of actions taken pursuant to such authority. Another example is the absence of a clear statutory duty to provide reasons for the denial of licensing or supervisory decisions, which reduces transparency and accountability when compared with jurisdictions such as the United Kingdom, where the office of Independent Complaints Commissioner has been established with the mandate to deal with acts or omissions relating to unreasonable delay, bias, and lack of integrity where the complainant considers the regulator's investigation unsatisfactory (Ellinger et al., 2022).

A further limitation is the absence of a comprehensive statutory framework for fintech and digital financial services. Although the CBN regulates these areas through subsidiary instruments such as regulatory sandboxes, reliance on administrative guidelines introduces legal uncertainty, may weaken enforceability in a rapidly evolving digital environment, and even increase the likelihood of entrenched private interest and regulatory capture. BOFIA illustrates a central feature of Nigeria's financial regulatory system: a technically robust legal framework whose effectiveness depends on institutional coordination, enforcement, and regulatory accountability. Its contribution to economic resilience is therefore conditional, demonstrating that resilience depends not only on statutory design but on alignment between law, institutions, and practice.

Central Bank of Nigeria Act 2007

The Central Bank of Nigeria (CBN) Act 2007 establishes the legal and institutional framework for Nigeria's apex monetary authority. It defines the Bank's mandate in monetary policy, financial system stability, and payments system oversight (s. 2). Its core contribution to economic resilience lies in maintaining monetary stability, supporting the payments infrastructure, and providing liquidity through its lender-of-last-resort function (s. 41). However, the effectiveness of the Act cannot be assessed solely on its formal provisions. A key issue is the distinction between statutory autonomy and operational independence. While the Act provides for independence in the performance of the Bank's functions, this autonomy is not self-executing. In practice, political influence in appointments and removals has affected institutional credibility and policy consistency (Cukierman, 2008).

This gap has direct implications for economic resilience. The effectiveness of the CBN as a stabilising institution depends on market confidence in its independence. Although its interventions during the 2009 banking crisis demonstrate the strength of its statutory powers, recurring concerns about governance and political influence weaken long-term credibility and reduce the predictability required for systemic stability. A further limitation relates to the scope of the Act. The statute predates the rapid expansion of fintech, payment service banks, and other non-bank financial institutions. As a result, these sectors are largely regulated through regulatory rules and guidelines rather than primary legislation. While this approach allows flexibility, it poses a challenge of uncertainty, susceptibility to frequent alterations, and vulnerability to regulatory capture. The CBN Act demonstrates that financial resilience depends not merely on legal authority, but on its credible and consistent exercise. Although the Act provides a strong institutional foundation, its long-term effectiveness depends on regulatory independence, sound governance, and adaptation to structural changes in the financial system.

Nigeria Deposit Insurance Corporation Act 2023

The Nigeria Deposit Insurance Corporation (NDIC) Act 2023 strengthens Nigeria's deposit insurance framework by improving depositor protection and expanding resolution capacity. It supports economic resilience by sustaining depositor confidence and reducing contagion risk through insured deposit guarantees and resolution tools such as bridge banking (s. 54). Contextually, deposit insurance engenders economic resilience; it serves as a stabilising mechanism by preventing panic withdrawals and maintaining trust in the banking system. However, the effectiveness of the framework depends on its practical implementation. Recent resolution experiences, particularly the phased payment of insured deposits following bank failures, indicate that statutory guarantees do not always translate into timely reimbursement. The recent case of Heritage Bank and the complaint of depositors years after its liquidation (Nnaji, 2026) demonstrates the point made. Delays in payout processes weaken depositor confidence and reduce the stabilising effect of the scheme.

The NDIC's contribution to resilience is also shaped by its position within Nigeria's financial safety net. Its operations require close coordination with the Central Bank of Nigeria, particularly in bank resolution and supervisory actions. While this arrangement strengthens regulatory coverage, it raises concerns about role clarity and operational autonomy. Weak coordination can delay resolution decisions and limit the effectiveness of crisis response mechanisms. The NDIC Act demonstrates that deposit insurance is essential to economic resilience, but its effectiveness depends on credible implementation and institutional coordination. Although the Act strengthens the legal framework, its resilience value ultimately rests on timely execution, clear regulatory roles, and coordinated crisis response.

