



NIGERIA DEVELOPMENT SECTOR OUTLOOK FOR THE YEAR 2026

ANTICIPATING SHIFTS, NAVIGATING TRANSITIONS, AND POSITIONING FOR IMPACT



**AFRICA HUB FOR
INNOVATION &
DEVELOPMENT**



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Dr. Kunle Kakanfo

Host, Founder, **Africa Hub for Innovation & Development**



Dr. Ufuoma Obi-Festus

Moderator, CEO, **WCA Health Options**



Ms. Funmi Adesanya

U.S. Department of State



Dr. Oludare Bodurin

Gates Foundation



Mrs. Olapeju Ibekwe

Sterling One Foundation



Dr. Ibrahim Gobir

Georgetown Global Health



Their collective perspectives enriched the dialogue and provided strategic guidance for Nigeria's development ecosystem entering 2026.

Executive Summary

The Nigeria Development Sector – Outlook for 2026 convening brought together senior leaders from government, philanthropy, academia, and civil society to reflect on emerging trends, uncertainties, and strategic priorities shaping Nigeria’s development landscape.

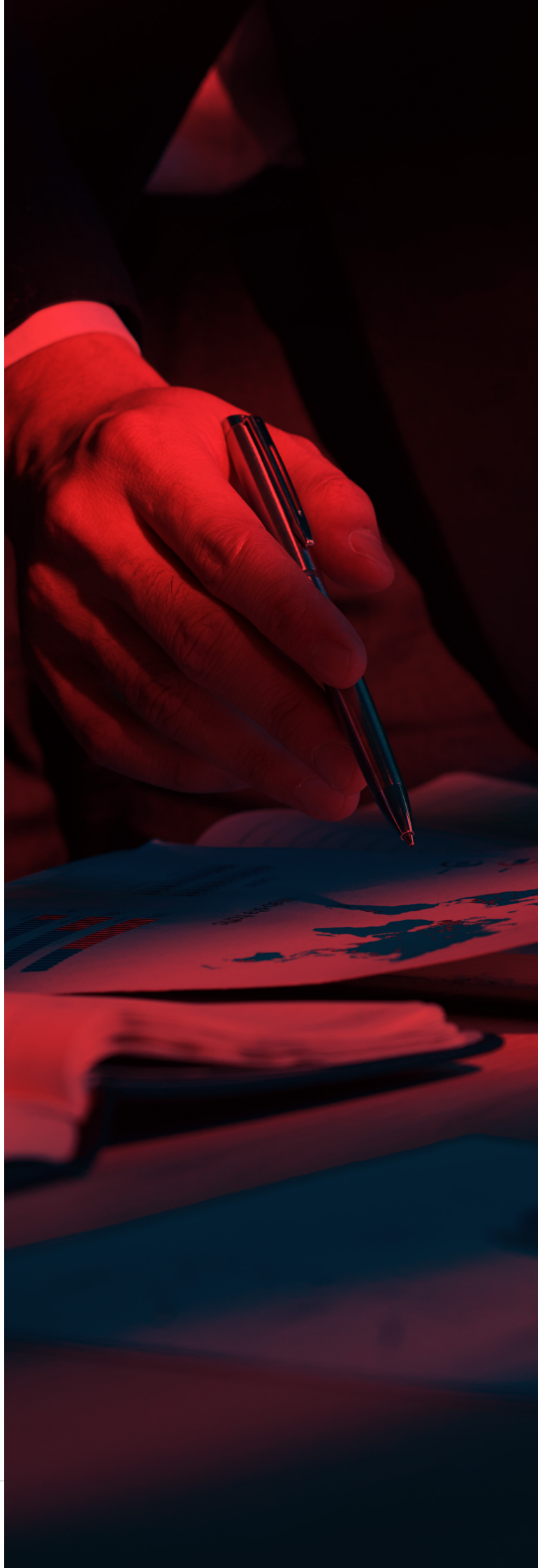
The session revealed a sector at a critical inflection point. While capital and willingness to give remain strong, persistent gaps in structure, coordination, accountability, and impact measurement continue to limit effectiveness. Panelists emphasized a major shift underway—from charity-driven models to structured, strategic, and outcomes-oriented philanthropy.



Key insights highlighted the need for:

- **Integrated, cross-sector collaboration**
- **Vision-led partnerships rather than transactional funding relationships**
- **Stronger engagement with subnational government**
- **Investment in people, data systems, technology, and leadership**

The Outlook concluded that organizations best positioned for 2026 will be those that combine systems thinking, evidence-based decision-making, ethical partnerships, and strong institutional capacity.



