



OLAYEMI
CARDOSO

OLAYEMI CARDOSO AND THE *Transformation* OF THE CENTRAL BANK OF NIGERIA

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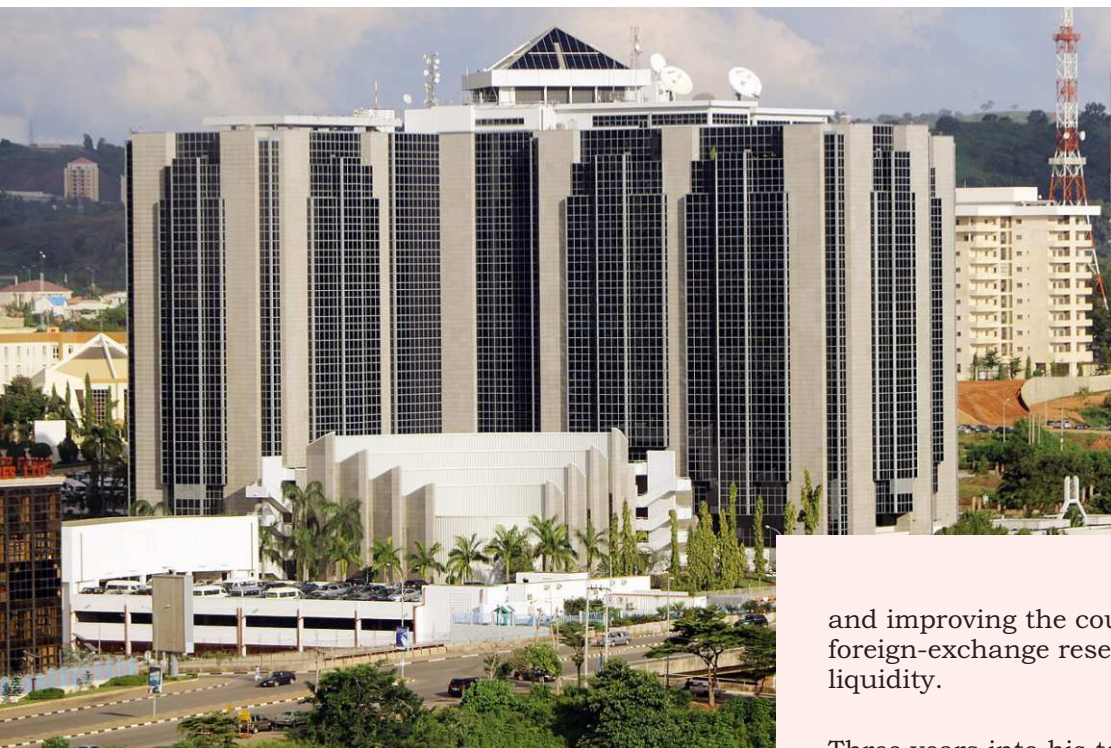
INTRODUCTION

When Mr. Olayemi Cardoso assumed office as Governor of the Central Bank of Nigeria (CBN) on 5 October 2023, he inherited a monetary and financial environment characterised by significant pressure on inflation, foreign-exchange liquidity, the naira,

confidence in the financial system and the capacity of the banking sector to support a growing economy.

His arrival therefore marked the beginning of what has become one of the most extensive programmes of monetary, foreign-exchange, banking and financial-sector reforms undertaken by the CBN in recent years.

***How a New Monetary Policy Direction,
Financial-Sector Reforms and Digital
Innovation Are Reshaping Nigeria's
Financial System***



From the outset, Cardoso articulated a clear philosophy: The Central Bank should concentrate on its statutory mandate of monetary and price stability, strengthen the integrity of the financial system, improve transparency, modernise payment infrastructure, deepen financial inclusion and create an environment in which banks and other financial institutions can provide sustainable financing to the real economy.

