

A person is seen from the side, holding a large flag that is green on top and white on the bottom. The flag is held high, and the person's head is visible, wearing a patterned headwrap. The background is a sky filled with white and grey clouds. The overall tone is somewhat somber due to the overcast sky.

# 2021 REPORT

# INTRODUCTION

The year 2021 started on an uncertain note. This is as a result of the effect of the novel global pandemic promulgated by COVID-19 that affected every sector in the globe. Whilst some sectors are yet to recover from the effects caused by the pandemic, some sectors are budding with renewed optimism. The legal sector was not left out, as Legal practitioners around the world were uncertain of what to expect at the commencement of the year.

2021 was expected to be a year of extraordinary contrast and complexity as it was unclear if the impact of the disruption of the preceding year was to linger, or if businesses were going to recover or the discovery of new frontiers. It will be bold to state that all three presumptions were correct in the course of the year. It is essential to highlight at this point that the impact of the virus has been significantly mitigated, many thanks to the vaccines, its impact, on the other hand, has left behind a somewhat sour taste that continues to shape our everyday lives.

This Report gives a view of the year 2021 and the strides made in the legal profession and how these outcomes impact our clients' businesses. The Report is divided into two sections, Part A which highlights some notable occurrences in the legal sphere and Part B which highlights enactment of new regulations and codes by government parastatals affecting the corporate commercial industry in Nigeria.



# PART A



## JUDICIAL AUTONOMY JUSUN STRIKE

The Judicial staff union of Nigeria (JUSUN) went on a 2-month long strike which commenced on April 6, 2021. The focal issue/reason for the strike was the JUSUN requesting for the financial autonomy of the judiciary. The strike was described as the longest industrial action that the Nigerian Judiciary has experienced with the closest to it been the one by members of the union embarked in January 2015 for the same reason which only lasted for two weeks.

The brunt of the strike action by JUSUN was felt mostly by legal practitioners, individuals/corporations/parastatals with pending cases in the Courts as the Courts were not operational for the 8 weeks of the strike. Whilst there is justification for the call for the financial autonomy of the judiciary bearing in mind the sensitive position it occupies, the strike basically crippled the

businesses of lawyers that are predominantly involved in Court room practice. It also translated to delay in hearing of cases which is already a pandemic on its own that has plagued our Courts. It is also instructive to note that our Courts were not functional for the better part of 2020 as a result of the national lockdown occasioned by COVID-19. However, there is also the argument that it was the best time to conduct such a coordinated strike action as the other arms of government will understand and appreciate the seriousness of the issue.

Although JUSUN eventually called off the strike partly on the advice of the National Judicial Council (NJC) and the fact that some state governors complied and signed the relevant laws, it left a bitter taste in the mouths of the litigants, and the other arms of government at large.

1. The State judiciary is usually funded by the respective Ministry of Finance of each state. The Judiciary is considered to be guardian and protector of fundamental human rights as well as an arbiter of disputes amongst all levels of government. In view of this important role, it is essential that the Judiciary is independent to enable it perform its functions without fear or favour exuded to the State.

# INTRODUCTION OF THE NIGERIA DIGITAL CURRENCY

## THE “eNAIRA”

A digital currency is a means of payment or money that exists in an electronic form. On October 25, 2021 Nigeria launched the Central Bank Digital Currency (CBDC) making Nigeria the first country in Africa to launch a central bank-backed digital currency.

The eNaira is an electronic version of the legal tender (naira notes) which is also equal in value to the paper note equivalent. By implication, the value of the digital Naira will rise and fall in relation to foreign exchange just the same way the naira notes react to foreign exchange influences.

