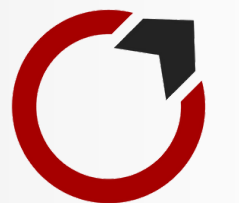


The Nigeria Startup Act: A Game-Changer for the Tech Ecosystem



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The Nigeria Startup Act was signed into law by President Muhammadu Buhari on October 19, 2022, after a collaborative process involving various stakeholders from the government, private sector, academia and civil society.



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The Act provides a legal and institutional framework for the promotion, protection and regulation of startups in Nigeria, as well as incentives and support for innovation and entrepreneurship.

The Act recognises a 'startup' as a company or entity that is registered in Nigeria, has been in operation for not more than seven years, has an annual turnover of not more than N500 million, and is engaged in the development or deployment of an innovative product, process or service that leverages technology to solve a problem or create value.



Some of the key provisions
of the Act include:



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- The establishment of the National Council for Digital Innovation and Entrepreneurship (NCDIE), chaired by the President, to formulate and oversee policies and programs for the realization of the objectives of the Act.
- The creation of a Startup Consultative Forum (SCF), comprising representatives of various segments of the tech ecosystem, to advise and collaborate with the NCDIE on matters relating to startups.
- The introduction of a Startup Label, which is a certification issued by the NCDIE to eligible startups that meet certain criteria. The Startup Label entitles startups to enjoy various benefits under the Act, such as tax exemptions, waivers, grants, subsidies, access to public procurement opportunities, intellectual property protection, etc.



- The provision of incentives for research and development (R&D) activities related to startups. The Act encourages universities and research institutions to collaborate with startups on R&D projects and grants them autonomy to commercialize their research outputs. The Act also allows startups to deduct up to 200% of their R&D expenses from their taxable income.
- The facilitation of access to infrastructure and services for startups. The Act mandates public agencies and utilities to provide startups with preferential access to broadband internet, electricity, water and other essential services at subsidized rates.
- The creation of a Startup Visa, which is a special category of visa granted by the Nigeria Immigration Service to foreign nationals who intend to establish or invest in startups in Nigeria, allowing such foreign nationals to reside and work in Nigeria for up to five years, subject to renewal.



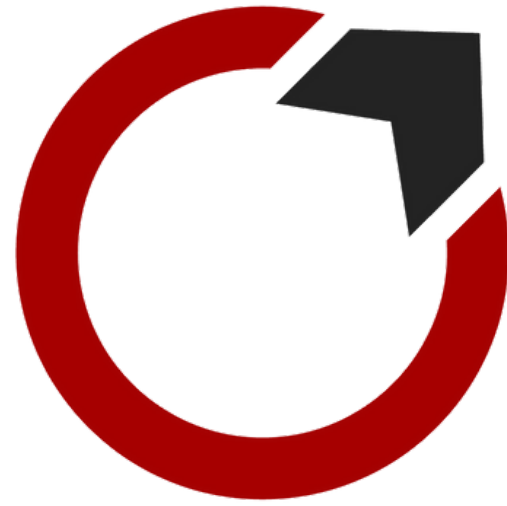
The Nigeria Startup Act will also enhance the competitiveness and attractiveness of Nigeria as a destination for local and foreign investment in the tech sector.

The Nigeria Startup Act is a testament to the vision and commitment of the Federal Government and the tech ecosystem stakeholders to harness the potential of Nigeria's digital economy.

The Nigeria Startup Act is indeed a game-changer for the tech ecosystem and a milestone for Nigeria's development.



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