

Webinar Recap

NIGERIA'S PUBLIC DEBT

Transparency, Accountability and the Path
To Sustainable Development



We don't just have a debt problem. We have a debt transparency problem.

At the webinar organised by the Centre for Inclusive Social Development (CISD) webinar, three experts examined where borrowed money goes, whether Nigeria's oversight institutions are working, and what the growing debt burden means for ordinary citizens



ARE THE RULES WORKING?

Nigeria has debt laws on the books. The question the panel kept returning to: are they being enforced?

- 1** Poor legislative scrutiny of borrowing requests by the National Assembly
- 2** Limited capacity at the National Assembly Budget Research Office (NABRO) to assess complex loan agreements
- 3** Planned 2026 borrowing of over 30 trillion exceeds the Fiscal Responsibility Act's 3% GDP deficit threshold
- 4** Weak enforcement of existing debt management laws and limited sanctions for non-compliance
- 5** Insufficient citizen participation in debt-related decisions

As Donald put it in the discussion: the issue isn't a gap in the law, it's political will.

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THEN CAME THE BIG QUESTION

WHERE DOES THE MONEY GO

Total public debt has nearly doubled in a decade driven largely by naira devaluation.

\$65.4B

(₦12.6tn) end-2015

\$111.0B

(₦159.3tn) end-2025

\$115.0B

(₦159.4tn) March 2026, provisional

Kachi stressed that borrowing itself isn't the problem, it's the missing link between approval and outcomes. The World Bank Nigeria Electrification Project stood out as a rare success: open procurement, performance-based disbursement, and strong oversight. Most other loan-funded projects don't have that.



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WHO'S ACTUALLY ACCOUNTABLE?

Sola noted that institutional structures exist but effective coordination and transparency are still lacking.

- 1** The National Assembly often lacks the knowledge and capacity to scrutinize loans properly.
- 2** Some members don't fully understand basic concepts, like the difference between domestic and external borrowing.
- 3** NABRO (The National Assembly Budget Research Office) needs to be strengthened, and audits need to happen on time.

Seun emphasized Nigeria currently spends about 40% of its revenue on debt servicing leaving limited funds for other government obligations and development projects.

WHAT DOES DEBT REALLY COST?

Seun and Kachi turned to a harder question: where are borrowed funds actually going, and what do they produce?

Kachi's three questions for any loan:

1 What does it cost?

2 Can it be comfortably serviced?

3 What does it produce?

Seun highlighted the paradox: Nigeria is, in effect, borrowing to repay previous debts raising the question of what role parliament should play in overseeing debt service, given how much revenue it consumes.

THE HUMAN COST

Debt is not just a number on a balance sheet. Donald described how debt servicing translates into Everyday life.



