AN EXAMININATION OF THE APPROACHES TO CRYPTOCURRENCY AND FINTECH REGULATION IN NIGERIA AND SELECTED JURISDICTIONS

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Abstract

This paper critically examines the regulatory and institutional approaches governing cryptocurrency and financial technology (FinTech), particularly Bitcoin and Robo-Advisory services in Nigeria and selected jurisdictions. While digital financial innovations present opportunities for efficiency, economic inclusion and wealth creation, they also pose complex challenges for regulators seeking to balance innovation with consumer protection, financial stability, and compliance with Anti-Money Laundering and Counter-Terrorism Financing (AML/CTF) obligations. The study reviews the roles of Nigeria's key regulatory bodies namely the Central Bank of Nigeria (CBN) and the Securities and Exchange Commission (SEC) and assesses the adequacy, gaps and ambiguities in existing regulatory instruments. A doctrinal and comparative research design was adopted, drawing insights from the United Kingdom (UK), the United States of America (US), South Africa and Kenya. Findings indicate that Nigeria's FinTech ecosystem remains constrained by legal uncertainty, fragmented regulation and inconsistent policy positions. Major risks include cybersecurity threats, regulatory arbitrage, market volatility, peer-to-peer (P2P) transactional abuse and insufficient algorithmic governance. The paper recommends structured reform through a comprehensive Digital Assets Act, enhanced regulatory coordination, and capacity-building, while emphasizing the need for innovation-friendly mechanisms such as regulatory sandboxes.

Key-Words: Cryptocurrency, FinTech,Regulation, Robo-Advisory,Services, Central Bank of Nigerian

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1.Introduction

The rapid advancement of disruptive technologies such as blockchain, artificial intelligence (AI), big data and algorithmic financial platforms has significantly reshaped the global financial landscape. Among these, Bitcoin, a decentralised digital currency, and Robo-Advisory services automated digital investment tools, have become major features of this evolving ecosystem. While these innovations offer the promise of increased efficiency, financial inclusion and economic growth, they also present significant regulatory challenges, particularly in developing economies such as Nigeria.[1]

The adoption of cryptocurrency and digital advisory platforms in Nigeria has accelerated due to demographic factors, mobile penetration and rising demand for alternative investment mechanisms. However, regulatory responses have been fragmented. The Central Bank of Nigeria (CBN) has prioritised financial stability and Anti-Money Laundering (AML)/ Counter-Terrorism Financing (CTF) risks.[2] While the Securities and Exchange Commission (SEC),[3] has sought to classify and supervise digital asset investments. The absence of harmonised regulation has resulted in policy inconsistency, market uncertainty and gaps in consumer protection.

This paper therefore examines Nigeria's regulatory approach to cryptocurrency and FinTech, analysing the institutional framework and persistent gaps. To discuss the subject, this paper is divided into six parts. Part One introduces the subject matter. Part Two examines the historical development of digital finance in Nigeria. Part Three analyses the Nigerian regulatory and institutional framework governing FinTech. Part Four provides a comparative review of selected jurisdictions, while Part Five identifies key challenges and risks. Part Six concludes the paper and offers recommendations for reform.

[1] Emmanuel Nwosu and John Adoyi, 'What the Investments and Securities Act Means for Nigeria's Crypto Ecosystem' TechCabal (9 May 2025) https://techcabal.com/2025/05/09/ investments-and-securities-act-nigeria-2025/ accessed 27 October 2025.

[2] Central Bank of Nigeria, 'Letter to All Deposit Money Banks, Non-Bank Financial Institutions and Other Financial Institutions on Cryptocurrency Operations in Nigeria' (5 February 2021) https://www.cbn.gov.ng/Out/2021/ccd/Press%20Release%20on%20Cryptocurrencies 27 October 2025.

[3] Securities and Exchange Commission, Nigeria, 'SEC Rules for FinTechs' (SEC Nigeria) https://home.sec.gov.ng/our-mandate/regulation/rules-and-regulations/sec-rules-for-fintechs/ accessed 27 October 2025.

2. Historical Development of Digital Finance in Nigeria

Digital finance encompasses a broad range of services including mobile banking, digital payments, blockchain technology, online lending and algorithm-based investment platforms.[4] Nigeria's adoption accelerated in the mid-2010s,[5] largely due to increased internet penetration and a youthful population seeking non-traditional financial solutions. Bitcoin gained popularity as both an investment asset and a transaction medium but faced regulatory resistance[6] due to concerns surrounding consumer risk, capital flight and financial system vulnerability. Robo-Advisory models, although still emerging, have been introduced through FinTech platforms that leverage automation and user-data analytics to offer personalized investment insights.

2.1Origin, Structure and Function of Bitcoin as a Decentralised Digital Currency

Bitcoin is a decentralised digital currency built on a peer-to-peer (P2P) electronic cash system that uses blockchain technology to record transactions without reliance on banks or government authorities.[7] Introduced in 2008 by the pseudonymous Satoshi Nakamoto[8] following the global financial crisis, Bitcoin was designed as an alternative to centralised financial systems whose failures had eroded public trust. Its core innovation lies in combining cryptographic proof with a distributed ledger, enabling secure financial transactions while preventing double-spending without a central authority.

Conceptually, Bitcoin (capital B) refers to the open-source payment network and its protocol, while bitcoin (lowercase b) denotes the digital currency traded on that network.[9] The system operates entirely through computer code that governs the issuance, validation and transfer of

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[4]Chioma G Nkechika, Digital Financial Services and Financial Inclusion in Nigeria: Milestones and New Directions (CBN, 2022) https://www.cbn.gov.ng/Out/2024/RSD/Digital%20Financial%20Services%20and%20Financial%20Inclusion%20in%20Nigeia,%20Milestones%20and%20New%20Direction.pdf accessed 10 November 2025.

[5]GSMA, The Mobile Economy Sub-Saharan Africa 2020 (GSMA,2020)https://www.gsma.com/mobileeconomy/sub-saharan-africa/ accessed 27 October 2025.

[6] Umer Majeed and Others, 'Blockchain for IoT-Based Smart Cities: Recent Advances, Requirements, and Future Challenges' *Journal of Network and Computer Applications* (2021) *https://doi.org/10.1016/j.jnca.2021.103007* accessed 27 October 2025.

[7] Kate Ashford, 'What is Bitcoin and How Does It Work?' *Forbes Advisor*, (21 May 2024) <https://www.forbes.com/advisor/investing/cryptocurrency/what-is-bitcoin/>accessed 27 October 2025.

