



Nigeria

Digital Trade Acceleration Initiative

Country Report

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How to Read This Report

This comprehensive report is structured to guide readers to the information that interests them most. Three sections illuminate the regulatory assessment from different perspectives:

Section A is the core of this report. It assesses the domestic regulatory environment across twelve policy areas, with three subsections for each.

1. Our guiding questions analyse how each policy area interacts with digital trade.
2. Our summaries condense the regulatory environment through brief descriptions of the main legal frameworks and oversight authorities.
3. Our source lists provide a repository of official sources to facilitate further analysis.

Section B provides a factsheet that describes the local digital economy across four key dimensions: size and activities, digital infrastructure and connectivity, digital skills, and digital government.

Section C outlines international commitments and references the international fora in which it engages on digital issues.

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Executive Summary

The purpose of this report is to provide a detailed description of the regulatory environment affecting businesses and consumers engaging in digital trade. We illuminate the regulatory environment from three perspectives:

- 01 A comprehensive regulatory assessment explains the regulatory environment across twelve policy areas.
- 02 A factsheet describes the local digital economy across four dimensions: size and activities, digital infrastructure and connectivity, digital skills, and digital government.
- 03 An overview of existing international commitments characterises efforts to accelerate digital trade.

The regulatory assessment is the main contribution of this report and provides the following findings:

Data Protection:

User consent is required for data processing. Data subjects have the right to be informed and withdraw consent. Data processors of major importance must register with the government.

Cross-Border Data Transfers

Transfers are prohibited unless the recipient provides an adequate level of protection, for example through

laws, contractual clauses, or certification. In the absence of adequacy, transfers are only allowed in exceptional cases, including with data subject consent.

Location of computing facilities:

Nigeria does not generally require data to be stored locally but establishes specific localisation requirements. In specified cases, localisation is demanded from telecommunications and network service providers, data and information management companies, government agencies, and electronic payment providers.

Online Consumer Protection:

Online consumers are protected by the general consumer protection framework, including misrepresentations for marketing purposes. The cybercrime law prohibits spamming with intent to disrupt operations.

Electronic Transactions:

Electronic transactions are recognised as equivalent to paper-based transactions, with certain exceptions. The validity of electronic signatures is established without differentiating types thereof.

Trade Facilitation with Digital Means:

Nigeria provides trade administration documents in electronic form, in English, and provides a portal for electronic submissions. The Nigerian Single Window Portal is operational and the Fast Track Window system expedites customs procedures for specific shipments.

Cybersecurity:

The cybercrime law criminalises various cyber

offences and establishes penalties based on their severity. The data protection law requires the notification of data breaches to affected data subjects.

Artificial Intelligence:

Nigeria has not adopted a binding framework regarding the governance of AI. The National AI Strategy 2024 establishes a roadmap to develop the Nigerian AI sector.

Source Code:

The copyright law recognises computer programs as protected works, establishing exclusive rights to reproduce, adapt, distribute, and publicly perform the software. Exceptions include the use of computer programs for their intended purpose and reproductions for archival purposes. There are no mandatory source code sharing requirements.

Digital Economy Taxation and Customs Duties:

Digital services and products are not subject to customs duties but value-added tax applies.

E-commerce imports are subject to both customs duties and value-added tax. Nigeria levies a 6% Digital Services Tax on the local turnover of foreign digital service providers, including content, data, and intermediary services.

Electronic Payments:

Know-your-customer, anti-money-laundering, and counter-terrorism-financing rules apply to electronic payments. Mobile money operators must be licensed by the central bank.

SMEs and Digital Inclusion:

Nigeria has implemented a range of initiatives to support SMEs and disadvantaged groups in digital trade. These efforts encompass national strategies, government agency programmes, and international partnerships. The initiatives focus on developing digital skills, integrating digital technologies into business operations, and promoting digital financial inclusion.



01

Domestic Regulatory Environment Assessment

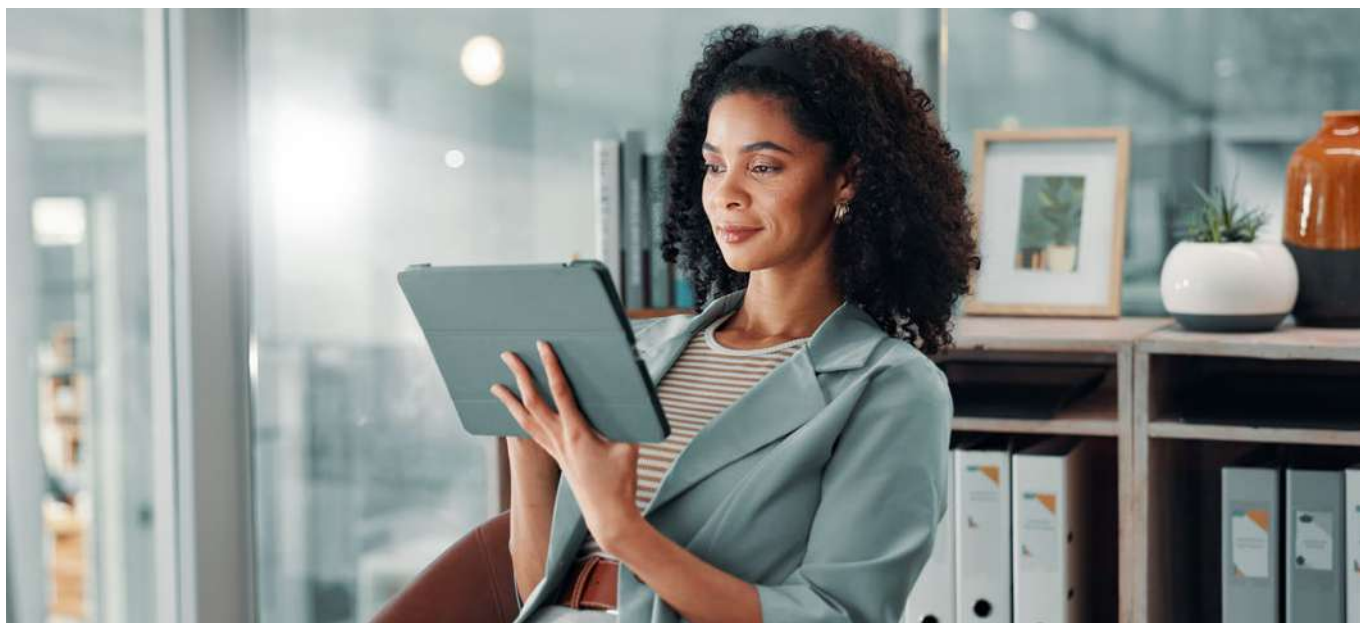
Domestic Regulatory Environment Assessment

For thriving digital trade among the members of the Digital Cooperation Organization, their regulatory environment should be comprehensive and adaptive. Absence of fundamental regulatory building blocs, regulatory divergence, or explicit barriers can hinder the DCO MS's digital trade reaching its potential.