At his Senate screening, Cardoso outlined a 10-point reform agenda which included strengthening monetary and price stability, enforcing corporate-governance standards, withdrawing the Bank from quasi-fiscal activities, supporting specialised financial institutions and products, improving payment systems and consumer protection, expanding access to credit, de-risking investment in productive sectors

and improving the country's foreign-exchange reserves and liquidity.

Three years into his tenure, that agenda has translated into a wide-ranging programme of institutional and regulatory reforms.

The story of Cardoso's tenure is consequently not limited to the Monetary Policy Committee's interest-rate decisions. It encompasses the restructuring of the foreign-exchange market, the clearance of verified FX obligations, the recapitalisation of banks, the transition towards inflation targeting, the strengthening of financial supervision, new rules for digital finance, enhanced consumer protection, the development of non-interest banking, the modernisation of Nigeria's payments ecosystem and a renewed approach to financial inclusion.

It is a story of attempting to reposition the CBN from a heavily interventionist institution towards a more focused, rules-based and professionally regulated central bank.



CBN GOVERNOR, OLAYEMI CARDOSO AND MINISTER OF FINANCE AND COORDINATING MINISTER OF THE ECONOMY, TAIWO OYEDELE, DURING THE SIGNING OF A LANDMARK MEMORANDUM OF UNDERSTANDING (MOU) ON FISCAL-MONETARY POLICY COORDINATION, FORMALISING STRONGER COLLABORATION BETWEEN BOTH INSTITUTIONS TO SUPPORT EFFECTIVE ECONOMIC MANAGEMENT.

THE MAN BEHIND THE REFORM

Olayemi Michael Cardoso: Banker, Public-Sector Reformer and Central Banker

Born on 10 July 1957, Cardoso attended Corona Primary School, Ikoyi, and St. Gregory's College, Lagos. He earned a Bachelor's degree in Managerial and Administrative Studies from Aston University, UK, in 1980, and a Master's degree in Public Administration from Harvard Kennedy School in 2005.

His career spans more than three decades in banking and financial services, including service with Citibank, where he was Chairman of Citibank Nigeria from 2010 to 2022. Between 1999 and 2005, he served as Lagos State Commissioner for Economic Planning and Budget, contributing to economic planning and governance. He also held leadership and advisory positions, including Chairman of the Lagos Economic Summit Group and the Africa Venture Philanthropy Alliance.



CBN GOVERNOR, MR. OLAYEMI CARDOSO, WITH THE OUTGOING BRITISH HIGH COMMISSIONER TO NIGERIA, DR. RICHARD MONTGOMERY, DURING THE LATTER'S FAREWELL VISIT TO THE BANK'S HEAD OFFICE IN ABUJA.

This combination of banking, public administration and economic-policy experience informs his approach to central-bank reform.

A NEW DIRECTION FOR MONETARY POLICY

A defining priority has been restoring monetary



and price stability to the centre of the CBN's operations. The Bank has been transitioning from Monetary Targeting towards an Inflation Targeting Framework, using an explicit inflation objective and forward-looking assessments to guide policy.

After substantial interest-rate increases to contain inflation, the Monetary Policy Committee reduced the Monetary Policy Rate (MPR) by 50 basis points to 26.5 per cent in February 2026, retaining that rate at its May and July meetings.

The CBN has also strengthened liquidity management, reaffirmed

statutory limits on monetary financing of government and reduced quasi-fiscal activities. These measures are intended to improve policy credibility and refocus the institution on orthodox central banking.

