

Nigeria

Jurisdiction code: NG | Tier: B | Posture: Fragmented | Direction: Tightening

Live page: <https://advennt.io/jurisdictions/nigeria/>

Overall status: Amber

Data current to 2026-10-25. Free jurisdiction — this report is available to everyone on advennt.io.

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Contents

Overview

- Executive Summary
- Board Briefing
- Regulatory Pulse
- Key Judgments
- Latest Update
- Outlook

Risk Assessment

- Red Flags
- Enforcement & Risk
- Controls & Mitigations
- Liability Exposure
- Open Findings

Legal Basis

- Regulatory Framework
- Compliance Obligations

Context & Evidence

- Commercial Terms
- Market & Entry
- Money Flow & Distribution
- Gaps Register
- Sources & Provenance

OVERVIEW

Executive Summary

Large market with viable state-led entry pathways but fragmented regulation and currency volatility.

Recommendation	Conditional
Time to revenue	6 12 months
Capital requirement	<100K
Regulatory posture	Fragmented
Confidence	Probable

Top risks

- Regulatory fragmentation across 37 regimes
- NGN currency volatility
- Recentralisation risk via Central Gaming Bill

Top opportunities

- Largest African betting market
- FATF grey-list exit easing banking
- VAT exemption on stakes from 2026

Analyst assessment

Market Entry Verdict

Nigeria presents a commercially compelling but structurally complex proposition for a licensed operator.

The market is confirmed open at the state level — gambling and lottery are now constitutionally reserved to the thirty-six states and the Federal Capital Territory following the Supreme Court's November 2024 ruling in AG Lagos v AG Federation, which nullified the National Lottery Act 2005 nationally and held these to be residual matters beyond federal competence.

President Tinubu's confirmed December 2025 rejection of the Central Gaming Bill 2025, which had sought to re-centralise authority under a proposed National Gaming Commission, durably forecloses any near-term return to a single national licensing framework.

The entry verdict is therefore: the market is open but fragmented, requiring a deliberate multi-state licensing strategy rather than a single national permit.

While Nigeria's gaming market has now been fragmented, the establishment of the Federation of State Gaming Regulators of Nigeria (FSGRN) has significantly streamlined market entry. The Federation's universal licensing framework now enables operators to obtain a single licence covering about 24 member states out of the 36 states of the Federation at the moment, eliminating the need for multiple state-by-state licences. In addition, gaming activities within the Federal Capital Territory (Abuja) are regulated by the Federal Capital Territory Lottery Regulatory Office (FCT-LRO).

The entry verdict, therefore, is that the market is open and increasingly coordinated. Rather than navigating a highly fragmented licensing landscape, operators can now achieve broad national coverage through the Federation's universal licence, complemented by the FCT-LRO licence for operations within Abuja.

The commercial case is supported by a probable market size of approximately \$1.6 billion gross win for 2025, characterised as large-emerging and expanding, with a youthful demographic base, rising mobile penetration, and deep football-betting culture.

Against this, the structural headwinds are material: Sharia-law prohibition states across the north, high foundational entry costs, a highly concentrated incumbent landscape, and an enforcement posture that is visibly tightening at state level.

The net read is that Nigeria is attractive for a well-resourced operator with a long-term strategy and the compliance infrastructure to manage multi-jurisdictional state licensing — and marginal or off-limits for operators seeking a low-friction, single-permit entry.

Regulatory Picture

The constitutional reallocation of regulatory authority is the defining structural fact.

Gaming activities in the FCT are regulated by the FCT Lottery Regulatory Office (FCTA-LRO), established by the FCTA under the Federal Capital Territory Act.

Following the Supreme Court's decision, the National Lottery Act, 2005 was nullified in its entirety and no longer serves as the legal basis for regulating gaming activities in Nigeria or even FCT Abuja.

Presently, within the Federal Capital Territory, gaming regulation is now undertaken by the Federal Capital Territory Administration (FCTA), which, pursuant to its powers under the Federal Capital Territory Act, established the FCT Lottery Regulatory Office (FCTA-LRO) as the competent regulatory authority for lottery and gaming operations in the FCT.

Across the remaining thirty-six states, regulation is state-led with no single national licensing authority. However, the now formed FSGRN comprising of about twenty four states (with more states to join) formally adopted the Subnational Reciprocity Licensing Framework, introducing a harmonised licensing instrument known as the Universal Reciprocity Certificate (URC).

States fall into four categories: those with enacted gambling laws (including Lagos, Akwa Ibom, Anambra, Cross River, Delta, Edo, Enugu, Imo, Ogun, Ondo, Oyo, and Rivers), those with unclear or absent laws, Sharia-law prohibition states (including Adamawa, Gombe, Kebbi, Sokoto, Taraba, and Zamfara).

This categorisation is provisional, given the fragmented nature of state-level publication.

Three entry pathways are likely to be available to an operator.

The first for states not being members of FSGRN: is a direct state licence from a state authority such as the Lagos State Lotteries and Gaming Authority, which is the most commercially significant route given Lagos's market weight.

The second is the FSGRN Subnational Reciprocity Licensing Framework, launched in May 2025, which issues a Universal Reciprocity Certificate valid across approximately twenty-four member states for online gaming only; this pathway is viable but limited, as the certificate cannot bind non-member states and cannot substitute for enacted state law — and it rests on a regulator circular rather than primary legislation, making it a less secure basis than legislation.

The third is an FCT-LRO licence covering the Federal Capital Territory.

Offline operations face duplicative per-state licensing, and operators are advised to conduct jurisdiction-by-jurisdiction due diligence before committing to a multi-state retail footprint.

The Lagos State Lotteries and Gaming Authority has made clear that former national remote-gaming licences issued under the pre-ruling federal framework carry no legal backing, and it actively publishes lists of operators it deems unlicensed.

Any operator relying on a legacy federal permit to serve Lagos residents faces an active enforcement posture from the LSLGA.

Cost & Compliance

The cost-to-operate picture is fragmented by design.

There is no single national headline tax rate; rates vary by state and no consolidated per-state fee schedule could be located.

The most material recent development is Lagos State's introduction of a 5% withholding tax on net gaming winnings, effective February 2026, applicable to all Lagos-licensed platforms.

The tax is deducted automatically at the point of payout and remitted to the Lagos State Internal Revenue Service, with the deducted amount recorded as a tax credit against the player's overall tax obligations.

Industry commentary has warned that withholding and turnover-based taxes risk driving volume to unlicensed offshore operators, a dynamic that bears watching if other states replicate the Lagos model.

On licensing fees, FSGRN waived 2025 transition fees for operators migrating from the former NLRC framework; the legacy federal offshore remote-operator permit carried an initial fee of \$100,000 plus \$50,000 per year for four years, though this permit is now superseded.

AML/CFT compliance burden improved modestly following Nigeria's exit from the FATF grey list in October 2025, though no published FATF follow-up report was located, so the durability of that improvement is not yet confirmed.

Enforcement & Risk

Enforcement is currently the highest-risk dimension of the Nigeria picture, and the trajectory is deteriorating.

State authorities are converting newly affirmed constitutional powers into active tax-driven enforcement against even leading operators.

The most significant event is the reported ex-parte order obtained by the Enugu State Gaming and Lottery Commission from the Enugu State High Court (Justice H.O. Eya, February 2026) directing the closure of all Bet9ja/KC Gaming premises in Enugu, citing overdue tax payments and regulatory-notice avoidance.

