

ATHENA PERSPECTIVES

Fresh and Deep Dimension to the News

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1.1 Assessing The Early Impact And Implementation Of Nelfund: A Policy Brief.

In a bid to prioritize higher education in Nigeria, President Bola Tinubu signed the Student Loan (Access to higher Education) bill into law on April 3, 2024. He officially announced and launched the Nigerian Education Loan Fund (NELFUND) on July 17, 2024 to enable eligible Nigerians have access to higher education without significant barriers. This signalled a historic shift in higher education financing in Nigeria.

The purpose of student loan is to remove financial barriers to higher education and academic pursuit by Nigerians. The mandate of NELFUND is to provide interest free loans for tuition, equal access to higher education for all eligible candidates and reduce financial stress on students and families. Over 453,687 students have applied for the loan as of January 1, 2025. However, as NELFUND is still in its first year of operation, it is critical to assess its early implementation to ensure transparency, efficiency, and long-term sustainability.

This brief will examine the mode of disbursement, qualification criteria, funding sustainability, and oversight mechanisms of NELFUND, identifying strengths, emerging challenges, and opportunities for improvement.

Disbursement Mechanism: Efficiency and Accessibility

Student loan was established to break financial barriers in higher education for students of Nigerian origin who are enrolled in public tertiary institutions in Nigeria. The registration process for student loan is simplified online by filling the application forms and uploading admission letter for new students or students' identification card for old students. The final step is the review of application. After successful verification, payments are made to the applicants' institution while the upkeep allowance are paid to the personal bank account of applicants. 192, 906 students from 133 tertiary institutions across the six geopolitical zones of Nigeria have benefited from the student loan program as of January 1st, 2025.



Delays in verification have been reported by students, leading to concerns over timely disbursement. Some students who reside in rural areas with limited internet access face difficulties applying for student loan. Despite these noticeable challenges, there is currently no public transparency portal for tracking fund disbursement and utilization.

Eligibility Criteria

Only Students of Nigerian origin who reside in Nigeria are qualified to apply for student loan. They must also be enrolled in a public tertiary institution (state or federal) to be eligible. Private institution students are not eligible to apply despite the rising cost of tuition. Regional disparities exist in the early disbursement of student loan as the North West geopolitical zone received the highest loan amount of 5,841,198,505.80 while South East received the lowest from NELFUND totalling N1,334,643,576.00 disbursed to 10,525 students from 19 tertiary institutions. The South West and South South received N5,009,770,619.75 and N1,412,590,230.00 respectively. It is expected that NELFUND should make public the number of students who applied for loans, number of students whose application was approved, their genders and state of origin and number of physically challenged students who received the loans.





Disqualifying students in private tertiary institutions from accessing student loan raises concern about equity and fair play. Regional disparities observed in the disbursement of loans according to geopolitical zones may reflect differences in application but may also be largely due to accessibility and awareness in the regions with low turnout. It becomes imperative to create more awareness in the under-represented geographical areas. The absence of an efficient vetting mechanism may allow ineligible students to access the loans.

Funding and Sustainability

NELFUND is funded by the Federal Inland Revenue Service (FIRS) and the Tertiary Education Trust Fund (TETFUND). With over N130 billion in its coffers, NELFUND is not lacking funds to meet its objectives. The federal government allocated N175.13 million to NELFUND in the 2025 budget. NELFUND intends to register 1.2 million students in 2025. Nigerians are sceptical about the repayment plan of student loan which has not been subjected to test. Fears of keeping students indebted for a long time have been expressed by stakeholders. Long term feasibility seems uncertain. Again, reliance on government funding may affect future disbursements. In the absence of diversified revenue streams, NELFUND may be incapacitated to meet rising demands for student loan.

