



# THE NIGERIA STARTUP BILL: NATIONAL STAKEHOLDERS ROUNDTABLE

## WHITE PAPER

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## 1.0 EXECUTIVE SUMMARY

The Nigeria Startup Bill (NSB) is the single most important legislation that can help protect Nigeria's nascent technology entrepreneurship ecosystem and catalyse the growth of technology startups in the country. As a response to the ongoing conversations on the NSB and to facilitate its enactment and implementation, the Digital Economy Policy Commission (DEPC) of the Nigerian Economic Summit Group (NESG) convened a "national roundtable" of stakeholders from both the public and private sector on the 14th of September 2021. The event sought to provide a platform to assess the key provisions of the Nigeria Startup Bill, evaluate the opportunities that the Bill will unlock for Nigeria's technology entrepreneurship ecosystem, and lay the foundation for ongoing collaboration for the development of the tech ecosystem in the country.

The dialogue session was one of the Pre-Summit events that engaged stakeholders in a series of virtual conversations and sessions that culminated in the **27<sup>th</sup> Nigerian Economic Summit (NES #27)**, that held from October 25 – 26, 2021. The conversations formed part of the overall Summit conversation for public and private sector stakeholders to explore and conceptualise ways Nigeria can reverse poor economic trends, improve the human capital base of the economy, mitigate security challenges, and lay the necessary foundation that will leapfrog Nigeria into a future of high and sustained inclusive economic growth. The Summit proper convened national and global leaders in government, business, politics, civil society, and academia through a hybrid platform of in-person and virtual dialogues to deliberate on the theme *'Securing Our Future: The Fierce Urgency of Now'*.

The roundtable provided the platform for the Minister of Communications and Digital Economy and other government executives, national stakeholders, leaders of academia and captains of industry to evaluate the opportunities that the Nigeria Startup Bill will unlock for Nigeria's technology entrepreneurship ecosystem and discuss its key provisions. The Bill has been submitted in the office of the Ministry of Justice and all other stakeholders involved in the process of passage. As is the case over time in Nigeria where policies are not implemented, a Monitoring and Evaluation Council has been created with the President as Chairman to ensure that all the provisions of the Bill are effectively implemented. The council is comprised of stakeholders including representatives from the private sector.

**As one of the outcomes of the Dialogue Session, the Honourable Minister endorsed the creation of the Digital Economy Industry Working Group by the NESG in collaboration with the Federal Ministry of Communications and Digital**

**Economy. The Working Group will provide a continuous and sustainable framework for collaboration between the public and private sectors towards developing the Digital Economy ecosystem in Nigeria.**

This White Paper seeks to evaluate the opportunities that the Nigeria Startup Bill will unlock for Nigeria's technology entrepreneurship ecosystem while creating stakeholders' awareness of the importance of the entrepreneurship ecosystem in achieving Nigeria's long-term Digital Economy objectives.

The White Paper will also explore strategies to aid the implementation of the Bill. The strategies cut across the Private Sector, Public Sector, and academia. The strategies address salient issues that could stifle the Nigeria Startup Bill while also providing recommendations to see that the Bill is fully implemented.

The first line of action as recommended at the Webinar is the setting up of a **Monitoring and Evaluation System** to aid the implementation of the Bill. A functional monitoring and evaluation system is crucial to the effective implementation of the Nigerian Startup Bill. As such, an implementation agency should be established to oversee the implementation of the Bill. The agency should be mandated with ensuring that the Bill is not in conflict with any provisions of the constitutions and other legislative orders. The agency should also act as an intermediary between regulators and players in the ecosystem. More importantly, the implementation agency should function as a business-oriented entity (like the Singaporean Monitoring Authority) to ensure effectiveness in its service delivery.

The second quick win from the Webinar is the need to **Channel Startup Funds through Entrepreneur Support Organisations. Entrepreneur Support Organisations such as accelerators and incubators** should be at the centre of government-supported funding schemes or government partnerships with international organisations because the average startup can easily access them to secure funds and receive advisory services. The startup bill should also incentivise commercial banks to provide startups with long-term loans at low-interest rates.

**Other recommendations at the roundtable include the need to:**

- Invest in Ideation Hubs and Work Stations,
- Incorporate higher institutions and research institutes into the startup ecosystem,
- Simplify the registration process for startups and facilitate easy access to government agencies

- Create Market Access for Startups and Encourage the Patronage of Indigenous Products
- Provide Incentives to Startups
- Ensure the proper definition of key terms in the startup bill
- Engage Sub-nationals for effective implementation of the Bill
- Foster collaboration with the private sector to facilitate the implementation of the Bill
- Commit to the transformation of the educational system
- Identify and empower champions

## 2.0 INTRODUCTION

The Nigeria Startup Bill is a joint initiative by Nigeria's tech startup ecosystem and the Presidency to harness the potential of Nigeria's digital economy through co-created regulations. If implemented, the Nigeria Startup Bill would assist in unlocking value in the business environment by increasing local support for entrepreneurs and attraction to global venture capital investors. This would spur innovation, create jobs, and build trust between the government and entrepreneurs.

Nigeria has a vibrant startup ecosystem (over 750 startups) which has progressed remarkably over the last 5 years. A growing number of success stories involving digital and impact-focused businesses are driving investor engagement and startup support. Just recently, Flutterwave announced a whopping \$170 million Series C round, officially crossing the line of \$1 billion in valuation and joining Interswitch to earn the unicorn title stemming from the African continent.

Although beaming with great potential, the government policies make it difficult for tech entrepreneurs and investors to remain excited. Promising startups that have the potential to contribute significantly to the economy have had to stop operations due to the rapidly shifting position of the government. This year alone, the transacting of cryptocurrency through banks has been regulated, while Twitter has been temporarily banned in the country. These moves have prompted business leaders to approach the government for a more consistent regulatory approach.

With the uprise of several stringent regulatory decisions, the survival of startups and growth of Nigeria's tech ecosystem is becoming more a mirage rather than promising. Regulatory agencies need to properly channel their influence towards creating an enabling environment by establishing structures and legislation to harness Nigeria's startup potential rather than toughen their growth.

However, for this to be achieved, the various key stakeholders of the Nigeria Startup Ecosystem which include startups, incubators, accelerators, educational and research institutions, service providers, large companies and investors should be adequately incentivised so that they will be encouraged to wholly get involved in creating jobs and contributing significantly to our Gross Domestic Product (GDP).

### 3.0 STRUCTURE OF THE NIGERIA STARTUP BILL: NATIONAL STAKEHOLDERS ROUNDTABLE WEBINAR

The Webinar was hosted by the Nigerian Economic Summit Group (NESG) Digital Economy Policy Commission on Thursday, the 14<sup>th</sup> of October, 2021 with theme **“The Nigeria Startup Bill: National Stakeholders Roundtable”**.

The one-day Webinar was structured as follows:

1. Keynote Address by the Honourable Minister, Federal Ministry of Communications and Digital Economy: Dr. Isa Ali Pantami
2. Goodwill Messages:
  - Mr. Oswald Osaretin Guobadia-SSA to the President on Digital Transformation
  - Ben Llewelyn Jones - British Deputy High Commissioner. Represented by Ms. Adaeze Soka- Country Director, UK-Nigeria Tech Hub.
  - Hon Abubakar Lado - Chairman, House Committee on Information, Communications and Technology. Represented by Mr. Davidson Oturu, Partner, AELEX Legal.
3. Opening Remarks by the Chief Marketing Officer, MTN Nigeria, Ms. Adia Sowho
4. Session Paper Presentation
  - Session Paper I – What are the key provisions of the proposed Nigeria Startup Bill?
    - Presented by: Mr. Kassim Sodanoyi-Head of Legal Drafting Team, NSB
  - Session Paper II – Global best practices and perspectives from other countries who have passed startup legislations.  
Presented by: Mr. Jon Stever- Executive Director, i4Policy.
5. Breakout Sessions/Deep Dives
  - Breakout Session I: Enabling legislation that works for the ecosystem
    - Facilitator: Mr. Jude Feranmi - Chief Executive Officer, Republicraft
  - Breakout Session II: Incentives for key stakeholders in the startup ecosystem (Startups & Investors)
    - Facilitator: Mr. Tosin Faniro-Dada - Managing Director, Endeavor Nigeria

- Breakout Session III: Making the Startup Bill Work: Governance for Effective Implementation
  - Facilitator: Ms. Yemi Keri - CEO, Heckerbella Ltd

Mr. Bunmi Akinyemiju, the NESG Digital Economy Policy Commission Facilitator moderated the session. Mr. Emmanuel Adegboye, Co-Lead, Digital Skills, Innovation & Entrepreneurship Thematic Group (of the NESG Digital Economy Policy Commission), moderated the Panel Sessions, which was constituted of representatives from the Government, Industry and the Technology sector.