This section assesses the regulatory environment across twelve policy areas on three layers. First, we answer guiding questions to analyse each policy area's impact on digital trade. Second, we summarise the regulatory environment through brief descriptions of the main legal frameworks and oversight authorities. Third, we provide a repository of official sources to facilitate further analysis.

We conduct this assessment for the following policy areas:

- 01 Data Protection
- 02 Cross-Border Data Transfers
- 03 Location of Computing Facilities
- 04 Online Consumer Protection
- 05 Electronic Transactions
- 06 Trade Facilitation with Digital Means
- 07 Cybersecurity
- 08 Artificial Intelligence
- 09 Source Code
- 10 Digital Economy Taxation and Customs Duties
- 11 Electronic Payments
- 12 SMEs and Digital Inclusion



Data Protection

The purpose of this section is to comprehensively characterise the conditions for domestic data collection and processing. Alignment with international best practices in data protection is important for fostering trust whilst facilitating market access. Deviation from these practices could potentially impact digital trade. If the data protection requirements within the member state are too low, that diminishes trust. If data protection requirements are too high, that may delay market entry from international service providers.

Guiding Questions

We analyse whether user consent is required for the processing of personal data. We then delineate the rights of data subjects and obligations for those processing data, specifically on local representation and registration. Finally, we identify the authority responsible for overseeing and enforcing data protection regulations.

Nigeria's data protection law demands user consent for data processing and establishes the right to be informed and withdraw consent. Data processors of "major importance" have to register with the government. The Nigeria Data Protection Commission, part of the Federal Ministry of Communications, Innovation and Digital Economy, is in charge of oversight.

Summary

Nigeria has established a comprehensive legal framework for data protection through the Constitution and the Data Protection Act. The Constitution guarantees privacy protections to citizens in their homes, correspondence, telephone conversations, and telegraphic communications. The Data Protection Act, in force since 2023, applies to all personal data processing by any organisation, including the private sector. The objective of the Act is to ensure that personal data is processed in a “fair, lawful, and accountable manner.” It mandates that organisations obtain user consent, following proper notification to data subjects, before processing their data. It also establishes the right to withdraw consent. In addition, data processors of “major importance” must register with the Nigeria Data Protection Commission.

The Nigeria Data Protection Commission, under the Federal Ministry of Communications, Innovation and Digital Economy, oversees personal data protection matters in Nigeria. The Commission can start investigations, impose fines, draft rules, provide guidance, and monitor compliance. The Commission further appoints licensed Data Protection Compliance Organisations, which monitor, audit, conduct training and provide data protection compliance consulting to all data controllers. Other relevant authorities include the Nigerian Communications Commission, which regulates data processing by internet service providers and telecommunications companies, and the Central Bank of Nigeria, which oversees financial data protection.

Nigeria has sectoral binding regulations which rules data protection and privacy.

- 01 The Ministry of Communications and Digital Economy issued the Revised National Digital Identity Policy for SIM Card Registration in 2021, which emphasises the need to safeguard citizens’ personal information and privacy.
- 02 The Federal Ministry of Health issued the National Code of Health Research Ethics 2007. The document aims to foster health research in Nigeria. It states that the research participants have the right to privacy, even after withdrawing from any research.
- 03 The Central Bank of Nigeria (Customer Due Diligence) Regulations 2023 stipulates that financial institutions must verify the data protection regulatory framework in their operating jurisdiction, and they should not impede data exchange before utilising that information for their operations.

The Nigeria Data Protection Commission issues guidance on a range of data protection-related matters.

- 01 The Guidance Notice on the Registration of Data Controllers and Data Processors of Major Importance asserts the need for entities handling substantive amounts of personal data to register with the Commission.

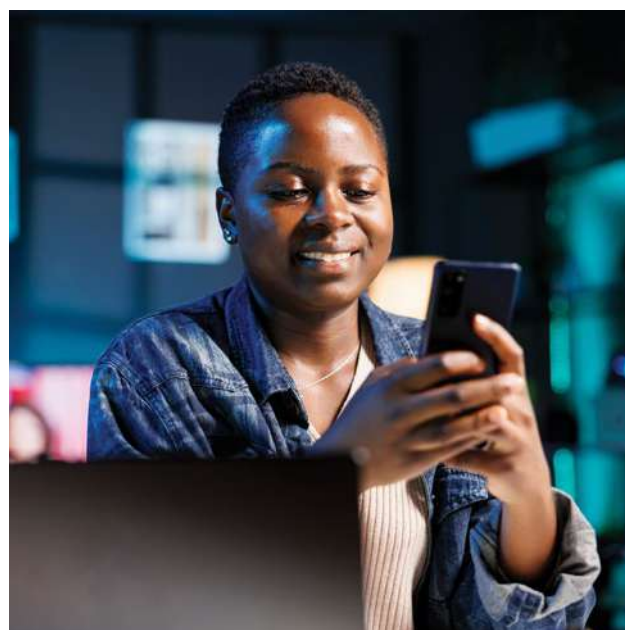
02 The Guidance Notice on Filing Data Protection Compliance Audit Returns explains the procedures for submitting annual data protection compliance audits. It suggests that the data controller or the data processor must establish data processing activities to guarantee compliance with the regulations.

03 The Commission's website has a "news" section but it currently does not contain enforcement cases. Recently, the Commission fined Fidelity Bank NGN 555.8 million for violating illegal data collection during the customer account opening process.

04 The Strategic Roadmap and Action Plan 2023-2027 proposes a data protection and privacy ecosystem to be integrated throughout the development of industry and infrastructure. The Plan states that Nigeria needs a more robust and trustworthy data protection environment and improve the application of data protection and privacy requirements.

05 The Federal Ministry of Communication and Data Economy issued the National Digital Economy Policy and Strategy 2020-2030 aiming to define strategic pillars and objectives. The document recommends strengthening the existing regulatory instruments on data protection and privacy to increase public confidence in the use of digital technologies.

06 Other relevant policies, for example the ICT Policy 2012, were issued by the National Information Technology Development Agency, whose powers in data protection were transferred to the Nigeria Data Protection Commission.