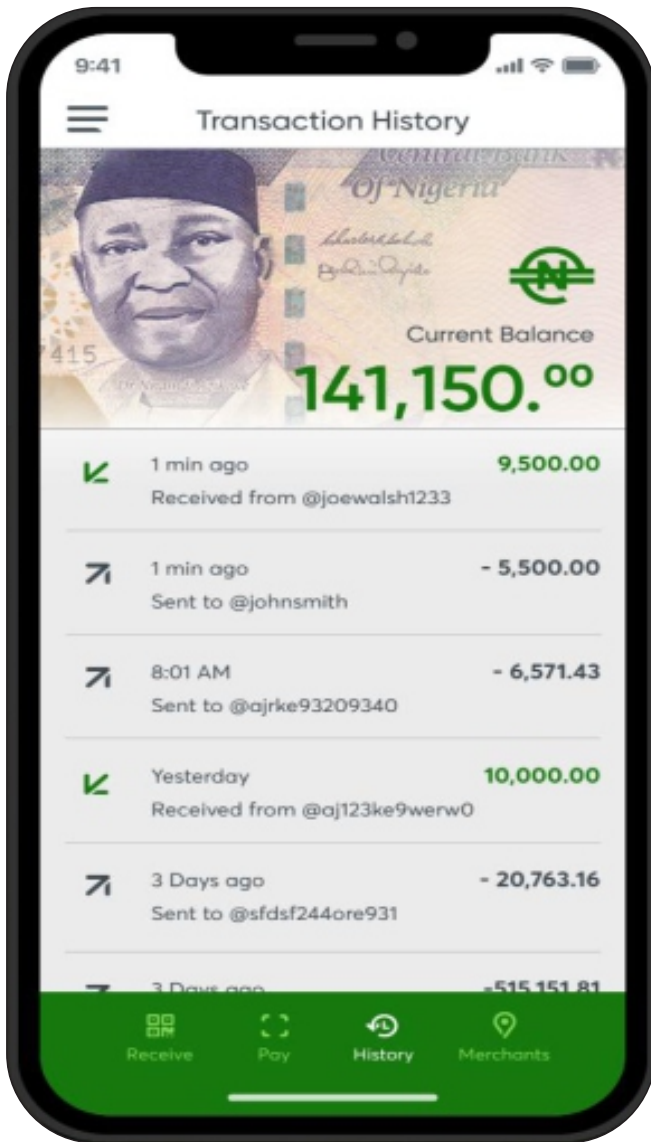
Upon the release of the eNaira, many were confused about the nature of the digital currency particularly when one considers the hard stance the Federal Government of Nigeria had adopted towards cryptocurrency. It, therefore, becomes necessary to make a distinction between eNaira and Cryptocurrencies. While cryptocurrency is built on blockchain technology which ensures the decentralization of creation, regulation and use of cryptocurrency using

decentralized computer networks, CBDC is a digital payment instrument denominated in the national unit of Nigeria. Further, cryptocurrencies are not generally accepted as a means of payment, they are at best, digital assets.

The Central Bank of Nigeria underlined some innovations of the eNaira to include promoting and facilitating financial inclusion, enabling welfare disbursement to citizens, increasing revenue and tax collection, improving the efficiency of cross-border payments, and facilitating diaspora remittances. It is understood that the introduction of the eNaira will enable peer-to-peer payments thereby cutting off intermediaries such as financial institutions.

In terms of regulation, the CBDC is regulated by the CBN which is responsible for the minting, issuing, distribution, redeeming and destruction of the eNaira. The eNaira is wholly administered by the CBN through the Digital Currency Management System (DCMS). By a circular dated

<sup>2</sup><https://african.business/2021/10/finance-services/nigeria-gears-up-for-enaira/>



October 25, 2021 the CBN notified all stakeholders of the Regulatory Guidelines on the eNaira (the Guidelines). The Guidelines aim to “provide simplicity in the operation of the eNaira, encourage general acceptability and use, promote the low cost of transactions, drive financial inclusion while minimizing inherent risks of disintermediation or any negative impact of on the financial system”.

Under the CBDC scheme, financial institutions have a key role to play, the institutions are to serve as intermediaries between the CBN and the end-users of the eNaira. They are to facilitate what is called the eNaira Wallet for customers. These wallets are to be integrated into the financial institutions' digital banking platforms to create payment solutions without hassle. While this innovation is laudable, it is still expected that more clarity will be provided by the CBN on the operations of the eNaira system particularly on awareness and orientation to end users given the technical nature of the scheme.

# BAN OF TWITTER

## BY THE FEDERAL GOVERNMENT OF NIGERIA

On June 5, 2021, the Federal Government of Nigerian placed an indefinite ban on the social media platform Twitter. As a result of the ban, Nigerians were unable to access the platform via their normal mobile network providers. This reaction by the FGN was because the social media platform deleted some

Swedish missions in Nigeria. The SERAP instituted an action in Court, but the suit was dismissed on grounds of it lacking merit.