#### **4.0 TARGET OUTCOMES OF THE WEBINAR**

The target outcome of the Webinar organised by the Digital Economy Policy Commission were:

1. To discuss Nigeria's long-term vision for innovation and the impact of government decisions on the development of Nigeria's technology entrepreneurship ecosystem.
2. To evaluate the opportunities that the Nigeria Startup Bill will unlock for Nigeria's technology entrepreneurship ecosystem.
3. To discuss key provisions of the Nigeria Startup Bill and get commitment from key representatives from the National Assembly that the Bill will be passed into law.
4. To facilitate the involvement of key stakeholders from the public and private sectors and lay the foundation for ongoing collaboration to develop Nigeria's technology entrepreneurship ecosystem.

#### **5.0 IMPLEMENTING THE NIGERIA STARTUP BILL WITH PRIVATE SECTOR PARTICIPATION TO DELIVER BETTER OUTCOMES**

The NESG's Digital Economy Policy Commission (DEPC) drives the charge for private sector-led efforts aimed at developing the Nigerian Digital Economy through Public-Private Dialogues, Industry Forums, Policy Reforms and Thought Leadership Publications.

The Honourable Minister, Federal Ministry of Communications and Digital Economy, Dr. Isa Ali Pantami gave the keynote address to set the tone for conversations at the event. In his address, the Honorable Minister gave an update on the approval of the startup bill. He noted the following in his speech:



- I. *Startups are not job seekers but job creators who come up with innovative real-life solutions to a problem in existence. According to recent research released in 2021, the value of global startups is about 3.8 trillion USD, higher than the individual gross domestic product of maybe 7 countries. The startup bill is a co-creation of both public and private stakeholders.*
- II. *Startups are essential because there is a need to create many more jobs, without which the economy will not develop effectively. In his words, Nigeria as a country will not be able to create more jobs for our citizens; we will not be able to develop our economy effectively, we will not be able to be the giant of Africa until and unless we can manufacture what we need and also to consume when we manufacture. The Minister noted that the country has abundant talent to make the country proud. Government, however needs to provide the enabling environment for them to thrive. There is also the need to encourage partnership/collaboration between the public and private sectors to design sustainable policies that work for all stakeholders.*
- III. *The Office of the Attorney General of the Federation, and the Minister of Justice have been brought to speed on the progress made on the Nigeria Startup Bill to enable its quick facilitation by the executive arm of government and a favorable consideration by the National Assembly. There has also been an inauguration of a Monitoring and Evaluation Council on executive order 005, which was signed by Mr. President on the 12th of February 2018.*
- IV. *The Minister noted that he hopes that once approved, the Bill will represent another turning point for the country's success in developing the indigenous technology sector, particularly in the digital economy sector. He also noted that the key recommendations from the roundtable be sent to him for presentation to the federal government of Nigeria, through his office for consideration either in the Nigeria start up Bill, or in any area where government intervention is required.*
- V. *Finally, the Minister endorsed the inauguration of the Digital Economy Industry Working Group, a collaboration between the NESG and the Federal Ministry of Communications and Digital Economy.*

The **NESG Digital Economy Policy Commission (DEPC)** acknowledged the efforts of the Ministry of Communications and Digital Economy in the Development of the **Nigeria Startup Bill**. The establishment of a Monitoring and Evaluation Council by the President to ensure the effective implementation of the Bill was also applauded by the



DEPC. Finally, the Policy Commission commended the Minister's endorsement of the **Digital Economy Industry Working Group**, which provides a **continuous and sustainable framework for collaboration between the public and private sector towards developing the Digital Economy ecosystem in Nigeria**.

## 6.0 IDENTIFIED ISSUES AND CHALLENGES

Despite the vibrant startup ecosystem in Nigeria with over 750 startups that have progressed remarkably over the last 5 years, the startup ecosystem still faces significant challenges that have limited its potentials. Some of the issues highlighted by stakeholders at the roundtable include:

### 1. Constrained access to funding

A major challenge confronting startups in the country is the lack of access to capital. Commercial banks currently give out loans at high-interest rates, which are not affordable for startups. Other funding sources like Angels and venture capitalist firms are not well established in the country.

### 2. Lack of Adequate Infrastructure and Constrained Access to Markets

Infrastructure critical to the growth of startups such as access to stable electricity supply and high-speed internet connectivity is largely not available in the country. Startups also struggle to grow their businesses due to a lack of market access.

### 3. Multiplicity of complex and inconsistent regulations

The rise in the number of stringent regulatory decisions hinders the survival of Nigerian startups' and constrains the growth of the country's technology ecosystem. Moreover, regulators have mainly focused on the wrong areas and have not considered industry and market changes when designing their laws.

### 4. Inadequate support system in the ICT sector

There is also a lack of support mechanisms (funding, infrastructures, tax incentives, enabling environment, among others) from the government to startups. This has prevented the startup ecosystem in Nigeria from actualising its potentials despite the global trends in technology. Many startups are also unaware of the incentives already made available by the government.

## **5. Lack of involvement of sub nationals**

Subnational governments are not involved in the design and implementation of policies and legislations that affect startups. As such, legislations run the risk of being in conflict with sections of the constitution and other key regulations related to sub nationals.

## **6. Policy implementation persists**

With many laws and policies in place in Nigeria with little or no impact, the question of effective implementation strategies comes into play. Many policies are dead on arrival because of the poor implementation strategies adopted.

## **7. Absence of a functional engagement platform for startups**

Startups do not have a functional platform where they brainstorm and engage with relevant stakeholders to solve pressing needs. This has stifled innovation and retarded the growth of many startups.

## **7.0 RECOMMENDATION AND PROPOSED SOLUTIONS**

### **1. Establish a Business-oriented Implementation Agency**

A functional monitoring and evaluation system is crucial to the effective implementation of the Nigerian Startup Bill. As such, an implementation agency should be established to oversee the implementation of the Bill. The agency should be mandated with ensuring that the Bill is not in conflict with any provisions of the constitutions and other legislative orders. The agency should also act as an intermediary between regulators and players in the ecosystem. More importantly, the implementation agency should function as a business-oriented entity (like the Singaporean Monitoring Authority) to ensure effectiveness in its service delivery.

### **2. Channel Startup Funds through Entrepreneur Support Organisations**

Government should channel most of its funding for startups through entrepreneur support organisations, e.g., accelerators and incubators. They should be at the centre of government-supported funding schemes or government partnerships with international organisations because the average startup can easily access them to secure funds and receive advisory services. The startup bill should also incentivise commercial banks to provide long-term loans at low-interest rates to startups.

### **3. Invest in Ideation Hubs and Work Stations**

One of the ways the challenges arising from poor infrastructure can be solved is by establishing innovation hubs and workstations funded by the government, donors or

corporates in major cities of the country. Government should therefore consider investing in ideation hubs and work stations with requisite infrastructure (including reliable power supply and high-speed internet connectivity) in major cities of the country as a low hanging fruit for startups, especially those at the ideation stage. Government can also partner with existing hubs and workstations to provide affordable access to required infrastructure. A quick win would also be the creation of hubs and workstations in universities where startups can easily access basic infrastructure.

#### **4. Incorporate higher institutions and research institutes into the startup ecosystem**

Both institutions of higher learning and research institutes should be incorporated into the startup ecosystem. Incubation centres should be established in universities and research institutes. The role of research institutions and their importance has to be emphasised to foster knowledge transfer between the academic community and the industry. The government should provide funding in the form of grants to support the contribution of research institutions while also ensuring the protection of intellectual property. Collaborations should be formed between universities and startups to enable startups to access effective learning and professional mentorship.

#### **5. Simplify the registration process for startups and facilitate easy access to government agencies**

The business registration procedure for startups should be simplified. A less cumbersome business registration process will enhance collaboration between Nigerian Startups and their counterparts in other African countries. Government should work towards making Nigeria the Delaware of startup registration in Africa, where startup firms can register easily and enjoy a low tax rate. Startups should have easy access to government agencies to pitch their ideas to the government.

#### **6. Create Market Access for Startups and Encourage the Patronage of Indigenous Products**

With startups struggling with growth due to market access, the startup bill should provide incentives for the public and private sectors to create market access for startups to validate products and initiatives that they are working on. Creating market access will create a safe path for the growth of startups and enable them achieve product market validation. A current initiative by NITDA that provides support for local content in procurement by the government's Ministries, Departments and Agencies (MDAs) should be incorporated in the startup bill for every stakeholder to comply with. Large companies/corporations should also be incentivised to serve as early adopters of

the products of startups while also helping in the validation of the products. Nigeria can adopt the Senegalese system of public procurement to enable the growth of startups. This was earlier practised in Lagos state for MSMEs and can also be adopted for startups. Hence, the startup bill should encourage the public sector and the general populace's patronage of indigenous goods and services (as against foreign products). More specifically, the Bill should make provisions to prevent the public sector and the general populace from investing in foreign products once there are certified local alternatives.