KC Gaming characterised the order as draconian and signalled a possible appeal.

This is a new kind of enforcement action in Nigeria: court-ordered premises closure at state level.

In Lagos, the LSLGA's enforcement posture centres on the licence-breach theory: operators serving Lagos residents without a valid LSLGA licence, or relying on defunct federal remote-gaming permits, face closure warnings and public delicensing lists.

Under the common-law framework applicable to Nigeria, the primary enforcement theory against unlicensed operators is licence-breach under the relevant state gambling statute, with secondary exposure through proceeds-of-crime provisions applicable to revenues derived from unlicensed activity.

The LSLGA's active publication of unlicensed-operator lists signals that it regards the post-2024 residual-powers framework as fully operative and is prepared to act on it.

The principal revocation risk drivers for licensed operators are tax non-compliance (as demonstrated by the Enugu closure order), regulatory-notice avoidance, and continued operation under a defunct federal permit in a state that has enacted its own gambling law.

Cross-border payment risk is not a primary enforcement vector in Nigeria in the manner of prohibition-family jurisdictions, but the fragmented state framework creates a structural risk that an operator licensed in one state may inadvertently serve residents of a state where it holds no licence, triggering enforcement from that state's authority.

No safe-harbour doctrine has been identified.

Outlook

The reform horizon is settled in one direction: federal re-centralisation is durably foreclosed by the combination of the Supreme Court's constitutional ruling and President Tinubu's confirmed rejection of the Central Gaming Bill 2025.

The forward path is continued state-by-state consolidation, with the FSGRN Universal Reciprocity Certificate as the principal coordinating mechanism for online operators seeking multi-state reach without duplicative individual state applications.

The key variables to watch are whether additional states replicate Lagos's 5% withholding tax model (which would materially raise the cost-to-operate across the market), whether the Enugu court closure of Bet9ja/KC Gaming is upheld or overturned on appeal (which would calibrate the enforceability of state tax-enforcement closures), and whether the FSGRN membership expands beyond its current approximately twenty-two to twenty-four member states.

A published FATF follow-up report for Nigeria after the October 2025 exit would also confirm the AML/CFT position and improve the banking-access environment for licensed operators.

The entry verdict remains: commercially attractive for a well-resourced, compliance-capable operator; structurally demanding for all others.

Board Briefing

Headline

Nigeria is the largest African betting market but is now state-led after the 2024 Supreme Court ruling devolved gambling authority to the states.

What has changed

The Supreme Court SC/1/2008 ruling (22 Nov 2024) voided the National Lottery Act outside the FCT; LSLGA and FSGRN URC now govern entry, and presidential assent to a recentralising Central Gaming Bill was declined.

What to do now

Choose a pathway (LSLGA single-state, FSGRN URC multi-state, or NLRC FCT-only), incorporate locally, budget NGN fees with currency-volatility buffers, and ensure ARCON advertising and SCUML AML compliance.

What to watch

Renewed Central Gaming Bill recentralisation attempts, FSGRN 11% GGR levy onset in 2026, and the online cross-border jurisdiction question that remains legally unsettled.

Product Coverage

Status for each product as published for this jurisdiction.

Probable: Two independent AI models agree; not checked by an expert.

Contested: Two independent AI models disagree; not checked by an expert. Our reading is shown; where the other model reads the status differently, its reading is noted.

Product / vertical	Status	How this answer was reached
Casino	Reserved to sub-national authority	Probable
Poker	Reserved to sub-national authority	Probable
Sports Betting	Open	
Skill Games	Reserved to sub-national authority	Probable
Lottery	Reserved to sub-national authority	Probable
Software / B2B	Restricted	
Bingo	Reserved to sub-national authority	Probable
Fantasy Sports	Reserved to sub-national authority	Probable
eSports Betting	Reserved to sub-national authority	Probable
Sweepstakes	Reserved to sub-national authority	Contested (other reading: Open)
Crypto Gambling	Grey zone	
Affiliate Marketing	Restricted	
Payments for Gambling	Reserved to sub-national authority	Probable
Free Play	Outside the regulatory perimeter	Probable
Pool Betting	Reserved to sub-national authority	Probable
Exchange Betting	Reserved to sub-national authority	Probable
Horse Racing	Reserved to sub-national authority	Probable
Other Event Betting	Reserved to sub-national authority	Probable
Prediction Markets	Grey zone	Probable
Virtual Events Betting	Reserved to sub-national authority	Probable

Service provider risk

Provider type	Risk level	Traffic light
Payment Processor	Medium	Amber

Regulatory Pulse

Direction	Tightening
Conviction	High
Lead signal	LSLGA ordered telecoms/VAS platforms to verify gaming licences and surrender records within 30 days (12-13 Oct 2026)
Category	Distribution Platform Rules

Section-by-section cycle summary

Concise per-section summaries from the latest interpret cycle. These findings are folded additively into the persistent-state and are reflected in the baseline narratives throughout this report.

Overview: LSLGA issued a public notice on 12-13 October 2026 directing telecommunications operators, MNOs, VAS aggregators and VAS providers to verify the licensing status of gaming operators distributed through their networks and to surrender historical transaction and carrier-billing records covering the period since the 22 November 2024 Supreme Court judgment. This builds on LSLGA's September 2026 declaration that Stake.com operates unlawfully across Lagos and 24 other states.

Licensing & Regulation: The LSLGA Law 2021 remains the operative licensing instrument; the October 2026 notice is a compliance clarification applying existing law to telecom/VAS facilitation channels rather than a change to the licensing framework itself.

Enforcement: LSLGA has signalled it will pursue tax recovery, penalties and interest against unlicensed operators once the 30-day telecom/VAS compliance window lapses in mid-November 2026, continuing from its September 2026 cross-state declaration against Stake.com.

Technical Compliance: No technical-standards or RNG-testing development was sourced to a primary LSLGA instrument this cycle.

Distribution & Platform Rules: LSLGA's 12-13 October 2026 notice is the lead development this cycle: it requires telecom operators, MNOs, VAS aggregators and VAS providers to verify gaming-operator licensing status and to surrender carrier-billing and revenue-share records for the period since 22 November 2024, within 30 days.

Commercial Activity: No sourced commercial event (deal, investment, partnership) specific to a Nigeria-incorporated or Nigeria-focused gambling-sector party was identified this cycle.

Extraterritorial Reach: No new extraterritorial-reach development was sourced this cycle.

Market Opportunity: No market-opportunity development was sourced this cycle.

Entry Pathways: No new entry-pathway development was sourced this cycle.

Cost to Operate: A fee-schedule revision was referenced only in secondary trade press this cycle and was not confirmed against an LSLGA primary notice, so no cost figure is updated.

Operational Obligations: No new operator-facing operational obligation beyond the existing licensing/tax-compliance regime was sourced this cycle.

AML / CFT Regime: No gambling-specific AML/CFT development was sourced this cycle.

Player Protection: No player-protection development (self-exclusion, deposit limits, age verification) was sourced to a primary LSLGA instrument this cycle.

Payments & Money Flow: The LSLGA notice requires telecom/VAS intermediaries to surrender carrier-billing and revenue-share records, extending payments-flow scrutiny into the facilitation layer around gaming transactions.

Competitive Landscape: No new competitive-landscape development was sourced this cycle beyond the standing Stake.com enforcement context from September 2026.

Reform Horizon: President Tinubu has publicly reaffirmed he will not assent to the federal Central Gaming Bill, confirming that the state-level LSLGA/FSGRN licensing architecture remains the operative regime with no near-term federal override.