[8] Satoshi Nakamoto, 'Bitcoin: A Peer-to-Peer Electronic Cash System' (2008) https://bitcoin.org/bitcoin.pdf accessed 27 October 2025.

[9]Andreas M Antonopoulos, Mastering Bitcoin: Unlocking Digital Cryptocurrencies (2nd edn, O'Reilly Media 2017) 2.

bitcoins across a decentralised node network. Bitcoin's development builds on earlier cryptographic advances. While digital-money concepts such as David Chaum's 1983 ecash and Digicash introduced encrypted electronic payments,[10] they remained dependent on banking institutions and were therefore centralised. Bitcoin overcame this limitation by creating a fully decentralised, censorship-resistant and globally accessible system independent of intermediaries. Compared to fiat currencies like the Naira, US Dollar, Yen or Euro which require trusted financial institutions. Bitcoin enables borderless transactions with lower barriers to entry.

The blockchain system underlying Bitcoin introduced a transformative model for digital asset management by enabling the creation of scarce, rivalrous digital commodities similar to gold. Its tamper-resistant architecture has also expanded use cases beyond currency, including potential tokenisation of real-world assets such as land and property, lowering search and verification costs in traditional markets.[11] Globally, Bitcoin adoption correlates with factors such as education, technological readiness, income inequality and regulatory quality, while showing negative correlation with corruption control. Although adoption is strongest in advanced economies,[12] it is also widespread in countries with weaker institutions, raising concerns over illicit use and reinforcing the need for clear regulatory frameworks as investment in crypto-assets continues to grow.

2.2 Digital Wealth Management and Robo Advisory in Emerging Markets

Robo-Advisors are automated digital platforms that use algorithms and artificial intelligence to provide personalised financial advice and manage investment portfolios. They gather information on user income, goals and risk preferences through digital questionnaires, then construct and maintain diversified portfolios based on these inputs. The Nigerian SEC[13] defined a Robo-Advisor as a provider of digital advisory services

[10] David Chaum, 'Blind Signatures for Untraceable Payments' (1983) https://chaum.com/ecash/ accessed 27 October 2025.

[11] Ahmad Alnasaa, Shiyuan Chen and Andrea Pescatori, 'Crypto, Corruption, and Capital Controls: Cross-Country Correlations' (IMF Working Paper WP/22/60, 2022) https://www.imf.org/-/media/Files/Publications/WP/2022/English/wpiea2022060-print-pdf.ashx accessed 10 November 2025.

[12] Rishi B, Kjell H and Faisal A, 'Do national development factors affect cryptocurrency adoption?' (2022) Technological Forecasting and Social Change https://eprints.lse.ac.uk/115237/1/1_s2.0_S0040162522002657_main.pdf accessed 10 November 2025.

[13] Nigeria, Securities and Exchange Commission, Rules on Robo-Advisory Services (30 August 2021) https://sec.gov.ng/wp-content/uploads/2023/04/Rules-on-Robo-Advisory-Services_Executed-30-August2021.pdf accessed 26 November 2025.

that rely primarily on algorithm-based tools with limited or no human interaction.
The first wave of Robo-Advisory platforms emerged in the US around 2010, led by Betterment and Wealthfront, which significantly lowered the cost of investment advice and expanded access for retail investors.[14] Europe followed shortly thereafter with platforms such as Nutmeg in the UK and Scalable Capital in Germany, adapting the model to European regulatory frameworks. By 2025, Robo-Advisory had become mainstream globally, adopted by major financial institutions offering hybrid models that combine automated tools with optional human advisers. These platforms increasingly integrate advanced features such as tax optimisation, ESG investing and full-service financial planning.

In Nigeria and other emerging markets, platforms like PiggyVest, Cowrywise and Risevest apply Robo-Advisory principles in a more localised form. Although not fully algorithm-driven in the same way as US or European platforms, they democratise access to financial planning by offering automated savings tools, micro-investing options, financial education and fractional investment opportunities through intuitive mobile interfaces. These platforms fill a critical gap in markets where traditional financial advisers are inaccessible or unaffordable.

For instance, PiggyVest promotes goal-oriented automated savings with interest incentives, Cowrywise provides investment bundles and financial-literacy content, Risevest enables users to invest in dollar-denominated assets as a hedge against local currency volatility, while Ladda exemplifies hybridised fintech models that bridge informal savings culture with regulated asset management through partnerships with SEC-licensed institutions. Although these platforms may not yet satisfy the SEC's strict Robo-Advisory definition especially regarding algorithmic portfolio rebalancing they represent transitional models of digital wealth management tailored to African financial realities.

Global trends show rapid growth in the sector, with Robo-Advisory assets under management estimated between $634 billion and $754 billion in
2024,[15] reflecting increased integration of AI, deeper regulatory oversight and broader consumer adoption. The model continues to

[14] Forbes Advisor, 'Best Robo-Advisors of 2025' (Forbes, 2025) https://www.forbes.com/
advisor/investing/best-robo-advisors/ accessed 10 November 2025.
[15]Olivier Gillier, 'The Rise of AI Advisors: How Robo-Advisors Are Changing Wealth Management' (Olivier Gillier, 2025) https://oliviergillier.com/the-rise-of-ai-advisors-how-robo-advisors-are-changing-wealth-management/ accessed 10 November 2025.

evolve, expanding automated features once reserved for high-net-worth individuals and accelerating financial inclusion in emerging economies where mobile adoption is high and traditional financial infrastructure is limited.

2.3 Global Trends in Financial Technology (FinTech)

Financial Technology (FinTech) refers to the use of digital technologies to enhance the delivery of financial products. This includes a wide range of tools and platforms such as mobile banking, digital wallets, blockchain systems, algorithmic trading and other emerging innovations. FinTech is playing a transformative role in reshaping the global financial ecosystem.

Innovations such as embedded finance and decentralized finance (DeFi) are redefining how individuals and institutions engage with financial services. [16]

Embedded finance integrates financial services directly into non-financial platforms such as e-commerce sites, ride-hailing apps and digital communication tools. Through this integration, users can carry out transactions, apply for credit or explore investment opportunities without needing to switch to a separate financial application, making financial interactions more immediate and convenient.

