

2026
Outlook

Technology, Media & Telecommunications (TMT)

A comprehensive analysis of Technology, Media & Telecommunications trends shaping the future.

Nigeria's TMT Landscape



Technology
Innovation & Digital



Media
Content & Broadcast



Telecoms
Connectivity & Infra

Interlinked Growth Engines

The Technology, Media, and Telecommunication (TMT) practice area combines three major sectors that influence Nigeria's economic growth. These independent sectors directly impact one another; for instance, technology is heavily adopted in media and telecommunications, creating a unique ecosystem of coexistence.

The sector has evolved rapidly with digital resource adoption across industries. The penetration of Financial Technology (FinTech) and digital payment solutions has significantly boosted mobile connectivity. Furthermore, the interplay of data governance, AI, and cybersecurity is redefining how businesses operate.



Key Challenges

Regulatory Uncertainty:

Navigating evolving laws and policies.

Data Privacy Concerns:

Managing sensitive user data amidst new regulations.

Infrastructure Gaps:

Power supply and broadband reliability issues.

Talent Shortage:

Scarcity of specialized technical manpower.

Ease of Doing Business:

Operational hurdles for startups and corporates.



Report Focus

This outlook explores the drivers, challenges, and opportunities defining Nigeria's TMT landscape in 2026.

Offering strategic insights for businesses, policymakers, and investors to position for success in a rapidly evolving digital economy.

Key Trends (2020–2026)



Developments in 2025



Funding Resurgence

Defying Global Tightening

Nigerian startups like Raenest, LemFi, Moniepoint, and SeamlessHR raised significant capital in 2025. This stellar performance contradicts earlier projections of capital scarcity in Africa.

- Fintech
- HR Tech
- Green Energy



Tax Digitalization

National E-Invoicing Regime

The FIRS introduced mandatory e-invoicing for large taxpayers (N5B+ turnover) effective August 2025. The system enables real-time validation across B2B, B2C, and B2G transactions.

- FIRS
- Compliance
- Real-time



IP & Copyright Reform

NIPPS & CMO Regulations

Introduction of the National IP Policy and Strategy (NIPPS) to modernize outdated laws. The NCC is now empowered under the Proceeds of Crime Order to trace and freeze assets linked to digital piracy.

- Digital Piracy
- Asset Recovery



Telecom Investment Dip

58% YoY FDI Decline (Q1)

The sector faced a sharp drop in foreign direct investment due to multiple taxation, high Right of Way (RoW) levies, inflation, and infrastructure vandalism.

- Infrastructure Gap
- Forex Issues

Next-Gen Infrastructure



5G EXPANSION

4 Million

CONNECTIONS (DEC 2024)

Penetration Status

Adoption stands at approx. 2.46% of mobile subscriptions.



Challenges

- Coverage Gaps: ~70% of 5G-capable devices in Lagos cannot connect.
- Barriers: High infrastructure costs (inflation/FX) and device affordability.

Outlook: Steady growth expected through 2026 as costs stabilize.



6G GROUNDWORK

\$1 Billion

REVENUE POTENTIAL

Strategic Planning

NCC has commenced stakeholder engagement to establish spectrum policies, preparing transmission infrastructure for the 2030s.

Technical Prep

- Spectrum: Allocation of the 6 GHz frequency band to support Wi-Fi 6 and future 6G needs.
- Timeline: Long-term horizon; commercial dominance expected post-2030.

Status: Research & Policy Phase. No commercial trials reported yet.



SATELLITE COMM

2026

D2C LAUNCH YEAR

Key Partnerships

- Airtel x Starlink
- NigComSat x Eutelsat

Strategic alliances to deliver Low Earth Orbit (LEO) services to underserved regions.

Direct-to-Cell (D2C)

- Innovation: Standard LTE smartphones connects directly to satellites (no special hardware).
- Rollout: Starts with SMS in 2026, expanding to voice & data.

Impact: Critical for closing the rural broadband gap beyond contingency use.