Asset Management Corporation of Nigeria Act 2010 (as amended)

The Asset Management Corporation of Nigeria (AMCON) Act 2010, as amended in 2015, 2019, and 2021, was enacted in response to the 2009 banking crisis and the accumulation of non-performing loans. It provides a legal framework for the acquisition, management, and disposal of distressed banking assets. Core provisions, including sections 4 and 5, define AMCON's mandate to support financial institutions and restore system stability, while section 7 empowers the Corporation to appoint asset managers and pursue debt recovery.

In the short term, AMCON played a critical role in stabilising the banking sector; by removing toxic assets from bank balance sheets, it enabled affected institutions to restore solvency, resume lending, and reduce systemic risk. This intervention transformed widespread banking distress into a structured asset-resolution process, making AMCON a key component of Nigeria's crisis-management framework (Agabi & Onayemi, 2016). However, its longer-term contribution to economic resilience is more limited. Persistent challenges in asset recovery, slow disposal processes, and governance concerns indicate weaknesses in implementation. These limitations reduce the effectiveness of the framework and weaken its ability to deliver sustained stability.

In addition, the AMCON model introduces potential moral hazard. Continued reliance on state-led resolution mechanisms may reduce market discipline and incentivise excessive risk-taking within the banking sector. This undermines the preventive dimension of financial regulation and shifts the system toward reactive crisis management. From a resilience perspective, AMCON's effectiveness depends on its design as a temporary, disciplined intervention mechanism. Its long-term contribution requires a transparent, time-bound, and market-oriented resolution strategy that strengthens accountability while limiting fiscal exposure. The AMCON Act highlights a central principle in financial regulation: crisis resolution mechanisms are essential for financial stability, but their effectiveness depends on governance quality, enforcement discipline, and institutional design that avoids creating systemic vulnerabilities.

Investments and Securities Act 2025

The Investments and Securities Act 2025 (ISA) provides the primary legal framework for capital market regulation in Nigeria, strengthening transparency, investor protection, and regulatory oversight, including emerging areas such as digital assets and online trading. A notable innovation is the criminalisation of unlawful investment schemes, including Ponzi arrangements, which addresses a longstanding gap by empowering the Securities and Exchange Commission (SEC) to investigate, shut down, and confiscate the proceeds of such schemes. Many households have lost their savings and earnings through Ponzi schemes; in providing for restitution of funds to defrauded investors, the ISA serves as a tool for economic resilience.

The ISA broadens financial oversight beyond the banking sector. Enhanced disclosure standards and improved market supervision reduce information asymmetries and promote investor confidence, both of which are essential for stable capital mobilisation and overall financial system stability. The inclusion of digital assets further aligns the regulatory framework with evolving market dynamics and technological innovation. Conversely, and consistent with the central argument of this paper, the effectiveness of these reforms depends not merely on statutory design but on enforcement capacity and institutional coordination. Overlapping regulatory mandates and implementation challenges may weaken regulatory effectiveness, particularly in the rapidly evolving digital financial space. The ISA 2025 therefore demonstrates that while legal reform enhances market integrity, its contribution to economic resilience ultimately depends on coherent institutional governance, credible enforcement, and adaptive regulatory capacity. Being a very recent law, its efficacy or otherwise will be revealed in the course of time.

Regulatory Challenges in the Nigerian Financial Sector

Despite substantial statutory reforms, Nigeria's financial regulatory framework continues to face structural and operational constraints that limit its effectiveness in promoting economic resilience. These challenges are largely institutional rather than legislative.

Weak Enforcement and Institutional Capacity

Weak enforcement remains a major constraint, as inconsistent supervision and delayed regulatory action reduce compliance incentives and allow systemic risks to persist (Alley, 2022). This makes the regulatory system largely reactive rather than preventive, undermining long-term stability.

Institutional Framework and Coordination Challenges

Nigeria's multi-agency structure, including the CBN, NDIC, and SEC, broadens oversight but creates overlapping mandates, regulatory gaps, and inconsistent enforcement (Alley, 2022). The core issue is not the number of institutions, but weak coordination and unclear role demarcation (Financial Stability Board, 2014; Singh, 2020), reinforcing the need for integrated governance (North, 1990; Soludo, 2023).

Regulatory Independence and Governance Constraints

Although legal frameworks provide for autonomy, regulatory independence is weakened by governance challenges and political influence, thereby reducing policy credibility and undermining effectiveness (Carpenter & Moss, 2014; Soludo, 2023). This erodes market confidence and limits regulators' stabilising role during financial stress.