DeFi utilizes blockchain technology to provide financial services without the involvement of traditional intermediaries such as banks or centralised institutions. Rather than relying on centralised control, DeFi systems are built on open-source protocols that enable direct P2P interactions, allowing individuals to engage in activities such as borrowing, lending, trading digital assets and earning returns through mechanisms like liquidity provision and staking.

Central to these systems are smart contract self-executing programmes deployed on blockchain networks that automatically carry out transactions when specific conditions are met. These contracts reduce the need for manual oversight, lower operational costs and enhance transparency. For instance, a lending platform may use smart contracts to match borrowers with lenders, determine interest rates algorithmically and manage collateral without human intervention.

[16] World Economic Forum, 'Embedded Finance Is Set to Have a Major Impact Worldwide' (8 April 2025) https://www.weforum.org/stories/2025/04/embedded-finance-disruptive-force-financial-institutions/ accessed 10 November 2025.

Alongside these developments, AI is reshaping the financial sector by introducing new forms of automation and personalised services. AI is being integrated into a wide range of applications, including fraud detection, credit scoring, robo-advisory platforms and algorithmic trading systems. These technologies enable financial institutions to operate more efficiently by tailoring offerings to individual needs and responding dynamically to market conditions.

3. **Institutional Framework in Nigeria**

Nigeria's FinTech regulation is driven primarily by institutional directives and subsidiary legislation rather than a comprehensive statutory regime. The principal regulators are the CBN and SEC. each with distinct but occasionally overlapping mandates**.** However, the absence of a unified framework and clear boundaries between regulators contributes to persistent uncertainty in the market and operational friction across the financial landscape.

3.1 The Central Bank of Nigeria (CBN)

The CBN has historically adopted a restrictive approach towards cryptocurrency regulation. Its primary concerns stem from the perceived risks to AML/CFT objectives, and consumer protection against volatile, unregulated assets. In its 2017 circular, the Bank warned financial institutions against engaging in virtual currency operations, citing risks to financial stability and consumer protection.[17] This restrictive stance was reinforced by the Circular of 5 February 2021 (formerly BSD/DIR/GEN/LAB/14/001) which explicitly prohibited Deposit Money Banks (DMBs), Non-Bank Financial Institutions (NBFIs) and other financial institutions from dealing in cryptocurrencies or holding virtual currencies on their own account, facilitating payments for cryptocurrency exchanges and maintaining accounts for persons or entities engaged in cryptocurrency trading.[18] Institutions were further directed to identify and immediately close accounts linked to cryptocurrency exchanges. In practice, the directive disconnected the cryptocurrency ecosystem from the regulated financial infrastructure.

[17] Central Bank of Nigeria, 'Circular to Banks and Other Financial Institutions on Virtual Currency Operations in Nigeria'(12 January 2017).

[18] Central Bank of Nigeria, 'Circular to all Deposit Money Banks, Non-Bank Financial Institutions and Other Financial Institutions on Dealing with Cryptocurrency and Facilitating Payments for Cryptocurrency Exchanges' (5 February 2021).

The 2023 Guidelines on Operations of Bank Accounts for Virtual Asset Service Providers (VASPs) [19] lifted the earlier restrictions by allowing banks to open and maintain designated accounts for SEC-licensed VASPs. However, this permission is subject to strict conditions: banks are still prohibited from holding or trading virtual assets on their own account, cash withdrawals from VASP accounts are restricted, and such accounts may be used solely for virtual-asset–related transactions. The shift reflects an effort to bring VASPs into the formal financial system for effective AML/CFT oversight in line with Financial Action Task Force (FATF) standards.[20] Thereby strengthening oversight of digital asset transactions and mitigating risks of capital flight in Nigeria.

3.2. Role of the Securities and Exchange Commission (SEC) in Robo-Advisory Oversight

The SEC is the apex regulator of the Nigerian capital market, deriving its powers from the Investments and Securities Act 2007 (ISA).[21] The SEC has adopted a proactive approach to regulating digital financial services, including Robo-Advisory. In its Statement on Digital Assets and their Classification and Treatment (14 September 2020), the SEC classified most virtual crypto assets as securities, thereby bringing them under its regulatory purview.[22]

Regulation of Robo-Advisory Services in Nigeria is most directly addressed through the SEC)Rule on Robo-Advisory Services issued in August 2021.[23] Under this framework, any person, whether corporate or individual, seeking to provide Digital Advisory Services must be registered with the SEC as an Investment Adviser, subject to certain modifications.[24] The rules place significant emphasis on governance and

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[19] Central Bank of Nigeria, 'Guidelines on Operations of Bank Accounts for Virtual Assets Service Providers (VASPs)' (22 December 2023) https://www.cbn.gov.ng/out/2024/fprd/guidelines%20on%20operations%20of%20bank%20accounts%20for%20virtual%20asset%20providers.pdf accessed 20 November 2025.

[20] Financial Action Task Force, 'International Standards on Combating Money Laundering and the Financing of Terrorism & Proliferation (The FATF Recommendations)' (updated 2023) https://www.menafatf.org/information-center/menafatf-publications/international-standards-combating-money-laundering-and accessed 20 November 2025.

[21] Investments and Securities Act 2007.

[22] Securities and Exchange Commission Nigeria, 'Statement on Digital Assets and their Classification and Treatment' (14 September 2020) https://sec.gov.ng/statement-on-digital-assets-and-their-classification-and-treatment/ accessed 20 November 2025.

[23] Securities and Exchange Commission Nigeria, 'Rule on Robo-Advisory Services' (August 2021) <https://sec.gov.ng/rules-on-robo-advisory-services/> accessed 20 November 2025.