AI Integration & Automation



Agentic AI
Autonomous
Systems



Generative AI
Content Creation



Industry Use
Sector-Wide
Growth

Rise of Agentic AI

Nigeria is increasingly embracing agentic AI—autonomous systems capable of setting multi-step goals with minimal supervision. Businesses are piloting these systems to streamline operations, notably in customer service, HR, and IT support.

Efficiency Gains

Achieving reported efficiency gains of 20–30% across operational workflows.

Generative AI Surge

Adoption of generative AI tools for content creation has surged, significantly outpacing global averages.

Nigeria Adoption

>70%

Global Average

48%

Key Sector Use Cases

Finance:

Fraud detection & credit scoring.

E-commerce:

Personalized recommendations.

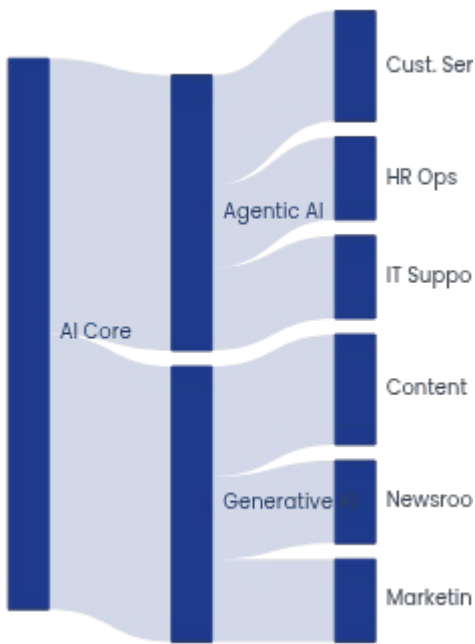
Logistics:

Route optimization & tracking.

Agriculture:

Crop yield forecasting.