## **7. Provide Incentives to Startups**

Startups are heavily reliant on technology which require massive capital-intensive investment. Government should therefore consider granting incentives (which can be in the form of tax rates) to startups that make a huge investment in technology. Also, to attract funding for startups, the Singaporean system of Angel Investors Tax Deduction Scheme could be employed.

## **8. Ensure proper definition of key terms in the startup bill**

Key terms adopted in the startup bill should be clearly defined. More specifically, the roles of relevant stakeholders, including sub-nationals and state house of assemblies should be clearly defined in the Bill for effective implementation.

## **9. Engage Sub-nationals for effective implementation of the Bill**

Sub-nationals should be involved in the implementation process of the Start-up bill. States will play a significant role in the implementation of the Bill; as such, they should be engaged early to ensure that they fully understand the objectives of the Bill. An important step will be to include sub-nationals as members of the ecosystem players in the National Council established to oversee the implementation of the Bill since implementation majorly occurs at the sub-national level. The NESG's roundtable with the Nigeria Governor's Forum should be leveraged to facilitate this process.

## **10. Foster collaboration with the private sector to facilitate the implementation of the Bill**

Implementation of the startup bill should be a joint effort between the public sector and the private sector. With NTIDA as an implementation agency, the NESG should provide a platform for private sector engagement to facilitate the implementation process. Also, although agencies are essential to the successful implementation of the Bill, the government should guard against creating multiple agencies to avoid duplicating functions.

## 11. Commit to the transformation of the educational system

With the educational system crucial to the growth of startups, government should commit to its transformation. Countries with a vibrant startup ecosystem have done so on the back of large-scale improvements in educational delivery. Good examples are Singapore and Malaysia, with functional startup labs in universities where students are exposed to the startup ecosystem and the knowledge-based economy.

## 12. Identify and empower champions

Champions across the startup ecosystem should be identified and empowered. The champions will be responsible for guiding startups in accessing technical assistance, grants, tax rebates, etc. This will help startups to easily access the funds and technical assistance they require to develop their products and expand their business.

### ADDENDUM

#### BOUQUET OF POSSIBLE INTERVENTIONS FROM PRIVATE-LED, PUBLIC-LED AND PUBLIC-PRIVATE JOINT COLLABORATIONS

#### Key Priorities, Action Steps, Responsibilities and KPIs

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Key Priorities	Government Driven		Private Sector Driven	
	Responsibility	Action Step and KPIs	Responsibility	Action Step and KPIs
<ul style="list-style-type: none"><li>Establish a Business-oriented Implementation Agency</li></ul>	<ul style="list-style-type: none"><li>Federal Ministry of Communications and Digital Economy</li></ul>	<ul style="list-style-type: none"><li>Establish a functional monitoring and evaluation system.</li><li>Create a business-oriented implementation agency to oversee the</li></ul>		

		implementation of the Bill		
Channel Startup Funds through Entrepreneur Support Organisations	<ul style="list-style-type: none"> <li>Federal Ministry of Communications and Digital Economy</li> <li>NITDA</li> <li>Federal Ministry of Industry, Trade and Investment</li> </ul>	<ul style="list-style-type: none"> <li>Make incubators the centre of government-supported funding schemes or government partnerships with international organisations.</li> </ul>		
Invest in Ideation Hubs and Work Stations	<ul style="list-style-type: none"> <li>Federal Ministry of Communications and Digital Economy</li> <li>NITDA</li> <li>NUC</li> </ul>	<ul style="list-style-type: none"> <li>Invest in ideation hubs and work stations with requisite infrastructure (including reliable power supply and high-speed internet connectivity) in major cities</li> <li>Create hubs and workstations in universities</li> </ul>		
Incorporate higher learning institutions into the	<ul style="list-style-type: none"> <li>Federal Ministry of Communications and</li> </ul>	<ul style="list-style-type: none"> <li>Establish incubation centres in universities and research institutes.</li> </ul>	<ul style="list-style-type: none"> <li>NESG Nigeria Triple Helix</li> </ul>	<ul style="list-style-type: none"> <li>Provide the platform for knowledge transfer between the academic community and startups</li> </ul>

Startup ecosystem	<ul style="list-style-type: none"> <li>Digital Economy</li> <li>NITDA</li> <li>NUC</li> <li>TETFUND</li> </ul>	<ul style="list-style-type: none"> <li>Provide funding in the form of grants to support the contribution of research institutions and ensure the protection of intellectual property</li> </ul>	Roundtable	
<ul style="list-style-type: none"> <li>Provide Incentives to Startups</li> </ul>	<ul style="list-style-type: none"> <li>Federal Ministry of Communications and Digital Economy</li> <li>NITDA</li> </ul>	<ul style="list-style-type: none"> <li>Provide incentives (which can be in the form of tax rates) to startups that make a huge investment in technology.</li> <li>Adopt the Singaporean system of Angel Investors Tax Deduction Scheme to attract funding for startups</li> </ul>		
Engage Sub-nationals for effective implementation of the Bill	<ul style="list-style-type: none"> <li>Federal Ministry of Communications and Digital Economy</li> <li>NITDA</li> </ul>	<ul style="list-style-type: none"> <li>Engage Sub-nationals early in the implementation process</li> <li>Include sub-nationals as members of the National Council establish to oversee the implementation of the Bill</li> </ul>	NGF-NESG Economic Roundtable (NNER)	<ul style="list-style-type: none"> <li>Provide the platform to engage sub-nationals towards the effective implementation of the startup bill</li> </ul>



<ul style="list-style-type: none"> <li>Foster Collaboration with the private sector to facilitate the implementation of the Bill</li> </ul>	<ul style="list-style-type: none"> <li>Federal Ministry of Communications and Digital Economy</li> <li>NITDA</li> </ul>	<ul style="list-style-type: none"> <li>Ensure that the implementation of the Bill is a joint effort between the public sector and the private sector with NTIDA as the implementation agency</li> </ul>	<ul style="list-style-type: none"> <li>NESG Digital Economy Policy Commission</li> </ul>	<ul style="list-style-type: none"> <li>Provide a platform for continuous dialogue and engagement between the public and private sector with regards to the implementation of the Bill</li> </ul>
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## APPENDIX

### APPENDIX I: WEBINAR AGENDA

Time	Activity	Responsibility
10:00am-10:05am	<b>Event Introduction</b>	<b>Bunmi Akinyemiju</b> - DEPC Facilitator
10:05am-10:15am	<b>Welcome Address</b>	<b>Nnanna Ude</b> - Board Member, NESG
10.15am-10.35am	<b>Keynote Address:</b>	<b>Dr. Isa Pantami</b> -Honorable Minister, Federal Ministry of Communications and Digital Economy
10.35am-10.55am	<b>Goodwill messages</b>	<p><b>Oswald Osaretin Guobadia</b>-SSA to the President on Digital Transformation</p> <p>Ben Llewelyn Jones - <b>British Deputy High Commissioner</b></p> <p><b>Hon Abubakar Lado</b> - Chairman, House Committee on Information, Communications and Technology</p>

		<b>Solape Hammond</b> - SA, SDGs & Investments to Lagos State Governor
10.55am-11.00am	<b>Opening Remarks</b>	<b>Adia Sowho</b> - Chief Marketing Officer, MTN Nigeria
<b>Session 1 - The Nigeria Startup Bill Overview</b>		
11.00am-11.10am	<b>Presentation 1:</b> What are the key provisions of the proposed Nigeria Startup Bill?	<b>Kassim Sodangi</b> – Head of Legal Drafting Team, NSB
11.10am-11.20am	<b>Presentation 2:</b> Global best practices and perspectives from other countries who have passed startup legislations	<b>Jon Stever</b> – Executive Director, i4Policy
11.20am-11.30am	<b>Comments on Presentations</b>	<b>All</b>
<b>Session 2 - Breakout Sessions/Deep Dives</b>		
11.30am-11.35am	<b>Breakout Introductions:</b>	<b>Emmanuel Adegboye</b> – Digital Skills, Innovation and Entrepreneurship Thematic Lead, NESG
11.35am-12.10pm	<b>Breakout Sessions:</b> <ol style="list-style-type: none"> <li>1. Enabling legislation that works for the ecosystem.</li> <li>2. Incentives for key stakeholders in the startup ecosystem (Startups &amp; investors).</li> </ol>	<b><u>Facilitators</u></b>  <i>Session 1. <b>Jude Feranmi</b> - Chief Executive Office, Republicraft</i>  <i>Session 2. <b>Tosin Faniro-Dada</b> - Managing Director, Endeavor Nigeria</i>

	3. Making the Startup Bill Work: Governance for Effective Implementation	<i>Session 3. Yemi Keri - CEO, Heckerbella Ltd</i>
12.10pm-12.25pm	<b>Breakout session recap</b> (5 min/breakout session)	<b>Emmanuel Adegboye</b> - Digital Skills, Innovation and Entrepreneurship Thematic Lead, NESG
12.25pm-12.30pm	<b>Closing Remarks</b>	

## APPENDIX II: WEBINAR INTRODUCTION

### Introduction by Mr. Bunmi Akinyemiju, Facilitator, NESG Digital Economy Policy Commission

The Honourable Minister, Federal Ministry of Communications and Digital Economy, Dr Isa Ali Pantami, Distinguished Heads of Ministries, Departments and Agencies, Captains of Industries, Heads of Associations, Donor Communities, ladies and gentlemen.