[24] *Ibid*, r 2.

algorithm supervision, requiring the Board and Senior Management of a Robo-Adviser to ensure effective oversight, monitoring, and testing of the algorithms to mitigate against fault or bias.[25]

In addition, Robo-Advisers are mandated to collect sufficient client information to guarantee the suitability of investment recommendations and to provide extensive disclosures, including the assumptions, limitations, and risks inherent in the algorithms.[26] The Rule also introduces a conditional exemption for Fully Automated Robo-Advisers, which operate without human intervention, allowing them to avoid collecting full financial information provided they incorporate 'knock-out' questions to eliminate unsuitable clients and explicitly issue a risk disclosure statement.[27]

3.3 Clarifying the Legal Basis for FinTech and Cryptocurrency Regulation in Nigeria

A key challenge in analysing the regulatory gaps in Nigeria's FinTech and cryptocurrency ecosystem is that there is currently no primary legislation enacted by the Nigerian National Assembly specifically addressing cryptocurrency, digital assets, or Robo-Advisory services. Instead, regulation is driven largely by institutional directives, circulars, and subordinate legislation issued by the CBN and the SEC.
The following laws provide indirect or general regulatory authority:

I.The Investments and Securities Act (ISA) 2007: The ISA provides the statutory basis for the SEC's jurisdiction over securities and investment activities. Although the Act does not expressly define crypto-assets or virtual assets, the SEC has by interpretative statement and rule-making treated certain crypto-assets as securities where they exhibit investment-type characteristics. The ISA thereby supplies the legal foundation for SEC registration, disclosure and conduct obligations in relation to digital instruments that are characterised as securities.
II.Central Bank of Nigeria (CBN) Act 2007 and Banks and Other Financial Institutions Act 2020 (BOFIA 2020): The CBN Act vests the CBN with monetary authority and oversight of the payments system, while BOFIA strengthens prudential supervision of banks and other financial institutions. Neither statute defines or codifies the treatment of crypto-assets; however, both Acts underpin the CBN's circulars and guidelines that restricted the interface between banks and

[25]*Ibid*, r 8(a).
[26]*Ibid*, rr 4 and 10.
[27]*Ibid*, r 10 (4) (e).

cryptocurrency businesses and subsequently permitted designated accounts for licensed VASPs stringent conditions.

III.Money Laundering (Prevention and Prohibition) Act 2022: This Act establishes core AML/CFT obligations such as customer due diligence, suspicious transaction reporting, record-keeping for financial institutions and designated non-financial businesses and professions. It does not expressly enumerate VASPs as reporting entities. In practice, AML/CFT expectations for VASPs have been channelled through the CBN's supervisory perimeter and the SEC's digital-assets rules rather than via an explicit statutory designation.

IV.Nigeria Data Protection Act 2023 (NDPA 2023): The NDPA codifies lawful processing, data minimisation, purpose limitation, security and accountability principles applicable to controllers and processors. It applies to Robo-Advisers and digital investment platforms insofar as they process personal data. However, the NDPA does not include sector-specific provisions for algorithmic profiling or automated decision-making in financial advice, leaving those issues to general principles and the SEC's governance rules.

V.Cybercrimes (Prohibition, Prevention, etc.) Act 2015 and Evidence Act 2011 (s. 84): These statutes operate adjacently. While the Cybercrimes Act sets offences and security obligations relevant to exchanges, custodians and platforms), Section 84 of the Evidence Act governs admissibility of electronic evidence, pertinent to blockchain records, logs and digital contracts.

VI.Federal Competition and Consumer Protection Act 2018 (FCCPA 2018): The FCCPA establishes consumer-protection standards and redress mechanisms. It applies to financial services but does not contain bespoke provisions on crypto-assets, custody risk or algorithmic advice. Consumer redress for failures in automated advice or digital custody therefore remains general-purpose rather than sector-tailored.

Collectively, these statutes enable regulatory action but do not establish a comprehensive legal regime for cryptocurrency, digital assets, VASPs, DeFi systems or Robo-Advisory services. Nigeria therefore operates a system that is statute-enabled but sub-legislatively governed, with much of the actual regulation occurring through circulars and guidelines rather than through clear Acts of Parliament.

3.4 Gaps and Ambiguities in Current Regulations

Building on the foregoing analysis of existing laws and subordinate instruments, several significant gaps and ambiguities emerge within Nigeria's FinTech regulatory architecture:

a)Jurisdictional Overlap Between CBN and SEC: A significant ambiguity is the long-standing jurisdictional overlap between the CBN and the SEC. The ISA empowers the SEC to regulate securities and investment activities, including crypto-assets that exhibit the characteristics of securities. Conversely, the CBN Act and BOFIA confer upon the CBN authority over payments, banking operations, and financial-system stability. Because cryptocurrencies serve simultaneously as investment instruments and as alternative payment mechanisms, these mandates intersect in ways that have produced regulatory friction. This became clear in 2021 when the CBN's prohibition on cryptocurrency-related banking activities effectively halted SEC-supervised digital-asset operations. Even with the partial policy reversal in the 2023 VASP Guidelines, which require SEC licensing for VASP-linked bank accounts, the absence of statutory coordination provisions continues to generate contradictory regulatory signals and institutional tension.

b)Absence of Primary Legislation on Cryptocurrency and Digital Assets: At present, all substantive regulatory measures are issued through circulars, guidelines and interpretative rules. No Act of the National Assembly defines virtual assets, recognises VASPs, establishes statutory licensing regimes or sets out legal requirements for custody, disclosure, consumer protection or prudential obligations. This heavy reliance on subordinate legislation undermines long-term legal certainty, exposes regulatory decisions to potential ultra vires challenges, and has contributed to abrupt policy reversals, such as the shift from the 2021 banking prohibition to the 2023 controlled liberalisation.

c)Weak Oversight to Decentralised Finance (DeFi): Existing SEC and CBN rules are premised on centralised, legally identifiable entities capable of registration or licensing. DeFi protocols however, are typically governed by autonomous smart contracts, lack a traditional operator and often function without a clear point of regulatory control. As a result, no current statute addresses issues such as smart-contract governance, liability for protocol failure, AML/CFT obligations for non-custodial platforms, or the treatment of decentralised exchanges. This omission is increasingly problematic given the growing systemic relevance of DeFi in global financial markets.

d)Data-Protection Ambiguities for Robo-Advisory Services: Although the Nigeria Data Protection Act 2023 establishes broad duties for data controllers and processors, it does not address financial-sector-specific concerns such as the level of transparency required for automated financial profiling, standards for algorithmic accountability, documentation duties for model validation, or limits on automated decision-making in high-risk financial contexts. While the SEC's Robo-Advisory Rules impose suitability and oversight obligations, the

relationship between those rules and the NDPA remains insufficiently articulated, creating uncertainty for platforms that rely heavily on AI-driven analytics and consumer-data processing.

e)Lack of Statutory Regulation for P2P Trading Platforms: The regulation of P2P crypto trading remains largely undeveloped. Although the 2023 VASP Guidelines allow licensed VASPs to operate designated bank accounts, P2P marketplaces which constitute one of the most widely used channels for crypto transactions in Nigeria are not expressly regulated by any statute. Critical issues such as Know Your Customer (KYC)/AML duties applicable to P2P platforms, risks relating to foreign-exchange manipulation and the legal status of P2P operators remain unresolved. Recent enforcement actions taken against P2P platforms further highlight the uncertainty created by the absence of a clear statutory framework.

