

Guidelines for Nigerian Content Development in Information and Communication Technology (ICT)

(as amended, August 2019)

**ISSUED BY THE NATIONAL INFORMATION TECHNOLOGY
DEVELOPMENT AGENCY (NITDA)**



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Foreword

With the growing pressure of globalisation, every government as well as captains of industry are charged with the burden of finding ways to ensure that their regions stay competitive and capable of fulfilling local demand. Not only that, but given the wide availability of Information Technology being created to serve markets world over, it is imperative that the right frameworks be created to enhance the ability of indigenous companies to maximally explore and exploit local opportunities, as well as remain competitive globally.

A focus on “Nigerian Content” aims to achieve the development of indigenous skills, technology transfer, use of indigenous manpower and local manufacturing. This is defined as the amount of incremental value added or created in Nigeria through the utilisation of Nigerian human and material resources for the provision of products and services in the ICT industry within acceptable levels of quality and standards in order to stimulate the development of indigenous capabilities.

The framework of these amended guidelines takes into consideration the vision, objectives, strategic goals and role of NITDA and NCC in the Industry. It is also tied directly into several performance measures that will form the basis for tracking the progress and impact of the guideline in order to enable frequent stock taking and re-evaluation of strategies and directives – an approach that is critical for managing and regulating such a fast-paced and changing industry.

There are three core focus areas of the guidelines: driving indigenous innovation, developing the local ICT Industry and establishing Intellectual Property regulation and protection standards, each of which has a set of related strategic goals. These strategic goals form the basis of specific guidelines that include recommendations for the restructuring of the industry and actions required by NITDA, NCC and other government MDAs. They also create potential opportunities that local companies are expected to take advantage of. Furthermore, this document provides a set of appropriate performance measures linked to the achievement of the strategic goals.

Area	Strategic Goal	Performance Measures
Guidelines on Indigenous Innovation	Achieve a thriving ICT Industry capable of contributing to National Development goals	<ul style="list-style-type: none"> • Real economic value contributed by the industry to the Nation's GDP • Number and quality of jobs created within the industry • Innovation & Inventiveness of Nigerians and Nigerian companies measured by the creation of indigenous companies, patents and Intellectual Property
Guidelines on development of the ICT Industry	Lay the foundations for thriving ICT Industry that can compete globally	<ul style="list-style-type: none"> • Quality standards among local ICT companies • Self-sufficiency in the value chains of indigenous companies in terms of indigenous value creation • Capacity building efforts in the Industry
Guidelines on IP Regulation and Protection	Support technology transfer, indigenous participation and the survival of local players in the sector	<ul style="list-style-type: none"> • Amount of funding/support available for Indigenous companies • Amount of Foreign Direct Investment (FDI) in the Industry • Number of Innovation Centres / Centres of Excellence • Number of global partnerships for growth

The operation of these guidelines will significantly improve the demand side for Indigenous content, while requiring enhanced quality and performance from indigenous players. While the focus is on developing indigenous capacity, the guidelines create platforms for broad-based partnerships with multinationals who play a vital role in the development of local capacity in Nigeria. In all, care has been taken to sharpen the guidelines as a framework for acceleration of indigenous capacities in ICT and improve the net contribution of ICT as a critical enabler for the Nigerian economy.

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1.0. Authority

Following the **Presidential Executive Orders 003** issued by the Federal Government In “**Support for Local Content Procurements by Ministries, Department and Agencies of the Federal Government of Nigeria**” issued in May 2017 and the **Executive Order 005 “For the Planning and Execution of Projects, Promotion of Nigerian Content in Contracts and Science, Engineering and Technology”** issued in February of 2018 and in exercise of the powers conferred on the National Information Technology Development Agency(NITDA) by Section 6 of the NITDA Act of 2007, the Agency in consultation with the Nigerian Communications Commission (NCC) and other stakeholders hereby issues the following Guidelines on Nigerian Content Development in Information and Communications Technology.

NITDA and NCC shall exercise the power to institute a sustainable industry level implementation framework for these guidelines.

2.0. Short Title and Commencement

These guidelines may be cited as Guidelines for Nigerian Content Development and shall come into effect the date of signature.