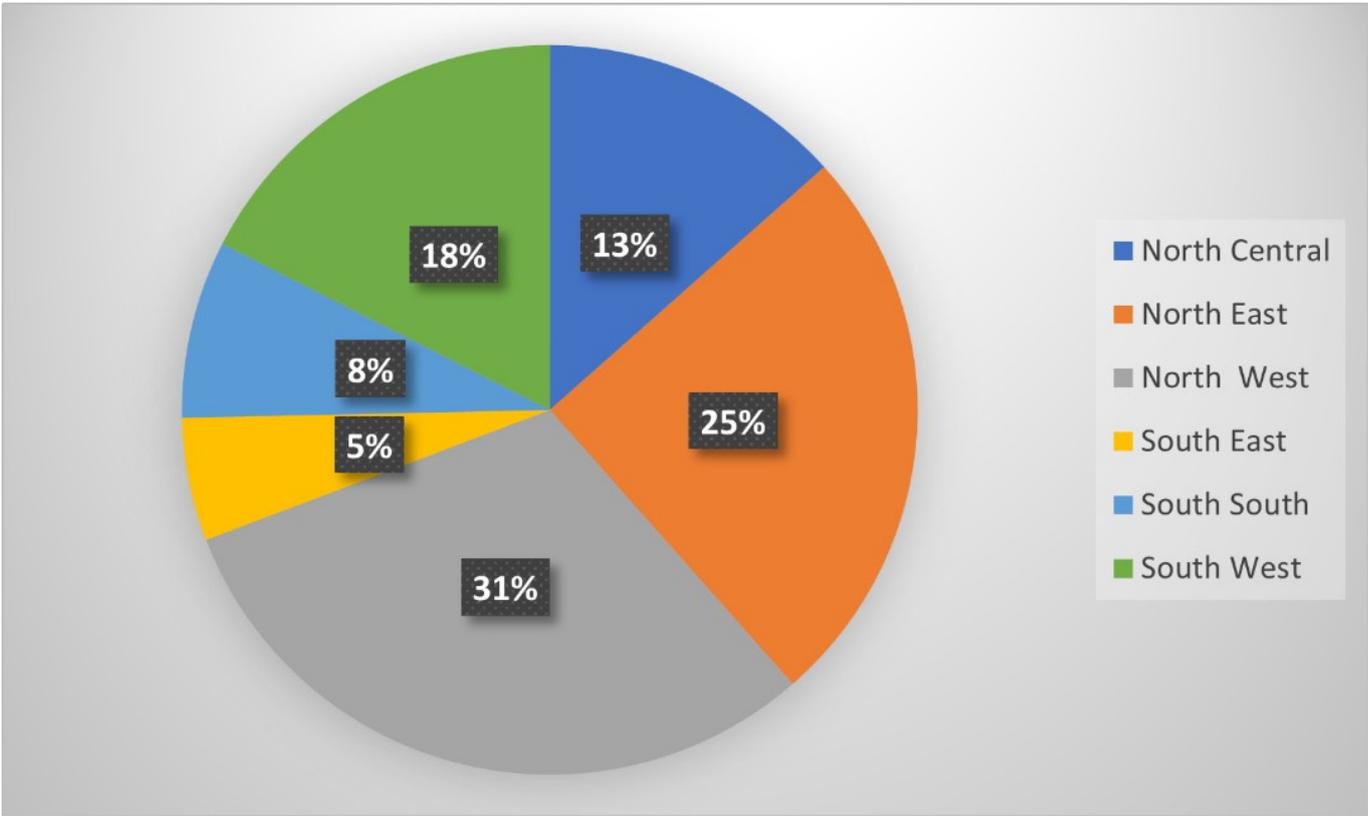
Accountability and Policy Considerations

The repayment plan for student loan commences two years after the compulsory National Youth Service Corp (NYSC). The graduate who must have been gainfully employed begins to repay the loan without interest. Ten percent (10%) of the beneficiary’s salary is deducted every month by the employer until full repayment. Self-employed beneficiaries are required to remit 10% of their monthly profits to NELFUND. If the beneficiary is unable to secure employment two years post NYSC, the beneficiary notifies NELFUND by sworn court affidavit every 3 (three) months. However, no central monitoring dashboard exists to track fund utilization at institutional levels. There is likelihood of non-repayment of loan by graduates if enforcement mechanisms are weak especially since the loan is interest-free. Without clear oversight, there is a possibility for multiple applications. No requirement for public periodic public on loan disbursement and effectiveness.