These gaps and ambiguities stem not from institutional inertia but from the absence of a primary legislative framework specifically designed to regulate Nigeria's expanding digital-finance ecosystem. Until such a statute is enacted, regulatory clarity will remain elusive, and reliance on circulars and guidelines will continue to generate uncertainty, overlap and vulnerability for market participants and regulators alike.

4.Comparative Analysis of Fintech Regulation: Global Approaches and Lessons for Nigeria

The regulation of FinTech across the globe reflects a delicate balance between innovation, consumer protection, and systemic stability. While advanced jurisdictions such as the UK and the US have developed relatively mature frameworks, regional approaches within Africa and other emerging markets are equally instructive. These jurisdictions often grapple with unique challenges, including the imperative of financial inclusion, limited digital infrastructure and the need to adapt global standards to local realities. By examining how countries within the region have responded to the rise of cryptocurrency, Robo-Advisory and broader FinTech innovations, valuable insights can be drawn into the diverse pathways available for regulatory development.

The Nigerian approach to FinTech regulation, characterised by the CBN historical restrictions on cryptocurrency and the SEC detailed framework for Robo-Advisory services, provides a useful basis for comparison with key global and regional jurisdictions. Such a comparative analysis would highlight divergent operational approaches to digital finance regulation, offering Nigeria and similar economies critical lessons in balancing innovation with financial stability, investor protection and systemic integrity.

4.1 The United Kingdom (UK) Approach to Cryptocurrency and Robo-Advisory Regulation

The UK, through the Financial Conduct Authority (FCA), adopts a principles-based and proactive stance towards FinTech regulation, combining mechanisms that foster innovation with a strong emphasis on consumer protection. In the area of cryptocurrency, the UK is moving towards a comprehensive and bespoke regulatory framework, proposing tailored rules for crypto assets rather than attempting to subsume them under existing securities or banking legislation.

At present, crypto-related activities such as promotion and Anti-Money Laundering (AML) compliance are subject to regulation, reflecting the government's incremental approach to building a coherent framework.[28] A distinctive feature of the UK regime is the FCA's Regulatory Sandbox, which has become highly influential in enabling FinTech firms, including crypto businesses and Robo-Advisers, to test innovative products in a controlled environment under regulatory guidance before full market launch.[29]

In relation to Robo-Advisory, the UK adopts a technology-neutral approach under the Markets in Financial Instruments Directive II (MiFID II) framework, adjusted for post-Brexit conditions and the FCA's overarching principles. Robo-Advisers are regulated as investment advisers, with the regulatory focus placed on the Consumer Duty which is a high-level principle mandating good outcomes for retail consumers together with governance and system resilience.[30] This framework seeks to ensure that algorithmic bias is eliminated and that automated systems remain robust, transparent and aligned with the fiduciary obligations owed to clients.[31]

[28] HM Treasury, 'Future Financial Services Regulatory Regime for Cryptoassets: Consultation and Call for Evidence' (2023) https://www.gov.uk/government/consultations/future-financial-services-regulatory-regime-for-cryptoassets accessed 20 November 2025.

[29] Financial Conduct Authority, Regulatory Sandbox (updated 2025) https://www.fca.org.uk/firms/innovation/regulatory-sandbox accessed 20 November 2025.

[30] Financial Conduct Authority, Consumer Duty: Finalised Guidance FG22/5 (July 2022) https://www.fca.org.uk/publications/finalised-guidance/fg22-5-consumer-duty accessed 20 November 2025.

[31] Financial Conduct Authority, Guidance on Robo-Advisers and Automated Investment Services (2018) https://www.fca.org.uk/publications/guidance/automated-investment-services accessed 20 November 2025.

4.2The United States (US) Approach to Cryptocurrency and Robo-Advisory Regulation

The US approach to FinTech regulation is characterised by fragmentation and what has been described as regulation by enforcement, whereby regulatory clarity often emerges from litigation rather than comprehensive legislation. In the cryptocurrency sphere, the SEC has consistently viewed most crypto assets as securities under the Howey test,[32] leading to high-profile enforcement actions against major exchanges such as Coinbase and Binance.

By contrast, the Commodity Futures Trading Commission (CFTC) has asserted jurisdiction over certain assets, including Bitcoin and Ether in specific contexts, treating them as commodities.[33] This duality has resulted in persistent jurisdictional disputes and the absence of a unified federal framework, creating significant legal uncertainty for firms operating in the sector.[34] In relation to Robo-Advisory, however, the US adopts a more technology-neutral stance.

Robo-Advisers are regulated under the existing framework for investment advisers by the SEC, requiring registration pursuant to the Investment Advisers Act of 1940.[35] The regulatory emphasis is placed on fiduciary duty and suitability, ensuring that algorithms fulfil the adviser's obligation to act in the client's best interest. This necessitates robust testing, disclosure, and compliance oversight to mitigate risks of bias or fault in automated recommendations.[36]

4.3 Regional Approaches to FinTech Regulation

Regional approaches are particularly instructive, as they confront similar challenges of financial inclusion and less developed digital infrastructure. South Africa has adopted a hybrid and progressive stance.

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[32] *SEC v WJ Howey* Co 328 US 293 (1946); US Securities and Exchange Commission, 'SEC Charges Coinbase for Operating as an Unregistered Securities Exchange' (6 June 2023) https://www.sec.gov/news/press-release/2023-102 accessed 20 November 2025.

[33] Commodity Futures Trading Commission, CFTC Statement on Ether and Bitcoin Classification (2018) https://www.cftc.gov/PressRoom/Speeches Testimony/opabehnam2 accessed 20 November 2025.

[34] US Government Accountability Office, 'Virtual Currencies: Regulatory and Jurisdictional Challenges' (GAO Report, 2021) https://www.gao.gov/products/ gao-21-589 accessed 20 November 2025.

[35] Investment Advisers Act 1940, 15 USC § 80b.

[36] US Securities and Exchange Commission, Guidance on Robo-Advisers (2017) https://www.sec.gov/investment/robo-advisers-guidance accessed 20 November 2025.