3.0. Definitions

In these Guidelines, unless the context otherwise permits, all terms shall have the same meaning as under the NITDA Act 2007 and the NCA 2003.

For specific purpose of these Guidelines:

- I. A Multinational Company or MNC means a company that has its head office located in a country other than Nigeria and operates in more than one country.
- II. A Nigerian Company means an entity registered in Nigeria under the Companies and Allied Matters Act 1990 or any succeeding legislation and for the purposes of these Guidelines shall include Business Names registered under CAMA.
- III. A System Integrator or SI means an individual or a business that develops CT systems for clients by combining hardware and software products from vendors.
- IV. Agency or NITDA means National Information Technology Development Agency
- V. An ICT Professional Service Firm or IPSF means any entity providing ICT consulting and/or system integration services.
- VI. Commission or NCC means the Nigerian Communications Commission.
- VII. ICT Company means Information and Communications Technology companies. It comprises all Information Technology and Telecommunication Companies as used in this Guidelines.
- VIII. ICT Hardware Company means an entity which designs, manufactures, assembles, maintains and repairs ICT hardware or peripheral components.
- IX. ICT means Information and Communications Technology, which is a combination of supporting infrastructure, equipment and services that enables remote gathering, processing, storage, conveyance and delivery of various forms of information.
- X. Independent Software Vendor or ISV means any individual or an entity that makes and sells software products that run on one or more computer hardware or operating system platforms.
- XI. Indigenous Software Enabled Product or Services Firms means any indigenous company utilizing software as a critical component for delivery of product or service that is designed and developed in Nigeria.
- XII. Indigenous company means a company incorporated in Nigeria with a minimum of 51% equity stakes and voting rights by Nigerians, with at least 51% Nigerian staffers in management positions, at least 70% technical and

R&D employees being Nigerians. The Company must also be registered with Corporate Affairs Commission (CAC).

- XIII. Information Technology System includes computing and communication devices whether networked or not.
- XIV. Internet Service Provider or ISP means an entity licensed by the Commission to provide internet services.
- XV. Local Content means the quantum of local value added to the development, design, fabrication and assembling of ICT products and services in Nigeria measured in monetary terms as a proportion of production cost or the proportion of indigenous manpower involved in the various stages associated with the provision of an ICT service in Nigeria.
- XVI. Local manufacturing means designing, assembling, fabricating, or producing of goods that meet a specified performance requirement through incremental use of local content by value and volume.
- XVII. MDAs mean all Ministries, Departments and Agencies of the Federal Government of Nigeria.
- XVIII. National Digital Marketplace (NDM) is an industry vetted repository of all indigenous digital and Information Technology enabled products and services developed by Nigerian entrepreneur's available use or consumption by the Nigerian Government.
- XIX. Networking Service is the process of connecting two or more devices together through wired or wireless interface for the purpose of sharing or transferring data, voice and related services in line with defined international standards and specifications.
- XX. ONC means the Office for Nigerian Content Development in ICT
- XXI. Original Design Manufacturer or ODM means an entity that designs and manufactures a product which is specified and eventually branded by another company for sale.
- XXII. Original Equipment Manufacturer or OEM describes an entity who designs a product directly or indirectly and submits this design to an Original Design Manufacturer for manufacturing.
- XXIII. Raw Materials are commodities, parts or substances that are assembled or processed to form a final product.
- XXIV. Software Development Firm or SDF means an entity that consists of at least five active developers with competencies across popular technologies and platforms - developing, testing and managing software solutions.
- XXV. Small and Medium Scale Enterprises (SMEs) are entities registered as limited liability companies in Nigeria or business names registered with the Corporate

Affairs Commission (CAC) to carry business in Nigeria with an annual turnover of less than One hundred million Naira annually (₦100, 000, 000. 00) and staff strength of not more 30 persons.

- XXVI. Technology companies means entities that develop and enable software developers to develop software applications for the platform by using well defined sets of standards. These include operating systems, runtime libraries, databases and cloud-based platforms.
- XXVII. Telecommunication Service Providers are entities that provide voice, data, and other services to end users over wired or wireless networks licenced with the NCC.
- XXVIII. Telecommunications Company is an entity that provides enabling infrastructure upon which telecommunication services are provided and supported as well as telecommunication equipment manufacturers and licenced by the NCC.
- XXIX. Value Added means additions or enhancements that increases the value of an existing product or an offered service.