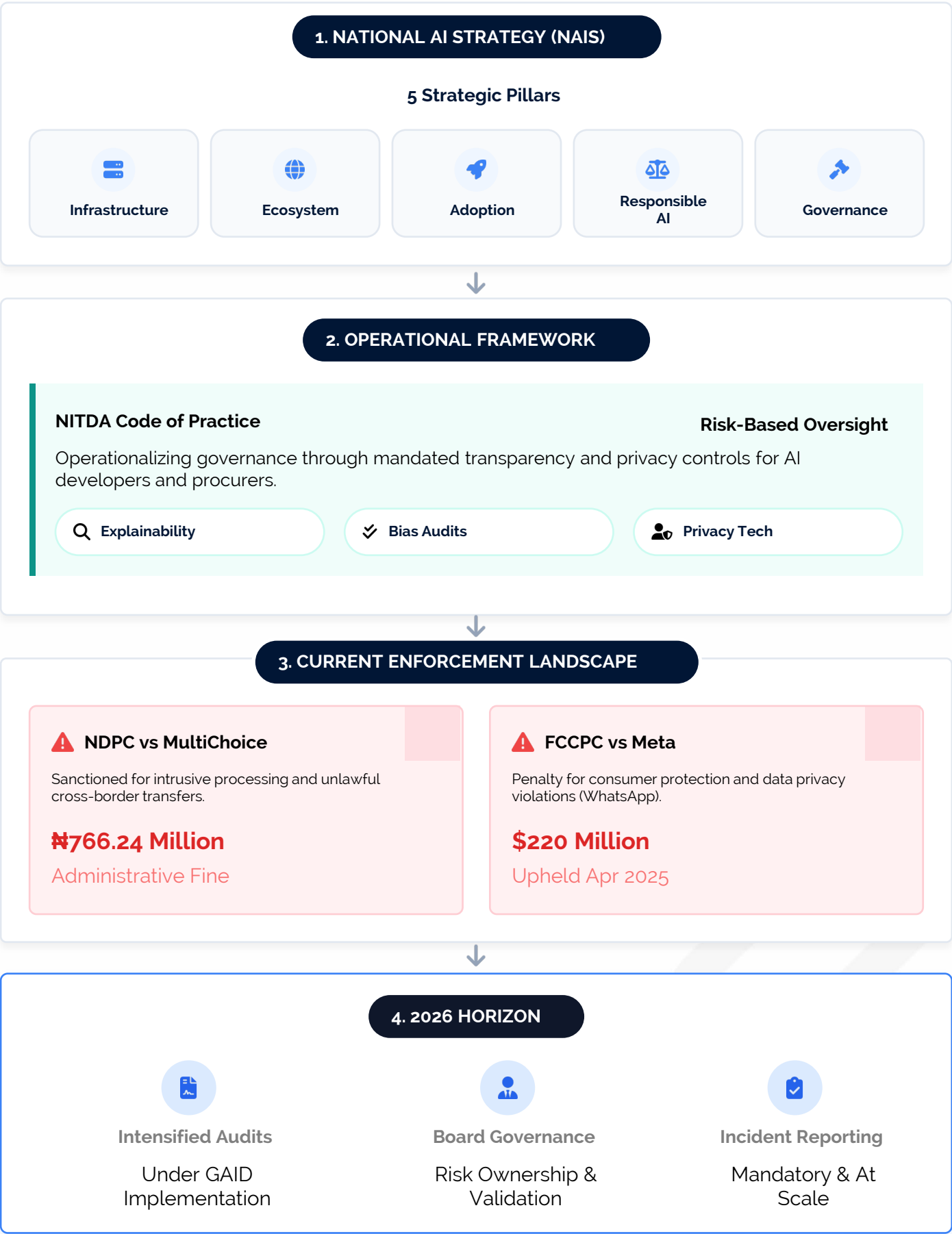
Automation Network Ecosystem



2026 Outlook

Generative AI is expected to transition from ad-hoc usage to widespread institutional adoption, with local innovations like N-ATLAS (multilingual LLM) gaining traction.

Governance & Accountability



NFRC Bill (2025–2026)

Purpose: Unified Oversight

The Nigerian Fintech Regulatory Commission (NFRC) Bill seeks to establish a central agency to regulate the financial technology sector—spanning payments, digital lending, crypto, and RegTech—reducing the current fragmentation across CBN, SEC, and FCCPC.



Activity-Based Licensing



Fines up to ₦100B



Mandatory Local Presence



STRATEGIC ADVANTAGES



Clarity & Consistency

Creates clearer regulatory pathways for investors, eliminating multi-agency ambiguity.



Consumer Protection

Stronger safeguards against fraud and predatory lending through unified enforcement.



Credibility Boost

Enhanced legitimacy for startups, fostering trust with regional partners and facilitating open banking.



POTENTIAL RISKS



Bureaucratic Layers

Risk of creating an additional layer of red tape atop existing requirements during the transition.



Compliance Costs

Strict requirements for tech audits and local governance teams will raise operating expenses.



Barriers to Entry

High compliance budgets may squeeze out smaller, early-stage innovators.

2026 Market Implications

Investment Landscape

Global investors will face clearer but stricter onramps. Funding rounds will demand governance readiness much earlier in a startup's lifecycle.

Tech Adoption

A surge in RegTech adoption is expected as companies automate compliance to manage costs and maintain efficiency under new licensing norms.

Potential Entry Points

Strategic opportunities across the TMT value chain driven by infrastructure gaps, digital adoption, and regulatory incentives.



01

Telecom Infrastructure

Strong demand for broadband creates openings in tower leasing and infrastructure sharing (NCC Guidelines 2023). Rural markets offer high potential via Universal Service Provision Fund (USPF) grants for last-mile connectivity.

TOWER LEASING

USPF GRANTS

LAST-MILE



02

Data Infrastructure

Nigeria's push for local hosting drives FDI opportunities in data centers, backed by NITDA's 2024 Roadmap. Increasing demand from fintech, e-commerce, and public sector digitization efforts.