SOURCES

Primary Legislation

- Constitution of the Federal Republic of Nigeria 1999
- Nigeria Data Protection Act 2023
- Freedom of Information Act 2011

Secondary Legislation

- Nigeria Data Protection Act (NDP ACT) 2023 General Application and Implementation Directive (GAID) 2024 - Draft
- Central Bank of Nigeria Customer Due Diligence Regulations 2023
- Revised National Digital Identity Policy for SIM Card Registration 2021

Guidelines

- National Information and Communication Technology (ICT) Policy 2012
- National Code of Health Research Ethics 2007
- Guidance Notice Registration of Data Controllers Data Processors of Major Importance
- Nigeria Data Protection Commission: Guidance Notice on the Filing Data Protection Compliance Audit Returns (CAR) for 2022
- Strategic Roadmap and Action Plan 2024-2027
- The National Digital Economy Policy and Strategy of Nigeria 2020-2030
- Nigeria ICT Innovation and Entrepreneurship Vision (NIIEV)
- Guidance Notice Registration of Data Controllers and Data Processors of Major Importance

- Data Protection Compliance Organisations
- Guidelines for Nigerian Content Development in Information and Communication Technology (ICT) (as amended, August 2019)
- Nigeria Cloud Computing Policy 2019
- Guidelines for the Provision of Internet Service Published by the Nigerian Communications Commission
- Framework and Guidelines for Public Internet Access (PIA)
- Standards for Data Interoperability 2016
- National Digital Literacy Framework
- National Fintech Strategy 2022
- Nigeria Payments System Vision 2025
- Operational Guidelines for Open Banking in Nigeria 2023
- Nigerian Payments System Risk And Information Security Management Framework
- Voice of Nigeria: Nigerian Government Fines Fidelity Bank N555.8m for data breach

Oversight Authorities

- Federal Ministry of Communications, Innovation and Digital Economy (FMCIDE) [source not working]
- Nigeria Data Protection Commission (NDPC)
- Central Bank of Nigeria (CBN)
- Nigerian Communications Commission (NCC)



Cross-Border Data Transfers

The purpose of this section is to analyse the conditions for the cross-border transfer of personal information. On the one hand, data flows are the bloodline of the digital economy. On the other hand, data flows are a controversial subject in geopolitical discussions, as governments worry that transferring data across borders may jeopardise its protection. How a government regulates data transfers reveals the balancing act between free data flows and protection of data abroad.

Guiding Questions

We differentiate whether the framework treats cross-border transfers differently from in-country transfers. We then analyse the specific conditions for cross-border transfers, ranging from data subject consent, to governmental adequacy decisions, to certification and contractual mechanisms. Finally, we delineate conditions for specific types of cross-border transfers and distil public policy objectives invoked by the government, where explicitly stated.

Nigeria establishes specific conditions for cross-border transfers. Transfers are prohibited unless the recipient provides an adequate level of protection through laws, binding corporate rules, contractual clauses, codes of conduct, or certification mechanisms. In the absence of adequacy, transfers are only allowed in exceptional cases, including with data subject consent or to protect vital interests. For transfers of sovereign data, the National Assembly must issue an approval.

Summary

- The Data Protection Act, in effect since 2023, establishes conditions for cross-border data transfers. Generally, data shall not be transferred unless the recipient offers an adequate level of data protection. The Nigerian Data Protection Commission establishes whether the data protection level is adequate. It can determine that a country or standard contractual clauses afford adequate protection or it can approve of binding corporate rules, contractual clauses, codes of conduct, or certifications. In the absence of adequate data protection, transfers are only allowed with certain exceptions, including the data subject's consent, the performance of a contract with the data subject, and the protection of vital interests of the data subject. Finally, the Data Protection Act states that no international cross-border data transfer code, rule or certification mechanism shall be as a Nigerian standard for data protection or data sovereignty without approval of the National Assembly.
- In 2024, the Nigerian Data Protection Commission issued the draft General Application and Implementation Directive under the Nigeria Data Protection Act 2023. The draft mentions that guidelines on cross-border data transfers (including a whitelist) are pending and establishes criteria for the determination of adequacy level. A dedicated schedule specifies criteria to assess the adequacy of countries and "cross-border data transfer instruments." In addition, the draft provides a template for data privacy impact assessment including information regarding data transfers, such as the recipient country and the basis for the transfer.



- The Guidelines for Nigerian Content Development in Information and Communication Technology (ICT) 2019 state that the data and information management companies need to host sovereign data within the country, unless the Nigerian Communications Commission issues express approval. The government maintains the choice of the jurisdiction where data is hosted.
- The Guidelines for the Management of Personal Data by Public Institutions in Nigeria 2020 state that consent must be obtained in certain situations before processing personal data, even if other legal grounds apply. This includes any personal data that is processed outside of Nigeria.
- Finally, the Cloud Computing Policy advises public institutions to contract cloud service providers that store data in a jurisdiction that provides a level of personal data protection that is equivalent to that provided in Nigeria. The Policy mentions that guidance will determine which jurisdictions such data may be stored in.



SOURCES

Primary Legislation

- Nigeria Data Protection Act 2023

Secondary Legislation

- General Application and Implementation Directive (GAID) 2024- Draft

Guidelines

- Guidelines for the Management of Personal Data by the Public Institution of Nigeria 2020

- Guidelines for Nigerian Content Development in Information and Communication Technology (ICT) (as amended, August 2019)
- Nigeria Cloud Computing Policy 2019
- Guidance Notice Registration of Data Controllers Data Processors of Major Importance



Location of Computing Facilities

The purpose of this section is to crystallise instances in which data must be stored in local computing facilities. Data localisation mandates require foreign providers to invest in or rent local infrastructure. This can create a significant barrier to digital trade due to burdensome procedural requirements or costs. Such requirements are thus subject to international scrutiny regarding their justification and scope.

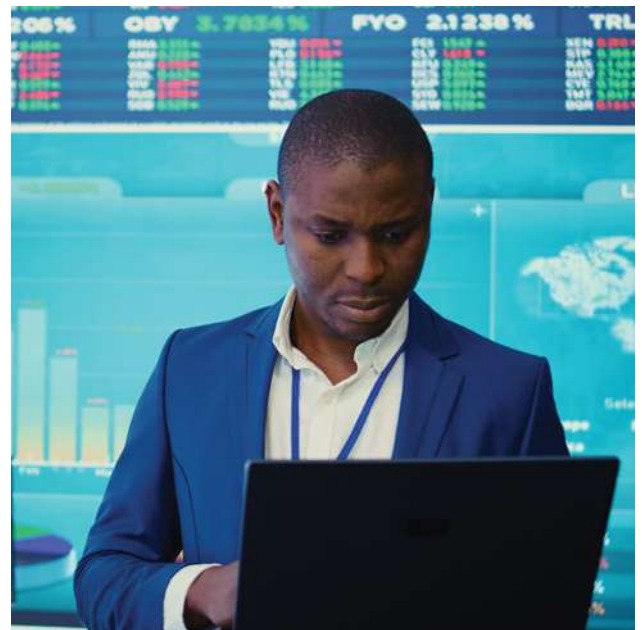
Guiding Questions

We analyse whether the framework generally requires data to be stored in the national territory. We then analyse whether data localisation requirements apply to specific data types, such as infrastructure or health data. For each identified localisation requirement, we distil the public policy objective invoked by the government, if it is explicitly stated.