Cybersecurity and Digital Finance Risks

The expansion of digital finance has increased exposure to cybersecurity threats such as fraud and data breaches, while regulatory frameworks remain fragmented and reliant on administrative guidelines (Waliullah et al., 2025; Pistor & Xu, 2003). This creates regulatory uncertainty and heightens systemic vulnerability.

Financial Inclusion Gaps

Despite progress, significant portions of the population remain financially excluded, limiting savings mobilisation, weakening monetary transmission, and reducing the system's resilience to shocks (Demirgüç-Kunt et al., 2022). These challenges reveal a consistent gap between the legal framework and regulatory outcomes.

Comparative African and Global Perspectives

As outlined in the methodology, this paper undertakes a structured comparative assessment of Nigeria's financial regulatory framework alongside selected jurisdictions, including South Africa, Kenya, the United Kingdom, and the United States of America. South Africa and Kenya represent emerging markets exhibiting socio-economic parallels with Nigeria; their choice also provides insights into regulatory adaptations within resource-constrained and innovation-driven environments. The United Kingdom and the United States, on the other hand, serve as long-standing architects of post-crisis regulatory frameworks. The objective here is not regulatory transplantation, but the identification of institutional best practices and cautionary lessons that inform reform. Each jurisdiction is examined with respect to specific design features, and Nigeria exhibits identifiable gaps, with these insights integrated into the broader doctrinal analysis and used to support the reform proposals advanced in this paper. In addition, the analysis incorporates relevant African regional frameworks, including ECOWAS financial integration initiatives and emerging African Union regulatory principles, together with African judicial decisions that highlight the role of courts in shaping financial governance (ECOWAS, 1993; African Union, 2018).

South Africa: The Twin Peaks Architecture

South Africa's financial regulatory architecture was fundamentally restructured by the Financial Sector Regulation Act 9 of 2017, which introduced the Twin Peaks model. Under this framework, prudential supervision is vested in the Prudential Authority within the South African Reserve Bank, while market conduct regulation and consumer protection are assigned to the Financial Sector Conduct Authority (South African Government, 2017). This institutional design ensures that financial stability and consumer protection are pursued independently, enhancing regulatory focus and reducing conflicts of mandate (Godwin et al., 2017). The separation of prudential and conduct regulation strengthens clarity, accountability, and specialised supervision. In contrast, Nigeria's framework concentrates both functions within the Central Bank of Nigeria, creating tensions in supervisory priorities and weakening institutional balance.

South Africa's framework is further reinforced by the Financial Sector Laws Amendment Act 23 of 2021, which introduced a formal resolution regime for systemically important institutions aligned with international standards (Financial Stability Board, 2014). Equally important is the model's emphasis on statutory coordination: formal mechanisms between the Prudential Authority and the Financial Sector Conduct Authority ensure integrated oversight of cross-cutting risks. This contrasts with Nigeria's largely advisory coordination framework — the Financial Services Regulation Co-ordinating Committee (FSRCC), established under section 43 of the CBN Act.

South African jurisprudence reinforces some institutional lessons. In South African Reserve Bank v Public Protector (High Court, Gauteng Division, Pretoria, Case No. 43769/17), the court reviewed and set aside aspects of remedial action that affected the Reserve Bank's mandate, illustrating judicial control over institutional mandate drift in financial governance. Relatedly, in Public Protector v South African Reserve Bank (Constitutional Court, CCT107/18), the Court upheld adverse cost consequences against the Public Protector, underscoring accountability expectations for public regulatory actors in high-stakes economic governance.

For Nigeria, the South African model provides a credible reform pathway. The strengthening of a dedicated conduct regulator, such as the Federal Competition and Consumer Protection Commission, would reallocate consumer protection responsibilities while preserving the Central Bank's prudential role. Such institutional restructuring would enhance regulatory coherence, strengthen accountability, and support the development of a more resilient financial system.