The ban stifled a lot of businesses that are conducted online in Nigeria and is arguably partly attributable for the debilitating state of the Nigerian Economy.



tweets by the President of the Federal Republic of Nigeria, President Muhammadu Buhari. The tweets deleted were tweets by the President to indigenes of South-Eastern Nigeria due to the ongoing insurgency in the South-eastern parts of Nigeria.

The ban was widely criticised and condemned by the Nigerian Bar Association, Amnesty International, the Socio-Economic Rights and Accountability Project (SERAP), the British, Canadian and

Reports indicate that Nigerian businesses lost a substantial amount of money because of the ban.

Negotiations went on for a while and subsequently on January 12, 2022, the Nigerian Government lifted the ban after the social media platform allegedly agreed to establish a legal entity in Nigeria during Q1 of 2022.

As highlighted above, the ban on Twitter was criticized by relevant

stakeholders who described it as a bizarre move by the FGN. It is essential to highlight that not only did businesses loose traction, but arguably depicted the extent the Government will go to show that its power is absolute. The up-sounding reality is that we are in an era where the voice of everyone can be heard and as such banning a social media platform like Twitter was not the smartest decision

considering the effect it can have on the economy as a wide range of businesses rely on the social media platform. As a matter of fact, there are instances where service of Court processes through twitter have been accepted by Courts in other jurisdictions. In this regard, the question lingers in the mind of many, are we moving backward? What was the legality in this ban?





# **THE LAGOS STATE JUDICIAL PANEL OF INQUIRY REPORT ON RESTITUTION FOR VICTIMS OF SARS RELATED ABUSES AND OTHER MATTERS.**

On October 20, 2020, many Nigerians, largely youths, took to the street to protest the oppressive conduct of the Special Anti-Robbery Squad (SARS), a special unit of the Nigerian police set up to investigate robbery offences in Nigeria. There have been complaints over the years that the SARS have been responsible for the unlawful and indiscriminate treatment of Nigerian youths who seem to live a flamboyant life.

Also, there have been complaints against extortion by the SARS operatives and this culminated into a peaceful street protest. The protesters on Tuesday, 20.10.20, mounted a roadblock along with the Lekki Tollgate, off Ozumba Mbadiwe street, Lekki, Lagos. In reaction to the protest, there were accounts by eyewitnesses that the Military men were ordered to the toll gate to fend off the protesters. On refusing to yield, the military officers were reported to have started shooting sporadically and this led to several injuries and death of young Nigerians.

The government denied any knowledge of a military operation or shooting incidents, and this

led the most states to set up the Judicial Panel of Inquiry Report on Restitution for Victims of SARS Related Abuses and other Matters (the “Panel”). In a damning report released to the Governor of Lagos State and the Hon. Commissioner for Justice of the state on 19.11.21, the Panel, headed by Justice Doris Okuwobi (Rtd) found that *“The atrocious maiming and killing of unarmed, helpless and unresisting protesters while sitting on the floor and waving their Nigerian flag while singing the National Anthem can be equated to a ‘massacre’ in context.”*

The panel went further to state, that there were 48 cases from the shootings at the toll gate; 11 confirmed dead, four missing and presumed dead while many others suffered gunshot injury and severe assault. The police stepped in when the soldiers left and continued to kill. The panel continued that *“The evidence before the panel shows that after the Nigerian Army left, the Nigeria Police followed up with the killing of the protesters, shooting directly at protesters fleeing into the shanties and the Lagoon at the Lekki Phase...”*



The panel also found that the army turned back ambulances called in to take the injured to the hospital. In this regard, it found that *“The denial of ambulances by the soldiers, which could have assisted in the prompt and effective treatment of injured protesters, was cruel and inhuman and it contributed immensely to a large number of deaths and casualties on the part of the protesters, especially those from the Lekki Toll Gate.”*

It was the finding of the panel that *“...the ineffectiveness of the police cannot be a justification for the invitation of the army to Lagos State and the deployment of the army to Lekki Toll Gate on October 20<sup>th</sup>, 2020. Given the number of people gathered at the Lekki Toll Gate, an invitation of the army to Lagos State and deployment of the army to disperse such peaceful gathering should not be an option for a government that had already opened up dialogue with the protesters.”*

In reaction to these findings, the Lagos State government set up a White Paper Committee (the “Committee”) to review the findings of the Panel. The four-member committee was led by Lagos State Attorney-General and Commissioner for Justice, Mr. Moyosore Onigbanjo (SAN). Other members of the committee are;

Commissioner for Youths and Social Development, Mr. Segun Dawodu; Special Adviser, Works, and Infrastructure, Engr. (Mrs) Aramide Adeyoye and Permanent Secretary, Cabinet Office, Mrs. Tolani Oshodi.