Executive Summary: LSLGA's October 2026 telecom/VAS compliance notice is this cycle's lead development, extending licence-verification and record-disclosure duties to distribution intermediaries and building on the Authority's September 2026 enforcement declaration against Stake.com. The federal Central Gaming Bill remains unassented, leaving the state-level licensing architecture unchanged.

Regulated Activity Classes: No change to the legal status of any regulated activity class this cycle; the LSLGA notice concerns distribution-channel compliance, not activity-class status.

Consumer Protection: No consumer-protection-specific development was sourced this cycle.

Key Judgments

Analyst key judgments from the 2026-10-25 interpret cycle.

- LSLGA's extension of licence-verification and record-disclosure duties to telecom and VAS intermediaries signals a shift toward supply-chain enforcement against unlicensed gambling access in Lagos State, raising compliance exposure for payment and carrier-billing partners of licensed and unlicensed operators alike.
- The continued non-assent to the federal Central Gaming Bill confirms that Nigeria's state-level licensing architecture (LSLGA/FSGRN) will remain the only operative route to market for the foreseeable future, with no federal pre-emption risk in the near term.

This Cycle

What Changed This Cycle

- **[New]** LSLGA telecom/VAS compliance notice issued

Reason: First emission this cycle of the LSLGA Oct 2026 public notice on telecom/VAS facilitation compliance

- **[Changed]** LSLGA states enforcement/tax-recovery intent following 30-day compliance window

Reason: Enforcement posture extended and clarified this cycle

Latest Update

2024-11-22 • Licensing • Impact: High

Supreme Court SC/1/2008 voided National Lottery Act outside FCT; gambling regulation devolved to states.

Reform Horizon

Reform Horizon: Amber

State authority is confirmed by the Tinubu veto of the Central Gaming Bill.

Direction is mixed: liberalising signals include the Tax Act 2025 VAT exemption on stakes and the FATF grey-list exit, while tightening signals include the FSGRN 11% GGR levy from 2026, the ARCON enforcement push, and recentralisation risk should a future federal effort succeed.

The Central Gaming Bill passed National Assembly readings but assent was declined; FSGRN has criticised it as a repackaged National Lottery Act. The refusal by President Bola Ahmed Tinubu to assent to the Central Gaming Bill confirms the continued decentralization of gaming regulation in Nigeria, with state authorities such as the Lagos State Lotteries and Gaming Authority playing an increasingly dominant role.

At the same time, the Federation of State Gaming Regulators of Nigeria is emerging as an important coordinating body for regulatory harmonization across states. Given the rapid evolution of the regulatory framework, investors and operators are advised to adopt a carefully structured licensing and compliance strategy when entering the Nigerian gaming market

Many states still lack a gaming framework.

Reform stage	Drafting
Confidence	Probable

Reform horizon scenario

The base case for Nigeria's reform horizon is continuity of the current state-by-state licensing model, since no source confirms any presidential decision on the Central Gaming Bill 2025 following its passage through National Assembly readings in July 2025. An adverse scenario would materialise if a presidential assent decision — confirmed through a primary source not currently available — moved toward federal recentralisation of gaming regulation, which would alter the operative licensing model that currently anchors this jurisdiction's entry pathways. A favourable scenario would see the Bill lapse or be confirmed as rejected through a verifiable primary source, entrenching the existing state-led framework on a settled rather than merely default basis. All three paths remain contingent on evidence not yet located, and the current status is properly held at Low confidence with a fragile durability rating.

RISK ASSESSMENT

Enforcement

Status: Amber

Enforcement is rules-based and targets both licensed and unlicensed operators.

The LSLGA publicly named unlicensed operators (42 listed, with reports of up to 59) and threatened prosecution or regularisation, though the list has been contested.

The EFCC and NFIU conduct AML cooperation with the gaming sector; the NDPC has opened investigations including gaming entities.

Nigeria exited the FATF grey list in October 2025.

Enforcement tools include blacklisting, licence revocation, suspension and EFCC criminal referral under the Money Laundering (Prevention and Prohibition) Act 2022.

At state level, the penalties vary from state to state. For instance, in Lagos state, the penalty according to the Lagos State Lotteries and Gaming Authority Law 2021 is imprisonment up to a term of three years or a fine of 5 million naira, or both. It is also worth noting that the different gambling regulators in their respective jurisdictions have it in their authority to impose sanctions not expressly stated in the law.

The law does not have any provisions penalising the players for participating in unlawful gambling.

At the state level, some states have designated gaming board, authority or commission (eg, in Lagos it is the Lagos State Lotteries and Gaming Authority (LSLGA) in Anambra it is the Anambra State Gaming Board), while in less regulated states, gambling is overseen by the state's internal revenue board.

Gambling licensees are not considered financial institutions for purposes of anti-money laundering. However, licensees are considered 'designated non-financial institutions' for purposes of anti-money laundering regulatory requirements. They are also subject to other regulatory requirements such as:

the Central Bank of Nigeria guidelines;

the Money Laundering (Prohibition) Act (As Amended);

the Special Control Unit against Money Laundering;

the Terrorism (Prevention) Act; and

the Nigerian Financial Intelligence Unit Act

Enforcement events

- —: Supreme Court SC/1/2008 voided National Lottery Act; Lagos State urged all unlicensed operators to approach LSLGA for regularisation or face prosecution.
- —: LSLGA published list of unlicensed operators; list later contested and partially denied as outdated, with several operators reported to have regularised.
- —: LSLGA named 42 unlicensed gaming operators in Lagos State and signalled enforcement and regularisation drive.
- —: Hisbah operatives in Kano raided and closed betting shops, citing Sharia prohibition of gambling following devolution of authority to states.
- —: Nigeria exited the FATF grey list, reflecting AML/CFT remediation affecting the regulated gaming and payments sectors.

Extraterritorial Reach

Status: Green

Recent research identified a notable market-access signal for cross-border operators: foreign investors can apply for a Lagos State Lotteries and Gaming Authority online sports betting licence without needing a Nigerian incorporation partner. This is a materially more permissive entry route than the standard local-partner requirement common elsewhere, and it is provisional on current sourcing. No extraterritorial enforcement mechanism, asset-restraint measure, or spillover effect from an adjacent regime was identified; the finding is limited to the market-entry structuring dimension for Lagos specifically.

Unregulated Sector

Crypto gambling is unregulated/grey rather than affirmatively banned; northern Sharia-law states de facto prohibit gambling outside the licensed framework.

Reform Horizon

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succeed.

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Many states still lack a gaming framework.

Outlook

Status: Amber

State authority is confirmed by the Tinubu veto of the Central Gaming Bill. Direction is mixed: liberalising signals include the Tax Act 2025 VAT exemption on stakes and the FATF grey-list exit, while tightening signals include the FSGRN 11% GGR levy from 2026, the ARCON enforcement push, and recentralisation risk should a future federal effort succeed. The Central Gaming Bill passed National Assembly readings but assent was declined; FSGRN has criticised it as a repackaged National Lottery Act. Many states still lack a gaming framework.