Introduction

Background and Context

The Nigeria Development Sector – Outlook for the Year 2026 represents the third edition of an annual strategic foresight convening hosted by the **Africa Hub for Innovation and Development (AHFID)** in partnership with **WCA Health Options**. The Outlook series was conceived as a knowledge and sense-making platform to support development actors in understanding emerging sectoral trends, anticipating systemic shifts, and repositioning institutions for sustainable impact.

The evolution of the series reflects the changing realities of Nigeria’s development ecosystem. The first edition, Outlook 2024, focused primarily on mapping the development landscape, examining market changes across NGOs, CSOs, social enterprises, and non-profit institutions, and identifying emerging funding patterns, skills gaps, and strategic opportunities. It served as a sector scanning exercise, aimed at helping organizations understand how the development industry itself was evolving.

The second edition, Outlook 2025, responded to a more volatile environment, characterized by geopolitical uncertainty, shifting donor priorities, macroeconomic instability, and increas-

ing unpredictability in development finance. That edition centered on helping organizations navigate “known unknowns,” build institutional resilience, and prepare for risk in an increasingly complex operating environment.

The third edition, Outlook 2026, marks a significant conceptual transition. Rather than focusing solely on trends or uncertainty, the 2026 convening explored how development organizations must reposition themselves structurally, strategically, and institutionally in order to remain relevant, credible, and impactful in a rapidly transforming ecosystem. The central framing moved from survival and adaptation toward strategic maturity, systems leadership, and long-term positioning for impact.

The session brought together senior leaders from donor agencies, global and local philanthropy, academia, and the health and development policy space, attracting over 900 registrations and above 460 active participants. The audience consisted largely of mid- to senior-level professionals across NGOs, CSOs, social enterprises, foundations, donor institutions, and policy organizations.



Rationale for the 2026 Convening

The 2026 Outlook was convened in response to four major emerging realities:



Shifting Global Development Finance

- Reductions in bilateral aid in some regions
- Growing role of private philanthropy and domestic capital
- Increased competition for limited funding



Rising Domestic Philanthropy in Nigeria

- Increased activity by high-net-worth individuals
- Corporate Environmental, Social, and Governance (ESG) commitments
- Emergence of local giving platforms and coalitions



Technological Disruption

- AI, data systems, and digital reporting
- New expectations for evidence and accountability



Institutional and Workforce Pressures

- Talent migration (“Japa”)
- Leadership succession gaps
- Weak governance and systems in many NGOs

The convening was therefore designed to help the sector **transition from project thinking to system thinking**.



Objectives of the 2026 Outlook

The session aimed to achieve the following:

01

Identify strategic shifts in philanthropy, funding, and donor behavior:

This objective focused on understanding how development financing is evolving, including the growing role of private and domestic philanthropy, changing donor expectations around accountability and impact, and the need for organizations to adapt their funding strategies to remain competitive and fundable.

02

Explore macroeconomic and policy implications for development actors:

This aimed to situate development work within Nigeria's broader economic and policy environment, helping organizations interpret how fiscal reforms, economic trends, and regulatory frameworks influence program design, funding opportunities, and operational sustainability.

03

Examine how organizations can reposition for sustainability, relevance, and scale:

This objective examined how institutions can strengthen their internal systems, governance, and strategic positioning to remain financially viable, responsive to evolving sector needs, and capable of achieving impact beyond isolated projects.

04

Highlight new competencies required for leadership in 2026:

This focused on redefining development leadership by emphasizing systems thinking, adaptive leadership, data literacy, digital fluency, and partnership-building as essential skills for navigating complexity and driving sustainable impact

05

Promote strategic cross-sector, ethical, and vision-led partnerships:

This objective emphasized moving from transactional, grant-driven relationships toward collaborative partnerships grounded in shared purpose, mutual accountability, and long-term systemic change across sectors.