Kenya: Adaptive Regulation of Mobile Money

Kenya's financial regulatory framework offers valuable insights into both crisis management and regulatory adaptation to technological innovation. The Central Bank of Kenya Act and the Banking Act establish a supervisory regime broadly comparable to Nigeria's. However, Kenya has demonstrated a comparatively stronger record of regulatory responsiveness, particularly in its engagement with financial innovation. The development and regulation of mobile money services, particularly the M-Pesa platform, represent a globally recognised example of adaptive financial regulation. The Central Bank of Kenya initially adopted a flexible regulatory approach, allowing mobile money services to scale before introducing a more structured regulatory framework. This approach was evident in the early deployment of M-Pesa, which was launched after regulatory review and risk assessment rather than full ex-ante statutory regulation (Alliance for Financial Inclusion, 2010). This strategy achieved significant gains in financial inclusion, with widespread access to financial services across previously underserved populations. Empirical and policy studies consistently identify mobile money as a major driver of financial inclusion in Kenya (Central Bank of Kenya, 2024).

However, it also introduced risks relating to consumer protection, systemic oversight, and the treatment of customer funds. Subsequent reforms introduced clearer regulatory controls, including licensing requirements, prudential safeguards, and consumer protection measures through instruments such as the National Payment System framework and associated guidelines. Kenya's experience demonstrates the importance of regulatory flexibility in fostering innovation, combined with timely legal intervention to address emerging risks. This aligns with broader scholarship describing Kenya's fintech regulation as a "test-and-learn" model characterised by incremental regulatory development and adaptive oversight (Musamali et al., 2023). Nigeria's regulatory efforts in fintech remain relatively fragmented, and the absence of a dedicated statutory framework for digital financial services continues to limit regulatory clarity and effectiveness.

United Kingdom and the United States: Design Benchmarks

The regulatory frameworks of the United Kingdom and the United States provide important benchmarks for financial governance, though they operate within significantly different institutional and historical contexts. The United Kingdom employs a structured dual regulatory framework, under which the Prudential Regulation Authority oversees the safety and soundness of financial institutions, while the Financial Conduct Authority is responsible for market conduct and consumer protection (Bank of England, 2024). This model demonstrates the value of institutional clarity, operational independence, and specialised regulatory mandates, reflecting the statutory separation of prudential supervision and market conduct regulation introduced after the financial crisis.

The United States, by contrast, operates a decentralised and multi-layered regulatory system in which oversight is distributed among several federal and state agencies. This structure reflects the division of regulatory authority among the banking, securities, and insurance sectors, with oversight exercised by multiple specialised bodies (Congressional Research Service, 2019). While this structure allows for broad and detailed supervision across financial markets, it also introduces challenges relating to regulatory overlap and coordination. Mechanisms such as the Financial Stability Oversight Council (FSOC), established under the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, have been introduced to address these challenges by promoting inter-agency coordination and monitoring systemic risk.

Despite their structural differences, both jurisdictions highlight key principles relevant to Nigeria. These include the importance of regulatory independence, as evidenced in the appointment and removal processes of members of the Board of Governors of the US Federal Reserve; strong enforcement capacity and effective inter-agency coordination, exhibited by the UK's Financial Policy Committee, which wields strong enforcement powers as a financial sector regulators' coordinating body; and the ability to adapt regulatory frameworks to evolving economic and technological conditions. Both systems also illustrate the persistent challenge of regulating emerging financial technologies, particularly in areas such as digital assets and fintech innovation.

Regional Framework and African Banking Jurisprudence

Nigeria's financial resilience must be understood within the broader regional and continental frameworks that shape financial integration and cooperation. At the regional level, the Revised ECOWAS Treaty 1993 provides the legal foundation for economic integration, including monetary and financial collaboration among West African states (ECOWAS, 1993). At the continental level, the African Continental Free Trade Area (AfCFTA) advances this agenda by promoting a unified African market for trade and financial flows, while the Pan-African Payment and Settlement System (PAPSS), launched in 2022 by Afreximbank, facilitates cross-border transactions in local currencies and reduces reliance on third-currency settlements such as the US dollar (African Union, 2018; Afreximbank, 2022).

PAPSS functions as a continent-wide payment infrastructure that enables instant or near-instant cross-border transfers, simplifies settlement processes, and lowers transaction costs associated with intra-African trade. By allowing transactions to be conducted in local currencies, it also mitigates exposure to foreign exchange volatility, an issue of particular relevance to Nigeria's and Africa's macro-financial stability. However, the effectiveness of these regional and continental frameworks depends on their domestic implementation and regulatory alignment. In Nigeria, this alignment remains partial, particularly where national regulatory institutions operate independently of regional coordination mechanisms. As a result, the potential benefits of financial integration, such as efficient cross-border payments, reduced transaction costs, and enhanced financial stability, remain partially unfulfilled.