In 2022, the Financial Sector Conduct Authority (FSCA) formally declared crypto assets to be financial products under the Financial Advisory and Intermediary Services Act (FAIS), thereby subjecting crypto exchanges and advisers to existing licensing and conduct rules.[37] This development ensures strong consumer protection and compliance with AML obligations, while simultaneously integrating digital asset providers into the formal financial system. SouthAfrica has also made proactive use of Regulatory Sandboxes and Innovation Hubs to manage emerging technologies, with a particular focus on leveraging FinTech to advance financial inclusion.[38]

Kenya, by contrast, has taken a more cautious and evolving approach. Regulation remains limited, relying largely on existing laws such as the Capital Markets Act and the National Payment Systems Act.[39] At present, there are no specific, legally binding instruments dedicated to crypto assets, although oversight is exercised by the Capital Markets Authority (CMA) and the Central Bank of Kenya (CBK). The Regulatory Sandbox has become a central mechanism for testing new products and services, reflecting Kenya's incremental 'test-and-learn' model of regulation.[40] This approach is most visible in the regulation of mobile money services, particularly M-Pesa, which has been pivotal in expanding financial access. The Kenyan framework thus adapts gradually to market developments, balancing innovation with systemic stability.[41]

5. **International Best Practices**

Several international best practices have emerged from global bodies and successful regulatory regimes, offering guidance for jurisdictions seeking to balance innovation with investor protection and systemic stability. One of the most widely endorsed principles is technology neutrality. Regulations should focus on the activity undertaken and the risks posed, rather than the technology employed. This ensures that a digital investment adviser, such as a Robo-Adviser, is subject to the same

[37] Financial Sector Conduct Authority (South Africa), FSCA Press Release on Declaration of Crypto Assets as Financial Products under the FAIS Act (2022) https://www.fsca.co.za /Regulatory%20Frameworks/Pages/Crypto-Assets.aspx accessed 20 November 2025.

[38] Financial Sector Conduct Authority, Innovation Hub and Regulatory Sandbox (updated 2025) https://www.fsca.co.za/InnovationHub/Pages/default.aspx accessed 20 November 2025.

[39] Capital Markets Act (Kenya); National Payment Systems Act (Kenya).

[40] Capital Markets Authority (Kenya), Regulatory Sandbox Framework (2019) https://www.cma.or.ke/index.php/regulatory-sandbox accessed 20 November 2025.

[41] Central Bank of Kenya, Mobile Money and M-Pesa Oversight Framework (updated 2024) https://www.centralbank.go.ke/national-payment-system/mobile-payments/accessed 20 november 2025.

conduct obligations as a human adviser, thereby maintaining consistency in investor protection.[42]

Closely related is the principle of activity-based regulation. A clear distinction must be drawn between functions such as payment services, securities issuance, commodities trading, and lending. Applying existing laws to these activities, regardless of whether they are wrapped in a crypto label, provides immediate clarity and reduces regulatory arbitrage.[43] Regulatory Sandboxes and Innovation Hubs have also become central to international best practice. These controlled environments, successfully implemented by the UK's Financial Conduct Authority (FCA) and South Africa's Financial Sector Conduct Authority (FSCA), enable regulators to observe new FinTech risks in real time.[44] By allowing firms to test innovative products under regulatory guidance before full market launch, Sandboxes foster innovation while ensuring that rules remain fit for purpose and proportionate.

For Robo-Advisory specifically, governance of algorithms is critical. International practice increasingly mandates strict rules on testing, auditability, and validation of algorithms to address risks such as bias, data privacy breaches, and suitability failures.[45] This ensures that automated investment advice remains transparent, reliable, and aligned with fiduciary obligations.

Finally, global Anti-Money Laundering and Counter-Financing of Terrorism (AML/CFT) standards, as articulated by the Financial Action Task Force (FATF), are indispensable. Full adherence requires the licensing of Virtual Asset Service Providers (VASPs) and the implementation of robust Know Your Customer (KYC) and AML

[42] European Parliament, 'Robo-advisors: Digitalisation and Investment Advice' (2021) 20Zhttps://www.europarl.europa.eu/RegData/etudes/STUD/2021/662936/IPOL_STU(2021)662936_EN.pdf accessed 20 November 2025.

[43] International Monetary Fund, 'Fintech: The Experience So Far' (IMF Policy Paper, 2019) https://www.imf.org/en/Publications/Policy-Papers/Issues/2019/06/27/Fintech-The-Experience-So-Far-47056 accessed 20 November 2025.

[44] Financial Conduct Authority, Regulatory Sandbox (updated 2025) https://www.fca.org.uk/firms/innovation/regulatory-sandbox accessed 20 November 2025; Financial Sector Conduct Authority (South Africa), Innovation Hub and Regulatory Sandbox (updated 2025) https://www.fsca.co.za/InnovationHub/Pages/default.aspx accessed 20 November 2025.

[45] Organisation for Economic Co-operation and Development, Artificial Intelligence in Finance: Governance and Regulation (OECD Report, 2022) https://www.oecd.org/finance/artificial-intelligence-in-finance.htm accessed 20 November 2025.

processes.[5] These measures are essential to safeguard financial integrity and to prevent the misuse of FinTech innovations for illicit purposes.

5.1 Key Challenges and Risks in Nigeria's FinTech Ecosystem

The Nigerian FinTech regulatory landscape continues to be characterised by significant uncertainty and enforcement limitations, arising principally from the persistent jurisdictional overlap between the Central Bank of Nigeria (CBN)[46] and the Securities and Exchange Commission (SEC). The CBN exercises authority over the banking system, payment infrastructure and currency management, whereas the SEC is responsible for regulating investments and securities. This is because many digital-asset activities sit at the intersection of these mandates, the absence of statutory harmonisation has produced recurrent policy volatility. This was most evident in the CBN's 2021 prohibition on cryptocurrency-related banking transactions and the subsequent partial policy reversal in the 2023 VASP Guidelines, developments that have generated deep uncertainty for operators and investors across the sector.[47]

Enforcement challenges are further intensified by the decentralised nature of cryptocurrencies and the global architecture of digital platforms. These characteristics limit the practical reach of domestic circulars and make compliance monitoring difficult. Peer-to-peer (P2P) crypto-trading networks, which expanded rapidly after the 2021 restrictions, now operate largely outside the formal financial system. Their opacity presents additional challenges for identifying illicit actors, enforcing AML/CFT controls and maintaining market integrity.[48] The absence of a comprehensive Digital Assets Act further exacerbates these difficulties, as reliance on subsidiary legislation such as such as circulars and guidelines, provides limited legal certainty, increases the risk of inconsistency, and makes regulatory directives more susceptible to challenge or circumvention.