REFORMING THE FOREIGN-EXCHANGE MARKET

In October 2023, the CBN moved towards a unified, market-driven foreign-exchange framework based on willing-buyer, willing-seller principles, consolidating transactions around the Nigerian Foreign Exchange Market. The reforms sought to improve price discovery, reduce arbitrage and



CBN GOVERNOR, MR. OLAYEMI CARDOSO, WTO DIRECTOR-GENERAL, DR. NGOZI OKONJO-IWEALA, DEPUTY GOVERNOR (CORPORATE SERVICES), CBN; DR. MUHAMMAD SANI ABDULLAHI, HARINDER KOHLI, FOUNDING DIRECTOR AND CEO OF THE EMERGING MARKETS FORUM, INDERMIT GILL, CHIEF ECONOMIST AND SENIOR VICE PRESIDENT FOR DEVELOPMENT ECONOMICS AT THE WORLD BANK GROUP, NSA, MALLAM NUHU RIBADU, AND OTHERS DURING THE DAY 1 OF THE 7TH AFRICA EMERGING MARKETS FORUM (AEMF 2026), HOSTED BY THE CENTRAL BANK OF NIGERIA



INAUGURAL MEETING OF THE VIRTUAL ASSETS COMMITTEE (VAC), CONSTITUTED BY PRESIDENT BOLA AHMED TINUBU, HELD AT THE CENTRAL BANK OF NIGERIA (CBN) HEADQUARTERS ON WEDNESDAY, JULY 29, 2026.

address distortions associated with the previous segmented system. The Bank also cleared approximately US\$7 billion in verified foreign-exchange obligations. External reserves rose from US\$33.6 billion in October 2023 to US\$37.9 billion by July 2024.

In December 2024, the CBN introduced the Electronic Foreign Exchange Matching System (EFEMS) to improve transparency and transaction efficiency. In January 2025, it launched the Nigerian Foreign Exchange Code, setting standards for ethics, governance, execution, information sharing, risk management, compliance and settlement. The Fourth Edition of the Foreign Exchange Manual, updated in May 2026, further strengthened the framework.

Other measures included ending extensions for repatriation of export proceeds in January 2025, revising regulations for Bureau de Change (BDC) operators and licensing 82 operators under the new framework in November 2025. In 2026, the Bank removed cash-pooling requirements for international oil companies, allowing them to repatriate 100 per cent of export proceeds through authorised dealer banks.

Together, these measures aim to establish a more transparent and disciplined foreign-exchange market.

RECAPITALISING BANKS AND STRENGTHENING FINANCIAL STABILITY

On 28 March 2024, the CBN announced new minimum capital

requirements to strengthen the banking industry. Commercial banks with international authorisation were required to maintain at least 500 billion in capital, national banks 200 billion and regional banks 50 billion.

The recapitalisation programme is designed to improve banks' ability to absorb shocks and finance businesses and productive investment. In June 2025, the CBN also reviewed institutions operating under regulatory forbearance, introducing restrictions such as suspending dividend payments and deferring certain bonuses while strengthening capital buffers and provisioning.

The Bank has intensified supervision of commercial and microfinance banks, payment-service providers, BDCs and other financial institutions. In July 2026, it revoked the licences of 46 microfinance banks that it said failed to meet minimum-capital, operational or prudential requirements.

Its Financial System Stability framework covers banking supervision, consumer protection, financial inclusion, financial policy and regulation, other financial institutions, payment systems and development-finance institutions. The objective is to maintain sound institutions capable of protecting depositors and customers.

As financial risks become increasingly digital, the CBN has also strengthened financial-crime controls and cybersecurity. In March 2026, it introduced baseline standards for automated anti-money-laundering (AML), counter-terrorist-financing (CFT) and

counter-proliferation-financing (CPF) solutions, requiring regulated institutions to improve real-time monitoring and suspicious-activity reporting. The Cybersecurity Self-Assessment Tool (CSAT) further supports technology-risk management.

MODERNISING DIGITAL PAYMENTS

Improving the reliability, security and interoperability of electronic payments has been another priority.

In December 2025, the CBN mandated dual connectivity for Point-of-Sale (POS) terminals, requiring payment providers to connect to both the Nigeria Inter-Bank Settlement System (NIBSS) and Unified Payment Services Limited. This allows transactions to switch between channels when one network is disrupted.