Nigeria does not generally require data to be stored locally but establishes specific localisation requirements. Telecommunications and network service providers must host subscriber and consumer data in Nigeria. In addition, data and information management companies as well as government agencies must localise sovereign data. For specific data classes, cloud storage is permitted only if the cloud servers are located in Nigeria. Finally, electronic payments must use a local switch and not route outside Nigeria. Objectives include developing the local ICT industry and encouraging local innovation.

Summary

- There is no general data localisation requirement in Nigeria, but several specific localisation mandates apply.
- The Guidelines for Nigerian Content Development in Information and Communication Technology (ICT) 2019 covers data localisation in Nigeria. The Guidelines aim to foster indigenous innovation and promote the local ICT industry. The Guidelines state that, unless the National Information Technology Development Agency issues an approval for sovereign data to be hosted in foreign countries, sovereign data is to be hosted within Nigeria. In addition, the Guidelines state that Networking Service Companies shall host all subscriber and consumer data within Nigeria.
- The Guidelines on Operations of Electronic Payment Channels in Nigeria state that all domestic transactions, including Point of Sale, Automated Teller Machine, and Mobile Point of Sale transactions, must use a local switch and are prohibited from being routed outside Nigeria.
- The Cloud Computing Policy recommends data localisation for specific data classes. “Confidential, routine government business data” as well as “secret, sensitive government, and citizen data” must reside primarily in a cloud framework within Nigeria. In addition, “classified or national security information” must reside on-premise in public institutions or in a cloud in Nigeria.





SOURCES

Secondary Legislation

- Guidelines for Nigerian Content Development in Information and Communication Technology (ICT) 2019
- Guidelines for the Management of Personal Data by Public Institutions in Nigeria 2020
- Nigeria Cloud Computing Policy 2019
- Guidelines on Operations of Electronic Payment Channels in Nigeria [third party source]

Summary

There is no general data localisation requirement in Nigeria, but several specific localisation mandates apply.

The Guidelines for Nigerian Content Development in Information and Communication Technology (ICT) 2019 covers data localisation in Nigeria. The Guidelines aim to foster indigenous innovation and promote the local ICT industry. The Guidelines state that, unless the National Information Technology Development Agency issues an approval for sovereign data to be hosted in foreign countries, sovereign data is to be hosted within Nigeria. In addition, the Guidelines state that Networking Service Companies shall host all subscriber and consumer data within Nigeria.

The Guidelines on Operations of Electronic Payment Channels in Nigeria state that all domestic



Online Consumer Protection

This section provides a detailed overview of the approach to protecting online consumers. A well-regulated online consumer protection framework is crucial for fostering trust and confidence in online transactions. In the context of international trade, the implementation of strong online consumer protection regulations enables secure cross-border transactions and promotes the expansion of e-commerce.

Guiding Questions

We contour whether the online consumer protection framework is specific to online consumption or applies general rules thereto. We then delineate the practices that are considered violations of consumer protection and distil any special obligations for e-commerce platforms. We further analyse the regulatory approach regarding spam. Finally, we explain which authority oversees online consumer protection.

Nigeria regulates online consumer protection through its competition and consumer protection law. The law prohibits certain practices, including making misrepresentations for marketing purposes. E-commerce platforms are required to establish consumer complaint mechanisms. While spam is not governed by a dedicated framework, the cybercrime law prohibits spamming with intent to disrupt operations and phishing. The Federal Competition and Consumer Protection Commission, reports directly to the Federal Ministry of Industry, Trade and Investment, oversees consumer protection.

Summary

- The Nigeria Federal Competition and Consumer Protection Act, in force since 2019, regulates consumer protection across sectors, including electronic commerce. The Act prohibits making false, misleading, or deceptive statements as a breach of consumer rights. In addition, all relevant information regarding services, rates, and terms offered to the public must be available both in print and online, including on the company's website. Finally, the Act established the Federal Competition and Consumer Protection Commission and the Competition and Consumer Protection Tribunal.
- The Communications Act 2003 provides a regulatory framework for the communications sector, including consumer protection provisions. Service providers must meet minimum quality standards established by the Commission and implement consumer complaint mechanisms.
- The Cybercrimes Act, enacted in 2015 and recently amended in 2024, prohibits spamming with intent to disrupt operations, threatening penalties such as imprisonment, fines, or both, depending on the seriousness of the offence.
- The Federal Competition and Consumer Protection Commission oversees consumer protection in Nigeria. It reports directly to the Federal Ministry of Industry, Trade and Investment.

The Commission's website has a "news" section but it currently does not contain any enforcement cases. Other authorities include:

- 01 The Competition and Consumer Protection Tribunal, which resolves disputes and imposes penalties.

- 02 The Nigerian Communications Commission, which regulates consumer protection matters related to telecommunications services.
- 03 The Central Bank of Nigeria, which oversees consumer protection within the financial sector.
- 04 The Standards Organisation of Nigeria, which ensures that products meet required standards, including quality control and product safety.
- The Central Bank of Nigeria has developed several sector-specific guidelines and regulations, including those related to electronic payments and open banking. The Consumer Protection Regulations established mechanisms for promoting consumer rights in the banking system. They state that financial institutions should develop internal policies and implement a dispute resolution mechanism to handle consumer complaints. The Nigeria Payments System Vision 2025 reinforces the importance of enhancing consumer protection through dispute resolution mechanisms provided by banks, including arbitration.
- The National Fintech Strategy 2022 and the Nigeria Cloud Computing Policy 2019 both highlight the risks that digital platforms pose to consumer protection. They call for a more robust regulatory framework to enhance trust in digital platforms and digital financial services.
- The Consumer Code of Practice Regulations 2024 establish consumer protection standards for licensed telecommunications operators. The Regulations outline remedial actions and penalties for breaches, although not specific to online consumer protection. In addition, licensees must obtain approval from the Commission 30 days before publishing any marketing materials for goods or services