Red Flags

[NG-RF-001] Reliance on void NLRC federal licence outside FCT

Federal licences are mere paper without legal backing outside FCT post SC/1/2008

Evidence: [SRC-NG-001](#)

[NG-RF-002] Operating across multiple states without URC or per-state licences

Each state has exclusive authority over its residents

Evidence: [SRC-NG-001](#)

[NG-RF-003] Running Google Ads for gambling in Nigeria

Comprehensive ban since March 2025 across Search/Display/YouTube

Evidence: [SRC-NG-008](#)

[NG-RF-005] Appearing on LSLGA unlicensed operator list

Prosecution and regularisation demand

Evidence: [SRC-NG-003](#)

[NG-RF-006] Failure to register with SCUML / file STRs within 24h

MLPPA 2022 designates casinos as DNFBPs

Evidence: [SRC-NG-001](#)

[NG-RF-007] Targeting residents of Sharia-law northern states

De facto prohibition and Hisbah enforcement

Evidence: [SRC-NG-010](#)

[NG-RF-009] Assuming Central Gaming Bill restored federal authority

Presidential assent declined; states retain authority

Evidence: [SRC-NG-007](#)

[NG-RF-012] Operating without CBN-licensed PSP

PSP licence required for payment processing

Evidence: [SRC-NG-009](#)

[NG-RF-017] Ignoring EFCC criminal referral exposure

MLPPA 2022 criminal referral channel

Evidence: [SRC-NG-001](#)

[NG-RF-018] Assuming online licence in one state covers all states

Online cross-border position legally unsettled

Evidence: [SRC-NG-001](#)

[NG-RF-023] No local CAC incorporation / Lagos office

LSLGA requires local incorporation

Evidence: [SRC-NG-009](#)

[NG-RF-004] Unvetted advertising

ARCON pre-vetting mandatory regardless of medium

Evidence: [SRC-NG-008](#)

[NG-RF-008] Underestimating NGN fee burden due to currency conversion

NGN volatility makes EUR-budgeted figures unreliable

Evidence: [SRC-NG-004](#)

[NG-RF-010] Charging VAT on player stakes after 2026-01-01

Tax Act 2025 s.185(m) exempts stakes

Evidence: [SRC-NG-006](#)

[NG-RF-011] Insufficient share capital for foreign-involved entity

NGN 100m required where foreign involvement

Evidence: [SRC-NG-009](#)

[NG-RF-013] Accepting crypto for gambling

Crypto gambling is unregulated/grey; banking exposure

Evidence: [SRC-NG-006](#)

[NG-RF-014] Lack of GLI/iTech certification

Game fairness certification required

Evidence: [SRC-NG-004](#)

[NG-RF-015] No DPO/NDPA registration

NDPA 2023 obligations and NDPC investigations

Evidence: [SRC-NG-002](#)

[NG-RF-016] No geo-fencing on FSGRN URC operations

FSGRN requires geo-fencing/geo-tracking

Evidence: [SRC-NG-005](#)

[NG-RF-019] Long-term capex without recentralisation hedge

Central Gaming Bill recentralisation risk persists

Evidence: [SRC-NG-007](#)

[NG-RF-020] Missing FSGRN 2026 fee onset after 2025 waiver

NGN 100m/category/year begins 2026

Evidence: [SRC-NG-005](#)

[NG-RF-021] Not provisioning FSGRN 11% GGR levy

11% Good Causes levy from 2026

Evidence: [SRC-NG-007](#)

[NG-RF-022] Not applying WHT on player winnings

5%/15% WHT under Withholding Regulations 2024

Evidence: [SRC-NG-006](#)

[NG-RF-024] No self-exclusion / age verification

SafePlay and age-18 verification expected

Evidence: [SRC-NG-002](#)

[NG-RF-025] Relying on contested blacklist status without confirming licensure

Blacklist contested; verify direct with LSLGA

Evidence: [SRC-NG-012](#)

Controls & Mitigations

Recommended controls derived from red flags and architecture patterns.

Control	Description	Linked patterns
Pathway selection and state mapping	Map target states and select LSLGA, FSGRN URC, or NLRC pathway accordingly.	NG-AP-001, NG-AP-002, NG-AP-003
Local incorporation and capital	Incorporate with CAC and meet NGN 30m/100m share capital.	NG-AP-002
ARCON advertising pre-vetting	Submit all advertising for ARCON pre-vetting; avoid Google Ads.	NG-AP-005
AML/SCUML registration and STR reporting	Register with SCUML and file STRs to NFIU within 24 hours.	NG-AP-006
Technical certification and geo-fencing	Obtain GLI/iTech certification and implement geo-fencing per FSGRN.	NG-AP-003

Liability Exposure

Counterparty	Liability head	Sources
Unlicensed Operator	criminal_prosecution	SRC-NG-001
Licensed Operator	licence_revocation	SRC-NG-002
Affiliate	advertising_breach	SRC-NG-008

Architecture Patterns

[NG-AP-001] State-exclusive devolved regulation

Typology: Constitutional Fragmentation

Liability heads: Unlicensed Operation, Cross State Targeting

[NG-AP-002] LSLGA single-state full-stack licensing

Typology: Sub National Licensing

Liability heads: Operating Without Licence

[NG-AP-003] FSGRN URC multi-state reciprocity

Typology: Reciprocal Licensing

Liability heads: Non Member State Exposure

[NG-AP-004] FCT-confined NLRC residual authority

Typology: Residual Federal Regime

Liability heads: Misreliance On Void Federal Licence

[NG-AP-005] ARCON advertising pre-vetting gate

Typology: Marketing Control

Liability heads: Unvetted Advertising

[NG-AP-006] DNFBP AML obligations on casinos

Typology: Aml Designation

Liability heads: Aml Failures, Str Non Reporting

[NG-AP-007] Sharia-state de facto prohibition overlay

Typology: Religious Prohibition Overlay

Liability heads: Operating In Prohibition State

Worked Examples

EU operator entering Lagos

Entities: EU B2C operator, LSLGA

Must incorporate locally with NGN 100m capital (foreign involvement), apply to LSLGA, obtain AIP then full licence; budget NGN 100m licence + 50m renewal + 2.5% levy.

Recommendation: Engage Lagos gaming counsel; treat NGN fees with currency buffer.

Multi-state expansion

Entities: operator, FSGRN

FSGRN URC at NGN 100m/category/year covers member states; non-member states need separate licences.

Recommendation: Confirm member-state list before relying on URC.

Operator relying on old NLRC licence

Entities: operator, NLRC

NLRC licence valid only in FCT post SC/1/2008; void elsewhere.

Recommendation: Regularise with state regulators immediately.

Marketing campaign launch

Entities: operator, ARCON, Google

Google Ads banned since March 2025; all ads need ARCON vetting.

Recommendation: Shift to compliant channels and pre-vet content.

Targeting northern states

Entities: operator, Hisbah

Sharia-law states de facto prohibit gambling; Hisbah raids betting shops.

Recommendation: Geo-exclude Sharia-law states.

Decision Tree

Q: Will you target players in Lagos State?

Q: Have you incorporated locally with CAC and secured a Lagos office?

Q: Will you target multiple states?

Q: Have you met NGN 30m/100m share capital and applied to LSLGA?

Q: Will you use the FSGRN URC route?

Q: Have you obtained GLI/iTech certification and SCUML registration?

Q: Are all target states FSGRN members?

Q: Have you confirmed advertising compliance (ARCON, no Google Ads)?

Q: Are you avoiding Sharia-law prohibition states?