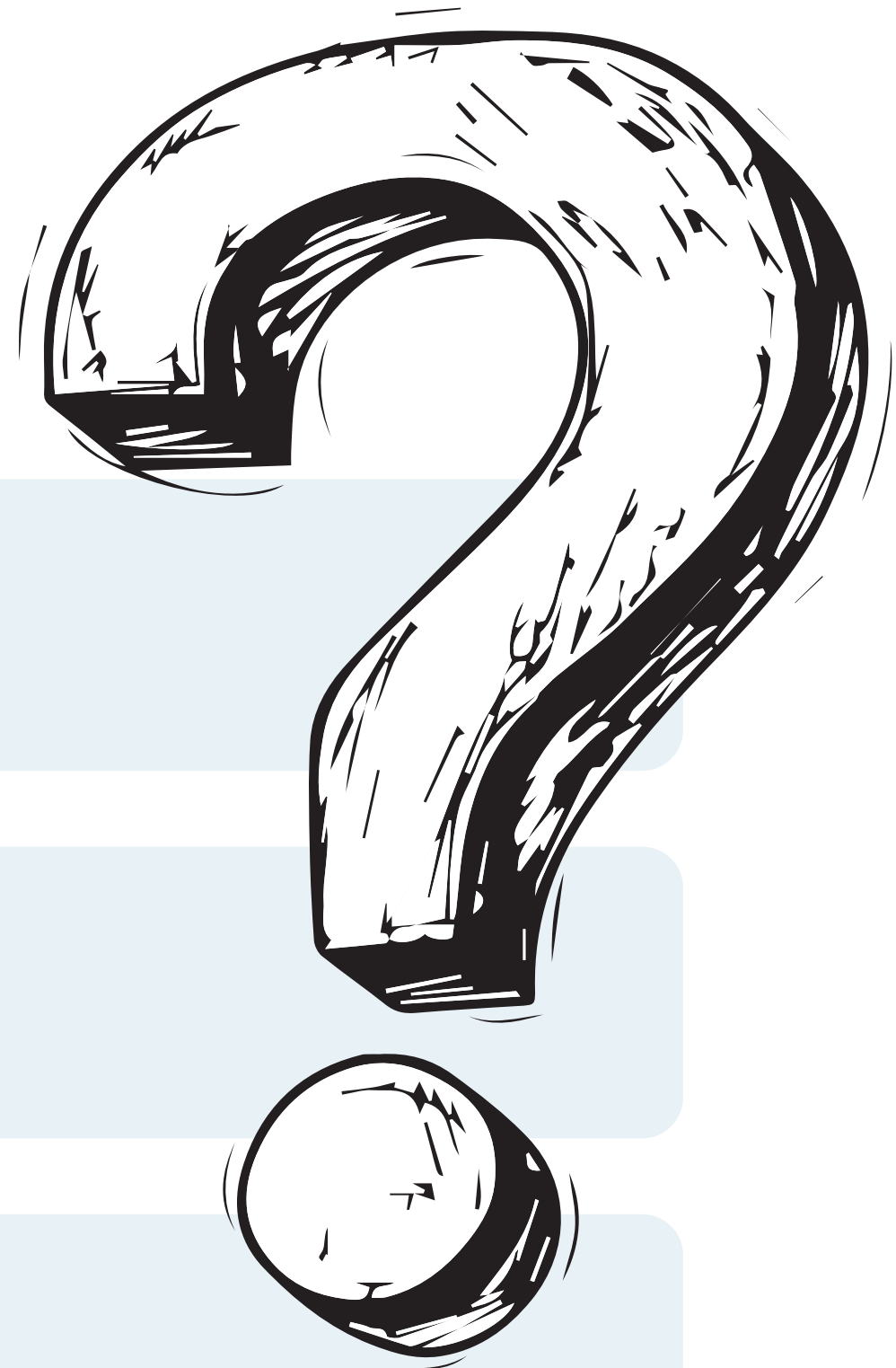
WHY INFORMATION MATTERS

*If citizens can't understand the debt,
They can't question it.*

Who is Nigeria borrowing from?

On what terms and collateral?

When will it be repaid?



Judith asked a further question in the session: could AI help close that gap, without creating new transparency risks of its own?

SO, WHAT NEEDS TO CHANGE?

Four reform signals emerged from the discussion:

1 Strengthen oversight

Build NABRO's capacity so the National Assembly can properly scrutinize loan agreements.

2 Publish debt plans early

Release the medium-term debt strategy and annual borrowing plan before any loan is approved.

3 Simplify disclosure

Communicate loan terms, purpose, interest rates and collateral in language citizens understand.

4 Enforce existing law

Strengthen sanctions for non-compliance with the Fiscal Responsibility Act.

These aren't just technical fixes. They are what make public borrowing visible, understandable and accountable

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WHO SHAPED THIS CONVERSATION

Moderator & Panelists



Moderator

Seun Durojaiye

Communications Consultant, BudgIT



Panelist

Mrs. Olusola Folayan

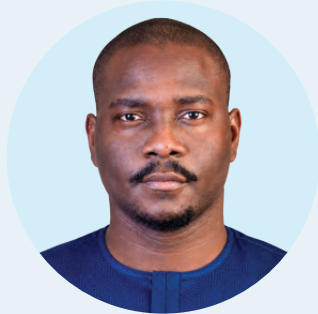
Program Manager at WFD Nigeria



Panelist

Mr. Donald Ikenna Ofegu

Program Manager of the Sustainable Nigeria Program at HBS Abuja



Panelist

Mr. Onyekachi Chukwu

Strategy and Policy Lead at the IBP Nigeria

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WHAT THE WEBINAR LEFT US WITH

Borrowing itself is not the problem.

The real test is whether Nigerians can see where
The money went, understand the terms, and hold
The system accountable for what it delivers.