The regional framework underscores the need for coherent regulatory harmonisation. Nigeria's financial system will derive greater stability benefits only where its domestic legal and regulatory structures are attuned to reflect ECOWAS and AfCFTA mechanisms, particularly in areas such as payments infrastructure, cross-border supervision, and financial market governance.

Lessons for Nigeria

Comparative evidence shows that effective financial regulation depends less on the sophistication of legislation and more on the institutional framework within which it is implemented. While Nigeria has undertaken significant legal reforms, persistent challenges such as weak enforcement, regulatory overlap, and limited coordination continue to constrain resilience outcomes. Accordingly, meaningful reform should prioritise institutional strengthening over further legislative expansion. This requires clearer regulatory roles, enhanced independence and accountability, improved inter-agency coordination, and adaptive frameworks for emerging sectors such as fintech. Economic resilience depends on aligning legal frameworks with effective regulatory practice, as financial laws can only deliver sustainable outcomes when supported by strong institutions, coordinated governance, and credible enforcement.

Emerging Trends and Future Directions

The evolution of financial regulation is increasingly shaping Africa's capacity to build economic resilience through innovation, integration, and risk management. These trends reflect a shift toward adaptive regulatory frameworks capable of responding to technological change and systemic vulnerabilities.

Central Bank Digital Currencies (CBDCs)

Nigeria's eNaira illustrates early engagement with CBDCs in Africa. While adoption remains modest, it has the potential to enhance financial inclusion and payment efficiency. However, the absence of a comprehensive statutory framework raises concerns about governance, accountability, and long-term sustainability, underscoring the need for clear legal backing and institutional oversight.

Artificial Intelligence in Financial Regulation

Artificial intelligence is transforming financial services through applications in risk management, fraud detection, and regulatory supervision. RegTech and SupTech tools enhance monitoring and responsiveness, but challenges such as algorithmic bias, opacity, and governance risks must be addressed to avoid new systemic vulnerabilities (Aziz & Andriansyah, 2023).

Open Banking and Data Governance

Open banking frameworks promote competition, innovation, and financial inclusion by enabling data sharing across institutions. However, their effectiveness depends on robust data protection regimes and strong cybersecurity infrastructure to mitigate privacy and security risks (Demirgüç-Kunt et al., 2022).

Sustainable Finance and ESG Integration

The growing emphasis on environmental, social, and governance (ESG) factors reflects a shift toward long-term financial resilience. Instruments such as green bonds and sustainability-linked finance support climate adaptation, while regulatory disclosure and risk integration strengthen systemic stability. These trends will impact the economy either positively or negatively and therefore call for financial regulation that is increasingly expected to perform a resilience function.

Conclusion and Recommendations

Financial laws shape how financial systems absorb or amplify economic shocks. Nigeria's regulatory framework, anchored in statutes such as BOFIA 2020, the CBN Act 2007, the NDIC Act 2023, the AMCON Act, and the ISA 2025, reflects significant legal modernisation and alignment with international standards, supported by measures such as the 2024 recapitalisation directive. Nevertheless, resilience outcomes continue to fall short of expectations due to persistent institutional weaknesses, weak enforcement, fragmented mandates, limited regulatory independence, and gaps in digital financial governance. This suggests that although financial system stability depends on well-crafted financial laws, the effectiveness of these laws largely depends on how well they are implemented and coordinated. Accordingly, financial regulation should be understood as a mechanism for economic resilience, requiring institutional strengthening through clearer regulatory roles, stronger coordination, and adaptive governance for emerging risks such as fintech and cybersecurity. Sustained resilience will depend on aligning legal frameworks with institutional capacity, ensuring that regulatory reforms translate into stable, credible, and inclusive financial systems.