4.0: Application

- I. These Guidelines shall apply to all Federal MDAs, Federal Government Owned Companies (either fully or partially owned) Federal Institutions and Public Corporation, Private Sector Institutions, Business Enterprises and Individuals carrying out business in Nigeria within the specific areas addressed in these Guidelines.

- II. The relevant part of these Guidelines shall form part of any existing or future requirement for periodic accreditation and renewal of licence of ICT Companies, including OEMs, ODMs, NITDA registered entities and NCC licensees. It shall also apply to the granting of approvals or permits for the establishment of new manufacturing or assembly plants, software houses, ICT parks and allied facilities.

5.0 Purpose and Objectives

These Guidelines are issued for the purpose of achieving the following objectives:

- I. Enable the local ICT Industry to contribute meaningfully towards the achievement of National Development plans, initiatives and targets.
- II. Stimulate and increase the development, production, sales and consumption of high quality ICT products and services developed by indigenous companies.
- III. Enable indigenous ICT companies and provide them opportunities that will improve their Capacity to provide relevant products and services.
- IV. Facilitate efforts to build capacity and equip Nigerians to serve as active workers and participants in the local ICT Industry.
- V. Provide a framework for compliance with the Presidential Executive Orders 003 and 005
- VI. Propose local content framework recommendations for the regulation and legislation on the creation, distribution and use of ICT in Nigeria.
- VII. Promote and encourage an environment within Nigeria that is welcoming to investments in Information and Communications Technology, as well as the export of indigenously made ICT products and services.

7.0 Enforcement

The enforcement of these Guidelines shall be by NITDA and NCC under the powers vested in them by their respective enabling laws and subsidiary legislation or any other relevant bodies in both the private and public sectors in charge of ICT procurement, regulation, or development.

7.0 Review and Amendment

- (a) NITDA shall amend or review these guidelines periodically or as the need arises in consultation with stakeholders.
- (b) Such review or amendment shall be carried out in accordance with the NITDA Act 2007, NCA 2003 or relevant policy directives of the Federal Government and shall take into consideration the following:
 - i. emerging trends and shifts in the global ICT Industry that may have significant implications for the achievements of the objects.
 - ii. changes in local ICT industry and the need to increase the opportunities available to indigenous companies and support further growth of the industry.
 - iii. an assessment of the effectiveness of these Guidelines in achieving its objectives
 - iv. Changes in government policies and strategic objectives in respect of Information and Communication Technology.

8.0 Breach

Any breach of these Guidelines shall be construed as a breach of the provisions of the NITDA Act of 2007 and other relevant laws or Federal Government directives currently in-force in Nigeria.

9.0 Guidelines for Development of Indigenous ICT Devices

9.1 Indigenous Original Equipment Manufacturers Shall:

1. Maintain active licence with NITDA, and certification for each product renewable every two years.
2. Re- certification will be based on the following conditions:
 - a. Maintain local capacity for the production of multiple computing form factors and devices – desktops, laptops, tablets, smartphones, network devices, phablets, handheld devices for payments, educational, health or developmental purposes, etc. either directly or through a local ODM.
 - b. Assemble or manufacture all hardware within Nigeria and maintain fully staffed facilities for this purpose.
 - c. Hold and maintain relevant product and quality certifications of locally and internationally acceptable standards.
 - d. Have verifiable proof of investment as contained in Appendix A Schedule A before being granted a licence to operate as an OEM in Nigeria;
 - i. Provided such investments are in equipment, process development, human capacity development or research and development (R&D), and;
 - e. Hold and maintain relevant platform certifications.
3. Maintain at least 40% local content by value and volume either directly or through outsourcing to local manufacturers engaged in any segment of the product value chain.
4. Maintain in-country Research and Development projects or initiatives for the purpose of product and service conceptualisation, innovation, adaptation, design and prototype development.
5. Design and develop products that support Nigerian languages and local use cases.
6. Design, promote or sell products that are affordable, competitive and innovative, offering benefits in any or more of the following areas; cost, battery capacity, rigidity, compatibility with renewable energy sources or functionality. Innovation in this context need not be in aesthetics or high-end capacity requirements as available in the market.
7. Must install licenced Operating System (OS) on all locally designed or assembled hardware devices in-line with customers’ needs.
8. To always maintain a minimum inventory to be at least 20% of registered capability to ensure ample number of devices and parts are available on request.