On behalf of the Board and Management of the NESG, It gives me great pleasure to welcome you to this Pre-Summit event of the 27<sup>th</sup> Nigerian Economic Summit (NES#27) organised by the Digital Economy Policy Commission of the NESG. My name is Bunmi Akinyemiju, and I am the CEO and Managing Director of Venture Garden Group (VGG). I also serve as the facilitator for the NESG Digital Economy Policy Commission.

Today, we will be engaging panelists on **"The Nigeria Startup Bill: National Stakeholders Roundtable"** and this is one of many Pre - NES#27 that will Facilitate the involvement of key stakeholders from the public and private sectors and lay the foundation for ongoing collaboration for the development of Nigeria's technology entrepreneurship ecosystem.

The 27th Nigerian Economic Summit (NES#27) Summit, with the theme **"Securing Our Future: The Fierce Urgency of Now"**, is scheduled to hold on the 25th and 26th of October 2021. If you haven't, kindly go to <https://nesgroup.org/27> to pre-register now.

The NES #27 Pre-Summit Events will engage stakeholders in a series of virtual conversations and sessions in the weeks leading to the Summit. These conversations

will form part of the overall Summit conversation for public and private sector stakeholders to explore and conceptualise ways Nigeria can reverse poor economic trends, improve the human capital base of the economy, mitigate security challenges, and lay the necessary foundation that will leapfrog Nigeria into a future of high and sustained inclusive economic growth.

**DEPC Policy Commission.** Permit me to give a brief introduction of the Digital Economy Policy Commission. The Digital Economy Policy Commission is a Policy Commission at the NESG, setup in response to the global and national thrust of creating a Digital Economy that can compete favourably in the 4<sup>th</sup> industrial revolution. The Policy Commission has four **Thematic Focus**:

- Digital Skills, Innovation & Entrepreneurship
- Digital Platforms & Financial Services
- E-Governance, Policies & Regulations
- Digital Infrastructure & Tech Sector Financing

The Digital Economy Policy Commission (DEPC) is charged with the mandate of bringing together the organised private sector (OPS) to partner with government to make the Nigeria's Digital Economy contribute significantly to the GDP of Nigeria, and to leapfrogging this nation to a middle-income country by 2030. While doing growing in an inclusive and sustainable manner, DEPC will achieve this through an active promotion of positive public-private collaboration, policy development with government and private sector driven execution approach.

#### **Previous Collaboration with the Federal Ministry of Digital Economy and Communications**

- **Webinar: Post COVID-19 Nigeria: “Assessing the Impact of COVID-19 on the Nigerian Digital Economy & Post Pandemic Strategies”**

The DEPC in collaboration with the Federal Ministry of Communications and Digital Economy hosted a virtual seminar themed **Post COVID-19 Nigeria: “Assessing the Impact of COVID-19 on the Nigerian Digital Economy & Post Pandemic Strategies”** to discuss the impact of the global pandemic on the Digital Economy globally and in Nigeria. During the discussions, we also fashioned out strategies for how the Nigerian Digital Economy will rebound for economic growth after the coronavirus pandemic. The outcomes of the webinar discussions were published in a **COVID-19 Position Paper** drafted by the DEPC and forwarded to the Federal Ministry.

- **Creation of a Digital Economy Industry Working Group with the Private Sector Led by the Nigerian Economic Summit Group (Council Memo #08/73)**

At the 8th National Council on Communications and Digital Economy (NCCDE) that held in Owerri, Imo State from the 27th of November to the 2nd of December, 2020, it was resolved by the Council that the Nigerian Economic Summit Group in collaboration with the Federal Ministry of Communications and Digital Economy setup the Digital Economy Industry Working Group, which will be a public and private sector platform for delivering on the promises of the Digital Economy in Nigeria.

- **Digital Identity as a Foundation for a Digital Economy and Achieving SGDs was held in collaboration with the Secretary to the Federal Government.**

Nigeria's current drive for digital identification for all citizens through a unified national system date back 13 years when the National Identity Management Commission (NIMC) Act was enacted. Unfortunately, efforts made by government to drive a unified digital identification system for Nigerians have been plagued by several administrative, regulatory, infrastructural and social bottlenecks that require urgent attention.

The President of the Federation had inaugurated the Presidential Steering Committee on Digital Identity led by the Secretary to the Federal Government in a three-tiered institutional governance approach for the National Identity project. The NIMC will manage the implementation tier. This is a welcome development because the strategic roadmap seeks to rapidly scale up the registration of Nigerians with partnership with the Private Sector.

### **The Startup Bill Pre-Summit Event**

The Nigeria Startup Bill is the single most important legislation that can help protect Nigeria's nascent technology entrepreneurship ecosystem and catalyse the growth of technology startups in Nigeria. Although beaming with great potential, the government policies are making it difficult for tech entrepreneurs and investors to remain excited. This Pre-summit event on "The Nigeria Startup Bill: National Stakeholders Roundtable" therefore seeks to achieve the following:

- Facilitate legal and regulatory alignment towards the passing and implementation of the Nigeria Startup Bill.
- To establish a platform for conversations where Policy/Law Makers and Beneficiaries can curate ideas on the Implementation of the Nigeria Startup Bill

- To create awareness among stakeholders about the importance of Nigeria's technology entrepreneurship ecosystem in achieving Nigeria's long-term Digital Economy objectives.

***We would like to do a little housekeeping before we get started. All participants should kindly turn off their Microphones for us to have a seamless conversation. If you have any questions during the panel discussion, please type them into the question box in your Zoom or YouTube control panel. I will bring them up during the panel discussion and we will also have time for questions at the end.***

On this note, Distinguished Ladies and Gentlemen, I thank you again for honouring our invitation and making out time to attend this Webinar hosted by the NESG Digital Economy Policy Commission. We look forward to impactful and successful deliberations geared towards laying the foundation for ongoing collaboration for the development of Nigeria's technology entrepreneurship ecosystem.

I will now like to introduce a member of the Board of Directors at the NESG, Mr. Nnanna Ude for his opening remarks and to welcome you on behalf of the NESG.

### **APPENDIX III: WELCOME ADDRESS**

#### **Welcome Address by Mr Nnanna Ude, Member, Board of Directors, Nigerian Economic Summit Group**

##### **PROTOCOL**

1. The Honourable Minister, Federal Ministry of Communications and Digital Economy, Dr Isa Pantami, Distinguished Heads of Ministries, Departments and Agencies, Captains of Industries, Heads of Associations, Donor Communities, ladies and gentlemen. On behalf of the Board and Management of the Nigerian Economic Summit Group (NESG), I will like to welcome our distinguished and erudite panelists and our highly esteemed participants to this October NES #27 Pre-Summit Event on "The Nigeria Startup Bill: National Stakeholders Roundtable"
2. This is one of the Pre-Summit Events of the 27th Nigerian Economic Summit, jointly organised by the Nigerian Economic Summit Group (NESG) and the Federal Ministry of Finance, Budget, and National Planning geared towards engaging stakeholders in a series of virtual conversations and sessions in the weeks leading to the 27th Nigerian Economic Summit (NES #27), scheduled to

hold from October 25 – 26, 2021. If you have not registered, kindly go to [nesgroup.org/27](https://nesgroup.org/27) to pre-register now.