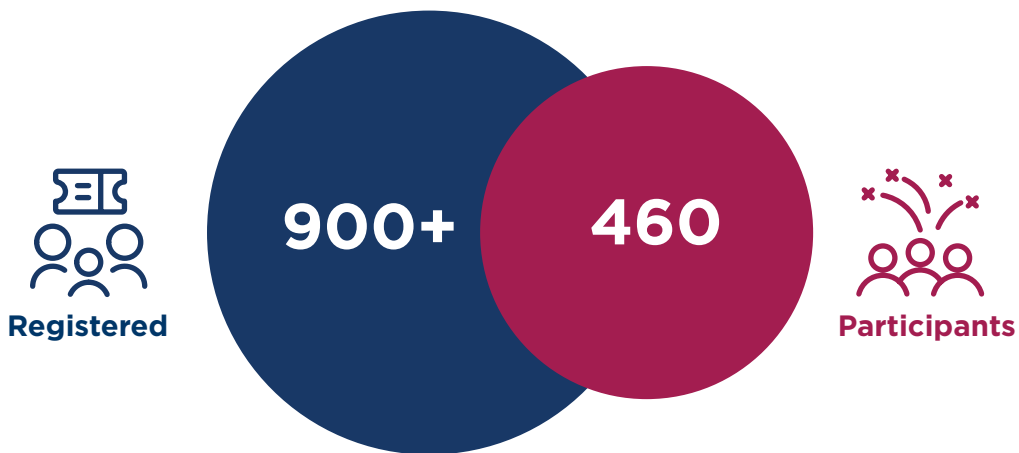
The session built on a **20-year trend analysis dashboard** of Nigeria's development sector, which showed a historical shift from disease control and service delivery toward **institutional strengthening, systems building, and sustainability**.

Participant Profile

The Outlook 2026 convened a high-level audience comprising:

- Leaders and managers from NGOs and CSOs
- Donor agencies and development partners
- Philanthropic foundations and private sector actors (CSR and ESG)
- Researchers, academics, and policy professionals
- Social enterprise founders
- Public Health Experts/ Professionals

Over **900 professionals registered**, reflecting strong demand for strategic foresight within the sector. Over **460 participants** attended live, making it one of the most widely participated editions of the series.



Detailed Session Highlights



Economic Outlook and the Changing Nature of the Development Sector

The session opened with a framing of Nigeria's projected economic outlook for 2026, which suggested modest but positive GDP growth, gradual stabilization of inflation, and evolving exchange rate dynamics. While the macroeconomic projections pointed toward cautious optimism, the deeper implication for the development sector was not economic growth per se, but the changing nature of how development organizations must operate within a more competitive, market-oriented, and financially constrained environment.

The moderator emphasized that development organizations can no longer function purely as grant-dependent entities. Instead, they increasingly occupy a hybrid space between social mission and institutional sustainability. NGOs and social enterprises are now expected to demonstrate financial discipline, diversify revenue streams, build partnerships with the

private sector, and adopt operational models that resemble social businesses rather than purely charitable institutions. This shift reflects a broader transformation in which the development sector is gradually becoming a social impact industry, characterized by competition, performance metrics, and expectations of measurable value creation.

In this context, development organizations are being compelled to rethink their organizational models. Traditional assumptions that funding will always be available for well-intentioned projects are being replaced by expectations of strategic positioning, institutional credibility, and value proposition clarity. Organizations must increasingly articulate not only what they do, but why they matter, how they deliver impact more effectively than others, and how they intend to sustain their work overtime.



Technology, Innovation, AI and the Future of Development Practice

A major thread of the Outlook 2026 discussion centered on the role of technology, particularly artificial intelligence and data systems, in shaping the future of development practice in Nigeria. Panelists emphasized that Nigeria's most pressing challenges ranging from climate change and insecurity to health access, youth unemployment, and social inequality are complex, interconnected, and systemic in nature. These challenges cannot be effectively addressed through traditional project-based approaches alone.

The discussion highlighted that technology is no longer a peripheral tool but has become core infrastructure for development effectiveness. Data systems are now essential for program design, monitoring, evaluation, learning, and accountability. Artificial intelligence, when used responsibly, offers new possibilities for forecasting, service optimization, risk analysis, and evidence generation. Digital platforms increasingly shape how organizations collect feedback, engage beneficiaries, and report outcomes to funders.

At the same time, panelists cautioned against superficial or performative innovation. Technology should not be adopted for symbolic reasons or branding purposes but must be integrated into organizational systems in ways that genuinely improve decision-making and impact. This requires new forms of cross-sector

collaboration, particularly between development practitioners and professionals in engineering, data science, and technology sectors. The future of development, the session suggested, will be increasingly interdisciplinary, blending social science, public policy, digital systems, and organizational strategy.



Global Philanthropy and the Restructuring of Development Finance

From a global perspective, the Outlook 2026 discussion examined the changing architecture of development finance. Panelists observed that traditional bilateral aid is declining or becoming more constrained in several regions, while large private philanthropic actors are playing increasingly prominent roles in shaping global development agendas. Foundations such as MacKenzie Scott's philanthropic initiatives exemplify a new model of high-volume, high-trust, and impact-driven funding that contrasts with the more bureaucratic logic of traditional aid systems.

engagement, philanthropic logic often prioritizes speed, scale, and visible impact. As a result, organizations are now navigating a hybrid funding landscape that demands both systemic credibility and demonstrable results.