SOURCES

Primary Legislation

- Nigerian Communication Act 2003
- Cybercrimes (Prohibition, Prevention, Etc) Act 2015 (2024 Amendment)

Secondary Legislation

- Federal Competition and Consumer Protection Act 2018
- Nigerian Communications (Consumer Code of Practice) Regulations 2024
- Issuance of Consumer Protection Regulations 2019
- Exposure Draft of Regulatory Framework for Agent Banking in Nigeria 2023
- Issuance of the Regulatory Framework for Non-Bank Acquiring in Nigeria 2021
- Issuance of Regulatory Framework for Open Banking in Nigeria 2021
- Regulatory Framework for Mobile Money Services in Nigeria 2021
- Advertising Regulatory Council of Nigeria Act 2022
- Supervisory Framework for Payment Service Banks 2021
- Consumer Protection Framework 2016
- Notice in Respect of Indicative Timeframes for Merger Notification and Review Process

Guidelines

- Guidelines for the Provision of Internet Service 2003
- Investigative Cooperation/Assistance Rules and Procedures 2021
- Leniency Rules 2022
- National Financial Inclusion Policy 2022
- National Fintech Strategy 2022
- Strategy for Leveraging Agent Networks for Womens Financial Inclusion 2022
- Nigeria Payments System Vision 2025
- Guidelines on International Mobile Money Remittance Service in Nigeria 2015
- Guidelines on Operations of Bank Accounts for Virtual Assets Service Providers (VASPS)
- Guidelines for Licensing and Regulation of Payment Service Banks in Nigeria 2020
- Oversight Authorities
- Federal Ministry of Industry, Trade and Investment
- Federal Competition and Consumer Protection Commission (FCCPC)
- Competition and Consumer Protection Tribunal
- The Nigerian Communications Commission (NCC)
- The Central Bank of Nigeria (CBN)
- The Standards Organisation of Nigeria (SON)



Electronic Transactions

The purpose of this section is to identify whether there are any regulatory hurdles to electronic transactions compared to paper-based or face-to-face transactions of equivalent substance. A transaction contains different aspects such as the validity of the contract, signature, and authentication.

Guiding Questions

We focus on whether the electronic transactions framework is binding and whether it recognises electronic transactions as equivalent to paper-based transactions. We then differentiate the various types of electronic signatures in the framework. Finally, we distil whether electronic authentication is permitted and whether the government provides such authentication.

The 2023 Electronic Transactions Act recently came into force. The Act recognises electronic transactions as equivalent to paper-based transactions with exceptions for transactions regulated by other laws, such as for wills and real estate. The Act confirms the validity of electronic signatures but does not differentiate different types thereof. Foreign electronic signatures and certificates are legally valid if they meet domestic legal standards. The National Information Technology Development Agency (NITDA) is in charge of establishing, maintaining and publishing a register of Electronic Signature Certification Services.

Summary

- The Electronic Transactions Bill of 2023 provides the legal framework for electronic transactions and electronic signatures in Nigeria. It defines the requirements for the validity of electronic signatures and sets standards for the responsibilities and procedures involved in electronic transactions, including data protection and consumer rights.
- Electronic records and transactions hold the same legal standing as their paper-based counterparts and cannot be rejected solely on the grounds of being electronic. The National Digital Economy and E-Governance Act of 2024 (Draft) contains a provision on equal treatment of signatures. The Law states that electronic signatures shall be equal to wet ink signatures except for wills and real estate.
- Foreign electronic signatures and certificates are valid in Nigeria, provided that they meet Nigerian regulations. The National Digital Economy and E-Governance Act of 2024 (Draft) adds that an agreement between the parties suffice to recognise foreign signatures.
- The Cybercrimes Act, enacted in 2015 and recently amended in 2024, stipulates that electronic signatures are not considered valid for wills, codicils, and other testamentary documents, as well as birth and death certificates, matters related to family law, among others. These categories require physical signatures to ensure authenticity and compliance with legal requirements. Furthermore, electronic signatures created or used outside Nigeria are recognised as legally valid if they meet Nigeria's Certification Standards. The origin of the certificate or signature is not a determining factor for its validity, as long as it complies with the requirements of Nigerian laws.
- Nigeria recognises electronic authentication, including digital identity management, as a valid method for verifying the identity of parties involved in electronic transactions. Authentication mechanisms must comply with regulatory standards to ensure security and effectiveness.
- The National Information Technology Development Agency is in charge of establishing, maintaining and publishing a register of Electronic Signature Certification Services. Within the financial sector, the Central Bank of Nigeria is responsible for electronic transactions and electronic signatures. It provides the legal framework for the validity of electronic signatures and oversees the conduct of parties involved in electronic transactions, ensuring data security, authenticity, and compliance with relevant regulations.
- The Regulation on Electronic Payments and Collections for Public and Private Sectors of 2019 defines the responsibilities of the Ministry of ICT and Innovation for the governance of e-transactions, covering electronic certification, electronic signatures, and the regulation of certification authorities.



SOURCES

Primary Legislation

- Electronic Transactions Bill 2023
- Cybercrimes (Prohibition, Prevention, Etc) Act 2015 (2024 Amendment)
- National Digital Economy and E-Governance Act 2024

Secondary Legislation

- Regulation on Electronic Payments and Collections for Public and Private Sectors in Nigeria Revised 2019
- Regulatory Framework for Mobile Money Services in Nigeria 2021
- Regulatory Guidelines on the eNAIRA 2021



Trade Facilitation with Digital Means

This section analyses how well the domestic regulatory environment is set up to welcome goods and services trade made possible through digital tools. This includes the use of electronic trade documentation, as well as measures designed to support "trade in parcels" and streamline cross-border transactions in the digital economy.

Guiding Questions

We analyse whether trade administration documents for imports are available and can be submitted in electronic form. We then focus on single windows, enabling persons to submit documentation for import, export, or transit through a single entry point to authorities. Specifically, we outline whether a single window system is operational for trade documentation and whether this system supports international data or document exchange. Finally, we highlight expedited or simplified customs procedures for low-value shipments.

Nigeria provides trade administration documents in electronic form, in English, and provides a portal for electronic submissions. The Nigerian Single Window Portal is operational and enables registered companies to consult trade information, track their transactions and execute payments. The Fast Track Window system expedites customs procedures for specific shipments. Recently, the Customs Service Act 2023 established expedited procedures for cross border e-commerce shipments. Finally, simplified customs procedures apply to shipments valued below NGN 105,570.