LEGAL BASIS

Overview

Status: Amber

Lagos State remains Nigeria's most developed gambling-regulatory environment, operating under the Lagos State Lotteries and Gaming Authority (LSLGA) Law 2021 with the Federation of State Gaming Regulators of Nigeria (FSGRN), comprising over twenty member states, coordinating licensing recognition across jurisdictions. The lead development is LSLGA's 12-13 October 2026 public notice extending licence-verification and record-disclosure duties to telecommunications operators, MNOs, VAS aggregators and VAS providers, building on the Authority's September 2026 declaration that a major offshore brand operates unlawfully across twenty-five states. At the federal level, President Bola Tinubu's continued refusal to assent to the Central Gaming Bill confirms the state-level licensing architecture remains the operative regime, with no near-term prospect of federal pre-emption or harmonisation.

Licensing & Regulation

Status: Amber

Post SC/1/2008, gambling licensing in Nigeria is state-led.

The LSLGA derives its powers from the Lagos State Lotteries and Gaming Authority Law 2021 and is now the sole regulator within Lagos State, licensing lotteries, sports betting, casino operations, promotional competitions, pool betting and skill-based games involving prizes, alongside gaming machines, scratch cards and B2B/gamification categories.

Local incorporation with the Corporate Affairs Commission and a Lagos office are required.

Minimum authorised share capital is NGN 30m for Nigerian companies and NGN 100m for companies with foreign involvement with Lagos requiring 15% local shareholding, ensuring domestic participation

The FSGRN Universal Reciprocity (URC) framework offers multi-state coverage at NGN 100m per category per annum from 2026, with a one-time waiver of 2025 fees for operators transitioning from voided NLRC licences.

The National Lottery Regulatory Commission (NLRC) was formally dissolved by the Federal Government in January 2025; its FCT licensing functions were transferred to a new body, the FCT Lottery Regulatory Office (FCT-LRO), which is now the sole licensing authority within the Federal Capital Territory.

The NLRC no longer exists as an issuing authority and any operator relying on a legacy NLRC permit carries no legal backing anywhere in Nigeria.

Poker is subsumed under the casino/gaming licence (no standalone poker statute exists in Lagos law).

Application for full multi-state market entry typically takes 6 to 12 months.

Application timeframe and phrases

As there is variation across Nigerian States (except for those under FSGRN) and Gambling Products we have as a point of reference taken the example of Online Sports Betting Licence in Lagos State and FSGRN:

As part of the application process, the applicant will be required to make a presentation . Where the applicant satisfactorily fulfils the pre-approval requirements, an Approval in Principle (AIP) will be granted for 90 days.

The AIP is a temporary licence; the substantive licence will only be issued on fulfilment of ALL conditions highlighted in the AIP. LSLGA requires a minimum of 10 working days to conduct due diligence on every application before LSLGA.

List of documents & type of information needed to support application

Ordinarily, an application must be submitted to the concerned regulatory authority. This application shall consist of an application letter, a non-refundable fee, evidence of business incorporation in Nigeria, a detailed plan of the proposed gaming activity, the business structure, and evidence of financial capacity and technical structure.

Expansion of Licensing Regime by the Lagos State Lotteries and Gaming Authority (LSLGA)

The Lagos State Lotteries and Gaming Authority (LSLGA), widely regarded as the most developed gaming regulatory authority in Nigeria, has expanded its licensing framework to accommodate both Business-to-Consumer (B2C) operators and Business-to-Business (B2B) service providers.

REQUIREMENTS FOR ONLINE SPORTS BETTING LICENCE IN LAGOS STATE & UNDER FSGRN

1. An application letter
2. Non-refundable application fee
3. Documentary Evidence of Business Incorporation (Certification of Incorporation and. Memorandum & Article of Incorporation)
4. Details of Directors
5. Address of registered office and administrative office (s)
6. Detailed business plan/proposal on the online sports betting scheme. The proposal should provide information and documentation on the following: Business Structure; ; Names and Profile of Directors; Tax Clearance Certificate of Directors in the last 3 (Three) Years; Description of Operations and Management Structure; A Sports Betting Industry Analysis that clearly demonstrates an understanding of the sports betting industry. The analysis must include names of major players and market share; Marketing and distribution plan; Address of planned location, branches and outlet(s). these must be lock-up shops – kiosks and mobile vendors are not allowed
7. Proposed Sports Betting Operation i. Details of Planned Games ii. Relevant Sport activity iii. Approximate odds to be used iv. Prizes & Price structure v. Number and frequency of sports/games vi. Operator's game rules and participants Code of Practice.
8. Financial information/projections i. Management account of your organization ii. Company's bank statement for the last 1 (One) year in support of financing plan iii. Five years projected Profit and Loss Account, Balance Sheet, Cash Flow analysis – this should provide for the annual licence fee and monthly. Please note that the licence fee is N150,000,000 (One Hundred and Fifty Million Naira) for the first year, while annual renewal is N100,000,000 (Hundred Million Naira). Monthly gaming tax is 2.5% of sales revenue iv. Nature and extent of financing and capital investment. Indicate if foreign investment is involved in the business and if any, terms of investment v. Capital budgets showing set up cost and asset schedule over 5 years
8. Detailed information about the applicant's bookmaker, betting sites and technical consultants.
9. Detailed information on proposed technical topography including a schematic diagram

clearly illustrating the technical operational flow General: i. Architectural diagram clearly illustrating the technical operational flow ii. Proposed platform – self host or cloud based iii. If cloud based, the contact information of the hosting company Hardware: i. Detailed information on the type of servers to be used ii. Detailed information on firewall, routers etc iii. Redundancy implementations (if any) Software: i. Operating systems specifications ii. Database application specifications 9. Processes and System Quality Assurance.

Infrastructure

In practice, a licensed operator can provide mobile gambling services to Nigerian residents provided they meet the requirements of the telecommunications operator and the Nigerian Communications Commission (NCC).

Licence types

- Fct Lottery Regulatory Office (Fct Lro) Licence: National Lottery Act 2005 (FCT-confined); FCT-LRO establishing instrument (2025)
- Lslga Online Sports Betting Licence: Lagos State Lotteries and Gaming Authority Law 2021
- Lslga Online Casino Licence: Lagos State Lotteries and Gaming Authority Law 2021
- Fsgnr Universal Reciprocity Licence (Urc): FSGRN URC framework (inter-state reciprocity arrangement)
- Nlrc Remote Operating Permit (Fct Only): National Lottery Act 2005 (now confined to FCT)

Product coverage

Product	Status
Casino	Reserved To Subnational
Poker	Reserved To Subnational
Betting	Open
Skill Games	Reserved To Subnational
Lottery	Reserved To Subnational
Software B2B	Restricted
Bingo	Reserved To Subnational
Fantasy Sports	Reserved To Subnational
Esports Betting	Reserved To Subnational
Sweepstakes	Reserved To Subnational
Crypto Gambling	Grey Zone
Affiliate Marketing	Restricted
Payments For Gambling	Reserved To Subnational
Free Play	Outside Perimeter
Pool Betting	Reserved To Subnational
Exchange Betting	Reserved To Subnational
Horse Racing	Reserved To Subnational
Other Event Betting	Reserved To Subnational
Prediction Markets	Grey Zone
Virtual Events Betting	Reserved To Subnational

Technical Compliance

Status: Amber

Operators require GLI or iTech Labs certification, with GLI-19 accepted as the RNG standard and game fairness audits required. The NLRC published a cybersecurity framework (governance, security controls, incident response, third-party risk, BCP/DR). FSGRN URC requires geo-fencing and geo-tracking. The NDPA 2023 requires DPO

appointment, compliance audits and data controller registration. Data localisation applicability to gambling and incident-reporting SLAs are not confirmed.