In March 2026, the Bank introduced additional guidance for instant payments, strengthening authentication, fraud monitoring and identity verification while improving customer control over instant transfers and safeguards for mobile-banking devices.

On 1 June 2026, it launched Nigeria Payments System Vision 2028 (PSV 2028), built around interoperability, security, inclusion, innovation, trust and collaboration. The vision seeks to establish an accessible and secure payment ecosystem that supports economic development and Nigeria's integration into regional and global financial markets.

CONSUMER PROTECTION AND FINANCIAL INCLUSION

Through its Consumer Protection

Department, the CBN provides an escalation channel for complaints that financial institutions fail to resolve within prescribed periods.

Customers are expected to approach their institution first before referring unresolved complaints to the Bank.

The CBN has also promoted complaint tracking through initiatives such as the Unified Complaints Tracking System (UCTS). Its USSD code, *959#, enables members of the public to verify licensed financial institutions, supporting accountability and consumer confidence.

Financial inclusion remains central to efforts to extend formal services to underserved Nigerians. At its 2024 International Financial Inclusion Conference, Cardoso highlighted opportunities for small and medium-sized enterprises (SMEs), women and other underserved groups.

Initiatives include the Women Entrepreneurs Finance Initiative Code (We-Fi Code), the Women's Financial Inclusion Dashboard and the Nigeria Financial Services Map. Launched in June 2024, the We-Fi Code seeks to improve financial access for women-owned and women-led businesses. The broader approach encompasses payments, savings, credit, insurance, investment and financial information.

CONNECTING THE DIASPORA TO NIGERIA'S FINANCIAL SYSTEM

In January 2025, the CBN introduced the Non-Resident Nigerian Ordinary Account (NRNOA)





CBN GOVERNOR, MR. OLAYEMI CARDOSO, ON WEDNESDAY, JULY 22, 2026, AT THE NATIONAL ASSEMBLY, WHERE HE PRESENTED THE BANK'S FIRST HALF (H1) 2026 STATUTORY BRIEFING TO THE SENATE COMMITTEE ON BANKING, INSURANCE AND OTHER FINANCIAL INSTITUTIONS.



306TH MONETARY POLICY COMMITTEE (MPC) PRESS BRIEFING BY CBN GOVERNOR, OLAYEMI CARDOSO

and Non-Resident Nigerian Investment Account (NRNIA), enabling Nigerians abroad to manage funds and invest in Nigerian assets in local and foreign currencies.

In May 2025, the Bank and NIBSS launched the Non-Resident Bank Verification Number (NRBVN) platform, allowing Nigerians in the diaspora to obtain a BVN remotely without travelling to Nigeria.

These initiatives reduce administrative barriers and strengthen the financial connection between Nigerians abroad and the domestic economy.

SUPPORTING BUSINESSES AND PRODUCTIVE SECTORS

The CBN's wider reform agenda seeks to ensure that a stronger banking system can finance business expansion, employment, housing, agriculture,



CBN GOVERNOR, MR. OLAYEMI CARDOSO, AT THE BUSINESSDAY CEO FORUM 2026.



THE GOVERNOR OF THE CENTRAL BANK OF NIGERIA, MR. OLAYEMI CARDOSO, WITH THE MINISTER OF FINANCE AND COORDINATING MINISTER OF THE ECONOMY, MR. TAIWO OYEDELE, DURING THE MINISTER'S WORKING VISIT TO THE CBN HEAD OFFICE, ABUJA, ON FRIDAY, JULY 10, 2026.

manufacturing and investment. Particular attention is given to SMEs, women-owned enterprises and underserved communities.

The Bank has also pursued the development of non-interest finance. In May 2025, it announced the deployment of the Nigerian Non-Interest Financial Institutions' Master Repurchase Agreement (NNMRA), alongside auctions of CBN Non-Interest Asset-Backed Securities (CNI-ABS) and the CBN Non-Interest Note (CNIN). These instruments are intended to

strengthen liquidity management and deepen non-interest financial markets.