9. Setup and operate after sales support, warranty support, return / repair centre as well as a customer service centre for their products. This can be outsourced locally.
10. Secure and provide corporate indemnity or performance guarantees for customers and clients, either directly or through resellers.
11. Hold and maintain relevant product and quality certifications of local or international acceptable standards
12. Subject themselves to regular NITDA led inspection of factory premises and manufacturing processes.
13. Provide verifiable documentation of source of component parts and notify NITDA of any changes in the source.

9.2 Indigenous Original Design Manufacturers shall:

1. Maintain active certification with NITDA, renewable every two years.
2. Recertification will be based on meeting the following conditions:
 - a. Have similar capacity to OEMs for ICT devices manufactured and assembled where their devices are sold in their own names or other private labels.
 - b. Maintain local capacity to assemble and install ICT devices
 - c. Hold and maintain relevant product and quality certifications of locally and internationally acceptable standards at local facilities of all devices assembled in Nigeria and for sale in the Nigerian Market.
 - d. Have verifiable proof of investment as stated in Appendix A Schedule B:
 - i. Provided such investments are in factory floor development, equipment, process development, human capacity development or research and development (R&D),
Subject to regular inspection of R&D facilities, factory premises and manufacturing processes.
 - e. Hold and maintain relevant platform certifications in line with the demands of the OEMs.
3. Submit to NITDA one (1) device either manufactured or assembled in its name or in a private label or on behalf an OEM for batch approval.
4. Maintain at least 70% local content by value and volume either directly or through outsourcing to local manufacturers engaged in any segment of the product value chain.

5. Seek higher levels of backward integration within 12 months from the start of local operations.
6. Provide to NITDA affidavit of source of component parts and notify NITDA of any changes in the source.
7. ODMs must maintain a minimum capitalization of one billion Naira.
8. Setup and operate after sales support, warranty support, return/repair centre as well as a customer service centre for their products. This can be outsourced locally.

9.3 Hardware Multinational Companies/OEMs shall:

1. Provide a detailed local content development plan for the creation of jobs, recruitment of Nigerians, human capital development, use of indigenous ICT products and services for value creation.
2. Notify NITDA of the commencement or launch of any developmental or Corporate Social Responsibility (CSR) project or program at least 15 days before the commencement of such program, stating in clear terms the following:
 - a. location(s) where the activity will take place;
 - b. number of intended number of beneficiaries for the activity;
 - c. name and other details of local partner implementing the activity.

9.4 MDAs shall:

1. Source and procure 40% computer hardware and associated devices only from NITDA approved ODMs or OEMs.
2. Purchase devices that have soft and hard keyboards capable of supporting Nigerian languages and the Naira sign (₦).
3. Give preference to companies with existing hardware support facilities and functional service stations with impressive customer service metrics measured frequently.
4. Include the cost of support and maintenance in Bill of Quantities (BOQ)/Bill of Materials (BOM) for all government ICT deployments.
5. Ensure where practicable all IT projects as turnkey deployments and not mere supply of components. Vendors must demonstrate appropriate systems integration capability in order to qualify for large-scale projects.
6. State categorically on any document issued for the solicitation of offers, bids, proposals or quotation for the supply or provision of hardware computing devices that preference is to be granted to indigenous NITDA certified ODMs or OEMs

9.5 NITDA shall:

1. Lead and facilitate product demand generation initiatives such as Assisted PC or tablets purchase programmes.
2. Promote the use of digital technologies as well as local development of software solutions for Education by facilitating Computer purchase programmes, provide incentives for software solutions in education and drive technology adoption initiatives in education.
3. Collaborate with similar ICT development agencies in neighbouring West African states in order to establish regional Information Communication Technology trade shows that will provide a platform to grow the local industry.
4. Facilitate discussions with industry groups and other affiliated groups, to engender local value creation.
5. Publish technical standards of various ICT components, devices, subassembly etc. as a guide for local OEMs.
6. Provide incentives and motivation for ODM/OEMs to develop their own unique local content products and services.
7. Facilitate aggregation of large scale purchase by the Federal Government of products assembled by an ODM in Nigeria.
8. Issue periodic specification of Basic Computing devices for use by MDAs for the benefit of national development.
9. Ensure that industry participants benefit from all investment incentives available to them by working with other government agencies to ensure that ICT firms benefit from such available incentives.

