

CAMPAIGN FINANCE & SPENDING LIMITS UNDER THE ELECTORAL ACT 2026



BACKGROUND

The Electoral Act 2026 makes substantial revisions to Nigeria's campaign finance framework. Sections 89, 91, 92, and 93 and 94 collectively govern INEC's power to limit contributions to political parties, candidate spending limits, prohibition on political party ownership of foreign funds, and party expenditure reporting. The most consequential changes are the increased spending limits across all elective offices, ranging from 100% to 400%, and a tenfold rise in the individual donation cap, from N50 million to N500 million.

WHAT THE LAW PROVIDES

Section 89 reinforces the constitutional ban on parties holding or retaining funds outside Nigeria. Violations attract forfeiture of such funds or assets to INEC plus a potential minimum fine of N5,000,000.

Section 91 empowers INEC to cap contributions by individuals to parties or candidates, and to demand source-of-funds information. A party exceeding the limit faces a fine of up to N10,000,000 and forfeiture; an individual faces five times the amount in excess of the prescribed limit.

Section 92: Candidate Spending Limits

Section 92 sets the maximum campaign expenditure a candidate may incur from the date of notice of election to polling day. All caps are substantially higher than the 2022 Act:

Office / Position	2022 Act (S.88)	2026 Act (S.92)	Change
President	N5,000,000,000	N10,000,000,000	100%
Governor	N1,000,000,000	N3,000,000,000	200%
Senator	N100,000,000	N500,000,000	400%
House of Representatives	N70,000,000	N250,000,000	257%
State House of Assembly	N30,000,000	N100,000,000	233%
Area Council Chairmanship	N30,000,000	N100,000,000	233%
Area Council Councillorship	N5,000,000	N10,000,000	100%
Donation Cap (per individual/ entity)	N50,000,000	N500,000,000	900%

Source: Electoral Act 2022 (S.88) and Electoral Act 2026 (S.92). All figures in Nigerian Naira (N).

Penalty regime (S.92): A candidate who violates the spending ceiling is liable to a fine of 1% of the permitted limit or 12 months' imprisonment, or both upon conviction. A party that spends beyond the limit is liable on conviction to forfeiture of the excess amount and a maximum fine of N10,000,000, representing a tenfold increase from the amount in the 2022 Act.

An individual or entity which donates beyond the N500,000,000 limit faces a fine of five times the excess amount. This represents a departure from the provision in the 2022 Act which provided for a fine of N500,000, a nine-month prison term or both. Accountants who falsify campaign expenditure records face a fine of at least N5,000,000 (up from 3,000,000 in the 2022 Act) or three years' imprisonment upon conviction, directly targeting professional enablers of financial misconduct.

Section 93: Party Election Expenses

Section 93 governs party-level expenditure. Key obligations include:

- Submission of a separate audited return to INEC within six months of the election, signed by party auditors, countersigned by the party chairman, and supported by a sworn affidavit.
- Disclosure of all amounts spent, items of expenditure, commercial value of goods and services received, and names, addresses, and amounts contributed by each donor.
- Publication of the return in at least two national newspapers and on the party's official website.
- A fine of up to N10,000,000 for non-filing of audited return, plus N1,000,000 per day for every day the return remains overdue after the deadline. In 2022 Act, these provisions stood at N1,000,000 and 200,000 per day respectively.

Section 94: Disclosure Of Accounts By Parties

Section 94 governs disclosure obligations on political parties in respect of contributions received. Some changes from the 2022 Act (S.90) are notable.

First, the threshold above which a donor's name and address must be recorded has been raised from N1,000,000 to N100,000,000. This hundredfold increase significantly narrows the disclosure net and means the vast majority of contributions will no longer trigger mandatory donor identification.

Second, Section 94 (3) Act restricts parties from accepting donations which are above the prescribed limits in Section 92 (1) and prescribes a fine of at least N5,000,000 and forfeiture of the excess amount. This appears to be a cross-referencing error as Section 92(1) deals solely with expense limits for candidates, not parties. Also, in the 2022 Act, the corresponding Section (S.90(3)) contained a provision which restricted political parties from accepting donations above N50,000,000 unless they could "identify the source of the money... to the Commission". This requirement has been removed in the 2026 Act.

The three-month post-election reporting obligation to INEC in Section 90(4) of the 2022 Act is retained unchanged in Section 94(5) of the 2026 Act.

Overall, raising the donor identification and recording threshold from N1 million to N100 million weakens transparency at the point of party fundraising, which is precisely where much of Nigeria's political financing originates.

ANALYSIS AND IMPLICATIONS

I. Are the increases justified?

The increments have been framed within the context of naira depreciation and current economic realities.

However, they significantly outpace inflation and raise concerns about structural barriers for grassroots candidates, including women, youth and persons living with disabilities (PWDs), and the growing role of elite financial networks in political competition. This will increase the reliance of candidates on spend, rather than ideological positions to generate support and contributes to the continued monetisation of Nigerian elections.

Beyond candidate access, higher spending limits may contribute to inflationary and foreign exchange pressures ahead of the 2027 elections. Collectively, these changes suggest a system in which financial capacity could increasingly shape electoral outcomes, while expanding the risk of vote-buying.

Implication: The tenfold increase in the individual donation cap (from N50m to N500m) significantly increases the influence of donors on candidates. Without robust enforcement of disclosure requirements under Section 93, this risks accelerating the monetisation of elections under a veneer of legality.

2. Enforcement: The Credibility Gap

The Act strengthens the penalty framework on paper. However, Nigeria's electoral history reveals a consistent gap between statutory penalties and actual enforcement. INEC has historically lacked the investigative capacity and prosecutorial leverage to pursue campaign finance violations at scale. The 2022 Act contained similar provisions that were rarely enforced. Critical questions the Act leaves

unanswered: What is INEC's mechanism for verifying candidate expenditure returns? How will the Commission monitor campaign spending?

Implication: The strengthening of electoral offence penalties is commendable. However, enforcement of these provisions are rare. The Section 93 publication requirement (donor names, addresses, and amounts in national newspapers and party websites) creates a public accountability record, but only if INEC ensures enforcement.

KEY TAKEAWAYS

1.	Spending limits have increased across all offices by 100%–400%; the donation cap has risen 900%, changes that go well beyond inflation adjustment.
2.	The tenfold donation cap increase risks enabling elite capture of electoral financing — a single entity can now legally provide a candidate with N500 million.
3.	Penalties are stronger on paper, but enforcement credibility, not statutory language, is the real determinant of whether these provisions have any effect.
4.	Section 93's disclosure and publication requirements for party expenditure are a genuine transparency opportunity, contingent on consistent INEC and judicial enforcement.

This factsheet is produced by the Policy and Legal Advocacy Centre (PLAC) as part of a series on the Electoral Act 2026.



About PLAC

Policy and Legal Advocacy Centre (PLAC) is a non-governmental organization committed to strengthening democratic governance and citizens' participation in Nigeria. PLAC works to enhance citizens' engagement with state institutions, and to promote transparency and accountability in policy and decision-making process.

The main focus of PLAC's intervention in the democratic governance process is on building the capacity of the legislature and reforming the electoral process. Since its establishment, PLAC has grown into a leading institution with capacity to deliver cutting-edge research, policy analysis and advocacy. PLAC receives funding support from donors and other philanthropic sources.

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