In its report, the Committee maintained that the findings of the Panel were contrary to the evidence available to the Panel. The Attorney General stated in an interview that *“... the panel goes on to say there were nine dead. If you look at that page where the dead from the Lekki tollgate was listed, they did not explain how they arrived at that conclusion, the names, who shot them and when they were shot. So that's a contradiction because what Professor Obafunwa said is different from the conclusion they are now reaching. And there were so many others”.*

Also, the Attorney General and Minister of Justice, Mr. Abubakar Malami, has thrown the weight of the Federal Government behind the Lagos State White Paper, effectively querying the credibility of the findings of the Panel's findings. This divided position has led to a mixed reaction in the polity regarding both the Findings of the Panel as well as the Committee Report. It is yet to be seen if the Lagos State will implement the recommendations of the Panel in the coming months

or if the government will maintain its stance on the purported irregularity of the Findings.





## **DEMUTUALIZATION OF THE NIGERIAN STOCK EXCHANGE.**

The Nigerian Stock Exchange announced its transition to a demutualized entity in March of 2021. By the Demutualization of the exchange the Nigerian Stock Exchange birthed a non-operating holding company (Nigerian Exchange Group) with three operating subsidiaries; Nigerian Exchange Limited (NGX) responsible with operating the demutualized exchange, NGX Regulation Limited (NGX REGCO) responsible for regulating the demutualized exchange and NGX Real Estate Limited (NGX RELCO) responsible for the real estate arms of the exchange. Furthermore, in October of 2021, the NGX enlisted its shares in the market.

The relevant stakeholders have described this transition as a step in the right direction as bourses around the world that have

adopted the demutualized model tend to perform better for several reasons one of which is the fact that the failure of such an entity means the relevant stakeholders will also be loosing a lot, thus the assumption that stakeholders to a considerable extent ensure that such a demutualized bourse works. Paradoxically, research indicates that there is the propensity for a demutualized bourse to be lax in the operation of its rules as the primary motive is to make money.

Whilst the NGX has not given a clear indication of what its regulatory structure may look like, it seems to have adopted the preceding UK model of creating a separate entity specifically for the regulation of the exchange. Although this is commendable, it is pertinent to highlight that failure to properly enforce such laws can lead to different issues.

<sup>3</sup>Demutualization is the process by which a private-owned company legally changes its structure to a public traded company. Put simply, it is the process of transitioning from a mutual company to a shareholder-driven company.

<sup>4</sup> <https://guardian.ng/business-services/cbn-to-refund-licensing-fees-of-new-bdc-promoters/>



## **CENTRAL BANK OF NIGERIA SUSPENDS FUNDING OF BUREAU DE CHANGE AND CEASE THE APPROVAL NEW LICENSES**

The Central Bank of Nigeria in the beginning of Q3 of 2021 suspended the provision of forex to Bureau De Changes (BDC) in Nigeria. the CBN also shut the door against registration of new BDC's and cease the approval of new licences. The CBN whilst announcing the suspension stated that it receives an average of 5000 applications monthly

alleging the possibility of these BDC's been used to launder money and perform anti-market activities. It also directed company promoters to apply for a refund of their NGN35,000,000 deposit which is usually refunded upon registration. The Association of BDC (ABCON) stated that the licenses were still operational and as such they will continue to do the forex business.

## **PART B**

### **CENTRAL BANK OF NIGERIA ISSUED GUIDELINES FOR LICENSING AND REGULATION OF PAYMENTS SERVICE HOLDING COMPANIES IN NIGERIA**

In a bid to promote the efficiency of payment systems in Nigeria, the Central Bank of Nigeria (CBN) in a circular dated August 3, 2021, issued guidelines for licensing and regulation of payments service holding companies. The issuance of the Guidelines is described by the CBN to be in line with its commitment to fostering a competent and credible payments system as well as approve new licence categorisations for participants in the payments system. The Guidelines require companies

desirous of operating more than one licence category to set up a Payments Service Holding Company with activities of subsidiaries clearly defined. The CBN has stated that this arrangement will prevent mingling of activities, facilitate management of risks, and enable the CBN to exercise adequate regulatory oversight on all companies within the Group.