Summary

- Nigeria's framework for paperless trade is governed by several key pieces of legislation that support the electronic submission of trade administration documents. The Electronic Transactions Bill underpins the use of electronic records and signatures. The Customs Service Act 2023 and the Business Facilitation (Miscellaneous Provisions) Act further regulate customs procedures, establishing the legal foundation for electronic trade processes and ensuring compliance with international trade standards.
- Import declarations and associated documents can be digitised and submitted electronically through the customs administration's system, and the Single Window portal. These electronic submissions must be original, comply with Nigeria's legal frameworks, follow the customs administration's formatting requirements, and be linked to a single declaration unless otherwise authorised.
- The Nigerian Customs Service oversees the implementation and regulation of Nigeria's paperless trade system. This includes management of the Nigeria Single Window Trade Portal, which facilitates electronic submission and processing of trade documents. The Customs Service ensures adherence to trade policies, monitors customs procedures, and manages the Fast Track Window system designed to expedite critical imports. The Customs Area Command also enforces compliance with specific import value thresholds. Nigeria has implemented simplified customs procedures for low-value shipments, with a de minimis threshold of NGN 105,570.¹
- The Nigeria Single Window Portal integrates various trade-related functions, allowing for digital submission of customs declarations, payment of duties, and tracking of transactions, supporting a paperless customs clearance process. The system offers services including duty calculations, tariff consultations, and real-time declaration tracking. The Fast Track Window streamlines customs procedures for qualifying low-value shipments and critical imports, with documentation verified through the Personal Identification Data Central Authentication and Risk Management System (PIDCARMS).
- Nigeria's paperless trade practices align with international standards such as the World Trade Organization (WTO) Trade Facilitation Agreement. The National Single Window platform supports electronic data exchange and facilitates compliance with international trade facilitation frameworks. The country's efforts also include alignment with the African Continental Free Trade Area (AfCFTA) and the AfCFTA Protocol on Digital Trade (Draft), which promotes harmonised and digitised customs procedures across the continent. Additionally, Nigeria is part of the Automated System for Customs Data (ASYCUDA), enhancing its capability for international document exchange.

¹ The information on de minimis thresholds was retrieved from the Global Express Association.



SOURCES

Primary Legislation

- Electronic Transactions Bill 2023
- Customs and Excise Management Act
- Business Facilitation (Miscellaneous Provisions) Act [other government source]

Guidelines

- Trade Policy of Nigeria 2023-2027
- Guidelines for Fast Track Clearing of Imported NAFDAC Regulated Products and Bulk Raw Materials
- GEA - Global Express Association [third party source]
-

Portals

- Nigeria Single Window for Trade
- Fast Track 2.0
- Nigeria Customs Service
- Federal Inland Revenue Service



Cybersecurity

This section aims to assess whether the cybersecurity requirements of the member state broadly align with international best practices. While cybersecurity is a critical component of digital policy, its relevance to digital trade is limited. Cybersecurity primarily concerns national defence, critical infrastructure, cybercrime prevention, and system integrity. However, alignment with international cybersecurity standards is essential for creating a secure environment conducive to digital trade. Insufficient cybersecurity standards can undermine trust, while overly stringent requirements may hinder market entry for international service providers.

Guiding Questions

We outline whether there is a regulatory framework regarding cybersecurity. We explain whether this framework is risk-based, creating tiered obligations depending on the extent of cybersecurity risk. We then analyse whether and to whom incident notification is required. Finally, we explain which authority oversees cybersecurity.

The cybercrime law criminalises various cyber offences and establishes penalties based on their severity. The data protection law requires notification of any data breach that poses a high risk to data subjects' rights and freedoms to be notified to affected data subjects. Operators of consumer systems or networks must notify the Response Team of any attack, intrusion or other disruption. The National Cybersecurity Coordination Centre oversees cybersecurity.

Summary

- The Cybercrimes Act, enacted in 2015 and recently amended in 2024, criminalises various cyber offences, including cyberstalking and identity theft. It establishes penalties such as imprisonment and/or fines based on the gravity of violations. Any attack, intrusion, or other disruption to computer systems and networks must be reported immediately to the Response Team.
- The Nigeria Data Protection Act 2023 includes cybersecurity provisions related to data breaches caused by failures in computer system security. If a personal data breach poses a high risk to the data subjects' rights and freedoms, the data controller must notify the affected data subjects of the breach.
- The National Cybersecurity Coordination Centre, under the Office of the National Security Adviser, oversees cybersecurity protection matters in Nigeria. The Centre is responsible for coordinating and implementing the nation's cybersecurity strategy, responding to cyber threats, and protecting critical information infrastructure.

Other relevant authorities include:

- 01 The Nigerian Communications Commission, which regulates cybersecurity practices among internet service providers and telecommunications companies.
- 02 National Information Technology Development Agency Computer Emergency Readiness and Response Team, which deals with computer security incidents for the Nigerian telecommunications industry and coordinates with trusted teams globally and regionally.

- 03 The Central Bank of Nigeria, which oversees cybersecurity measures related to the protection of financial systems and transactions.
- 04 The Computer Security Incident Response Team, which operates under the Nigerian Communications Commission and investigates computer security incidents in the telecommunications sector.
- 05 The Nigeria Police Force Cybercrime Unit, which investigates and prosecutes cybercrimes.
- The Federal Ministry of Communications and Digital Economy has issued the National Cybersecurity Strategy (2024-2029), which is the principal government policy document concerning cybersecurity and aims to strengthen efforts against cybercrimes. The National Digital Economy Policy and Strategy of Nigeria (2020-2030), also released by the Ministry, aims to develop the country's digital economy, with cybersecurity as a key pillar. The Strategic Roadmap and Action Plan (2024-2027) outlines plans to enhance the country's regulatory framework concerning cybersecurity and establishes key performance indicators to reduce cyber threats.



