

**NCC ISSUES 2025 CORPORATE
GOVERNANCE GUIDELINES**





The Nigerian Communications Commission (NCC) on 6th of August 2025 unveiled the **2025 Corporate Governance Guidelines** which is a progressive update to the 2023 Corporate Governance guidelines. These new guidelines mark a significant shift in how licensed telecom and ICT companies are expected to manage board responsibilities, regulatory compliance, and sustainability reporting.

Compared to the 2023 guideline, the 2025 Guidelines established a more **targeted, flexible, and forward-looking approach**, towards regulatory compliance in Nigeria's communications sector.

CATEGORIZATION OF LICENSE HOLDERS:

One of the most notable improvements is the **introduction of phased compliance** by the NCC. Under the new rules, the NCC's compliance requirement is based on:

- The **category** of the licensee (e.g., Tier 1, Tier 2, Infrastructure Providers, ISPs, etc.)
- The **size, scope, and nature** of the licensee's operations
- Whether the licensee is new or existing

This approach is designed to improve **regulatory fairness and flexibility**, especially for smaller players who may not yet have the capacity to meet more rigorous governance standards immediately. See Section 4(3) of the 2025 guidelines.

APPOINTMENT OF REGULATORY OFFICER

Under the new rules, the telecom company is expected to have a **Regulatory Officer** who is expected to act as a key compliance liaison between the Company and the NCC the Licensee Company. The Liaison is responsible for interfacing with the Commission and ensuring timely submissions of compliance reports, audit responses, and other regulatory filings. This move formalizes accountability at the operational level and reinforces real-time compliance oversight.

EXPERTISE IN ICT FOR DIRECTORS

The 2025 Guidelines also raise the bar on board expertise. While the 2023 guidelines emphasized board independence and diversity, the new guidelines require that at least two non-executive Directors, one of whom must be an independent director, possess specific expertise in ICT and/or cybersecurity. In a sector increasingly threatened by cyber risks and technological disruption, this requirement enhances board-level preparedness and sectoral competence.

FLEXIBLE GOVERNANCE STRUCTURE

Under the new Guidelines, Governance structures are also refined. Licensees may now **merge their Audit and Risk Committees**, a practical concession for operators with leaner boards. Similarly, rather than relying on external auditors, the 2025 Guidelines now mandate the use of **independent consultants** for annual board performance reviews, ensuring greater objectivity and transparency.

TENURE OF DIRECTORS

In terms of director tenure, the NCC has introduced a more nuanced framework. Independent non-executive directors are now limited to **two four-year terms (a maximum of eight years)** tenure, while other directors can serve for up to **ten years**. The cooling-off period has also been reduced from **five to three years**, with specific carve-outs to facilitate executive-to-CEO transitions, balancing governance discipline with business continuity.

SUSTAINABILITY COMPLIANCE

Perhaps the most strategic improvement under the Guidelines is the sustainability obligations placed on Licensee Companies. The new rules require licensees to submit an **annual Sustainability and CSR Report** that outlines their environmental, social, and governance (ESG) goals and achievements, including details on renewable energy adoption. ESG is no longer a peripheral consideration, it is now a core compliance issue, in line with global trends.

IMPLICATIONS FOR THE COMMUNICATIONS SECTOR

These updates carry significant implications for telecom operators, ISPs, infrastructure providers, and other Companies Licensed by the NCC. First, companies are now required to **audit their current governance structures**, ensuring that they meet the new expectations around board composition, committee roles, and ESG disclosures. Secondly, firms must **review their directors' appointments and succession plans** to comply with the updated tenure limits and new requirements.

Finally, the emphasis on ESG and the appointment of a Regulatory Officer signal a move toward **continuous engagement and accountability**, not just annual box-ticking. Companies that embrace these changes proactively will be better positioned to demonstrate integrity, attract investment, and build public trust in an increasingly scrutinized sector.



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