Recommendations

From the foregoing analysis, the following recommendations are advanced:

4. Regulatory harmonisation and coordination: Nigeria's financial regulatory framework should be restructured to reduce institutional overlap and enhance supervisory coordination. Relevant provisions of BOFIA 2020 should be amended to clarify regulatory boundaries among the CBN, FCCPC, and SEC, particularly concerning consumer protection and market conduct. In addition, the Financial Services Regulation Coordinating Committee (FSRCC) should be granted strengthened coordination powers.
5. Fintech and digital finance legislation: Nigeria should enact a comprehensive Fintech and Digital Payments Act to provide a unified statutory framework for digital financial services. This legislation should consolidate existing regulatory instruments on payment systems, open banking, regulatory sandboxes, and data governance, while incorporating consumer protection, anti-money laundering compliance, and cybersecurity standards within a risk-based licensing regime.
6. Institutional independence and crisis management reform: Greater statutory safeguards should be established to strengthen the independence of regulatory institutions, particularly the CBN. The operational capacity of the NDIC should also be enhanced. Furthermore, AMCON should be repositioned as a transparent, time-bound, and market-oriented resolution mechanism to minimise fiscal risk and reduce moral hazard.
7. Judicial capacity and enforcement effectiveness: Judicial competence in financial matters should be improved through specialised training in financial law, fintech regulation, and insolvency under the National Judicial Institute. Specialised adjudicatory mechanisms should also be strengthened and adequately resourced to improve enforcement efficiency and dispute resolution outcomes.

8. Regional integration and sustainable financial governance: Nigeria should take a proactive role in advancing harmonised financial governance within ECOWAS and the African Continental Free Trade Area (AfCFTA), particularly in relation to cross-border supervision and digital financial systems. Domestically, sustainability considerations should be embedded in prudential regulation through the recognition of climate-related financial risks, enhanced disclosure standards, and the development of a national sustainable finance framework.

References

Abaidoo, R., & Agyapong, E. K. (2023). Financial institutions dynamics, investments and development. Journal of Emerging Market Finance, 22(3), 247–271. https://journals.sagepub.com/doi/abs/10.1177/09726527231160856

Adekanye, F. (2010). The elements of banking in Nigeria (4th ed.). Fazburn Publishers.

Afreximbank. (2022, January 13). Pan-African Payment and Settlement System (PAPSS) launched by President Akufo-Addo, foreseeing $5 billion annual savings for Africa [Press release]. African Export-Import Bank. https://www.afreximbank.com/pan-african-payment-and-settlement-system-launched-by-president-akufo-addo-foreseeing-5-billion-annual-savings-for-africa/

African Union. (2018). Agreement establishing the African Continental Free Trade Area (AfCFTA). https://au.int/sites/default/files/treaties/36337-treaty-consolidated_text_on_cfta-_en.pdf

Agabi, I., & Onayemi, O. (2016). Troubled assets resolution. In O. Olanipekun (Ed.), Banking: Theory, regulation, law and practice. Au Courant.

Alexander, K. (2019). Principles of banking regulation. Cambridge University Press.

Alley, I. (2022). BOFIA 2020 and financial system stability in Nigeria: Implications for stakeholders in the African largest economy. Journal of Banking Regulation, 24(2), 184–205. https://doi.org/10.1057/s41261-022-00192-6

Alley, I., Hassan, H., Wali, A., & Suleiman, F. (2023). Banking sector reforms in Nigeria: An empirical appraisal. Journal of Financial Regulation and Compliance, 31(3), 351–378.

Alliance for Financial Inclusion. (2010, February). Enabling mobile money transfer: The Central Bank of Kenya's treatment of M-Pesa [Case study]. https://www.afi-global.org/wp-content/uploads/2024/10/afi_casestudy_mpesa_en.pdf

Aziz, L. A. R., & Andriansyah, Y. (2023). The role of artificial intelligence in modern banking: An exploration of AI-driven approaches for enhanced fraud prevention, risk management and regulatory compliance. Reviews of Contemporary Business Analytics, 6(1).

Bank for International Settlements. (2023). Annual economic report 2023. https://www.bis.org/publ/arpdf/ar2023e.htm

Bank of England. (2024). Prudential Regulation Authority annual report 2023/24. https://www.bankofengland.co.uk

Barth, J. R., Caprio, G., & Levine, R. (2010). Rethinking bank regulation: Till angels govern. Cambridge University Press.

Campbell, A. (2006). Bank insolvency and the interest of creditors. Journal of Banking Regulation, 7(12).

Carpenter, D., & Moss, D. (Eds.). (2014). Preventing regulatory capture. Cambridge University Press.

