



FINTECH REGULATORY UPDATE:

THE SECURITIES AND EXCHANGE
COMMISSION HAS REVISED THE
MINIMUM CAPITAL REQUIREMENTS
FOR VIRTUAL ASSETS SERVICE
PROVIDERS AND FINTECH
OPERATORS



On 16th January, 2026, the Securities and Exchange Commission (“SEC”) issued Circular No. 26-1 on the Revised Minimum Capital Requirements (the “Circular”) applicable to regulated capital market operators, including Virtual Asset Service Providers (“VASPs”) and Fintech operators. The Circular was issued by the SEC pursuant to the Investments and Securities Act, 2025, and is aimed at strengthening market resilience, enhancing investor protection, and aligning capital requirements with the evolving risk profile of digital asset activities and Fintech operators in the Nigerian capital markets. We have set out below the revised minimum capital requirements and related matters.

Revised Minimum Capital Requirements for VASPs and Fintech Operators

Under the Circular, which came into effect on the date that it was issued, the SEC has revised the minimum capital requirement for VASPs by increasing it for certain existing licence categories. In addition, the Circular introduces new minimum capital requirements for other new categories of VASPs. The Circular also applies to Fintech operators like Robo-Advisers and Crowdfunding Intermediaries.

The existing and new minimum capital requirements for VASPs, Fintech operators, etc, are set out below:

Virtual Asset Service Providers & Fintech Operators	Old Minimum Capital Requirement	Revised Minimum Capital Requirements
Ancillary Virtual Asset Service Providers (“AVASPs”)	N/A	₦300 million
Digital Asset Offering Platform (“DAOP”)	₦500 million	₦1 billion
Digital Assets Intermediary (“DAI”)	N/A	₦500 million
Digital Assets Platform Operator (“DAPO”), including Token Issuers	N/A	₦500 million
Real-World Assets Tokenization and Offering Platform (“RATOP”)	N/A	₦1 billion
Digital Asset Exchange (“DAX”)	₦500 million	₦2 billion
Digital Asset Custodian (“DAC”)	₦500 million	₦2 billion
Robo-Adviser	₦10 million	₦100 million
Crowdfunding intermediary	₦100 million	₦200 million



Extent of Application

The Circular applies to the prescribed entities irrespective of whether the affected entity is newly applying for registration, is in the process of licensing, or is already licensed, by the SEC.

Implications of the Revised Minimum Capital Requirement

The revised framework has several implications for affected operators:

- VASPs operating as AVASPs, DAIs, DAPOs and RATOPs are now required, for the first time, to maintain prescribed minimum capital thresholds applicable to their respective activities.
- Existing DAOPs, DAXs and DACs must increase their share capital to meet the revised regulatory benchmarks. New entities that intend to seek an application for a licence as DAOPs, DAXs and DACs must have the minimum capital requirement to be eligible.
- Fintech operators such as Robo-advisers and crowdfunding intermediaries are now subject to enhanced capital buffers, reflecting the SEC's risk-based regulatory approach to technology-enabled investment platforms.
- The SEC has now created new categories of licences for entities engaging in activities relating to virtual assets and digital assets (such as AVASPs, DAIs, DAPOs and RATOPs).
- The issuance of the Circular, the creation of new licence categories and an increase in minimum capital requirement suggest that the SEC may soon release to the market its revised rules and regulations on virtual assets and digital assets transactions.
- Given that, prior to the issuance of the Circular, there were no extant rules specifically regulating newly categorised entities, it is anticipated that the SEC may prescribe the permissible activities, operational requirements and ongoing compliance obligations applicable to these entities.



Next Steps

As we have indicated above, the Circular is already in force. Affected entities should, therefore, promptly:

- (a) assess their current capital position against the revised thresholds;
- (b) consider restructuring, capital injection, or changes to licensing scope where necessary; and
- (c) engage early with advisers on compliance strategy and SEC engagement.

Compliance Timeline

All affected entities are required to comply with the revised minimum capital requirements on or before 30th June, 2027. Failure to meet the prescribed thresholds within this timeline may result in regulatory sanctions, including suspension or withdrawal of registration.

The SEC has indicated that transitional arrangements may be considered on a case-by-case basis, subject to formal application and justification by any affected entity.

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