The guidelines enlist the licensing requirements, corporate governance structure as well the permissible and non-permissible activities.

<sup>5</sup>A Payments Service Holding Company is one whose principal object clause includes the business of a holding company set up for the purposes of making and managing equity investment in two or more companies, being its subsidiaries, which are payment service provides across a) Mobile Money Operations, b) Switching and Processing and c) Payment Solution Service

## **CBN's REGULATORY FRAMEWORK FOR MOBILE MONEY SERVICES IN NIGERIA.**

Mobile Money Operators have gained significant cognizance in recent times because they have simplified financial transactions for citizens and businesses by eradicating the need for face-to-face interphase when conducting financial transactions. In view of this, it has thus become necessary for the CBN to create an enabling environment for mobile money services in Nigeria to be a seamless process and one that is generally accepted nationwide.

The CBN in July of 2021 issued the Regulatory Framework for Mobile Money Services in Nigeria which replaces the Guidelines on Mobile Money Services in Nigeria 2015. The new regulatory framework has been described by stakeholders to have a more comprehensive framework in comparison to the Guidelines on Mobile Money Services in Nigeria 2015.

The new regulations have extensive provisions for the different forms of transactions under Mobile Money Services, ranging from account-based transactions, card-based transactions, and wallet-based transactions. It also has provisions for e-Wallet system under the Stored Value Account system

The introduction of a more comprehensive framework for Mobile Money Services in Nigeria is a statement of intent by the regulators. Whilst it is considered to be of sacrosanct importance especially in a modern economy, efficient implementation of these regulations cannot be undermined. It is considered to be a step in the right direction for financial inclusion in the Nigerian economy as the new framework is aimed at ensuring a hitch-free Mobile Money Sector in Nigeria.



<sup>6</sup> Mobile money Operators are licensed service providers that develops and deploys financial services through mobile phones and mobile phone networks. Examples of some operational in Nigeria: Paga Mobilem First Banks First Monie, Kudi Mobile, MTN's Momo etc.

## **CBN REVISED REGULATORY FRAMEWORK FOR BVN OPERATIONS AND WATCHLIST FOR THE NIGERIAN BANKING INDUSTRY**

The Central Bank of Nigeria in a memo dated October 12, 2021, issued a revised regulatory framework for Bank Verification Number (BVN) operations and watch-list for the Nigerian Banking industry. The issuance of the Guidelines is described by the CBN to be in line with its objective of promoting financial system stability. The regulations introduce noteworthy regulations that enhances the effectiveness of

customer due diligence and “know your customer” processes as part of the overall strategy for promoting a safe and efficient banking and payment system.

Under the new framework, breaches on the part of the customer could see the individual getting barred from entering a new relationship with any participant (banks).

## **AMENDMENT OF THE SEC RULES & REGULATIONS ON MERGERS, ACQUISITIONS, RECONSTRUCTIONS AND TAKEOVERS.**

On August 30<sup>th</sup> 2021, the Securities and Exchange Commission (SEC) released an Amendment to the SEC Rules on Mergers, Take-Overs, and Acquisitions. The new rules contain provisions that regulate certain forms of business such as spin-offs, split-offs, carve-outs, requirements to obtain approval for mergers and acquisitions from the FCCPC for certain transactions. The new rules

prescribe additional requirements on the original requirements that ought to be met by companies (public) when finalising a merger transaction. Whilst the provision of CAMA 2020 prescribe the general provisions. The new amendments have been described to provide a level of clarity on the SEC requirements pertaining to mergers, acquisitions, and takeovers.





## REGULATORY INCUBATION GUIDELINES

Pursuant to sections 28 (1), (2) and (3) of the Investment and Securities Act 2007 that prescribes that “any person that intend to operate in the Nigerian capital market or carry out investments and securities business shall be subject to supervision by the commission, the SEC via a circular dated June 16, 2021 announced the imminent roll-out of the SEC Regulatory Incubation (RI) program for Financial Technology (FinTech's) firms operating or seeking to operate in the Nigerian Capital market”. The guidelines comprise of 6 parts: i) Pre-Qualification requirement (ii) regulatory incubation operations requirement (iii) restrictions and conditions (iv) termination/removal from regulatory incubation (v) regulatory incubation form and fee (vi) content of the

implementation plan.