SOURCES

Primary Legislation

- Cybercrimes (Prohibition, Prevention, Etc) Act 2015 (2024 Amendment)
- The Nigeria Data Protection Act 2023

Secondary Legislation

- Nigerian Data Protection Regulations (NDPR) 2019
- Implementation Framework 2020 - Draft
- Issuance of Regulatory Framework for Open Banking in Nigeria 2021
- Exposure Draft of Regulatory Framework for Agent Banking in Nigeria 2023
- Framework for Regulatory Sandbox Operations

Guidelines

- National Cybersecurity Policy and Strategy (NCPS) 2021
- Strategic Roadmap and Action Plan 2024-2027
- The National Digital Economy Policy and Strategy of Nigeria (2020-2030)
- Nigeria Payments System Vision 2025
- National Blockchain Policy 2023
- National Fintech Strategy 2022
- Nigeria Cloud Computing Policy 2019
- Nigeria E-Government Master Plan
- Issuance of Risk-Based Cybersecurity Framework and Guidelines for Deposit Money Banks and Payment Service Banks

- Issuance of Risk-Based Cybersecurity Framework and Guidelines for Other Financial Institutions 2024
- Issuance of the Operational Guidelines for Open Banking in Nigeria 2023
- Issuance of Risk-Based Cybersecurity Framework and Guidelines for Deposit Money Banks and Payment Service Providers 2018

Oversight Authorities

- National Cybersecurity Coordination Center
- National Security Advisor
- The Nigerian Communications Commission (NCC)
- National Information Technology development Agency Computer Emergency Readiness and Response Team
- The Central Bank of Nigeria (CBN)
- NCC Computer Security Incident Response Team
- Nigeria Police Force Cybercrime Unit



Artificial Intelligence

This section offers an overview of how artificial intelligence (AI) is regulated in the member state. The focus is on the policy response to the rise of widely accessible AI, covering both AI-specific regulatory frameworks and the application of existing laws to AI technologies. From a digital trade perspective, the key consideration is whether the member state aligns with emerging international practices.

Guiding Questions

We outline whether there is a specific regulatory framework addressing AI. If so, we analyse whether the framework is risk-based, meaning it establishes obligations based on the level of AI risk. We also analyse whether the framework is technology-based, meaning it establishes rules based on specific AI technologies. Finally, we reference guidance released by regulatory agencies on how the existing, non-AI-specific framework, applies to AI providers.

Nigeria has not adopted a binding framework regarding the governance of AI. The National Artificial Intelligence Strategy 2024 establishes a roadmap to develop the Nigerian AI sector and highlights governance needs. Regulatory agencies have not issued guidelines on the application of existing rules to AI.

Summary

- There are currently no public, official sources on AI primary or secondary legislation in Nigeria.
- The Federal Ministry of Communications and Digital Economy released the National Artificial Intelligence Strategy 2024. It is a non-binding document concerning the governance of AI. It aims to leverage AI for economic growth, positive societal changes, and technological advancements. The document highlights the need to mitigate AI risks, promote the ethical aspects of AI, and conduct risk assessments based on bias, transparency, and governance.
- The National Information Technology Development Agency is responsible for drafting and implementing AI regulations in Nigeria.

It reports directly to the Ministry of Communications and Digital Economy. Other relevant authorities include:

- 01 The Nigerian Communications Commission, which formulates legal instruments related to AI.
- 02 The National Center for Artificial Intelligence and Robotics, under the Nigerian Communications Commission, which conducts research, and provides guidance on AI policy and strategy.



- The Nigerian Communications Commission released the Digital Economy Policy and Strategy (DEPS) (2020-2030), which emphasises the need to further develop emerging technologies, including AI, in the digital economy. The document suggests an emerging technology program in Nigeria to foster the digital economy, with the main goal of increasing digital literacy.



SOURCES

Guidelines

- National Artificial Intelligence Strategy 2024
- National Digital Economy Policy and Strategy 2020-2030
- Strategic Roadmap and Action Plan (SRAP) 2023-2027
- National Digital Literacy Framework 2023
- National Policy for the Promotion of Indigenous Content in the Nigeria Telecommunications Sector 2021
- Nigeria Cloud Computing Policy 2019

Oversight Authorities

- Nigeria Federal Ministry of Communications and Digital Economy (FMCDE)
- National Information Technology Development Agency (NITDA)
- The National Center for Artificial Intelligence and Robotics



Source Code

Source codes are among the essential trade secrets of the digital economy. Potential disclosure requirements toward the government or domestic private companies can be a major hurdle to market access. The purpose of this section is to identify regulatory or enforcement requirements that risk the required disclosure of source code.

Guiding Questions

We explain whether source code is generally protected under the intellectual property framework and whether there are exceptions to this protection. We then identify potential source code sharing requirements, explaining the circumstance and specific software to which they apply. Where explicitly stated, we reference the public policy objective invoked by the government.

The copyright law recognises computer programs as protected works, establishing exclusive rights to reproduce, adapt, distribute, and publicly perform the software. Exceptions include the use of computer programs for their intended purpose and reproductions for archival purposes. There are no mandatory source code sharing requirements.

Summary

- The Copyright Act protects computer programs, explicitly recognising them as protected works under Nigerian copyright law, alongside literary, musical, artistic works, audiovisual works, and sound recordings. The economic rights of the author of a computer program include the exclusive rights to reproduce, adapt, distribute, and publicly perform the software.
- In addition, the lawful owner or person who details the use rights of a computer program can bypass a technological measure that effectively controls access to a particular portion of that programme for the sole purpose of identifying and analysing those elements of the programme.
- The Act does not contain specific provisions on mandatory source code sharing requirements. Nor does it include any obligations to share source code with the public or third parties.



SOURCES

Primary Legislation

- Copyright Act 2022



Digital Economy Taxation and Customs Duties

The purpose of this section is to identify how the digital economy is taxed domestically and at the border. This covers direct taxes, indirect taxes, and customs duties, applicable to both digital services/products and e-commerce imports. We focus on whether a) requirements are applied identically to digital services/products as to their analog equivalents and b) requirements are applied identically to domestic and foreign suppliers. .

Guiding Questions

We explain whether customs duties apply to digital services/products as well as e-commerce imports. We then analyse whether indirect taxes, such as value-added-tax, apply to digital services/products as well as e-commerce imports. In addition, we identify any direct taxes imposed specifically on providers of digital services/products, such as digital service taxes. For each tax or duty, we mention whether electronic registration is possible for foreign providers.

Digital services and products are not subject to customs duties but value-added tax applies. E-commerce imports are subject to both customs duties and value-added tax. VAT registration is mandatory if turnover exceeds NGN 25 million. Nigeria levies a 6% Digital Services Tax on the local turnover of foreign digital service providers, including content, data, and intermediary services. Electronic registration is possible for all relevant duties and taxes.