Central Bank of Kenya. (2024). Annual report and financial statements 2023/2024. https://www.centralbank.go.ke/uploads/cbk_annual_reports/1190916865_2024%20Annual%20Report.pdf

Central Bank of Nigeria. (2010). Scope, conditions, and minimum standards for commercial banks regulations. https://www.cbn.gov.ng/OUT/2010/CIRCULARS/BSD/COMMERCIAL%20BANKING%20LICENSING%20REGULATIONS%20-%20FINAL%20RELEASED.PDF

Central Bank of Nigeria. (2018). Risk based cybersecurity framework and guidelines for deposit money banks and payment service providers (BSD/DIR/GEN/LAB/1). https://regalert.today/document/8555bcb1-6a4d-4979-be59-cfe057682518/text

Central Bank of Nigeria. (2021, July). Regulatory framework for mobile money services in Nigeria. https://openresearch-repository.anu.edu.au/server/api/core/bitstreams/7316f222-e028-43d7-9b21-0c0f7a014395/content

Central Bank of Nigeria. (2022, June 29). Risk based cybersecurity framework and guidelines for other financial institutions (OFIs) (OFI/DOA/CON/ACT/004/155). https://regalert.today/document/67b176bd-f043-424a-bea9-14b1af8e83e3/text

Central Bank of Nigeria. (2023, March). Operational guidelines for open banking in Nigeria. https://nairametrics.com/wp-content/uploads/2023/03/Operational-Guidelines-for-Open-Banking-in-Nigeria.pdf

Central Bank of Nigeria. (2024). Financial stability report, December 2023. https://www.cbn.gov.ng/documents/financialstabilityreport.html

Congressional Research Service. (2019, January 8). Introduction to financial services: The regulatory framework (IF11065). https://www.everycrsreport.com/reports/IF11065.html

Cukierman, A. (2008). Central bank independence and monetary policymaking. European Journal of Political Economy, 24(4).

Dasuki, Z. I., Maitala, F. H., & Gimba, M. S. (2025). Financial sector development and economic growth: An empirical investigation of the Nigerian economy (2020–2024). European-American Journal, 13(9), 61–82. https://eajournals.org/ejaafr/vol13-issue-9-2025/financial-sector-development-and-economic-growth-an-empirical-investigation-of-the-nigerian-economy-2020-2024

De Grauwe, P. (2010). The financial crisis and the future of the Eurozone (Bruges European Economic Policy Briefings No. 21). College of Europe. https://www.coleurope.eu/sites/default/files/research-paper/beep21_0.pdf

Demirguc-Kunt, A., Klapper, L., Singer, D., & Ansar, S. (2022). The Global Findex Database 2021: Financial inclusion, digital payments, and resilience in the age of COVID-19. World Bank. https://documents.worldbank.org/en/publication/documents-reports/documentdetail/099818107072234182

Economic Community of West African States. (1993, July 24). Revised Treaty of the Economic Community of West African States. https://africanlii.org/akn/aa-ecowas/act/treaty/1993/revised-treaty/eng@1993-07-24

ECOWAS Community Court of Justice. (2025, June 24). Compliance with the Court's decisions (Article 24 enforcement framework). https://courtecowas.org/pending-cases-and-decisions/compliance/

Ellinger, E. P., Lomnicka, E., & Hare, C. V. M. (2022). Ellinger's modern banking law (5th ed.). Oxford University Press.

Enhancing Financial Innovation & Access. (2023). Access to financial services in Nigeria (A2F) 2023 survey report. https://a2f.ng/wp-content/uploads/2024/07/A2F-2023-SURVEY-REPORT-1.pdf

Federal Republic of Nigeria. (1991). Banks and Other Financial Institutions Act, 1991.

Federal Republic of Nigeria. (2007). Central Bank of Nigeria Act, 2007.

Federal Republic of Nigeria. (2010). Asset Management Corporation of Nigeria Act, 2010 (as amended 2015, 2019, 2021).

Federal Republic of Nigeria. (2015). Cybercrime (Prohibition, Prevention, etc.) Act, 2015 (as amended 2024).

Federal Republic of Nigeria. (2020). Banks and Other Financial Institutions Act, 2020.

Federal Republic of Nigeria. (2023). Nigeria Deposit Insurance Corporation Act, 2023.

Federal Republic of Nigeria. (2025). Investments and Securities Act, 2025.

Financial Action Task Force. (2023). International standards on combating money laundering and the financing of terrorism and proliferation: The FATF recommendations (Updated February 2023). FATF/OECD.