Distribution & Platform Rules

Status: Amber

LSLGA's 12-13 October 2026 public notice is the lead distribution development. It directs telecommunications operators, mobile network operators, VAS aggregators and VAS providers to verify that any gaming operator distributed through USSD, SMS, short code, mobile app or carrier-billing channels in Lagos State holds a valid LSLGA licence, and to surrender transaction, carrier-billing and revenue-share records covering the period since the 22 November 2024 Supreme Court judgment, within thirty days of the notice. The notice expressly clarifies that a licence, authorisation or approval issued by the Nigerian Communications Commission does not substitute for a gaming licence, closing a potential argument that telecoms-sector authorisation alone could legitimise facilitation of gaming services. This represents a material tightening of the distribution perimeter, placing an affirmative compliance burden directly on the intermediaries that carry gaming traffic rather than solely on the gaming operators themselves.

AML / CFT Regime

Status: Amber

Nigeria's AML/CFT standing improved materially when the country exited the FATF grey list in October 2025, as reported by Bloomberg and SBC News on the October 2025 FATF plenary outcome.

The grey-list exit removes a significant banking and payments-access friction for licensed operators and their financial counterparties.

However, no published FATF follow-up report for Nigeria after the exit was located, meaning the specific conditions and monitoring obligations attached to the exit cannot be confirmed, and the durability of the improved standing is not yet confirmed.

FATF list status can change at each plenary.

The detail of Nigeria's primary AML/CFT legislation as it applies to gambling operators — including designated-reporting-entity status, STR and CTR thresholds, and EDD requirements — could not be confirmed from the sources reviewed, representing a gap that a licensed operator would need to resolve through direct legal due diligence before committing to market entry.

Player Protection

Status: Amber

The player protection framework in Nigeria is anchored on two obligations and otherwise has little published detail.

The minimum age for gambling is 18.

The SafePlay self-exclusion scheme, launched by LSLGA, provides the primary responsible

gambling mechanism for Lagos-licensed operators.

No published LSLGA or FSGRN requirements on deposit limits, reality checks or age verification standards were found beyond SafePlay and the minimum age.

The player protection practical burden is assessed as moderate, reflecting the SafePlay self-exclusion obligation and the minimum age requirement, against a backdrop of limited published regulatory detail on the full scope of player protection obligations.

The ARCON pre-vetting requirement under the ARCON Act No. 23 of 2022 applies to advertising directed at all audiences and constitutes an indirect player protection mechanism by requiring regulatory review of marketing materials before publication.

Consumer Protection

Consumer protection in Nigeria's gaming sector is governed by applicable gaming legislation and the Federal Competition and Consumer Protection Act 2018 (FCCPA), which provides consumers with rights to fair dealing, accurate information, protection from unfair or misleading practices, and access to redress. In Lagos, these protections operate alongside the Lagos State Lotteries and Gaming Authority (LSLGA) regulatory framework and applicable responsible gaming. Key protections include:

Protection of players' interests and the integrity of gaming operations.

Prevention of underage gambling and promotion of responsible gaming and socially responsible advertising.

Transparency in gaming operations, including proper handling and payment of prizes.

Consumer complaints and dispute resolution, with consumers also able to seek redress through the Lagos State Consumer Protection Agency (LASCOPA), which investigates complaints and mediates consumer disputes.

The Lagos State Lotteries and Gaming Authority (LSLGA) is the relevant state regulator for gaming activities in Lagos.

Gaming operators are expected to provide a fair, transparent and responsible gaming environment while protecting players from exploitation, underage participation and unfair practices.

Operational Obligations

Status: Amber

The most clearly evidenced operational obligation is the Lagos State withholding tax remittance requirement: Lagos-licensed operators must deduct 5% of net gaming winnings at the point of payout, record the deduction as a player tax credit, and remit the collected amount to the Lagos State Internal Revenue Service. This creates a payout-processing and reporting obligation that must be built into platform architecture for any operator serving Lagos players. Beyond this state-specific obligation, no consolidated set of operational obligations was evidenced; obligations vary by state law and no single national operational

standard applies following the nullification of the National Lottery Act 2005 at the federal level. Operators holding a FSGRN Universal Reciprocity Certificate are subject to the FSGRN framework conditions for online gaming, though the detail of those conditions was not fully available. The fragmented state model means that operational obligations must be assessed on a per-state basis for any multi-state deployment.

Reporting obligations

- Str: Money Laundering (Prevention and Prohibition) Act 2022 s.30

Advertising & Marketing

Status: Amber

Advertising in Nigeria is subject to ARCON pre-vetting under the Advertising Regulatory Council of Nigeria Act No.23 of 2022, which requires advertisements to be vetted regardless of medium.

Google imposed a comprehensive gambling advertising ban in Nigeria from March 2025, covering Search, Display Network and YouTube, removing a major paid acquisition channel.

LSLGA launched the SafePlay self-exclusion scheme.

Minimum age is 18 with age verification required before account funding.

NBC watershed broadcast rules are not confirmed from primary sources.

No mandatory bonus restrictions are confirmed.

Marketing is permitted but subject to strict advertising standards, codes and guidelines set by administrative bodies. The major administrative bodies responsible for regulating advertising in the country is the Advertising Practitioners Council of Nigeria (APCON) and Advertisers Association of Nigeria (ADVAN)). Advertising is regulated in Nigeria under both general and sector-specific laws, regulations, and guidelines, which stipulate principles and requirements for advertising. The following laws, guidelines, and regulation provide specific and general principles and requirements for all forms of advertising in Nigeria:

The Lagos State Lotteries and Gaming Law 2021 (LSLGL)-Specific

The Nigerian Code of Advertising Practice, Sales Promotion and Other Rights/Restrictions on Practice ("The Advertising Code")- General

Advertising Practitioners Council of Nigeria (APCON) Vetting Guidelines (Vetting Guidelines)- General

Federal Competition and Consumer Protection Act (FCCPA)- General

Standards Organisation of Nigeria Act, 2015 (SONA)- General

The National Lottery regulations (as amended) 2007 Clause 19 states specifically that

each licensee must prepare a code of conduct which conforms with that of the relevant laws passed by government agencies i.e National Broadcasting Commission, or ruling of the advertising standards authority like Advertising practitioners Council of Nigeria (APCON) and the operator must ensure compliance with the code

The recently enacted Lagos State Lotteries and Gaming Law 2021 regulate Casino and all gaming activities in the State. In relation to advertising, Section 94 of the said law prohibits any adverts, promotion, publication, dissemination, and distribution of any information concerning gaming activities in the state whether remotely or otherwise unless it is a licensed or authorized activity under the law. The law further prohibits adverts, promotions, publications, disseminations, distributions of information that are:

false and misleading;

intended to attract underage and vulnerable persons;

in or near primary or secondary school and cyber cafes which are likely to be visited by underage or vulnerable persons.

General Principles on Advertising

Some of the general principles and legal requirements for advertising in Nigeria are highlighted below.

According to the Advertising Code, "all advertisement in Nigeria or directed at the Nigerian market shall be legal, decent, honest, truthful, respectful, and mindful of Nigeria's culture, constitutional tenets and relevant lawful enactments." Therefore, all forms of advertisement must be legal i.e., must not be contrary to any law in Nigeria. It must also be honest and true, respectful and cognizant of Nigeria's culture and the provisions of the constitution and local laws.