10.0 Guidelines for Indigenous Software Development and Software Enabled Products and Services

10.1 International Software Vendors (ISVs) shall:

1. Register their products, capabilities and organisation on the NITDA portal.
2. Demonstrate the ability to provide on-going support and continuous development and maintenance of any software deployed.
3. Disclose and offer all public sector discounts on software licences on terms negotiated with NITDA.

10.2 Software Development Firms (SDFs) and Indigenous Software Enabled Products or Services firms shall:

1. Register their products, capabilities and organisation on the National Digital Marketplace (NDP). The service will be provided free of charge and will ensure NITDA awareness of available resources.
2. Demonstrate the capacity to provide on-going support and continuous development and maintenance of any software sold or deployed.
3. Design and develop products and services that support Nigerian languages and local use cases.
4. Have access to seed capital and grants for start-ups, incubation programmes and other forms of government-backed schemes.
5. Hold and maintain relevant or any other standard certification in order to qualify for large scale software development bids.

10.3 Software Multinational Companies/ OEMs shall:

1. Provide verifiable information and sign affidavits about the origin, safety and workings of software being sold and deployed within the country in order to ascertain the full security of the product and protect National security.
2. Negotiate Universal License Agreements (ULA) with NITDA and shall offer agreed licenses and services to the public sector on terms agreed.
3. Provide a Local Content Development Plan to NITDA for their platforms and products as part of requirements for registration within Nigeria and pre-qualification for any project to be carried out with any MDAs. This applies to multinationals already registered and operating within the country.

4. Notify NITDA of the commencement or launch of any developmental or Corporate Social Responsibility (CSR) project or program at least 15 days before the commencement of such program, stating in clear terms the following:
 - d. location(s) where the activity will take place;
 - e. number of intended number of beneficiaries for the activity;
 - f. name and other details of local partner implementing the activity.

10.4 MDAs shall:

1. Source locally all software and software enabled products and services for which there is indigenous capacity to design, develop, compile, test, troubleshoot, launch, maintain and improve such software application.
2. Source and procure software from only indigenous software development companies; where the capacity for developing such software does not exist locally, procurement, installation and support will be provided by a Nigerian company.
3. Where local software is purchased, time allowances must be made for debugging and maturation of software as part of software development lifecycle.
4. Not consider urgency for deployment of software or a requirement of complexity as valid reasons for non-purchase of indigenous software.
5. Consider all software solution projects as turnkey deployments and not mere supply of licenses of software. Therefore, the vendor must demonstrate systems integration capability in order to qualify to carry out the project deployment.
6. Carry out risk-based due diligence to identify, prevent and mitigate actual and potential adverse impacts that may arise from using software, including risks that arise from technical dependencies on software conceptualized and developed outside Nigeria.
7. Obtain evidence of the origin, and workings of all software being used including adequate assurance of the full security of source code.
8. Compel the software development firm or indigenous company to design, develop and deploy the software in line with the Standards for Data Interoperability issued by NITDA.
9. Not disqualify any indigenous firm from an award of contracts on the basis of a determination of a demonstrable lack of the year of incorporation; but on the

basis of qualification, competence and experience of the company and its management in the execution of similar contract.

10. Ensure all software development projects valued at five billion Naira (N5b) or below are;
 - a) procured solely from indigenous software development companies or;
 - b) Where capacity to develop such projects do not exist in Nigeria and as verified by NITDA, such a project may be executed in joint venture with a non-indigenous firm, where the local firm must participate and use local resources in the development of the project and shall be the lead service provider for the project;
 - c) Indigenous partners in the joint venture project shall be entitled to not less than 40% of the total value of the development project;
 - d) Where foreign software technology is procured under Section 10.b; support, implementation, capacity development and training must be conducted with local partners in Nigeria who must be indigenous companies within the meaning of these Guidelines and who must be entitled to at least 40% of the gross charges for such services;
 - e) Where value of software to be procured is in excess of five billion Naira (N5b) an express approval of NITDA will be required with a justification and proof of inability to secure local capacity or alternative products locally.