With the new guidelines it is obvious that the regulatory agencies are desirous of creating effective parameters that accommodates innovation by Financial Technology without compromising market integrity and within limits that ensure investor protection. It creates an avenue and safe place for start-ups and other businesses to test innovative product, services, business models and delivery mechanisms relating to capital in a live market without having to immediately satisfy existing regulatory requirements. The introduction of the guidelines is commendable as it shows the dedication of the SEC to regulate innovation in the Nigerian Capital Market in line with its Fintech policy without stifling the development of FinTech.





an interim order of forfeiture against a defendant/respondent pending the hearing and determination of the motion on notice. These provisions have raised legitimate concerns; about possible data privacy and security breaches that may result from the exercise of the powers which have been vested on the FIRS by virtue of this provision.

Another potentially troubling provision of the Practice Direction is **Order V (3)** of the Practice Direction which effectively requires a taxpayer who intends to challenge a tax assessment issued by the FIRS before the Court to first make a payment of half of the assessed and disputed sum in an interest-yielding account of the Court, as a condition precedent to entering appearance. This condition raises questions around the principle of innocence pending a finding of guilt. This requirement also appears as an impediment to the right to fair hearing as a taxpayer ought not to be confronted with weighty conditions before it may exert his right to defend himself.

While it is noted that under the Fifth Schedule to the FIRS Act, an appellant is only required to pay either half of the tax assessment under appeal or an amount equal to the assessment issued in the preceding year of assessment or any amount considered to be appropriate security for the action, in cases where, in the course of hearing, the FIRS has been able to prove to the satisfaction of the Tribunal hearing the appeal in the first instance that: (a) the appellant/taxpayer has failed to prepare and file the appropriate tax returns required under the relevant tax statute, for the concerned year of assessment, (b) the appeal is frivolous or vexatious or an abuse of court process or, (c) it is expedient to require the appellant to pay an amount as security for prosecuting the appeal, it does still appear to be a far-reaching provision and an impediment to a fair hearing. It is suggested that a fairer and more balanced scenario would have been the requirement of payment when a tribunal or court comes to a definitive finding of tax liability by the respondent, not before. This will be consistent with the tenets of justice and fair hearing.



**CAC COMMENCED REGISTRATION OF LIMITED LIABILITY PARTNERSHIPS (LLPs), LIMITED PARTNERSHIP (Lps), AND DEPLOYMENT OF THE REGISTRATION SOLUTIONS ON COMPANY REGISTRATION PORTAL (CRP).**

On August 31<sup>st</sup> 2021, the Corporate Affairs Commission notified the public via a circular that it had commenced the registration of Limited Liability Partnerships (LLPs), Limited Partnerships (LPs). By the

circular, the CAC advised members of the public of the public to commence the registration of LLPs and LPs using the Company Registration Portal (CRP).

**FEDERAL HIGH COURT PRACTICE DIRECTION ON FEDERAL INLAND REVENUE SERVICES (FIRS) 2021**

On May 31<sup>st</sup> 2021, the Chief Judge of the Federal High Court (FHC) of Nigeria, in line with Order 57 Rule 3 of the Federal High Court (Civil Procedure) Rules, 2019 (FHC Rules) issued a Practice Direction. The Practice Direction which became effective on June 1 2021, relates to tax matters administered by Federal Inland Revenue Service (FIRS).

It is understood that the practice direction has been passed to encourage the expeditious disposition of tax-related disputes and encourage a settlement-centric initiative between companies and tax authorities. There have been legal

questions posed by stakeholders in the aftermath of the release of the practice direction, mostly questioning the constitutionality of several provisions of the practice direction.

A cursory read of Order III (2) [c] of the Practice Directions expressly grants the FIRS powers, pursuant to an *ex-parte* order, to access taxpayer's books, documents, servers, billing systems, bank accounts, including those stored in a computer; in digital, magnetic, optical and/or electronic form for the purposes of tax assessment, collection, and remittance. A judge is consequently empowered to grant



# THE PETROLEUM INDUSTRY ACT 2021

The long-anticipated Petroleum Industry legislation was finally passed on August 16, 2021. The Act effectively repealed the Petroleum Act of 2004. The Act is quite significant given that it makes significant innovations in the petroleum industry. For instance, the Act restructures the power structure of the petroleum industry by ceding this Minister's erstwhile regulatory powers to the Nigeria Upstream Regulatory Commission and the Nigerian Midstream and Downstream Regulatory Authority.