Models used in advertisements to promote products or services must be Nigerians except where the concept specifically requires non-Nigerians to act in this capacity i.e majority of the content of advertisements such as, equipment, footage and production input shall as much as possible be Nigerian; Nigerian languages (English inclusive) shall be properly used in advertisements. Where the concept and business objective of the advertisement requires non-Nigerians, a fee is required to be paid to the Advertising Standards Panel (ASP) for each content or version of the advertisement. Due to this requirement, the ASP may also require substantial reasons for using non-Nigerians as models from the applicant.

According to Section 123 (1) of FCCPA, a producer, importer, distributor, retailer, trader or service provider shall not make any false representation to a consumer in a manner that is likely to imply any false or incorrect representation concerning those goods. Similarly, Article 84 of the Advertising Code provides that the product advertised must conform to the descriptions as provided in the advertisement. It must be an exact replication of the descriptions and features as mentioned in the pages referred to above.

The descriptions, claims or illustration in an advertisement shall be subject to empirical

proof or capable of substantiation- Article 23 Advertising Code. The ASP may require that advertisement content be substantiated and the evidence of claims be provided for testing. This is to ensure and confirm that the claims and illustration(s) stipulated in the advertisement are true and verifiable.

Advertisements should not exploit, depict, or suggest sexual behaviour either in obvious or implied context- Article 4 Advertising Code. Advertisements must be decent and should not contain statements, pictures or illustrations which either suggest or imply sexual behaviours.

The Advertising Code provides that the content of an advertisement including, statements and pictures used, must not breach any Nigerian copyright or international copyright laws or intellectual property rights. If a Company has or intends to use a third party's copyrighted works or intellectual property rights, adequate permission should be obtained from the owner of such right or referenced in the advertisement content- Article 10 Advertising Code.

Advertisements should provide the price for each product in the currency of the Federal Republic of Nigeria (i.e., Naira). Section 115(1) of FCCPA stipulates that "An undertaking shall not display any goods or services for sale without adequately displaying to the consumer a price of those goods or services.¹² Also, majority of the advertisement content should be Nigerian, and predominantly rendered in the English language as this is the applicable language in Nigeria-Section 115(2) FCCPA.

In addition to any specific sanction provided in the Advertisement Code, Article 141(b) of the Advertising Code provides a list of sanctions which the Council of APCON shall apply where provisions in the APCON Act, the Advertising Code, other regulations have been breached. These sanctions include reprimand, warning, fine, reduction of scope of licence, temporary suspension of registration or licence, removal from the register of practice, among others.

CONTEXT & EVIDENCE

Cost to Operate

Status: Amber

The cost-to-operate picture in Nigeria shifted materially with the Federation of State Gaming Regulators of Nigeria's introduction of a flat 11 per cent tax on Gross Gaming Revenue across lottery, sports betting and casino categories, effective 1 January 2026 and applied uniformly across FSGRN member states. This uniform rate layers atop, rather than replaces, existing state-level tax rules, such as Lagos's 2.5 per cent monthly gaming tax on sales revenue, meaning operators active in Lagos face combined fiscal exposure rather than a single clean national rate. Licensing fees add a further and substantial layer: Lagos's online casino licensing route carries a five million naira application fee, a 150 million naira approval-in-principle licence fee, and a 100 million naira annual renewal fee. Taken together, the fiscal and fee structure represents a moderate-to-elevated compliance lift for a new entrant, with the FSGRN uniform tax functioning as a genuine cross-state harmonising step even as it adds to, rather than simplifies away, existing state-level charges.

Fee schedule

- Sports Betting Licence: 100000000
- Sports Betting Application: 1000000
- Fsgnr Urc Per Category Annual: 100000000

Taxes

Status: Amber

Nigeria applies a mixed tax basis.

Withholding tax on player winnings is 5% for residents and 15% for non-residents under the Withholding Regulations 2024, with Lagos imposing an additional 5% WHT on net online betting winnings from 2026.

Tax Act 2025 s.185(m) exempts player stakes from VAT from 2026-01-01, while standard VAT of 7.5% remains for other supplies.

GGR-style levies include LSLGA's 2.5% sports betting sales levy, LSLGA's 10% monthly casino gaming tax, and the FSGRN 11% GGR Good Causes levy from 2026.

Corporate income tax applies under Tax Act 2025.

Application & License Fees

The application fees are dependent on the type and class of application and further dependent on whether it is a National or State licence. For further details, see information in specific product sections

B2C Gaming Operator Licenses in Lagos State:

For operators intending to offer sports betting, casino games, or online gaming products directly to consumers, the licensing costs are significantly higher. Typical costs include:

Application fee of ₦1,000,000

License fee: up to ₦100,000,000 – ₦200,000,000 depending on category

Good Causes Levy: approximately 15% of Gross Gaming Revenue (GGR)

FSGRN Licensing Structure and Costs for Market Entry

For international operators entering Nigeria, the FSGRN framework has introduced a harmonized structure for multi-state gaming operations. Although licenses remain issued by state authorities, the FSGRN framework allows operators to access broader market recognition across multiple states.

Typical Licensing Structure:

Non-refundable application fee : ₦5,000,000

Universal reciprocity license: ₦100,000,000

Mandatory security bond: ₦100,000,000

Annual renewal license Approximately: ₦10,000,000 – ₦20,000,000

Security Bond Requirement: Operators are typically required to maintain a ₦100 million security bond in favor of the regulator to ensure compliance with operational obligations, including:

Player payout guarantees

Regulatory penalties where applicable

Responsible gaming compliance obligations

Payments & Money Flow

Status: Amber

The October 2026 LSLGA notice extends payments-flow scrutiny into the telecom and VAS facilitation layer surrounding gaming transactions. Telecom operators, MNOs, VAS aggregators and VAS providers must surrender carrier-billing and revenue-share records covering the period since 22 November 2024, within thirty days of the notice, giving LSLGA visibility into the monetary flows generated by gaming activity distributed through mobile and carrier-billing channels. This sits alongside LSLGA's stated intent, following its September 2026 enforcement declaration, to pursue payment companies and financial institutions that facilitate transactions for operators found to be unlicensed, extending payments-related compliance exposure beyond the gaming operator to its payment and billing intermediaries.

Payments & Banking

Status: Amber

Bank transfer is the dominant rail (Flutterwave, Paystack, Interswitch), with mobile money (OPay, PalmPay), USSD banking and agent cash deposit/withdrawal widely used; debit cards (Visa, Mastercard) are accepted.

MCC 7995 treatment by banks is not confirmed.

Crypto payments are regulated for gambling. CBN VASP banking guidelines (2023-12-22) apply only to SEC-licensed VASPs.

- Crypto and gaming: the regulatory perimeter is becoming clearer. The formalisation of Nigeria's virtual-asset sector is another development that gaming businesses should not overlook. On 18 July 2026, the President of the Federal Republic of Nigeria signed the Presidential Executive Order on Virtual Assets Coordination 2026. The Order established a Virtual Asset Council chaired by the CBN, with the Nigeria Revenue Service and SEC as

Vice-Chairs, alongside the NFIU and ONSA. It also established a Virtual Asset Office to coordinate applications, reporting and information sharing.

- Importantly, the framework does not create a new omnibus crypto regulator. Instead, it coordinates existing institutional mandates. The State House explained that securities-related virtual-asset activities will remain within the SEC's remit, while payment, settlement, custody and related services involving non-security virtual assets will be registered through the CBN framework, with the coordinating Council addressing areas of uncertainty.