3. Conversations from these events will form part of the overall Summit conversation for public and private sector stakeholders to explore and conceptualise ways Nigeria can reverse poor economic trends, improve the human capital base of the economy, mitigate security challenges, and lay the necessary foundation that will leapfrog Nigeria into a future of high and sustained inclusive economic growth.
4. Nigeria has a vibrant startup ecosystem (with over 750 startups) which has progressed remarkably over the last 5 years. A growing number of success stories involving digital and impact-focused businesses are driving investor engagement and startup support. Just recently, Flutterwave announced a whopping \$170 million Series C round, officially crossing the line of \$1 billion in valuation and joining Interswitch in earning the title of the unicorn stemming from the African continent.
5. With the rise in several stringent regulatory decisions, the survival of startups and growth of Nigeria's tech ecosystem is becoming more a mirage, rather than promising. Regulatory agencies need to properly channel their influence towards creating an enabling environment through the establishment of structures and legislation that can harness Nigeria's startup potential rather than toughen their growth.
6. The Nigeria Startup Bill is the single most important legislation that can help protect Nigeria's nascent technology entrepreneurship ecosystem and catalyse the growth of technology startups in Nigeria. As "Tech" has been likened to the "new oil" in Nigeria, implementation of the Bill will be key to the country's diversification efforts.
7. Considering the theme of the NES #27 summit "Securing our future: The fierce urgency of Now", this Pre-Summit event will evaluate the opportunities that the Nigeria Startup Bill will unlock for the country's technology entrepreneurship ecosystem and examine the impact of government decisions on its development.
8. It is our hope that today's public-private dialogue will help to facilitate the involvement of key stakeholders from the public and private sectors and lay the foundation for ongoing collaboration for the development of Nigeria's technology entrepreneurship ecosystem.



9. Thank you all for your time.
10. We look forward to a fruitful and progressive deliberation.

#### **APPENDIX IV: KEYNOTE ADDRESS**

##### **Keynote Address by Dr. Isa Pantami- Honorable Minister, Federal Ministry of Communications and Digital Economy**

Good afternoon to all of you, and also peace, mercy and blessings be upon you all. Firstly, I am highly delighted to speak at The Nigeria Startup Bill: National Stakeholders Roundtable organised by the Nigerian Economic Summit Group. I begin by commending the efforts of Nigerian Economic Summit Group for the events they have been organising from time to time to bring stakeholders together in order to support the economy of our country.

The effort of the NESG is highly commendable and I encourage them to continue to maintain detailed hope because at this critical moment, we need bodies like the Nigerian Economic Summit Group, to continue the coordination of private and public sectors to come together and discuss about how to develop our national economy. The effort is highly commendable.

Secondly, at the federal government, and particularly, as the Minister in charge of communications and digital economy sector, I strongly believe that we will not get it right until we continue to encourage partnership, collaboration engagement between the public sector on one hand and the private sector on the other. The best way we would be able to get it right is making sure that all stakeholders come together, either physically or virtually to discuss issues, and make recommendations, afterwards, they go ahead with the implementation according to the individual roles to be played and at the same time, according to the mandate of the institutions they represent.

It is because of this that I think this roundtable is also highly commendable, because private sector, public sector, and the academia is represented. We encourage that approach- the triangular approach, as the case may be, where we engage all stakeholders in whatever we do. Even today in the morning, I was represented by my power secretary to integrate a committee that brought together private sector, public sector and academia, on research and development in the telecommunications sector. We came up with the initiative, you know that stage where we always come up with recommendations that are accepted by the majority of the stakeholders, and that will make it easier for implementation. And it is because of this I commend the efforts of

the NESG and I encourage them to continue to redouble the effort and ensure that we continue to get it right.

Startups are very critical to the success and to the development of the economy in Nigeria and also globally. According to recent research, which released in 2021, the value of global startup is up to 3.8 trillion USD. Looking at this, the value of startups is even higher than the individual gross domestic product of maybe 7 countries. In Nigeria today, our GDP with our population of around 210 million, our GDP is averagely, or approximately around 550 billion USD but global startup is valued at around 3.8 trillion USD. By implication, what this means is that the global startup is more than seven times the GDP of Nigeria as a country, and Nigeria has the largest, and biggest GDP in Africa, followed by Egypt, and recently, South Africa. So this is to show to us that the global startup is more than seven times the GDP of Nigeria as a country, which has accommodated approximately 210 million people, this is to show us how startups are developing.

Looking at it, as it is today, Amazon started as started as a startup, Bill Gates started with a startup, and Mark Zuckerberg started with a startup because any idea that has been conceptualised from one to 10 years is within the range of startup. This is to show to us that successful global tech leaders started with the idea of startups, showing us that the earlier we give priority or preference to startups in Nigeria, the better for all of us. In addition, startup is key to economic development that is why, as the first facilitator, Bunmi earlier said, this Nigeria's Startup Bill is as a result of joint effort between all stakeholders, particularly even starting with this startups themselves.

They came up with some recommendations and observations that were forwarded to the Presidency on one hand and the Ministry of Communications and Digital Economy on the other hand and this is what brought about the idea of this Nigeria Startup Bill, which I think is almost ready and I have conveyed the progress we have made so far, to the Office of the Attorney General of the Federation, and the Minister of Justice, so that they will be able to support what we have been doing with regards to the Nigeria Startup Bill.

I also personally engaged him, just about a week ago. On Monday, I engaged him physically to discuss the way and manner this startup bill can be facilitated by the executive arm of government, so that it will get a favorable consideration by the National Assembly. So, the engagement has gone far and we have started the formal communication with the Office of the Attorney General. Last week, I conveyed a letter to him officially, on behalf of all the stakeholders here and this week on Monday, I did

get him physically, so that we will be able to facilitate the Bill and gets its approval as soon as we can.

I have been agitating, that Nigeria as a country, will not be able to create many more jobs for our citizens, we will not be able to develop our economy effectively, we will not be able to be the giant of Africa, until and unless we are able to manufacture what we need and also to consume when we manufacture. We have the talent in our country, we have people that can make this country very proud, what they need is for government to provide the enabling environment for them.

This is what we have been doing through so many policies like the National Digital Economy Policy and Strategy for Digital Nigeria, Nigeria National Broadband Plan 2020-2025 and even the recent National Policy for the Promotion of Indigenous Content in the Telecommunications Sector. That policy has been approved by Mr. President, and it gives priority and preference to our indigenous technology in the country. So now the challenge lies on our table, our innovators, they are to take on the challenge and ensure that we are able to produce and manufacture, we are able to develop what we need to consume, particularly in the digital economy sector.

Even today in the morning, we were in the office of Mr. President, where he inaugurated Monitoring and Evaluation Council on executive order 005, which was signed by Mr. President on the 12th of February 2018, in which all federal public institutions have been mandated to always make sure that they are priority and preference when it comes to resources-human resources, and when it comes to deployment of technology must be given indigenous content. Mr. President has directed that that executive order should immediately be integrated into the law of the land, so that we will be able to have an indigenous content law that will protect our indigenous technology on one hand, but also project our indigenous experts on the border.

So, I think these are some of the initiatives of the federal government to provide the enabling environment for our investors, developers, and youth that have the talent to take up the challenge, and produce startups.

According to global standards, startups have three ingredients: One, it is time framed usually from the first one year to 10 years; two: startups usually come up with an idea, real life solution to a problem that is in existence. Whenever we come up with any innovative idea to handle that problem, it falls within the category of startups; three: startups, usually are job providers, not job seekers, they come up with ideas that if they are successful, that idea will create many more jobs. So, startup owners are not job seekers but job providers, and this is what Nigeria needs today. We need people that

will think outside the box, come up with innovative solutions that will change our life positively, and at the same time to be able to provide job opportunities for many of our citizens.

It is because of this, we have taken this Nigeria startup bill with all seriousness, and we will continue to engage more stakeholders to make sure that we are on the same page. And I do hope that when this Bill is approved, it will be another turning point for our success in aiding our indigenous technology sector, particularly in the digital economy sector, and I will appreciate that after this roundtable, some key recommendations will be presented to the federal government of Nigeria, through my office for consideration either in the Nigeria start up Bill, or in any area where government intervention is required, so that we will join our hands together to ensure that at the end we have a win-win situation for all. On the inauguration of the Working Group, reach out to my technical assistant, Dr Femi Adeluyi after this event to have my endorsement. May the Almighty bless the round table and may the almighty bless the Federal Republic of Nigeria. Thank you very much for listening.

## **APPENDIX V: GOODWILL MESSAGES**

### **Goodwill Message by Mr. Oswald Osaretin Guobabia- SSA to the President on Digital Transformation**

Good afternoon, everyone. It's been a very exciting program so far. I mean, my honorable minister speech was excellent and on point as usual. The Nigerian startup bill has been quite an exciting project to date. My name is Oswald Osaretin Guobabia, the SSA to the president on Digital Transmission and the lead for the Nigerian startup bill. It has been a journey so far, and we are excited to have everybody on board pushing this Bill forward.