In February 2026, the CBN approved the Bank of Industry's Non-Interest Banking Window, expanding financing options for individuals and businesses with different financial preferences.

Agricultural finance has also received attention. In December 2025, Cardoso inaugurated a new Board of Directors for the Agricultural Credit Guarantee

Scheme Fund (ACGSF), which encourages lending to farmers and agribusinesses by guaranteeing up to 75 per cent of eligible loan values. The initiative aims to support agricultural credit while strengthening governance around development finance.

GOLD PURCHASES AND RESERVE DIVERSIFICATION

The Domestic Gold Purchase Programme (DGPP) links reserve management with local mineral production. Under the programme, the CBN purchases locally sourced gold refined to London Bullion Market Association (LBMA) Good Delivery standards for inclusion in Nigeria's reserves.

The initiative aims to diversify reserve assets, conserve foreign exchange and support domestic mining. In February 2026, Cardoso stated that the Bank had purchased gold in naira at LBMA-linked prices, connecting reserve management with the development of the solid-minerals value chain.

CASH POLICY, DIGITAL FINANCE AND REGULATORY REFORM

In December 2025, the CBN announced revised cash policies scheduled to take effect in January 2026. The framework removed limits and charges on cash deposits while introducing weekly withdrawal limits and charges above prescribed thresholds. It seeks to reduce cash-management costs and security risks while encouraging electronic payments.

The Bank has also strengthened oversight of fintech operators, virtual-asset service providers, digital payments and cybersecurity. In December 2023, it issued

guidelines for bank accounts operated by Virtual Asset Service Providers. By 2026, the regulatory framework had expanded to include automated financial-crime monitoring, cybersecurity self-assessment and stronger instant-payment fraud prevention.

In the BDC sector, revised guidelines sought to strengthen capitalisation, governance and compliance. The licensing of 82 operators in November 2025 formed part of the drive towards a more disciplined retail foreign-exchange market.

Housing finance has also featured in the reform programme. In May 2026, the CBN highlighted proposals to expand the permissible activities of Primary Mortgage Banks while strengthening their governance, capitalisation and lending standards. It also identified the Global Standing Instruction (GSI) as a mechanism for improving loan recovery and supporting a more resilient housing-finance system.

REFOCUSING THE CENTRAL BANK ON ITS CORE MANDATE

An important dimension of Cardoso's tenure is the effort to refocus the CBN on monetary and price stability, financial-system stability, banking supervision, payment systems, financial inclusion and reserve management. Reducing quasi-fiscal activities is central to this approach.

Development interventions are increasingly expected to operate through appropriately structured institutions and financial mechanisms rather than an expanded direct-intervention role



PRESENTATION OF THE PRESTIGIOUS 2026 CENTRAL BANKING AWARD TO THE GOVERNOR OF THE CENTRAL BANK OF NIGERIA, MR. OLAYEMI CARDOSO. THE AWARD PRESENTATION WHICH HELD IN LONDON ON WEDNESDAY, JUNE 10, 2026, WAS IN RECOGNITION OF HIS ONGOING EFFORTS TO STRENGTHEN NIGERIA'S ECONOMIC FOUNDATION.



LAUNCH OF NIGERIA PAYMENTS SYSTEM VISION (PSV) 2028 BY THE GOVERNOR OF THE CENTRAL BANK OF NIGERIA (CBN), MR. OLAYEMI CARDOSO. THE VISION AIMS TO DEEPEN INFRASTRUCTURE, EXPAND INCLUSION, ACCELERATE INNOVATION, STRENGTHEN CYBERSECURITY, AND ENHANCE NIGERIA'S INTEGRATION WITH REGIONAL AND GLOBAL PAYMENT SYSTEMS.

for the central bank. The objective is to make monetary policy more predictable and the Bank's responsibilities and balance sheet easier to manage.