DATA CENTERS

CLOUD SERVICES

LOCAL HOSTING



03

EdTech Solutions

Government's digital learning strategy supports partnerships in content development, e-learning platforms, and device supply. Significant B2B and B2G opportunities exist in underserved education markets.

E-LEARNING

B2B / B2G

DIGITAL CONTENT



04

Fintech-TMT Synergy

Convergence of telecom and finance opens doors for mobile payments and embedded finance, aligned with CBN's PSV 2025. Agency banking and rising smartphone penetration support scalable growth.

MOBILE PAYMENTS

PSV 2025

EMBEDDED FINANCE

Media & OTT Platforms

05



Streaming and digital content platforms can expand by aligning with ARCON's content vetting rules and NBC's local content quotas. There is growing demand for Nigerian movies, series, and short-form content, particularly among younger demographics.

STREAMING

LOCAL CONTENT QUOTAS

ARCON COMPLIANCE

Strategic Considerations

To navigate the TMT landscape in 2026, corporates must align operations with evolving regulations and market dynamics. This checklist outlines critical action areas for compliance and growth.

Local Content Requirement

Ref: NITDA Guidelines 2019

Tech companies must localize operations by hiring Nigerians or outsourcing to local firms. Foreign entities are required to partner locally for software development and support.

ACTION: LOCALIZE OPERATIONS

Currency Risk Management

Context: CBN Forex Reforms

With ongoing exchange rate volatility, companies must plan for fluctuations. Strategies include local currency pricing models, hedging instruments, and maintaining naira reserves.

ACTION: HEDGE EXPOSURE

M&A Regulatory Approval

Regulator: FCCPC

All mergers and acquisitions must be reported to the Federal Competition and Consumer Protection Commission (FCCPC) for review. This mandate applies to both local and cross-border TMT deals.

ACTION: MANDATORY NOTIFICATION

Intra-African Market Access

Framework: AfCFTA Digital Trade Protocol

Leverage the Digital Trade Protocol to expand into other African markets without heavy trade barriers, creating regional export opportunities for services and platforms.

ACTION: REGIONAL EXPANSION

ESG & Sustainability

Standard: SEC Guidelines

Aligning with SEC's ESG disclosure guidelines improves access to capital and positions companies for green or impact-focused funding in an increasingly conscious market.

ACTION: COMPLIANCE & DISCLOSURE

Conclusion

Nigeria's Technology, Media, and Telecommunications sector is undergoing a major transformation. The next few years will bring faster connectivity, smarter tools, and new service delivery models. The changes ahead will inevitably shape how businesses compete and how citizens live and work.

DRIVERS OF TRANSFORMATION

**Connectivity**
5G Expansion & Satellite

**AI Integration**
Automation & Efficiency

**Local Content**
Indigenous Skills & Tech

**Governance**
Regulatory Maturation

**Who Wins in 2026?**
Success will depend on preparedness. Companies that lag risk being left behind, while leaders will focus on three core pillars:

**Innovation**
Adopting AI & New Tech

**Compliance**
Navigating Regulation

**Sustainability**
ESG & Long-term Value

**For Policymakers**
Create an enabling environment that encourages growth while steadfastly safeguarding data privacy, national security, and market fairness.

**For Investors**
Look beyond immediate challenges to the long-term potential of infrastructure, edtech, and fintech synergy. Prioritize capital efficiency and local partnerships.

"The outlook for Nigeria's TMT sector is bright..."
...but it calls for bold action and collaboration to turn potential into progress.

CONTACT US

LAGOS

Kenna Place
8, Ogunyemi Road, Palace
Way, Oniru PO Box 73002,
Victoria Island, 101241
Lagos

ABUJA

1st Floor
Novare Central
Plot 502, Dalaba Street,
Wuse, Zone 5, Abuja FCT,
900285

ENUGU

23 Umuawulu Street,
Independence Layout,
Enugu.

Phone

+234 811 395 1052,
+234 811 395 1053

Email

counsel@kennalp.com

Website

www.kennalp.com