The session highlighted that modern philanthropic actors increasingly expect organizations to be agile, evidence-driven, and capable of operating at scale. This requires strong internal systems, clear organizational theories of change, and the ability to communicate impact in ways that resonate with non-traditional funders. Development organizations are therefore under growing pressure to professionalize, not only in technical expertise but also in strategic communication, data management, and institutional governance.

This shift has profound implications for development organizations. While traditional development logic emphasizes institutional strengthening, systems building, and long-term policy



The Rise of Strategic Nigerian Philanthropy

One of the most significant themes of the Outlook 2026 convening was the growing role of domestic Nigerian philanthropy. Panelists noted that Nigeria has a deep cultural tradition of giving, but historically much of this giving has taken the form of informal charity rather than structured philanthropic investment. In recent years, however, there has been a notable shift toward more strategic forms of domestic philanthropy.

High-net-worth individuals, corporate foundations, and private sector actors are increasingly committing substantial resources to education, health, climate, and social development initiatives. Examples such as the Dangote Foundation's trillion-naira pledge to the education sector illustrate that domestic capital exists at scale. However, panelists emphasized that this capital often struggles to find credible, well-structured, and accountable organizations to partner with.

The discussion suggested that the future of Nigerian philanthropy will be characterized by stronger coordination among investors, the growth of local giving platforms and coalitions, increased focus on impact measurement and ESG compliance, and a gradual shift from charity to strategic investment. For development



Health Sector Integration and Government Engagement

The Outlook 2026 also devoted significant attention to the health sector, which was used as a lens for understanding broader systemic challenges in Nigeria’s development landscape. Panelists argued that many development programs, particularly in health, remain fragmented and siloed. Organizations often operate in isolation, duplicating efforts and failing to engage meaningfully with government systems.

The discussion emphasized that sustainable development outcomes cannot be achieved without deeper institutional integration. This includes cross-sector collaboration across health, education, climate, faith-based organizations, and traditional institutions, as well as stronger

organizations, this presents both an opportunity and a challenge. Those that can demonstrate institutional maturity, transparent governance, and measurable impact will be well positioned to attract domestic philanthropic capital. Those that remain weak in structure, data systems, and accountability may be excluded from

engagement with state and local governments. Subnational government structures, in particular, were identified as critical sites of implementation, where policy intentions meet practical realities.

Panelists advocated a shift from “giving through” NGOs toward “giving to” systems and institutions. This implies prioritizing government ownership, strengthening public sector capacity, and aligning development interventions with national and subnational policy frameworks. In this model, NGOs and philanthropies become partners in system strengthening rather than parallel service providers.



Global Philanthropy and the Restructuring of Development Finance

A central conceptual contribution of the Outlook 2026 discussion was the critique of transactional partnerships in the development sector. Panelists observed that many partnerships are driven primarily by funding transactions rather than shared vision or strategic alignment. Such partnerships often produce short-term outputs but fail to generate long-term systemic change.

In contrast, the session proposed a model of vision-led collaboration, grounded in clear organizational theories of change, mutual dependency, and shared accountability. Effective partnerships, according to this framing, require organizations to understand their unique strengths, identify complementary partners, and commit to collective impact rather than individual visibility.

This approach challenges prevailing norms of competition within the development sector. Rather than competing for limited funding, organizations are encouraged to view themselves as part of interconnected ecosystems,

where collaboration, trust, and strategic alignment become sources of collective advantage. Innovation, in this model, is valuable only when it contributes meaningfully to shared outcomes rather than serving as an end in itself.



People, Leadership, and Institutional Capacity

Across all thematic areas, the Outlook 2026 discussion repeatedly returned to the central importance of people and leadership. Panelists emphasized that funding, technology, and strategy are ultimately secondary to human capacity. Without strong leadership, inclusive organizational cultures, and continuous professional development, even well-funded organizations struggle to sustain impact.

The session highlighted several challenges facing the development workforce, including talent migration, leadership succession gaps,

burnout, and limited mentorship structures. In response, panelists called for intentional investment in young professionals, inclusive leadership models that value both experience and emerging talent, and institutional systems that support learning, reflection, and professional growth.