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[46] Central Bank of Nigeria, 'Cryptocurrency Trading: CBN Orders Banks to Close Operating Accounts '(February 2021) https://www.cbn.gov.ng/out/2021/ccd/volume%203%20number%202%20cbn%20update%20february%202021.pdf accessed 20 November 2025.

[47] Central Bank of Nigeria, Guidelines on Operations of Bank Accounts for Virtual Assets Service Providers (22 December 2023) https://www.cbn.gov.ng/out/2024/fprd/guidelines%20on%20operations%20of%20bank%20accounts%20for%20virtual%20asset%20providers.pdf accessed 20 November 2025.

[48] Securities and Exchange Commission Nigeria, 'Statement on Digital Assets and Their Classification and Treatment' (2023) https://www.sec.gov.ng/for-investors/keep-track-of-circulars/statement-on-digital-assets-and-their-classification-and-treatment/ accessed 20 November 2025.

Beyond legal and institutional gaps, Nigerian FinTech firms and financial institutions face a growing spectrum of cybersecurity threats. The sector has experienced sophisticated attack patterns ranging from phishing and social-engineering schemes to data breaches, ransomware, Distributed Denial of Service (DDoS) attacks and insider misuse of privileged access. Vulnerabilities also arise from extensive reliance on third-party technology providers[49]. Financial-crime risks are similarly acute. The rise of P2P trading has created a pseudo-anonymous environment that is particularly susceptible to money laundering, terrorism financing and capital-flight activities. Regulatory arbitrage persists because Nigeria lacks a unified AML/CFT statutory framework that explicitly designates VASPs as reporting entities, despite global standards issued by the FATF.[50]

Investor protection concerns continue to grow. Fraudulent Initial Coin Offerings (ICOs), Ponzi schemes and crypto-investment scams have resulted in significant losses for retail participants.[51] The extreme volatility of crypto-assets further exposes investors to sudden and unpredictable market movements. In the Robo-Advisory space, risks arise from algorithmic design, including potential biases resulting from flawed training data, opacity in complex AI models that complicates accountability and evidential review and the absence of clear recourse mechanisms where automated systems fail or produce harmful advice.[52]

These challenges are aggravated by structural limitations within Nigeria's regulatory institutions. Supervisory bodies face difficulty attracting and retaining highly specialised personnel capable of overseeing blockchain technologies, smart-contract systems and advanced artificial-intelligence models. Consumer digital literacy also remains relatively low, increasing vulnerability to misinformation, online fraud and exploitation. Finally, infrastructural weaknesses including unreliable internet connectivity, inconsistent electricity supply and high data costs continue to limit the stable and widespread adoption of

[49]Nigerian Communications Commission, Cybersecurity (2024) https://ncc.gov.ng/consumers/cybersecurity accessed 20 November 2025.

[50] Financial Action Task Force, Updated Guidance for a Risk-Based Approach to Virtual Assets and VASPs (2021) https://www.fatf-gafi.org accessed 20 November 2025.

[51]Securities and Exchange Commission Nigeria, Rules and Regulations (2024) https://home.sec.gov.ng/our-mandate/regulation/rules-and-regulations/ accessed 20 November 2025.

[52] European Parliament, Robo-Advisors: How Do They Fit in the Existing EU Regulatory Framework? (June 2021)https://www.europarl.europa.eu/RegData/etudes/STUD/2021/662928/IPOL_STU%282021%29662928_EN.pdf accessed 20 November 2025.

digital-financial services across the country, further constraining the development of a resilient FinTech ecosystem.[53]

6. Summary, Recommendations and Conclusion

The rapid evolution of digital finance driven in particular by the expansion of cryptocurrencies and Robo-Advisory services, has generated both substantial opportunities and complex regulatory challenges for policymakers, investors and market participants. While these innovations hold considerable potential to deepen financial inclusion, enhance transactional efficiency and broaden access to investment products, they simultaneously expose significant deficiencies within the existing legal and regulatory landscape.

Foremost among these deficiencies is the absence of a comprehensive statutory regime expressly governing digital-asset activities in Nigeria. This legislative vacuum, compounded by overlapping mandates between the CBN and the SEC, has produced uncertainty and policy instability. Further, the decentralised architecture of digital assets, coupled with heightened risks of money-laundering, terrorism financing and cyber-security vulnerabilities, highlights the urgency of developing a coherent and forward-looking regulatory framework capable of addressing both systemic risks and consumer-protection concerns.

Against this background, the following sub-sections synthesise the key findings of the preceding analysis and set out the paper's recommendations and conclusions. The aim is to articulate a structured approach through which Nigeria may navigate its evolving digital-finance landscape in a manner that balances technological innovation with legal certainty, regulatory coherence and market integrity.

6.1 Summary

The regulation of digital finance in Nigeria remains fragmented and reactive, largely because it relies on subsidiary legislation. Particularly circulars and administrative directives rather than a comprehensive statutory regime. This approach has produced inconsistency and uncertainty for market participants. Regulatory authority is split between the CBN, which oversees financial stability and the payments system and the SEC, which regulates investments and digital assets regarded as securities. Without statutory harmonisation, this dual-regulatory model

[53]World Bank, Nigeria Digital Economy Diagnostic Report (2024) https://documents.worldbank.org/en/publication/documents-reports/documentdetail/387871574812599817 accessed 20 November 2025.

has generated recurrent jurisdictional tension, as illustrated by the CBN's 2021 prohibition on cryptocurrency-related banking activities and the subsequent partial liberalisation in the 2023 VASP Guidelines.

Although Robo-Advisory services benefit from a relatively clear framework under the SEC's 2021 Rules on Robo-Advisory Services, the cryptocurrency sector remains largely without primary legislative grounding. Critical components of the ecosystem such as P2P crypto trading operate outside formal statutory monitoring, enabling money-laundering schemes, capital-flight channels and regulatory arbitrage. These problems are exacerbated by the decentralised nature of digital-asset markets, which limits the effectiveness of domestic enforcement tools and undermines efforts to apply uniform AML/CFT controls, particularly given the absence of explicit statutory designation of VASPs as reporting entities in line with FATF standards.

