

Nigeria

90%

of business leaders say that transitioning the national energy system to a renewables-based electricity system would definitely boost Nigeria's economic growth.

Clean electrification is closely associated with improved energy security, increased competitiveness and the creation of new jobs, which together combine to drive growth in the national economy.

What Business Needs

Senior executives say improvements to grid connectivity and the planning approval process are critical to meeting demand for clean electrification.

This enthusiasm for electrification speaks in part to a business context in which growth and productivity are hampered by long-standing limitations of energy access, grid infrastructure and system reliability.

Policy Context

Nigeria has no single national plan for clean electrification but rather a series of significant policy initiatives, such as the National Integrated Electricity Policy (2025), the Nigeria Integrated Resource Plan (2024) and the Electricity Act (2023). Among other outcomes, these open the door to greater private-sector involvement in the energy sector—a move welcomed by the 90% of business leaders who are convinced electrification will drive national economic growth. A similarly substantive positive impact on growth is anticipated at the individual company level, with 91% of senior executives saying that electrifying their own operations would “definitely” help their business grow and the remaining 9% saying it “probably” would.

These problems are felt across the country, but are particularly acute in marginalised rural and peri-urban areas where access to electricity is limited or non-existent—an issue faced by approximately 86.6 million people, the largest access deficit in the world.¹ As a consequence, the possibility of energy security is highly prized, as evidenced by the fact that executives selected it more frequently (44%) than any other benefit of electrification.

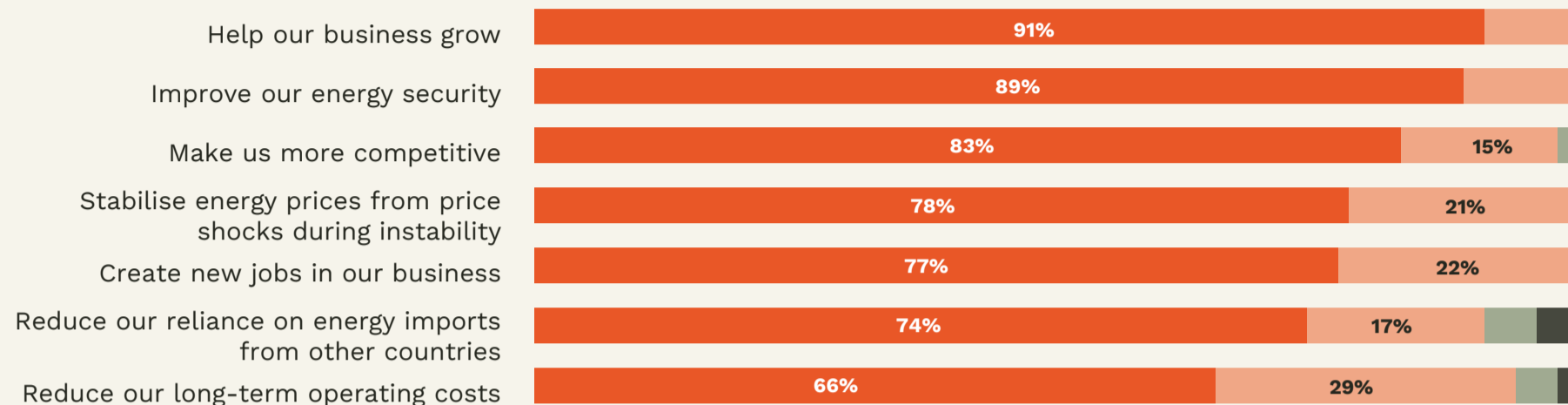
The prescience of energy security has increased even further over recent years due to the rise in geopolitical instability, as this makes energy markets more volatile and thus pushes up the cost of fossil fuel imports. In turn, this leads to higher domestic energy prices, an outcome that more than two-thirds (68%) of business leaders anticipate as a direct result of today's unstable geopolitics.

¹ <https://documents1.worldbank.org/curated/en/099062425150569718/pdf/P506480-18d1d759-4f4e-4d39-8964-e920ab287c2a.pdf>

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Over 95% of Nigerian executives expect electrification to boost business growth and resilience

■ Definitely
 ■ Probably
 ■ Probably not
 ■ Definitely not
 ■ Don't know



Thinking about your business switching from fossil fuel-powered equipment to electric alternatives, to what extent do you think this would do the following?

Business Viewpoints

The link that business leaders see between electrification and growth is not only associated with the productivity benefits for existing companies. Should the government meet its goal of universal electricity access by 2030, it will also act as a spur to entrepreneurialism in hitherto off-grid communities. In addition, new market opportunities should begin to appear, as is already starting to be seen in the manufacture of small-scale distributed power equipment.

All these growth benefits depend on very substantial improvements to the country's power infrastructure. Again, should this happen, most business leaders (95%) believe it would make energy more affordable over the long term—a rationale explained by reduction in power wastage, lower reliance on diesel and petrol generators and better metering, among other factors.

This is why more business leaders in Nigeria (61%) than in any other country polled say that faster planning approval and grid connectivity are the most effective policy levers available to the government. Close behind are steps to expand and digitalise the grid (52%).

For now, however, the power system is a long way from what business needs or wants. In fact, 90% of executives say their company is electrifying faster than the government is preparing the system for. A further 81% say power systems are not keeping pace with demand, while 75% believe that the grid lacks capacity. As a result of weak infrastructure and other market barriers, around half (51%) of business leaders report having delayed or shelved an electrification project.