I am super excited that my Honorable Minister of Communications and Digital Economy has spoken today and he has set us on the right course for the day with his exciting message and support for the Bill.

You know, his leadership on the NSB has been tireless. I mean, I've called him in desperate times asking for different things to help us with and he has always been available for this. He is a tireless exemplary, and so we thank you for this, we thank Almighty for life to enable us participate.

I also want to take this time to thank Hon. Abubakar Lado who is also here for this partnership, because that's where the Bill is going next. We're moving this to the National Assembly and he's partnered with the Bill as is his attendance today. He has a

drive to get this Bill passed and so we also need to thank him for partnering with the Nigerian startup bill, and helping us with this forum.

I will like also to thank the Nigerian Economic Summit Group for proficiency in bringing together stakeholders for discourse on the Nigerian startup bill, which almost sounds redundant for me to say, because I've already heard it today, we believe is the most critical piece of legislature for the Nigerian digital economy and critical support for the change agents of our future, the youth. We believe this Bill is going to help them pretty heavily to develop the ideas from ideation to exit, we believe this Bill would be a great platform to increase the engagement between both parts of the ecosystem, so we like to think of the ecosystem as both practitioners and regulators and bringing them together is what this Bill does.

We'd like to thank everybody for making the time to join us today. We do not take this for granted and we look forward to your contributions today. As you know, this Bill is just one among a series of key initiatives, as the honorable Minister just mentioned a few of them that the Presidency is building to drive a more sustainable ecosystem for young people in Nigeria, to try and scale.

The Bill will ensure that there's relative certainty, required infrastructure, and access to capital to support the growth of startups and capacity to the journey which is ongoing. We're taking a big tent approach that's what's so beautiful about this. So, everybody who has a say in the ecosystem is invited to join this big tent. Therefore, we welcome support from everyone who is interested in seeing our young people succeed so thank you for the opportunity to speak quickly and I am looking forward to the rest of the deliberations. Thank you.

#### **Goodwill Message by Ms. Adaeze Sokan- Country Director, UK-Nigeria Tech Hub**

Hi, thanks so much for having me here.

I am representing the British deputy High Commissioner who couldn't be here today. I am the country director for the Nigeria, UK-Nigeria Tech Hub where we support all the different players in really promoting a thriving digital ecosystem in Nigeria. I thank the Digital Economy Policy Commission for putting this pre-summit together. I think it is really timely in this moment where we are pushing the Nigerian startup bill.

I want to commend the doggedness and commitment of the office of the Presidency and the Vice President's office, and also to the Minister of Communications, and Digital Economy, Dr. Isa Pantami, that was a very inspiring, powerful and hopeful speech that

you gave, I actually had goosebumps. I thank you for that, the commitment definitely cannot be doubted.

I thank all the stakeholders, for the excellent approach; I don't think I have seen any high-level approach of collaboration and cooperation amongst all the different stakeholders from MDAs to government, to startups, to PCs, to campuses, to developers, everybody just coming together to really push this initiative, the level of ownership is commendable, the level of cooperation and collaboration is commendable. And I just want to sort of encourage us that as we have started this journey, we see it to the end.

I believe that the Bill will pass just with the level of ownership and buy-in from all the key stakeholders; let's maintain this commitment, and this energy until we see it through to the end when it passes, and also implement the Bill when it passes because that's actually how we have good value.

There is no doubt that this Bill is very key to a successful thriving digital economy and it is great that all key stakeholders understand the value. As the UK Government in Nigeria, we are very happy to be supporting, and we want to continue to support such initiatives. We're really glad that we are part of this pre-Summit, because I think that this is a really good step in securing our future in Nigeria. So, thank you for having me here. And I wish us all fruitful deliberations today. Thank you.

## **APPENDIX VI: OPENING REMARKS**

### **Opening Remarks by Ms. Adia Sowho- Chief Marketing Officer, MTN Nigeria**

Good afternoon distinguished ladies and gentlemen, I'm really honored to be speaking to you today. It feels historic as we pave a path for the growth of technology startups in our great nation. Before I begin though, I'd like to recognise the Honorable Minister Dr Isa Pantami, whose very palpable desire to make the sector viable and resourceful has supported what we are discussing today. Welcome, sir. I also want to give special hailing to my egbon, Oswald Guobabia, SSAP on digital transformation.

The growth of our economy and its health is not solely dependent on the government, there's a lot of private sector efforts to ensure that it supports the government's efforts, and one of such efforts is what we're working on today. Along with our partners, we're delighted to have you participate in this roundtable of national stakeholders for the Nigeria Startup Bill (NSB) as a pre Nigeria Economic Summit 27 event, we recognise the sacrifice that many of you have made to be here today. We know schedules are tight, but I'm pleased to see how many of us are here as it serves as a reminder to us all just

how important the startup bill is to our development and what the growth of startups means to the country.

It will interest you to know that the Q3 2020 GDP report released by the National Bureau of Statistics indicates that the non-oil sector was primarily driven by information communication technology and financial institutions. These two industries, largely house a lot of the technology startups that we are hoping to support today with this forum. To put this in perspective further, flutterwave has been mentioned but I'd like to add Interswitch, Opay, and recently Adela startups that have reached more than a billion dollars in band. These are just a few of the many tech companies operating in this country and I expect that we will see more of this size, happening more frequently because the dam has been broken, and so I expect to see many more.

So, with this figure in mind, imagine how much more the Nigerian economy can benefit from these current and future positive activities given the global trends in technology, as long as there is an enabling environment. This startup bill, amongst the many positives, aims to create laws that provide startups with a clear and consistent regulatory framework.

This will ensure regulatory certainty which will encourage local founder confidence, investor confidence, and hopefully lead to a rise in FDI inflows.

Once again, thank you for being present for this historic event. And we look forward to a favorable deliberation, one that I hope ensures that we all leave here fulfilled and ready to take our startups to the next level. Ladies and gentlemen, thank you very much, prepare to be challenged, inspired and informed. Thank you.

## **APPENDIX VII: PRESENTATIONS**

### **Presentation 1 - What are the key provisions of the Nigeria Startup Bill (by Mr. Davidson Oturu)**

Thank you. What I will just do is just to take us through some provisions of the startup bill and let people have an idea of what went into drafting the Bill. The next session, of course, we'll look at some other jurisdictions, but just to let participants know that quite a lot of research was done towards trying to arrive at where we are with the Bill that is currently with the Ministry of Justice.

We have actually shared all materials with the Minister of Justice so that they know where we're coming from, and not have that impression that we're trying to create something that is not already working in some other jurisdictions. As some of us are aware, different countries have already come up with their own Startup Bill, or Startup



Act and already seeking to implement them. For instance, Tunisia since 2018 have been doing a lot of amazing things, Scania with the buildings, Ghana, Malta, and there is Mali.

So, we looked at most of these jurisdictions, we looked at the peculiarities of Nigeria and so much as we would love for a few things that happened in those places to take place here, we are mindful of how unique we are as a nation. For instance, if you look at Kenya, they set up an agency to implement the provisions of their startup bill, we are not looking at that, because already from experiences, we know that setting up an agency doesn't necessarily solve the problem.

So, what did we do? We looked at actually doing something that we consider as unique, but at the same time would ensure that this Bill gets implemented when it's passed into law. So, sitting at the top and ensuring that the provisions of the startup bill will be implemented, we have a National Council. This may sound a bit government centric, but there has been work done. This national council will comprise of private sector individuals, as well as relevant government agencies, such as the Ministry of Communication and telecoms, NAFDAC, the Ministry of Science and Technology, and the Ministry of Trade and Investment. On the council will also be venture capitalists, agent investors, startup representatives, as well as the ecosystem players. The council will meet on a quarterly basis to rollout policies that would ensure a thriving ecosystem.

The Bill seeks to through the council whose chairman will be the President harmonise the laws that affect startups, giving a level of regulatory certainty around what goes on, as over the years, we've seen startups who we refer to as innovators get onto something they feel is a game changer and then the government brings out a policy that suddenly shuts down a sector; what this Bill is trying to do through the Council is to create some form of Clearinghouse. We understand that regulators have their powers, and this is not trying to step on those powers: what it is simply saying is that there has to be a collaborative effort towards ensuring that whatever policies are released do not serve as something that restricts but rather enables startups. These are part of the powers and responsibilities of the council. As earlier said, those quarterly sessions will lead to policies rollout on a regular basis that will enable the ecosystem.