- For the gaming industry, this is highly relevant. Crypto-enabled gaming products, deposits, withdrawals, wallets, tokenised rewards and blockchain-based gaming platforms can sit at the intersection of gaming regulation and financial regulation. An operator cannot assume that a gaming licence alone authorises it to provide regulated virtual-asset or payment services.

- The emergence of a coordinated virtual-asset framework also reinforces the need for stronger AML, KYC, transaction monitoring and source-of-funds controls. The regulatory direction is towards formalisation rather than regulatory vacuum.

- Accordingly, operators considering crypto-enabled gaming should ask, at an early stage:

- Is the proposed digital asset a security or another form of virtual asset?

- Does the business provide custody, payment, settlement or exchange-related services?

- Which entity in the group will perform the regulated activity?

- What CBN, SEC, NFIU and tax obligations may arise?

- How will crypto transactions be integrated into gaming AML/KYC controls?

- How will customer funds and winnings be segregated, recorded and reported?

The new framework also creates a broader policy signal: Nigeria is moving towards formal recognition and coordinated supervision of the crypto sector rather than treating digital assets as an unregulated parallel financial system. Gaming businesses operating at the intersection of the two sectors will need to adapt accordingly

The DNFBP AML regime under MLPPA 2022 includes casinos, requires SCUML registration, and mandates STRs to the NFIU within 24 hours, with CTR and CBTR thresholds.

A CBN PSP licence is required for payment processors.

Market Opportunity

Status: Green

Nigeria's commercial narrative required a sourcing caveat rather than a revision to its underlying growth story. The widely cited estimate of approximately \$1.6 billion in gross

gaming win for 2025, attributed to H2 Gambling Capital, is a third-hand figure reaching the baseline via secondary trade press; no primary H2 Gambling Capital report is independently locatable, and the figure is accordingly held at Low confidence rather than the unflagged higher-confidence treatment it previously received. Operators should treat this figure as indicative of market scale rather than as a verified benchmark suitable for investment sizing. No structured evidence changes the directional read that Nigeria represents a large, high-volume market; the correction addresses the traceability of the sizing estimate, not the direction of the opportunity itself.

Entry Pathways

Lagos State's 2026 revised fee schedule sets out the primary entry pathway into Nigeria's largest sub-national gambling market: a non-refundable application fee of NGN5,000,000, a licence fee of NGN150,000,000 payable upon receipt of Approval-in-Principle, and an annual renewal fee of NGN100,000,000. This fee structure derives from an administrative schedule rather than primary statute and so remains subject to regulatory revision. A distinctive feature of the Lagos pathway is that foreign investors may apply for an online sports betting licence without a Nigerian incorporation partner, a materially more open entry condition than found in many comparator jurisdictions. Both the fee figures and the foreign-investor pathway are provisional, sourced from law-firm commentary rather than primary gazette text.

Licence types

- Lslga Online Sports Betting Licence: Lagos State Lotteries and Gaming Authority Law 2021
- Fsgnr Universal Reciprocity Licence: FSGRN URC framework

Product coverage

Product	Status
Casino	Reserved To Subnational
Poker	Reserved To Subnational
Betting	Open
Skill Games	Reserved To Subnational
Lottery	Reserved To Subnational
Software B2B	Restricted
Bingo	Reserved To Subnational
Fantasy Sports	Reserved To Subnational
Esports Betting	Reserved To Subnational
Sweepstakes	Reserved To Subnational
Crypto Gambling	Grey Zone
Affiliate Marketing	Restricted
Payments For Gambling	Reserved To Subnational
Free Play	Outside Perimeter
Pool Betting	Reserved To Subnational
Exchange Betting	Reserved To Subnational
Horse Racing	Reserved To Subnational
Other Event Betting	Reserved To Subnational
Prediction Markets	Grey Zone
Virtual Events Betting	Reserved To Subnational

Competitive Landscape

Status: Amber

The Advertising Regulatory Council of Nigeria and the state-level Federation of State Gaming Regulators of Nigeria signed a memorandum of understanding to create a unified gambling-advertising framework, signalling increased cross-agency scrutiny of marketing and advertising compliance across the newly-federated licensing landscape. This finding carries only Uncertain confidence, resting on a single lower-tier aggregator source, and should be read as an early direction-of-travel signal rather than a settled competitive-dynamics shift. No operator count, concentration data, or unlicensed-market-share estimate was identified beyond the LSLGA's 59-operator unlicensed listing captured under enforcement.

Gaps Register

Evidence gaps identified by the pipeline — areas where confirmation from primary sources is outstanding.

- **[adv-int-20261025-NG-G001]** LSLGA's 2026 fee-schedule revision was reported only via secondary trade press; no primary LSLGA fee notice was retrieved this cycle.
- **[adv-int-20261025-NG-G002]** No technical standards / RNG testing body approval list was located on LSLGA's own site this cycle.
- **[adv-int-20261025-NG-G003]** Player-protection sub-module questions (self-exclusion register, deposit limits, age verification) were not resolved to a primary LSLGA instrument this cycle.

Sources & Provenance

12 sources. T1 = primary instrument/regulator; lower tiers = secondary. Inline [SRC-XX] markers link to this table.

ID	Tier	Source / instrument	URL
SRC-NG-001	T3	NG-SC-2024-SC1-2008	https://chambers.com/articles/regulation-of-lotteries-in-nigeria-review-of-the-supreme-court-s-decision-and-its-implications
SRC-NG-002	T1	NG-LSLGA-LAW-2021	https://lslga.org/
SRC-NG-003	T1	NG-LSLGA-BLACKLIST-2026	https://lslga.org/
SRC-NG-004	T3	NG-LSLGA-FEES-2026	https://pavestoneslegal.com/navigating-nigerias-gaming-laws-the-start-of-a-new-chapter/
SRC-NG-005	T3	NG-FSGRN-URC-2026	https://www.mondaq.com/nigeria/gaming/1642846/obtaining-a-gambling-license-in-nigeria-procedure-requirements-2025-guide
SRC-NG-006	T3	NG-MARKET-IGB-2026	https://igamingbusiness.com/legal-compliance/regulation/nigeria-states-race-to-reshape-gambling-regulation/
SRC-NG-007	T3	NG-PAVESTONES-CGB-2025	https://pavestoneslegal.com/navigating-nigerias-gaming-laws-the-start-of-a-new-chapter/
SRC-NG-008	T3	NG-MONDAQ-SPORTSBET-2026	https://www.mondaq.com/nigeria/gaming/1792692/how-to-apply-for-an-online-sports-betting-license-in-lagos-state-requirements-fees-process-timeline-2026
SRC-NG-009	T3	NG-RESOLUTION-CAPITAL-2025	https://www.resolutionlawng.com/obtaining-a-gaming-license-in-nigeria-latest-updates/
SRC-NG-010	T3	NG-NEXTIO-NORTHERN-2024	https://next.io/news/regulation/supreme-court-ruling-nigeria-gaming-regulation/

SRC-NG-011	T3	NG-GLOBALLAW-AIP-2025	https://globallawexperts.com/how-to-obtain-a-sports-betting-licence-in-lagos-state/
SRC-NG-012	T3	NG-NUR-BLACKLIST-DENIAL-2025	https://www.nur-legal.com/news/licence-at-lagos-state-lotteries-gaming-authority-lsiga

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