In addition, the Act in Section 53, anticipates the incorporation of the Nigerian National Petroleum Company Ltd under the Companies and Allied Matters Act (CAMA) within 6 (six) months of the commencement of the Act. Upon the incorporation of the NNPC Ltd, its shares are to be held by the Ministry of Finance and Ministry of Petroleum on behalf of The Federal Government of Nigeria.

Under Section 111 of the Act, the Nigerian Midstream and Downstream Petroleum Authority may grant, renew, modify, or extend individual licenses or permits, provided that where it relates to the

establishment of refineries, licenses or permits shall be issued by the Minister on the recommendation of the Authority.

Interestingly, Section 235 of the Act introduces the incorporation of Host Communities Development Trusts. The Act mandates the Settler to incorporate a Host Communities Development Trust for the benefit of host communities. The funds are to be distributed by the Board of Trustees to host communities using a payment formula as provided by the settler.

In a bid to meet global best practices and climate protection initiatives, the Act proscribes gas flaring and requires strict compliance with a gas flaring plan along with a gas utilization plan. The Act provides for the punishment for gas flaring to be in tandem with the Flare Gas Regulations in force.

The Act encourages all-inclusive participation by industry stakeholders-lessees, permit holders and licensees in finalizing or making amendments to regulations relating to the businesses of the stakeholders.

## **AMENDMENT OF THE COURT OF APPEAL RULES.**

On the November 1 2021, the Court of Appeal Rules, 2021 (the “Rules”) came into force, consequently repealing the Court of Appeal Rules, 2016. The Rules introduce some significant innovations and improvements to the repealed version. A few of these introductions are include the provision for electronic filing, electronic seal of the court, sessions and appearance of counsels in court, court of appeal

alternative dispute resolution programme, virtual hearing etc.

The introduction of the new rules is commendable and by the new provisions, it has highlighted the desire of the court to ensure speedy hearing of Appeals as well as embrace technological innovations. For detailed report on some of the innovations, please refer to our newsletter referenced below.



## **NIGERIA'S CLIMATE CHANGE ACT, 2011**

On November 18, 2021, President Muhammadu Buhari signed into law the Climate Change Bill 2021 subsequent to the passing of the bill by the Nigerian Senate on October 13 2021. The Act has been described to pave the way for environmental and economic accounting and a push for a net zero emission deadline plan in the country. The signing of this Act into law came at the right time bearing in the mind the increasing need for environmental sustainability.

The Act reinforces Nigeria's commitment to the Paris Agreement on climate change and her updated Nationally Determined Contributions at the 26<sup>th</sup> Conference of Parties to the United Nations Framework Convention on Climate Change in Glasgow.



## **MTN, AIRTEL APPROVED TO OPERATE A PAYMENT SERVICE BANK**

The Central Bank of Nigeria (CBN) on November 4<sup>th</sup> 2021 granted an approval in principle for the grant of licenses to MTN Nigeria and Airtel AFRICA for the operation of Payment Service Bank (PSB). The approval in principle is said to be in line with CBN's objective of enhancing financial inclusion and the development of the payment system through a technology driven environment. Whilst this

approval in principle is the first step towards the final approval which is subject to certain conditions as stipulated by the CBN, both MTN & Airtel Africa issued statements re-affirming their commitment to working with the CBN towards attaining the objectives of financial inclusion and will ensure that they comply with the requirements prescribed by the CBN.







## CONCLUSION

The year 2021 was a defining year for many of our clients and their businesses. One thing is clear, technological innovations are gaining more traction as the days go by. This is obvious as the CBN has introduced certain regulations aimed at regulating the FinTech industry. Rest assured we will see more introductions in 2022.

As we gradually ease out of the impacts of COVID-19, 2022 commenced with a bit of worry by

the emergence of the Omicron Variant of the COVID-19. Its emergence at the end of Q3 and beginning of Q1 in 2022 led most European and North American countries to draw up travel ban lists and this had so led to a slow start in commercial activities in 2022. Whilst we are hopeful that this does impact commercial activities in the forthcoming months, we however will continue to provide business solutions for our clients.

