BANWO & IGHODALO

PRESIDENTIAL EXECUTIVE ORDER BOOSTS VIRTUAL ASSETS REGULATION IN NIGERIA

July 23, 2026

On Friday, July 17, 2026, President Bola Ahmed Tinubu signed the **"Presidential Executive Order on Virtual Assets Coordination, 2026"** (the **"Executive Order"**), made pursuant to section 5 of the Constitution of the Federal Republic of Nigeria and effective immediately.

According to a State House press release[1] dated same day (the "**Press Release**"), the Executive Order "*responds to a regulatory environment that has become fragmented as virtual assets increasingly blur the traditional boundaries between currencies, money, commodities and securities*".

Notably, the Executive Order comes shortly after **The Grey Matter Forum**, convened by Banwo & Ighodalo on May 21, 2026, which brought together regulators, policymakers, virtual asset service providers ("**VASPs**"), fintech operators, financial institutions, investors and professional advisers to examine the future of Nigeria's digital assets ecosystem following enactment of the Investments and Securities Act, 2025 ("**ISA 2025**") and the Nigeria Tax Administration Act, 2025 ("**NTAA**"), and appears to implement most of the recommendations made at the Forum.

Purpose of the Executive Order

The Executive Order establishes a coordinated national framework for regulating virtual assets, strengthens collaboration among the relevant government agencies, and aims to protect investors and consumers while promoting responsible innovation and preserving financial system integrity.

Key Policy Objectives

The Executive Order seeks to:

- harmonize virtual assets regulation across relevant agencies and eliminate overlapping oversight;
- combat money laundering, terrorism financing, cybercrime and fraud;
- protect Nigerians from unregistered operators;
- improve tax administration and revenue collection; and
- provide greater certainty for legitimate market participants.

[1] Press Release by Special Adviser to the President on Information & Strategy, State House – https://statehouse.gov.ng/president-tinubu-signs-executive-order-on-virtual-assets-establishes-council-to-harmonise-regulation-of-digital-economy/

Major Institutional Changes

A. Virtual Asset Council

The Executive Order establishes the Virtual Asset Council (the "**Council**") as the highest inter-agency policy coordination body, comprising:

I. Chair – Central Bank of Nigeria ("**CBN**");
II. Vice Chair – Securities and Exchange Commission ("**SEC**");
III. Vice Chair – Nigeria Revenue Service ("**NRS**");
IV. Member – Nigerian Financial Intelligence Unit ("**NFIU**"); and
V. Member – Office of the National Security Adviser ("**ONSA**").

The Council will:

- provide strategic policy direction;
- promote regulatory coordination and information sharing;
- resolve jurisdictional disputes between agencies; and
- work with the Attorney-General of the Federation ("**AGF**") to develop a harmonized legal and institutional framework.

B. Virtual Asset Office

The Executive Order also establishes a Virtual Asset Office (the "**Office**") to serve as the operational arm and secretariat of the Council. The Office is to be domiciled at the CBN and will be responsible for:

- day-to-day inter-agency coordination;
- information sharing;
- processing applications; and
- regulatory reporting.

The Office will be supported by an integrated supervisory technology platform that enables collaboration while preserving each agency's control over its own data.

Allocation of Regulatory Responsibility

The Executive Order does not create a new regulator or alter existing regulatory mandates. Instead, it clarifies that responsibility follows the nature of the asset and the activity involved:

- The SEC regulates virtual assets and activities that constitute securities;
- The CBN regulates payment, settlement, custody and other services involving non-security virtual assets; and
- The Council resolves any jurisdictional uncertainty by determining the appropriate regulator where responsibility is unclear.

Beyond this core allocation, each agency has a distinct mandate under the Executive Order:

- **CBN** will chair the Council, host the Virtual Asset Office, and launch a regulatory sandbox for virtual asset products and blockchain innovations.
- **SEC** will regulate security-related virtual assets and investment products.
- **NRS** will issue a dedicated tax policy for the virtual assets sector and seek to improve tax certainty and voluntary compliance.
- **NFIU** will have oversight for anti-money laundering and counter-terrorism financing (AML/CFT regimes).
- **ONSA** will coordinate national security and intelligence.
- **AGF** will develop a harmonized legal framework in collaboration with the Council.

Next Steps

Stakeholders should expect, in the coming months:

- The launch of the CBN regulatory sandbox for virtual assets and blockchain innovations;
- publication of the NRS virtual assets tax policy, providing detailed tax guidance;
- release of the Federal Government virtual assets white paper, outlining Nigeria's long-term digital asset strategy; and
- development, by the Council, of a harmonized implementation framework by the Council within thirty (30) days, setting out practical implementation guidelines for participating agencies.

Impact for VASPs and Market

The Executive Order points toward a more coordinated licensing and supervisory environment, with clearer allocation of regulatory responsibility, more proactive participation/regulation by the CBN, enhanced reporting obligations, and closer scrutiny of AML/CFT, cybersecurity and consumer protection standards. VASPs should also watch for participation opportunities through the forthcoming CBN sandbox and for the tax clarity expected from the NRS policy. Legitimate operators stand to benefit from the resulting certainty, while non-compliant operators should expect increased enforcement.

Key Takeaways

The Executive Order marks a shift from fragmented regulation towards coordinated and active supervision of Nigeria's virtual assets ecosystem across all relevant agencies. It preserves the existing regulators' statutory mandates while introducing a structured mechanism for collaboration between them; building on the framework the ISA 2025 and the NTAA have already put in place. The ISA 2025 brings VASPs, digital asset exchanges, tokenised investment products, and other blockchain-based financial instruments within SEC's oversight; the NTAA introduces a structured tax and compliance regime for digital asset transactions, including registration and reporting obligations, Know-Your-Customer (KYC) requirements, and the taxation of gains arising from digital asset activities.

The Executive Order reinforces many of the themes that emerged from the discussions at our Grey Matter Forum, namely, that the sustainable growth of Nigeria's digital assets ecosystem depends on clear institutional coordination, balanced regulation, robust consumer protection and a legal framework that encourages innovation while safeguarding market integrity. As implementation unfolds through the forthcoming Regulatory Sandbox, Tax Policy, White Paper and Harmonized Implementation Framework, stakeholders will have further opportunities to engage with and shape the next phase of Nigeria's virtual and digital assets regulatory landscape.

Click **here** to read the report on our May 2026 Grey Matter Forum on ***"Future of Digital & Virtual Assets Post-Investments and Securities Act, 2025 and the Nigeria Tax Administration Act, 2025***

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