RESULTS SO FAR

Assessing Cardoso's tenure requires distinguishing between reforms implemented and outcomes that will take time to emerge.

The CBN reports that approximately US\$7 billion in verified foreign-exchange obligations was cleared, while reserves rose from US\$33.6 billion in October 2023 to US\$37.9 billion by July 2024. By late 2025, Cardoso reported reserves of

US\$46.7 billion, described by the Bank as their highest level in nearly seven years. The CBN attributed the increase to stronger non-oil exports, capital inflows and improved market functioning.

Other developments include the introduction of EFEMS and the Nigerian FX Code, a major bank recapitalisation exercise, the transition towards inflation targeting, stronger liquidity management and enhanced financial supervision.

However, high interest rates can increase borrowing costs and constrain businesses and credit in

MR. OLAYEMI CARDOSO, CBN GOVERNOR WITH MR. MICHAEL MIEBACH, THE GLOBAL CHIEF EXECUTIVE OFFICER OF MASTERCARD, WHEN THE LATTER LED A DELEGATION OF MASTERCARD ON A VISIT TO THE HEAD OFFICE OF THE CBN IN ABUJA ON TUESDAY, JUNE 23, 2026.



the short term. The lasting success of the reforms will depend on whether inflation moderates sustainably, credit becomes more accessible, investment increases and the financial system supports economic growth.

CONCLUSION

Since assuming office on 5 October 2023, Olayemi Cardoso has led a wide-ranging programme to strengthen the Central Bank of Nigeria and reshape the nation's financial system. The reforms encompass inflation targeting, foreign-exchange market restructuring, clearance of verified FX obligations, EFEMS, the Nigerian FX Code, bank recapitalisation and stronger corporate governance and supervision.

Other initiatives include modernised digital payments through PSV 2028, improved consumer protection, financial inclusion for women-owned businesses and SMEs, diaspora banking facilities, non-interest finance, agricultural credit guarantees, domestic gold purchases, revised cash management, cybersecurity, financial-crime prevention, BDC regulation and mortgage finance.

Collectively, these measures reflect an effort to build a more stable, transparent, resilient, inclusive and technology-driven financial system capable of supporting investment and enterprise. Although their full benefits depend on sustained implementation and wider economic conditions, Cardoso's tenure represents a significant period of institutional and regulatory transformation at the CBN.

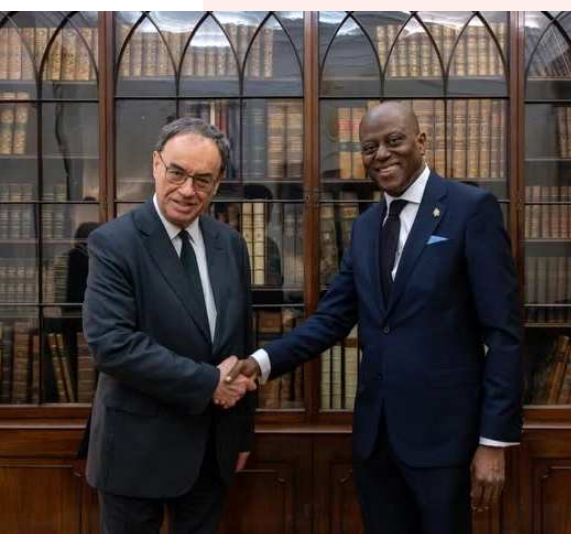


CBN GOVERNOR OLAYEMI CARDOSO, AT THE OFFICIAL LAUNCH OF THE NIGERIAN OVERNIGHT FINANCING RATE (NOFR), A TRANSPARENT, TRANSACTION-BASED BENCHMARK DESIGNED TO REFLECT THE TRUE COST OF OVERNIGHT FUNDING IN THE MONEY MARKET.