A total of **N20,075,050,006.55** was disbursed to 192,906 students from the following institutions and geopolitical zones:



Geopolitical Zone	No of Institutions	No of Students	Loan Amount
North Central	18	25,859	2,534,781,588.00
North East	25	48,449	3,942,065,487.00
North West	24	59,187	5,841,198,505.80
South East	19	10,525	1,334,643,576.00
South West	29	33,707	5,009,770,619.75
South South	19	15,179	1,412,590,230.00
TOTAL	133	192, 906	20,075,050,006.55



Student loan debt around the Globe

The United States has one of the largest student loan markets in the world. With tuition fees often exceeding \$30,000 per year for private institutions, students rely heavily on loans to finance their education. The total student loan debt in the U.S. has surpassed \$1.7 trillion, making it a significant economic issue. Student loans play a crucial role in higher education financing, enabling millions of students to pursue degrees they might not otherwise afford. However, the long-term impact of student debt varies significantly across different regions. While countries in Europe tend to have lower tuition fees and more state support in the form of grants, the United States has one of the highest student debt

burdens globally. The average student loan debt per borrower is approximately \$37,000. Graduates struggle to repay their loans, leading to financial stress and delayed life milestones. In contrast to the U.S., many European countries offer free or low-cost higher education, reducing the need for student loans. However, some countries, such as the UK, have adopted a tuition-based model similar to the U.S. Germany, Norway, and Sweden provide tuition-free education at public universities, limiting the need for student borrowing. The United Kingdom has one of the highest student loan burdens in Europe, with graduates owing an average of £45,000 (\$57,000). The repayment system is income-based, meaning graduates only repay if they earn above a certain threshold. Nigeria's student loan scheme, though a welcome development, requires careful assessment to determine whether the federal government should adopt the European model of lower tuition and grants to enable student pursue higher education without the burden of debt after graduation.

Recommendations

1. Real-time tracking system for disbursements should be established for NEFUND with improved student support services to handle complaints linked to verification delays. A digital access assessment should also be conducted to ensure students in rural areas can apply for student loan without hindrances.
2. Regional demand analysis must be conducted to determine if the disbursement of loans reflects the educational needs of regions. A needs-based allocation system should be introduced in other to prioritize students from low socio-economic backgrounds and accommodate licensed private institutions.
3. To ensure long-term sustainability, NELFUND should not rely solely on government allocations. Alternative funding sources such as public-private partnerships, education bonds, donor contributions, and alumni endowments should be explored.
4. A transparent and efficient loan repayment system should be implemented, including automatic deductions from salaries for employed beneficiaries and flexible repayment options for those in informal sectors. A strong legal framework should be put in place to prevent loan defaults.
5. Annual audit and periodic evaluation of NELFUND policies and operations should be conducted to identify areas for improvement and enhance transparency.
6. Engaging stakeholders such as universities, financial institutions, and student associations will help in adapting the program to evolving educational and economic realities.
7. Finally, a centralized monitoring portal where loan beneficiaries' repayment and disbursement details are publicly accessible is essential.

Conclusion

The establishment of NELFUND by the federal government is a laudable initiative and a bold step in democratizing access to higher education in Nigeria. However, to ensure its long-term effectiveness, early-stage refinements must be made. Addressing disbursement inefficiencies, eligibility concerns, funding sustainability, and oversight gaps will determine whether NELFUND becomes a transformational success or another struggling government scheme. Policymakers must act now to fine-tune implementation, ensuring that this ambitious initiative achieves its full potential in bridging educational disparities and fostering national development. An efficient repayment mechanism must be put in place if this program will be sustainable.