11. Provide detail functional and non-functional specification for the requirement for any software to be developed and deployed.
12. Note that procurement of bespoke enterprise software from non-indigenous developers is hereby prohibited for the following categories:
 - a. Enterprise Resource Planning (ERP)
 - b. Human Resource Management
 - c. Enterprise Internet/Intranet/Extranet Portals
 - d. Education Content and School Management Systems
 - e. Learning Management and/or Learning Content Management Systems
 - f. Training Systems
 - g. Document Management Systems
 - h. E-commerce Systems
 - i. Payment Systems
 - j. Invoicing and Accounting Systems

13. State categorically on any document issued for the solicitation of offers, bids, proposals or quotation for the supply or provision of software that preference is to be granted to indigenous software development firms.

10.5 NITDA shall:

1. Enhance and promote the use of digital technologies as well as local development of software solutions for the critical sectors including but not limited to health, education and security.
2. Champion and encourage the set-up of Business Incubator Schemes to accelerate capacity and access of indigenous companies to secure ICT projects in the public sector.
3. Partner with financial institutions, venture capital firms, MNCs with venture capital divisions as well Angels investors to create a vibrant Venture Capital ecosystem for the ICT sector.

11.0 Guidelines for Telecommunication and ICT Service Provisioning

This Section shall be administered by the NCC and NITDA

11.1 Telecommunication Companies shall:

1. Be licensed by the NCC.
2. Provide a local content development plan for the creation of jobs, recruitment of Nigerians, human capital development, use of indigenous ICT products and services for value creation.
3. Use locally developed or manufactured software components, equipment, cables and devices for the provision of communication services
4. Host all subscriber and consumer data within the country in line with existing legislation.
5. Peer their internet traffic at any Internet Exchange Point in Nigeria.
6. Use indigenous companies to build network infrastructure (both active and passive). These include but not limited to cell sites towers, base stations, cables, software, network equipment and ensure that at least 80% of the value and volume are locally sourced.
7. Use indigenous companies for the provision of at least 80% of all Value Added Services and network services on the networks. TSP must also ensure that such companies are creating at least 80% of the volume and value of services provided locally.
8. Demonstrate verifiable evidence of Investment of at least 1% of annual turnover in ICT Research and Development in Nigeria in accordance with the Companies Income Tax Act (CITA) 2004.

11.2 NITDA and NCC shall:

1. Collaborate to promote the setup of Nigerian Telecommunication companies spanning the entire value chain, ranging from Network services, hardware to software, networking to data management in order to drive greater local participation.
2. Collaborate to promote the development of local companies that can provide ICT products and services.
3. Collaborate to foster the growth of value adding entities by encouraging innovation in new and emerging technologies.

4. Provide incentives and motivation for Telecommunication companies to develop their own unique local content products and services.

12.0 Guidelines for Networking Services

12.1 Networking Service Companies shall:

1. Be licensed by the NCC where applicable and register their products, capabilities and organizations on the NITDA IT Service provider's portal. The registration services shall be provided by free of charge and will ensure NITDA awareness of available resources.
2. Provide a local content development plan for the creation of jobs, recruitment of Nigerians, human capital development, use of indigenous ICT products and services for value creation.
3. Use locally developed or manufactured software, equipment and devices for the provisioning of data services in Nigeria except where such software, equipment and devices are not available locally, the networking services company shall obtain written approval of the Agency to purchase it outside Nigeria.
4. Host all subscriber and consumer data within the country.
5. Peer their internet traffic at any internet exchange point in Nigeria.
6. Use indigenous companies for the provision of all network services and delivery of projects on their networks.
7. Demonstrate verifiable evidence of Investment of at least 1% of annual turn-over in Research and Development in ICT in Nigeria which is tax deductible in accordance with the Companies Income Tax Act (CITA) 2004.
8. Provide evidence of the origin, source, paths, workings of network, Internet tools and services as well as adequate access to ascertain the full security of communications being sent through such platforms.
9. Maintain security and audit protocols for all services being rendered to citizens, corporations and government.
10. Hold and maintain relevant locally and internationally acceptable standards

