Nigeria Harmonises Virtual Asset Regulation: The Presidential Executive Order on Virtual Assets Coordination, 2026

Introduction

On 17 July 2026, President Bola Ahmed Tinubu signed the Presidential Executive Order on Virtual Assets Coordination, 2026 (the "Order"), which took immediate effect.

As virtual assets increasingly cut across payments, securities, taxation, financial crime, and national security, the Order seeks to improve coordination among Nigeria's financial regulators. Rather than creating a new regulator, it establishes a framework for existing institutions as such the CBN, the SEC, the Nigeria Revenue Service (NRS), and others, to work together, reducing regulatory overlap while preserving each regulator's statutory mandate.

Key Highlights

- **A Virtual Asset Council has been established:** The Council is chaired by the Central Bank of Nigeria (CBN), with the Nigeria Revenue Service (NRS) and the Securities and Exchange Commission (SEC) serving as Vice-Chairs. Its membership also includes the heads (or designated representatives) of the Nigerian Financial Intelligence Unit (NFIU) and the Office of the National Security Adviser (ONSA). The Council will provide policy direction and work with the Attorney-General of the Federation to develop a harmonised legal and institutional framework.

- **A Virtual Asset Office will coordinate implementation:** Based at the CBN, the Office will coordinate information sharing, applications, and regulatory reporting through an integrated supervisory platform.

- **Registration depends on the activity:** Securities-related activities fall under the SEC, while payment, settlement, custody, and other non-security virtual asset services fall under the CBN. The Council will resolve uncertain cases.

- **A regulatory sandbox is being introduced:** The CBN will allow eligible businesses to test virtual asset products and blockchain solutions under regulatory supervision.

- **Tax guidance will follow:** The NRS will issue guidance on the application of Nigeria's tax laws to virtual asset transactions.

- **Implementation has begun:** The Order preserves existing regulatory powers while directing the Council to develop a Harmonised Implementation Framework within 30 days of signing, deadline that falls in mid-August 2026.

What This Means for Stakeholders

- **For virtual asset service providers:** Businesses should assess each product or service individually to determine whether it falls within the SEC's or the CBN's remit. Operators offering multiple services may need to engage with more than one regulator.

- **For fintech and payment businesses:** Existing licences and approvals should be reviewed before expanding into virtual asset services and factor the new withholding tax obligations into any product that touches crypto payments, staking, or rewards.

- **For capital market participants:** Early regulatory guidance should be sought to determine whether a tokenised asset will be treated as a security before launch. A wrong call now carries both a securities-law risk and a tax filing obligation.

- **For investors and the wider market:** A more coordinated framework is expected to improve regulatory certainty, strengthen oversight, and support confidence in Nigeria's virtual asset ecosystem.

The Road Forward

The Executive Order is an important step towards a more coordinated approach to virtual asset regulation. Its practical impact will depend on the implementation framework, the CBN's regulatory sandbox, the NRS's tax guidance, and the proposed Virtual Assets White Paper.

Virtual asset businesses, fintech companies, investors, and other market participants should monitor these developments and engage regulators early where classification, registration, or licensing issues arise.

For guidance on virtual asset regulation, regulatory compliance, and related public policy developments, contact info@scp-law.com or visit www.scp-law.com.