In addition to regulatory gaps, the sector faces substantial operational risks. Cybersecurity threats including ransomware, phishing, data breaches and insider misuse are becoming increasingly sophisticated, while retail investors remain exposed to the extreme price volatility of crypto-assets and fraudulent schemes such as Ponzi structures and deceptive ICOs. The risks associated with automated investment advice are heightened by algorithmic opacity, potential data bias and inadequate recourse mechanisms. These challenges are compounded by limited digital literacy among consumers, a shortage of specialised technical expertise within regulatory institutions and persistent infrastructural weaknesses such as unreliable internet connectivity and high data costs. Together, these factors constrain the development of a secure, predictable and innovation-friendly digital-finance ecosystem in Nigeria.

6.2. Recommendations

The preceding analysis has demonstrated the fragmented nature of Nigeria's digital-finance regulatory environment, the persistent jurisdictional tensions between principal regulators and the growing vulnerabilities faced by consumers and investors within an evolving technological landscape. In response to these challenges, the following recommendations are proposed as a coherent roadmap for reform, aimed at strengthening regulatory certainty, promoting innovation and safeguarding market integrity.

I.Strengthen Regulatory Capacity and Enforcement Within the Relevant Supervisory Institutions: The CBN, the SEC, the Nigeria Deposit Insurance Corporation (NDIC) and the Nigerian Financial Intelligence Unit (NFIU) should jointly establish a comprehensive Regulatory

Technology capacity-building programme. This would involve annual specialised training in blockchain forensics, smart-contract auditing, artificial-intelligence risk assessment and advanced cybersecurity, delivered in collaboration with institutions such as the FATF, the International Organisation of Securities Commissions (IOSCO) and selected universities. These agencies should also create a dedicated Digital-Assets Enforcement Unit staffed by technical specialists capable of conducting forensic audits and monitoring illicit financial activity. To support this, regulators must recruit software engineers, data scientists and cybersecurity professionals under competitive remuneration schemes and develop a Regulatory Innovation Laboratory where emerging financial technologies can be tested before being formally supervised.

II.Enhancement of Consumer-Protection Mechanisms Across the Digital-Finance Space: The FCCPC, working together with the SEC and the CBN, should introduce mandatory digital-finance literacy modules that all licensed VASPs and Robo-Advisory platforms must administer to new users. These modules should explain, in clear and accessible terms, the risks associated with volatility, data protection, cyber-security and fraud. In parallel, a specialised FinTech Ombudsman should be established under the FCCPC to handle disputes involving cyber breaches, custodial failures, algorithmic errors and other forms of platform misconduct. Complementing this, VASPs must be required to adopt simplified disclosure templates and maintain minimum insurance or compensation funds to cover investor losses caused by operational failure, data breaches or unauthorised access.

III.Strengthen Regulatory Clarity and Coordination: Regulatory clarity and inter-agency coordination must be strengthened through legislative and institutional reform. The National Assembly, working alongside the Federal Ministry of Finance, the CBN and the SEC, should draft and enact a comprehensive Digital Assets Act (DAA) to codify the classification of digital assets, establish statutory licensing requirements, and clearly define the regulatory roles of the CBN and the SEC. This should be supported by the creation of a statutory FinTech Coordination Council tasked with harmonising supervisory functions, coordinating enforcement action and issuing joint rules to prevent conflicting directives. A Joint Legislative Drafting Committee involving legal experts from the CBN, SEC and Ministry of Justice should be convened to prepare the bill and ensure its alignment with international standards.

IV.Promote Innovation Through Joint Sandbox Frameworks: Promoting responsible innovation requires the establishment of a joint, cross-sector regulatory sandbox administered collaboratively by the CBN, SEC and the National Information Technology Development Agency (NITDA). This sandbox should operate on a technology-neutral basis, enabling firms to test decentralised-finance lending protocols, tokenisation

platforms, AI-driven investment tools and other emerging products under regulator supervision. Temporary exemptions or modified compliance obligations may be granted within the sandbox, subject to appropriate safeguards. The results of sandbox tests should inform the development of future regulatory frameworks and ensure that rules reflect practical understanding of risks and market behaviour.

V.Integrate P2P Crypto Trading into the Formal AML/CFT Framework: The CBN, SEC and NFIU should introduce a tiered licensing and compliance regime for high-volume P2P platforms, requiring them to comply with KYC) procedures based on national identity databases, maintain transaction-monitoring systems and report suspicious activities through a central AML/CFT reporting portal operated by the NFIU. Penalties for non-compliance including administrative fines, suspension of operations or delisting should be codified and enforced. A cross-agency surveillance taskforce should also be established to track illicit flows within the P2P ecosystem and coordinate operational responses. Integrating P2P trading into the formal regulatory system would enhance transparency, support financial integrity and preserve legitimate innovation within Nigeria's rapidly expanding digital-finance landscape.

6.3 Conclusion

The regulation of digital finance in Nigeria is central to the country's broader objectives of financial stability, economic diversification and technological advancement. However, the continued reliance on circulars, administrative directives and fragmented subordinate legislation, combined with the absence of a unified statutory definition of digital assets create systemic uncertainty. This incoherent approach not only discourages institutional investors, who depend on predictable legal environments, but also undermines Nigeria's capacity to demonstrate compliance with international standards, including those of FATF. In the absence of a comprehensive legislative framework, Nigeria risks being perceived as an unpredictable and high-risk jurisdiction for digital-finance activities.

The CBN prevailing regulatory posture remains largely defensive, prioritising control and risk containment over innovation and market development. The absence of a joint regulatory sandbox has further limited the ability of policymakers to observe and understand emerging technologies, such as DeFi and algorithmic investment models, before imposing binding rules. This reactive stance inhibits the development of forward-looking regulation capable of balancing innovation with effective oversight. Investor confidence is also eroded by the persistence

of scams, fraudulent schemes and cyber vulnerabilities within largely unregulated segments of the crypto-asset market, compounded by the scarcity of accessible mechanisms for consumer redress.

To harness the transformative potential of Bitcoin, digital-asset markets and Robo-Advisory services, Nigeria has to transition from its ad hoc, circular-driven regulatory model to a structured, principles-based and future-oriented framework. Such an approach should reconcile technological innovation with robust consumer protection, statutory clarity and inter-agency coordination, while aligning domestic practice with global standards. Only through the establishment of a coherent and comprehensive digital-finance regime can Nigeria fully unlock the developmental promise of digital finance as a catalyst for inclusion, stability and sustainable economic growth.