12.2 MDAs shall:

1. Host their websites locally and under a registered.gov.ng domain.
2. Source network and Internet services from licensed indigenous service providers.
3. Ensure that all routes of network traffic between communication points are known and monitored routinely.
4. Maintain security and audit protocols for all services being rendered to citizens, corporations and Government.

12.3 NITDA and NCC shall:

1. Promote the adoption of .ng domain name by Nigerian companies.
2. Promote and facilitate investment in the setup of Nigerian networking and internet service companies spanning the entire value chain in order to drive greater local participation.
3. Promote the development of indigenous companies to provide ICT products and services.
4. Foster the growth of value adding entities by encouraging innovation in new and emerging technologies.
5. Provide incentives and motivation for Networking and Internet Service companies to develop ICT local content products and services.

13.0 Guidelines for Data and Information Management

13.1 Data and Information Management Companies shall:

1. Register their products, capabilities and organization on the NITDA portal.
2. Host all sovereign data locally within the country and shall not for any reason host any sovereign data outside the country without an express approval from NITDA.
 - I. Approval shall only be granted taken into consideration any of the following:
 - g. Compliance with the Nigeria Data Protection Regulation, where personal data is in consideration;
 - h. A consideration on the implication of the Nigeria Cloud Policy;
 - i. A guarantee that the Nigerian Government has unfettered right to access and retrieve its data wherever it is located;
 - j. An undertaking of non-disclosure of Nigeria's government data to any third party without the express consent of the government;
 - k. A guarantee of adequate and appropriate data security process; security process shall be reviewed and accepted by NITDA before approval is giving;
 - l. The Nigerian Government shall have a choice of the jurisdiction where data will be hosted;
 - m. An undertaken for periodic submission of Third-Party Audit reports for review by NITDA;
 - n. Where service to be offered to government is Software as a Service (SaaS) to improve the efficiency or performance of government;
 - o. Where SMEs offers service to government from a public cloud environment, such service must be registered and verified on the National Digital Marketplace, furthermore client MDA shall be responsible for backing up data from the service provisioning in public cloud.
3. Comply with and compel corporate and personal clients to strictly adhere to various data protection provisions in Nigeria and Guidelines on Data Protection by NITDA when hosting personal identifiable data.
4. Hold and maintain relevant locally and internationally acceptable standards
5. Proactively sell and market the .ng TLD in line with provisions of Nigeria Internet Registration Association (NiRA) policies.

13.2 MDAs shall:

1. Promote as mandatory the presence of system logs and other computer data logging technologies to aid in the effective troubleshooting and forensic investigation of events in Government systems.
2. Be responsible for ensuring that reasonable care is taken to adequately secure the sovereign data that is created, transferred and stored in digital formats.
3. Ensure that all sovereign data is hosted locally on servers within Nigeria.

13.3 NITDA shall:

1. Promote and support local data hosting firms and set appropriate service level requirements and standards for data service provisioning for such service.
2. Work with relevant institutions to design and determine data formats and interchange standards across all levels of Government and between various departments.
3. Promote awareness of appropriate data formats, database technologies, computer security and other data and information technologies that will be used by the Government in order to achieve the right degree of security.
4. Work with the Nigerian Copyright Commission towards the implementation of the treaties of the WIPO, as well as drive the local adaptation of specific provisions.
5. Work with the Nigerian Copyright Commission, Copyright Reform Expert Working Group, National Office for Technology Acquisition and Promotion, as well as with non-governmental and civil organizations like Intellectual Property Institute, Nigerian Chapter of the World Intellectual Property Organization, Copyright Society of Nigeria, to achieve the harmonisation of Intellectual Property rights so as to provide an incentive for innovators and creators.