A look at Tunisia revealed that they have something like a Council agent, which is a private sector led entity that ensures that their startup act is implemented. Tunisia, has an amazing system, but having that sort of agency in place has ensured that most of the objectives that were set up and the timelines for their implementation have been carried out. In Nigeria, we have decided to have some form of monitoring and evaluation system because there are so many laws that exist in Nigeria. Looking at Nigeria, with all the regulations and laws we still have problems, we realise that the

problem is implementation, hence the need to have a council agent that will serve as an agent that will work with the council to monitor, evaluate and provide feedback on the steps that have been carried out. This is to ensure that the council itself is fully abreast of what is happening and will take steps to ensure that the provisions of the Bill have been properly implemented; there's precedents for this, even in Nigeria.

This was included in the Bill because having a council agent is quite critical because in the absence of a proper monitoring and evaluation system, incentives will be churned out year after year without a clear path on its impacts on the ecosystem. I would say that another innovation that you would find in the Bill is what we call a startup engagement portal. Now, this is a platform that enables different players in the ecosystem to come together: there is a consultative forum, where they will be able to brainstorm, introduce ideas and policies, and have their representatives who they elect be on the council to ensure that their recommendations also come into play.

Now for startups that are registered on the portal, they get to enjoy quite a number of incentives that were outlined in the Bill. Naturally, there are tax incentives right now, another thing we did is we looked at different existing boards, like the Venture Capital Act, the Nigeria Investment Promotions Commission Act, and the Investment Securities Act. Quite a number of laws were looked into to determine how to effectively harmonise most of these laws, some of the incentives that exist, and bringing them into the startup view and seeing how they can play off each other. We also looked at the number of tax laws we have, and you'll be amazed at how many they are and the impact on startups now. There are tax regulations that actually provide employers with certain tax rebates by reason of the number of employees that they have, and the sectors that those employees are working in; we have more or less brought in those provisions into the startup bill.

For Fintechs, for instance, there are provisions within the Bill that seek to address some of the challenges that they have be it SEC or CBN. Another thing that what we need to know is that in the month of August, there was an interactive session with about 40 different MDAs at the director level where we got all of them in the room and put this Bill before them. They gave their comments, and feedbacks, which were well received, and we've looked at how we can effectively work with them. So they themselves would not be receiving a strange document when they see this. That was to make sure that whatever provisions were in there be it on public procurement, tax incentives, immigrations, and all of that, they would have a clear understanding around that.

Another thing that we've done is the startup investment fund that is supposed to help early-stage startups who are looking to scale. There would be someone who would

manage the front and ensure that those who are entitled enjoy incentives from that as well. There are provisions on talents development, interacting with hubs, technology free zones, and a lot of things that have gone into the Bill to ensure that startups are able to work within the system and grow.

Currently, what we have is co-created regulations and laws, whereby the government is there, on one hand, private sector is also there, on the other hand, and together they are working side by side. NITDA will definitely play a strong role in this and the Ministry of Communications and Digital Economy because the tech enabled startups that these agencies and ministries will definitely have to interact with at the end of the day.

So, these are some of the provisions that you will find within the Bill, we are certain that at the end of the day, it will lead to growth of the economy, like the like the Minister said earlier, we're certain that at the end of the day, there will be a level of certainty and harmonisation of most of these laws that are fractured all around the place. And at the end of the day, the ecosystem will be able to thrive and grow.

Thank you, I see that I probably had about 10 minutes for that. I hope I have been able to cover most of the provisions of the Bill, and what to expect when it comes into play. Thank you.

## **Presentation 2: Global best practices and perspectives from other countries who have passed startup legislations (by Mr. Jon Stever- Executive Director, i4Policy)**

Thank you very much. This indeed feels historic today as Adia said, and it's for me a deeply personal and professional privilege to be here with you today. The last time that I had the ability to actually travel to Abuja was in 2018, to work with Dr. Pantami, our Honorable Minister when he was Honorable Director of NITDA, together with Solape, and Adaeze, to organise a series of policy consultations to co-create the national ICT innovation and entrepreneurship vision. And so, while we're ostensibly here today to talk about the NSB, or the Nigeria startup bill, I would like to talk to you about the NSC, otherwise known as the National Startup Conversation and this is a conversation that's not starting today and it's not ending in the next few months with this Bill. It's a conversation that's been ongoing for years, and will continue for decades.

And so, while we are here today in Nigeria, to be talking about this, there are conversations happening all across the continent, in the spirit of the African Continental Free Trade Agreement, unleashing the innovation and entrepreneurial potential of a generation. These conversations are happening in South Africa, Kenya, Ivory Coast, Burkina Faso, DRC, Niger, and Rwanda. I would like to explain to you a little bit about how this sort of process has been emerging across the continent. I have to acknowledge

my dear colleague, Davidson for doing a really exceptional job of already painting a good picture of what's involved in some of the other startup bills on the continent. Let's have a quick historical context, that is, what this actually looks like, in terms of these national conversations on entrepreneurship.

So actually, the first national startup legislation or at the time, Small Business Act legislation was actually passed by Ghana in 1981. It took another 14-15 years before we start to see a series of these national entrepreneurship and startup bills being passed in South Africa, in Zambia. And what you start to see is an increasing number of legislations taking place over the course of the early 2000s and leading up to today where the Government of Tunisia two-three years ago, passed the first startup act in the continent, but since that time, we've seen a tremendous acceleration in the interest of governments across the continents as they really legislate and support startups. And as I just mentioned, we really see this taking place all across the continent. And so, it's really important, I think everyone on this call today, doesn't need to be reminded of the number of startups and unicorns that are emerging from Nigeria, which is, of course, the biggest economy on the continent.

It's really great to see the national startup conversation, which has been ongoing for several years really reach this point. To talk a little bit about one of the other startup bills that has been passed in the last few years- the Senegal startup act and I think it's really important because the Senegal startup act, very similarly to the Nigerian startup Bill has really focused on this nationwide concept conversation, as my colleagues in the president's office like to call it the big tent approach. There were conversations spanning through over 19 months in Senegal, with more than 1,000 people engaged in more than 50 activities.

There was an online consultation platform, they went through more than 20 iterations of the law, engaging with many different ministries with the president's office of Senegal as well. And what was important to emerge in that process was that actually, it wasn't just the Senegalese startup act that emerged from that national startup conversation, there was also a national finance law that passed at the same time from that same conversation. So, in Senegal, what you saw was this startup act which had benefits for Senegalese startups, with easier access to information, reduced taxes, intellectual property, supportive grants and loans, public procurement preference, and a growth support for startups similar to the Bill that's being discussed.

There's a process for legalisation of the notion of the Senegalese startup act. One thing that was really unique about that process in Senegal was that it also generated benefits for all small businesses. So, at the same time as the Senegalese startup Act, this finance

law that massively simplified taxes emerged also. The country went from 11 different tax rates to two rates, business registrations cost reduced for small businesses across the board by 60% and a three-year tax holiday was put in place for the smallest businesses across the country to be able to really support the emergence of potential entrepreneurs.

And what's really important to emphasise is the fact that this national startup conversation, doesn't end with the Bill. In fact, one of the most important provisions of this Bill as Davidson pointed out is actually this forum that's being established to be able to ensure that this conversation that's happening today, continues into the future. What we saw in the Senegalese case, and what we're seeing across the continent right now is that these conversations are leading to bills, and they're leading to a range of policy reforms. As our moderator just mentioned, this is not just a new bill, it's a new way of making bills. It's a new way of making public policy, a new way of engaging young people and entrepreneurs in the political process, to be able to ensure that public policies serve the people that they're intended to benefit, thus bringing the collective intelligence, expertise of entrepreneurs and small businesses across Nigeria. And so, what we saw in Senegal, for example, was that this national startup conversation, not only did it create a national startup act, it created also this finance law.

Less than a year after the acts passed in Senegal, another conversation started between young people, they started a National Youth debate with their Ministry of Youth and Ministry of ICT to talk about the ways in which young people can engage in other areas that affect youth employment, to engage in issues that affect mitigation adaptation to the really pressing emergency needs of this climate, and ecological crisis. So the national startup conversation again, it's about contributing to this national startup bill. And we have the utmost pleasure and honor to be joined by exceptional legal support team and the best entrepreneurs in the country. We're able to learn these lessons from Senegal, Kenya, and Tunisia, to really be able to make sure that the Nigerian startup bill, idiosyncratically serve the needs of Nigeria startups.

So, with that brief overview of the sort of approach, I really just like to congratulate everyone for being here, I think we are all aware that the challenges are great, but the opportunities are much greater. The Nigerian startup bill is only going to be better if you contribute and it's only going to be implemented if you continue to work with the government and so I really applaud the conversation that started and the continuation of that conversation, the generations to come. Thank you very much for having me.