AUTHOR
DR UZOR NGOLADI
SENIOR FELLOW
ATHENA CENTRE FOR POLICY AND LEADERSHIP



2. Issues in the News:

Top four stories on our thematic areas in Nigeria

WAEC releases 2024 private candidate's results, withholds 2,577

The West African Examinations Council (WAEC) has announced the results for the 2024 second series of the West African Senior School Certificate Examination (WASSCE) for private candidates, revealing that 43,923 candidates (67.55%) secured credit and above in at least five subjects. According to a statement by WAEC's Acting Head of Public Affairs, Moyosola Adesina, a total of 65,023 candidates sat the examination, with 34,878 (53.64%) attaining credit and above in five subjects, including English language and Mathematics. The results reflect a 9.35% improvement compared to the previous years, where only 42.16% (2022) and 44.29% (2023) achieved similar success.

For more: <https://dailyblastng.com/waec-releases-2024-private-candidates-results-withholds-2577/>



NAFDAC uncovers two warehouses with expired drugs in Abia

Two warehouses at No 269, Sam Mbakwe Road (formerly Faulk's Road), Aba, stocked with expired drugs, have been uncovered by men of the National Agency for Food and Drug Administration and Control NAFDAC. A statement from the agency says during the raid, it was discovered that suspects had removed some cartons of expired but relabelled drugs before security reinforcements arrived.

For more: <https://dailyblastng.com/nafdac-uncovers-two-warehouses-with-expired-drugs-in-abia/>



Access to Aid Over, Okonjo-Iweala Asks African Leaders To Be Innovative

The Director General of the World Trade Organisation (WTO), Dr Ngozi Okonjo-Iweala, has asked African leaders to look inward for funding opportunities for the continent. "Access to aid, I think we can begin to think of it as a thing of the past," the former Nigerian finance minister said at the headquarters of the African Union in Addis Ababa.

For more: <https://www.channelstv.com/2025/02/16/video-access-to-aid-over-okonjo-iweala-asks-african-leaders-to-be-innovative/>

3. Regional Updates

Top stories from Benin, Cameroon, Chad, and Niger (BCCN)...

Two men close to Benin's president sentenced to 20 years in prison for coup plot

Two men close to Benin's president were sentenced to 20 years in prison on Thursday, following their arrest last year on suspicions of plotting a coup in the small West African country. Olivier Boko, a businessman and



longtime friend of President Patrice Talon, and Oswald Homeky, a former sports minister, were found guilty of "conspiracy against state security" and "corruption of a public official" by the court for financial crimes and terrorism in the capital, Cotonou. Both men were arrested in September after being accused of bribing the commander in charge of the president's security to carry out a coup.

For more: <https://www.independent.co.uk/news/benin-ap-lawyers-latin-america-caribbean-b2689537.html>



Cameroon's new generation biometric ID card system goes live Feb 17

The Delegate General for National Security (DGSN) – the head of Cameroon's Police – Martin Mbarga Nguete, has announced that the country's new secure identification system will go operational in two weeks' time.

Mbarga Nguete disclosed the information Friday January 31 during a ceremony to review the DGSN's balance sheet of 2024, and to make major projections and project announcements for the new year.

For more: https://www.biometricupdate.com/202502/cameroons-new-generation-biometric-id-card-system-goes-live-feb-17?utm_source=chatgpt.com

Chad investigates foiled attempt to storm presidential compound

A foiled attack on Chad's presidential compound overnight was carried out by a group of two dozen armed "ill-intentioned individuals" who were neutralised by security forces, the public prosecutor said on Thursday, though details of the incident remained unclear. Bursts of gunfire rang out near the president's office in the capital N'Djamena on Wednesday night as the military blocked surrounding streets. The government said later it had foiled an attempt to destabilise the country and the situation was under control.

For more: https://www.reuters.com/world/africa/chad-says-foiled-attack-presidency-was-work-disorganised-intoxicated-group-2025-01-09/?utm_

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Athena Centre for Policy and Leadership

info.centre@athenacentre.org