14.0 Guidelines for Human Capital Development in ICT

14.1 All Information Technology, Online Service Provisioning and Internet Content Multinational Companies in Nigeria:

1. Shall demonstrate evidence of operations and projects of R&D departments or divisions that carry out value added services in-country, employing Nigerians in R&D to contribute to job creation and empowerment of Nigerians.
2. Maybe eligible for tax relief for R&D as provided for by extant Nigerian Tax Laws or other incentives available under the NITDA Act 2007.
3. Notify NITDA of the commencement or launch of any developmental or Corporate Social Responsibility project or program at least 15 days before the commencement of such program, stating in clear terms the following:
 - a. location(s) where the activity will take place;
 - b. number of intended number of beneficiaries for the activity;
 - c. name and other details of local partner implementing the activity.

14.2 Indigenous or Nigerian Companies

All indigenous or Nigerian Companies who have secured IT projects or contracts with any Federal Public Institution or Government owned companies either fully or partly, of which the gross value of the project is Five Hundred Million Naira (N500,000, 000, 00) or above shall:

- I. Engage on the project, a start-up or incubation team for the purpose of R&D on the project.
- II. Engage Nigerian graduates with IT background as interns on the project.
- III. Submit to NITDA a Local Content Plan Comprising of the following reports:
 - a. detailed project scope
 - b. details of non-indigenous partners and monetary value of their service or products in the project;
 - c. number of Nigerians to be deployed for the project;
 - d. detail description of Nigerian solutions or products utilized in the project;
 - e. number of non-Nigerians to be deployed for the project;
 - f. Number of Nigerian graduate interns to employed for the project;

- g. R&D plan and details of any start-up or incubation teams involved in the project;
- h. disclose if the project has implications for national security.

14.3 NITDA and NCC shall:

1. Proactively address perception of quality of locally made ICT products and services by working with leading national and global quality organizations, and local industry groups to train and assist local ICT companies to improve their products, services and processes.
2. Promote capacity building in relevant ICT thematic proficiencies in tertiary institutions and designated Centres of Excellence.
3. Empower Centres of Excellence around key emerging technologies and promote the creation of a minimum of six Centres of Excellence in partnership with Nigerian tertiary institutions.
4. Designate Centres of Excellence based on set eligibility criteria, application and evaluation in line with the defined criteria.
5. Produce national ICT skills gap report in collaboration with relevant stakeholders.
6. Support academic research projects being conducted by Nigerian scholars and educational institutions in Nigeria which focus on developing the ICT sector in the country.
7. Promote and support the commercialisation of research activities in order to engender and encourage entrepreneurship and skills development.
8. Provide incentives for Nigerian companies to support and develop leading and emerging technologies.
9. Support technology incubation programs, Startups communities, ICT clusters and other IT development networks to stimulate the growth of the sector.
10. Partner with relevant organizations and other appropriate bodies to setup a Technical & Vocational Skill Acquisition and Training Programme for ICT practitioners and small-scale entrepreneurs.
11. Mandate all IT third service providers with existing IT contracts, partnerships or service agreements with the Federal Government to engage graduate interns as a necessary component of IT service delivery for the Federal Government. Internship duration, stipend and number of interns shall be evaluated on a case by case basis.

**THIS INSTRUMENT IS HEREBY ISSUED ON THE 2ND DAY OF
AUGUST 2019**

**BY THE NATIONAL INFORMATION TECHNOLOGY
DEVELOPMENT AGENCY (NITDA)**

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Director General/ CEO
Chief Information Technology of Nigeria.

Schedule to Amended Guidelines for Nigerian Content Development in ICT

Table A.

Hardware Device Classes for OEMs

Class	Device Range	OEM
Class 1	PCs/Laptops/Printers	₦50M
Class 2	Phone, Tablets	₦30M
Class 3	Setup boxes, Smart meters	₦10M
Class 4	Embedded IC / IoT	-
Class 5	Accessories(keyboard, mice etc)	-

Table B:

Hardware Device Classes for ODMs

Class	Device Range	ODM
Class 1	PCs/Laptops/Printers	₦900M
Class 2	Phone, Tablets	₦305M
Class 3	Setup boxes, Smart meters	₦75M
Class 4	Embedded IC / IoT	₦50M
Class 5	Accessories(keyboard, mice etc)	₦30M