Financial Stability Board. (2014, October 15). Key attributes of effective resolution regimes for financial institutions. https://www.fsb.org/uploads/r_141015.pdf

Godwin, A., Howse, T., & Ramsay, I. (2017). A jurisdictional comparison of the twin peaks model of financial regulation. Journal of Banking Regulation, 18(2).

Hertzog, J. (2010). Review of economic theories of regulation (Discussion Paper Series No. 10-18). Tjalling C. Koopmans Research Institute.

Hill, E. W., Wial, H., & Wolman, H. (2008). Exploring regional economic resilience. Institute of Urban and Regional Development, University of California, Berkeley.

Igbinosa, S., Ogbeide, S., & Akanji, B. (2017). Empirical assessment on financial regulations and banking sector performance. Journal of Central Banking Theory and Practice, 6(3), 143–155.

International Monetary Fund. (2026). Regional economic outlook: Sub-Saharan Africa. https://imf.org/en/publications/reo/ssa/issues/2026/04/16/regional-economic-outlook-for-sub-saharan-africa-april-2026

International Telecommunication Union. (2024). Global cybersecurity index 2024.

Martin, R. (2012). Regional economic resilience, hysteresis and recessionary shocks. Journal of Economic Geography, 12(1), 1–32.

Musamali, R., Jugurnath, B., Maalu, J., & Mahuni, K. (2023). Fintech in Kenya: A policy and regulatory perspective. Journal of Smart Economic Growth, 8(1).

National Bureau of Statistics. (2025). Nigeria GDP report. https://microdata.nigerianstat.gov.ng/index.php/catalog/147

Ndume, M. M., & Akanegbu, B. N. (2025). Exchange rate volatility and inflation dynamics in Nigeria: A structural VAR approach. Journal of Information Systems Engineering and Management, 10(49s).

Nigeria Deposit Insurance Corporation. (2025). NDIC quarterly report. NDIC Quarterly Journal, 39(3&4).

Nigeria Inter-Bank Settlement System. (2024). Industry payments statistics.

Nnaji, A. (2026, March 26). Heritage Bank depositors cry out for refunds. The Nation.

North, D. C. (1990). Institutions, institutional change and economic performance. Cambridge University Press.

Olawale, A., & Obinna, E. (2023). An empirical analysis of capital structure, liquidity and banking sector performance in Nigeria (2011–2021). Journal of Finance and Economics, 11(3), 149–159.

Omoju, O., Olarenle, I., Ikhide, E., Akewushola, K., Umoh, W., Ebietomire, O., & Obia, O. (2026). Baseline report on priority legislative actions to foster a business-enabling environment. Ernest Shonekan Centre.

Oyamendan, A., & Oyamendan, G. (2025). The impact of cybersecurity risks in fintech and mobile banking adoption in Nigeria. Journal of Arid Zone Economy, 6(1), 101–114.

Pistor, K., & Xu, C. (2002). Incomplete law: A conceptual and analytical framework and its application to the evolution of financial market regulation.

Posner, R. A. (2014). Economic analysis of law (9th ed.). Wolters Kluwer.

Reggiani, A., De Graaff, T., & Nijkamp, P. (2001). Resilience: An evolutionary approach to spatial economic systems. Networks and Spatial Economics, 2(2).

Sanusi, L. S. (2012). Banking reform and its impact on the Nigerian economy [Lecture]. University of Warwick, Coventry, UK.

Singh, D. (2020). Banking regulation and financial stability (3rd ed.). Edward Elgar.

Soludo, C. C. (2004). Consolidating the Nigerian banking industry to meet the development challenges of the 21st century [Address]. Bankers' Committee Meeting, Abuja, Nigeria.

South African Government. (2017). Financial Sector Regulation Act 9 of 2017. https://www.gov.za/documents/financial-sector-regulation-act-9-2017-english-sepedi-22-aug-2017-0000

Stigler, G. J. (1971). The theory of economic regulation. The Bell Journal of Economics and Management Science, 2(1).

Waliullah, M., et al. (2025). Assessing the influence of cybersecurity threats and risks on the adoption and growth of digital banking: A systematic literature review. American Journal of Advanced Technology and Engineering Solutions, 1(1).

World Bank. (2024). Africa's pulse: An analysis of issues shaping Africa's economic future. World Bank.