WORKING VISIT OF STANDARD AND POOR'S (S&P GLOBAL) TEAM, LED BY MR ROBERTO SIFON-AREVALO, GLOBAL HEAD OF SOVEREIGN RATINGS, TO THE GOVERNOR OF THE CENTRAL BANK OF NIGERIA (CBN), MR OLAYEMI CARDOSO, ON WEDNESDAY, MAY 6, 2026. THE TEAM WAS IN NIGERIA AS PART OF A SERIES OF MEETINGS WITH KEY MINISTRIES, DEPARTMENTS, AND AGENCIES.



CBN GOVERNOR, MR. OLAYEMI CARDOSO AND HIS COUNTERPART, THE GOVERNOR OF THE BANK OF ENGLAND, MR. ANDREW BAILEY, SHORTLY AFTER A COLLABORATIVE MEETING BETWEEN BOTH GOVERNORS AND THEIR TEAMS AT THE BANK OF ENGLAND, ON TUESDAY, MARCH 17, 2026, ON THE SIDELINES OF PRESIDENT BOLA AHMED TINUBU'S STATE VISIT TO THE UNITED KINGDOM.



CBN GOVERNOR, MR. OLAYEMI CARDOSO, JOINED THE GOVERNOR OF THE CENTRAL BANK OF EGYPT, DR. HASSAN ABDALLA, AND THE INTERNATIONAL FINANCE CORPORATION (IFC) TO ADVANCE DIALOGUE UNDER EGYPT'S 30BY30 PROGRAMME IN CAIRO, ON FEBRUARY 15, 2026.





THE GOVERNOR OF THE CENTRAL BANK OF NIGERIA (CBN), MR. OLAYEMI CARDOSO, WHEN HE RECEIVED THE CHIEF EXECUTIVE OFFICER OF THE NIGERIA FINANCIAL INTELLIGENCE UNIT (NFIU), HAFSAT ABUBAKAR BAKARI, AT THE CBN HEAD OFFICE, ABUJA, ON THURSDAY APRIL 23, 2026.



THE CBN GOVERNOR, MR. OLAYEMI CARDOSO AND THE EXECUTIVE VICE CHAIRMAN (EVC) AND CHIEF EXECUTIVE OFFICER (CEO) OF THE NIGERIAN COMMUNICATIONS COMMISSION (NCC), DR. AMINU MAIDA, AFTER SIGNING A MEMORANDUM OF UNDERSTANDING (MOU) ON DATA SHARING AND INFORMATION MANAGEMENT BETWEEN THE CBN AND NCC AT THE CBN HEAD OFFICE IN ABUJA ON MONDAY, APRIL 20, 2026.



GOVERNOR OF THE CENTRAL BANK OF NIGERIA (CBN), MR. OLAYEMI CARDOSO WITH THE PRESIDENT OF THE WORLD BANK, MR. AJAY BANGA, IN HIS OFFICE IN WASHINGTON.



CBN GOVERNOR, MR. OLAYEMI CARDOSO AND THE SECRETARY GENERAL OF THE ISLAMIC FINANCIAL SERVICES BOARD (IFSB), DR. GHIATH SHABSIGH, ON THE SIDELINES OF THE SPRING MEETINGS OF THE INTERNATIONAL MONETARY FUND (IMF) AND THE WORLD BANK GROUP, IN WASHINGTON D.C., UNITED STATES OF AMERICA.



THE GOVERNOR, CENTRAL BANK OF NIGERIA (CBN), MR. OLAYEMI CARDOSO AND THE WORLD BANK'S MANAGING DIRECTOR OF OPERATIONS, ANNA BJERDE, WHEN THE LATTER LED A DELEGATION OF THE WORLD BANK TO A STRATEGIC MEETING AT THE CBN HEAD OFFICE, ABUJA, ON TUESDAY, FEBRUARY 3, 2026.