## APPENDIX VIII: ABOUT THE NESG DIGITAL ECONOMY POLICY COMMISSION

### MANDATE

The Digital Economy Policy Commission (DEPC) is charged with enabling Digital Transformation, Digital Government, Digital Trade and Innovation to develop a Digital Economy across all sectors for inclusive and sustainable socioeconomic development, through active promotion of sectoral private-public collaboration, policy development and implementation, and adoption of various recommendations from the Nigerian Economic Summit (NES).

Key Objectives of the DEPC include:

1. Developing Nigeria's technological competency around its national identity, pride, belief and agenda;
2. Developing a national strategy with economic and social incentives to encourage the adoption of digital technology among Nigerians;
3. Fully implementing the e-government masterplan to drive innovation;
4. Establishing research institutions such as innovation hubs and think tanks to improve technology awareness;
5. Revising the Nigerian school curriculum to enable digital literacy, entrepreneurship, and innovation;
6. Collaborating with stakeholders to scale digital training and upskilling among the citizenry;
7. Creating platforms that adopt local languages and are readily available and easy to use to encourage inclusion in digital technology;
8. Implementing awareness, compliance and enforcement on data rights and data protection; and
9. Fostering the adoption of indigenous technology by private organisations and MDAs.

### Thematic Working Groups

The DEPC will be underpinned by 4 Key Pillars, constituting the Thematic Working Groups which are the engine room of DEPC:

#### 1. Digital Skills, Innovation, & Entrepreneurship

Focused on Digital Literacy across citizens, entrepreneurs, and government officials to enhance the adoption and use of digital products and services among the larger population, as well as towards creating an enabling ecosystem to bring the digital economy to life with new, growth-oriented ventures and the transformation of existing businesses using digital technologies. Innovation Hubs will be key here. The output of this thematic group includes:

- (a) Digital citizens – that will consume new government services
- (b) Digital government workers that will manage new government digital services
- (c) Digital Entrepreneurs – that will create solutions for government and for companies across Africa and globally
- (d) Digital Talent – the individuals who are better trained from primary school, to vocational schools, to universities – to be able to contribute to a Digital world. Universities, transforming into Innovation engines will be key. Innovation hubs being active in catalysing innovation.

Some Key Work Areas include:

<b>Digital Innovation, and Entrepreneurship</b>	<b>Skills, and</b>	<b>Enabling Ecosystem:</b> Leveraging Innovation tech hubs, Universities, Government, to create an enabling ecosystem for new, growth-oriented ventures and the transformation of existing businesses with digital technologies.
		<b>Entrepreneurial Upskilling:</b> Focused on learning interventions for technology and business upskilling for building or running a startup and to invent and grow digital businesses.
		<b>Digital Literacy &amp; Skills:</b> <ul style="list-style-type: none"> <li>- Ensuring that Nigerian Citizens are Digitally Literate at the barest minimum creating Digital Citizens. Better yet, creating Digital Entrepreneurs</li> <li>- Infusion of Technology, Innovation and Entrepreneurship into the Nigerian Education System; primary, secondary, and tertiary levels</li> </ul>



	- 100% Digital Literacy for Government Officials and policy makers, in collaboration with e-Governance and Digital Platforms & Financial Services Thematic Groups
	<b>Other Key Areas:</b> As many other key areas that fit in the mandate of the thematic group as determined over time.

## 2. Digital Platforms & Digital Financial Services

Catalysing the emergence of native Digital Platforms that are developed from Africa is an urgent imperative. Ecommerce, ride sharing, marketplaces, etc. – are all opportunities for the future. Fostering the growth of such digital platforms, either independently or in collaboration with the global giants would be the objective of this thematic group.

Due to the strength and robustness of Nigerian banks, in the Africa context, Fintechs from Nigeria has been very successful. How do we amplify this success to build global fintech players? In addition, the unbanked and underbanked is a market space that requires local innovation – what types of billion-dollar companies like MPESA can come out of Nigeria. How do these digital financial services systems catalyse digital platforms, to further virtual connections of people and goods, as well as facilitate digital transactions/interactions, including the exchange of information, goods, and services? That will be the focus of this Thematic Group.

Some Key Work Areas include:

	<b>Homegrown Platforms:</b> Building independent homegrown platforms that can compete at the global stage. Or systems that will partner with the global firms. The netflix of Africa. The google of Africa. The uber of Africa – how do we launch them and give them access to markets
	<b>Digital Transactions/Interactions:</b> Facilitating digital transactions/ interactions, including the exchange of information, goods, and services. What type of marketplace companies will come out of Nigeria?

<b>Digital Platforms &amp; Digital Financial Services</b>	Amplifying the growth of Fintechs, and creation of more.
	<b>Financial Inclusion:</b> Achieving a financially inclusive Nigerian economy. What are the top Fintechs addressing unbanked and under-banked?  How can they expand exponentially
	<b>Government Platforms:</b> Building government platforms to offer citizen-facing government services and share information, in collaboration with e-Governance Thematic Group
	<b>Other Key Areas:</b> As many other key areas that fit in the mandate of the thematic group as determined over time.

### **3. Digital Infrastructure & Tech Sector Financing**

Focused on the delivery of innovative solutions and strategic interventions towards promoting the deployment of networks in underserved areas and supporting the reduction of **broadband** costs. In addition, seeing **Data as a critical digital infrastructure** – what investment is required in big data, AI capabilities? What infrastructure capabilities are required for local cloud, Data Centers that reduce the latency for applications built for African consumers? National Identity is a critical digital infrastructure, how can this be enhanced in coverage and quality. How can it be more open, to enable innovation by private sector companies. This Thematic group will be responsible for designing a plan for sustainable Tech Sector Financing.

Some Key Work Areas include:

	<b>Broadband (Fixed and Mobile):</b> Promoting the deployment of networks in underserved areas and supporting the reduction of broadband costs at the State level. Private sector partnerships to ensure last mile delivery into States
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<b>Digital Infrastructure &amp; Tech Sector Financing</b>	<b>Power and Renewable energy:</b> Developing of energy solutions to power telecommunication solutions
	<b>DataCenter:</b> Regionalise data centers, to ensure local participation and global partnerships to power digital platforms
	<b>Digital Identity Infrastructure:</b> Creating a national solution for digital identity that will spark innovation
	<b>Tech Sector Financing:</b> Establishing local source of funding with PE, VC, Public Markets ecosystem. Creation of financing instruments from seed stage, Series A all the way to growth capital
	<b>Other Key Areas:</b> As many other key areas that fit in the mandate of the thematic group as determined over time

#### 4. e-Governance, Policies, & Regulations

Focused on building a national framework and policy environment for a successful adoption of Digital economy, and harmonising e-Governance to enable innovation and citizen participation in government. This Thematic group would serve as a bridge between Organized Private Sector and Public Sector, to ensure that the right policy instruments to enhance the digitisation of the Nigerian economy is in place. It will also ensure that the process to continually review the policy and regulations, adapt them, to ensure they are achieving the positive economic impact. The development of an eGovernment strategy and an execution plan will be critical.

This group will partner with Digital Skills thematic group to ensure that Government workers develop the right skills to be able to innovate how services are provided to citizens. Bringing innovation to the process of Policy making through open collaboration, and open sourcing of feedback into the effectiveness of existing policies will be championed by this Thematic group. Collaborating with the Federal Competition Commission to regulate foreign platforms, in a way that will foster local partnerships and participation in the innovation ecosystem will be key. How foreign platforms monetise local data, and the opportunity to partake in the upside, as more Citizens join

the digital economy would be a topic of interest. Execution of the Local content policy and Executive Order 005 will be of interest here.

Some Key Work Areas include:

<b>e-Governance, Policies, Regulations &amp;</b>	<b>Enabling Business Environment:</b> Engaging with government to set the 'Enabling Business Environment' for the Nigeria Digital Economy to thrive and attract the investments from the private sector and internationally. Including the adoption of specialised and accelerated interventions under the PEBEC – Presidential ease of doing business council. Enabling policies for Startups. Revamp of the Trademarks, Intellectual Property registration process and laws.
	<b>Policies &amp; Regulations:</b> Partnering within the other Digital Economy  Policy Commission thematic groups to evolve the right policy instruments to drive Digital Infrastructure, Tech Sector financing, Digital Skills, Digital Platforms, Digital Financial Services and other private sector intervention areas.
	<b>E-Government Masterplan:</b> Joining hands with Government to accelerate the execution of the e-Government master plan, to make it a reality, and fit for purpose for the Nigeria environment.
	<b>National Data Framework:</b> Supporting the policies and regulations to bring innovation into a National Data Framework: covering National Identity and Open Data Sets and Open APIs, from government to help local businesses develop innovative applications for government and citizens.
	<b>Other Key Areas:</b> As many other key areas that fit in the mandate of the thematic group as determined over time.

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