The development sector, the discussion suggested, is undergoing a generational transition. The organizations that thrive in 2026 and beyond will be those that treat human capital not as a cost, but as a strategic asset.

Core Competencies for 2026 Readiness

Three categories of competencies emerged as essential:



Core Competencies

- Systems thinking
- Adaptive leadership
- Sustainable impact design
- Partnership brokering
- Proactive donor engagement



Behavioral Competencies

- Transparent storytelling
- Financial accountability
- Strategic communication



Technical Competencies

- Data literacy
- Digital fluency and responsible AI use
- Translating research into action

Key Strategic Implications

The Outlook 2026 revealed that:

- The sector is moving from **projects to systems**
- From **charity to strategic philanthropy**
- From **grants to partnerships**
- From **activity to measurable impact**
- From **organizational silos to ecosystems**



Next Steps and Recommendations

- Partners should engage local philanthropic institutions using standardized impact metrics, including cost-per-beneficiary, outcome efficiency, and value-for-money analyses.
- Sector organisations (NGOs and CSOs) should develop, document, and operationalize robust organisational Theories of Change that clearly articulate pathways from inputs and activities to outputs, outcomes, and long-term impact.
- NGOs and CSOs should invest in integrated data systems and ESG readiness.
- Sector organisations should design and scale revenue generating services to diversify income streams and enhance financial resilience.
- Organisations should strengthen collaboration with state-level governments and institutions to align programmes with sub-national development priorities, improve co-ownership, and support sustainable scale-up.
- Individuals and organisations should leverage regional and continental platforms for coalition building by utilize convening platforms such as the Africa Social Impact Summit to foster cross-sector coalitions.
- Sustain structured sector dialogue and coordination by convening strategic, evidence-driven sector dialogues to facilitate knowledge exchange, align interventions, and promote coordinated action across the social impact ecosystem.



Conclusion: Toward Strategic Maturity and Systems Leadership

The Nigeria Development Sector – Outlook for the Year 2026 marked a conceptual turning point in the Outlook series. While earlier editions focused on trends and uncertainty, the 2026 convening emphasized strategic maturity, institutional credibility, and system-level leadership.

The future of Nigeria’s development ecosystem, as articulated by the panelists, will be shaped less by the volume of funding and more by the quality of institutions, the strength of partnerships, the credibility of data systems, and the capacity of people and leadership. Organizations that succeed will be those that are structurally sound, ethically grounded, technologically enabled, people-centered, and vision-led.

Ultimately, the Outlook 2026 concluded that Nigeria’s development challenge is no longer simply about doing more projects, but about building stronger systems, more credible institutions, and more collaborative ecosystems capable of delivering sustainable, long-term impact.

Annexes: Insight Wall

Question and Answer Section

During the interactive segment of our session, our host, Dr. Kakanfo Kunle, facilitated a high-level Q&A, fielding critical questions directly from our participants.

The panel provided strategic clarity on four key areas raised by the audience:

1. On the \$2B US Commitment to UN Agencies

Question: What is the tactical role of the US Embassy in this funding?



FUNMI ADESANYA
U.S. Department of State

.....
This funding is structured as a high-level MOU with UN agencies for humanitarian assistance.

Strategic Note: This is distinct from direct bilateral pacts with the Ministry. Implementation will follow specific allocations.

2. On Scaling Innovation

Question: How can innovators effectively scale their influence?



DR. IBRAHIM GOBIR
Georgetown Global Health

.....
Avoid building in isolation. The path to scale lies in partnering with organizations that have boots on the ground to pilot and validate the model first. Demonstrate it works in the real world, then talk funding.

3. On Data & SDGs

Question: What role does research play in meeting SDG deadlines?



MRS. OLAPEJU IBEKWE
Sterling One Foundation

.....
The sector does not need more publications; it needs Actionable Intelligence. We need data that takes us from Point A to Point B, data that is usable and fundable.

4. On Tech & Private Sector Collaboration

Question: How do we leverage private sector tech for public health?



DR. OLUDARE BODURIN
Gates Foundation

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Technology must be Policy-Responsive. An EMR that works for a private hospital may not work in a public facility where infrastructure is low. Innovations must fit the public sector context.

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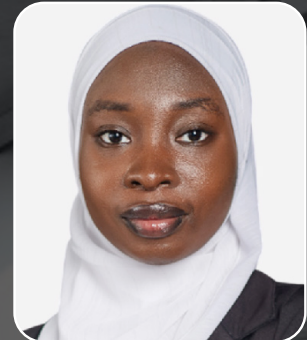
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