Summary

- The taxation and customs framework in Nigeria primarily revolves around the application of value-added tax (VAT), customs duties, excise duty, and other tariffs.
- Customs duties are applied to commercial imports, including e-commerce imports, based on their cost, insurance and freight value. The duty rate is between 5% and 35%, as per the Economic Community of West African States (ECOWAS) Common External Tariffs. Certain products are exempt from customs duties, including raw materials. The Customs Service Act 2023 establishes expedited procedures for cross border e-commerce shipments. Nigeria has implemented simplified customs procedures for low-value shipments, with a de minimis threshold of NGN 105,570.²
- Nigeria imposes VAT on goods and services consumed within the country, including digital services, offered by both resident and non-resident entities. The standard VAT rate is 7.5% and applies to both B2B and B2C transactions. Non-resident providers targeting Nigerian consumers are required to register for VAT and charge VAT on their services. Finally, a levy of 0.5% is imposed on certain goods imported from outside of Africa, as specified in the Finance Act 2023. VAT registration is required, for local and foreign companies, if annual turnover exceeds NGN 25 million.



- Nigeria levies a Digital Services Tax (DST) of 6% on non-resident digital service providers. The DST applies to various digital activities, including streaming, e-commerce, online advertising, participative network platforms, online payments, and providing services via digital platforms. Non-resident entities are subject to this tax if they have a “significant economic presence” or an annual turnover exceeding NGN 25 million. Additionally, the DST is levied on entities that use a Nigerian domain name (.ng), register a website in Nigeria, or engage in targeted interactions with Nigerian users, such as displaying prices in local currency. The DST was established in several steps: The 2019 Finance Act introduced the DST concept. The 2020 Significant Economic Presence Order defined criteria for companies to be considered as having a significant economic presence in Nigeria. The 2021 Finance Act expanded the scope of digital services subject to the DST. Finally, the 2023 Finance Act established the final rate of 6% and detailed information.

² The information on de minimis thresholds was retrieved from the Global Express Association.

- In addition, digital service providers are subject to corporate income tax. The tax comprises 0% for small businesses (annual gross turnover below NGN 25 million), 20% for medium-size businesses (annual gross turnover between NGN 25-100 million) and 30% for large businesses (annual gross turnover above NGN 100 million).

Oversight is split between several authorities:

- 01 The Nigeria Customs Service (NCS) is the primary authority responsible for overseeing customs duties and related processes. It also ensures compliance with national customs laws.
 - 02 The Federal Inland Revenue Service (FIRS) oversees the administration, assessment, collection, and accounting of taxes. The Federal Inland Revenue Service of Nigeria has issued multiple guidelines on indirect and direct taxes as well as procedures. The recent circular on the taxation of non-resident companies states that profits generated through a remote business activity, using digital or electronic means without a physical presence in Nigeria, are taxable.
 - 03 The Ministry of Finance oversees fiscal policy, including the implementation of regulations related to customs, VAT, and other national taxation measures.
- Nigeria has adopted tax treaties with several countries, including Italy, United Kingdom, Belgium, Pakistan, Czech Republic, Slovakia, France, Netherlands, Romania, Canada, South Africa, China, Sweden, Spain, Singapore.





SOURCES

Primary Legislation

- Finance Act 2023
- Customs Service Act 2023
- Companies Income Tax Act 2021

Secondary Legislation

- Significant Economic Presence Order 2020

Guidelines

- Information N. 9304 Circular 1993
- Global Express Association: De Minimis Thresholds [third party source]
- Information Circular N. 2022/12 Taxation of Non-Residents in Nigeria
- General Rules for the interpretation of the Harmonized System

International Frameworks

- Tax Treaties



Electronic Payments

This section evaluates the key aspects of the regulatory environment governing electronic payments and its openness to processing payments across borders. Electronic payments are a critical enabler of digital and digitally facilitated trade. While data protection, data flows, and electronic transactions play a significant role in electronic payments, they have been addressed previously. This section focuses on whether a) digital payment services/products are subject to the same requirements as their analogue equivalents, and b) whether these requirements are applied equally to domestic and foreign providers.

Guiding Questions

We outline whether there is a regulatory framework specifically addressing electronic payments. We then distil know-your-customer, anti-money-laundering, and counter-terrorism-financing rules that apply to electronic payments. In addition, we delineate licensing requirements and procedures for entities that offer electronic payment services. Finally, we reference special regulatory requirements for cross-border electronic payments.

The regulatory framework for electronic payments comprises general rules on payment services and specific guidelines for electronic payments and mobile money services. General know-your-customer, anti-money-laundering, and counter-terrorism-financing rules apply to electronic payments, as specified by dedicated guidelines. Mobile money operators must be licensed by the central bank. For cross-border payments, local switches must be used.

Summary

- There is no specific primary legislation regarding digital payments, although proposals for a national payment system have been discussed by the Nigerian legislature. Relevant rules are enshrined in general laws, including the Money Laundering (Prevention and Prohibition) Act 2022 and the Terrorism (Prevention and Prohibition) Act 2022, as well as secondary legislation and guidelines.
- The Guidelines on the Operations of Electronic Payment Channels aim to enhance the growth of efficient digital payment systems and regulate transaction settlements. They require merchant acquirers to formalise agreements with merchants for accepting electronic payments. These agreements must clearly define the terms, conditions, roles, responsibilities, and rights of both parties involved. They also detain the responsibility of detecting suspicious or unauthorised usage of electronic payment instruments.
- The Guidelines on Mobile Money Services in Nigeria promote and facilitate the development of efficient and effective systems for the settlement of transactions, including the development of electronic payment systems. They address business rules governing the operation of mobile money services, and specify basic functionalities expected of any mobile payment service and solution in Nigeria.
- The Regulatory Guideline on the eNAIRA 2021 empowered the Central Bank of Nigeria to issue legal tender currency, ensure financial system stability, and further enhance the development of electronic payments systems. The Guideline states that the eNaira Merchant Speed Wallets are to be used solely for receiving and making eNaira payments for goods and services.
- The Central Bank of Nigeria oversees the Nigeria Inter-Bank Settlement System, which serves as a key financial infrastructure combining a Real-Time Gross Settlement system and an Automated Clearing House. This system was incorporated in 1993 and is owned by all licensed banks, including the Central Bank of Nigeria. It enables the fast and secure processing of payments and settlements between financial institutions in Nigeria.
- The Central Bank of Nigeria released the Nigeria Payment Systems Vision 2025. This Vision focuses on expanding electronic payments across various sectors. In addition, it highlights the importance of implementing cryptography to prevent issues such as digital currency double-spending, fraud, and counterfeiting.



SOURCES

Primary Legislation

- Money Laundering (Prevention and Prohibition) Act 2022
- Terrorism (Prevention and Prohibition) Act 2022

Secondary Legislation

- Anti-Money Laundering, Combating the Financing of Terrorism, and Countering Proliferation Financing of Weapons of Mass Destruction in Financial Institutions) Regulations 2022
- Regulatory Guideline on the eNAIRA 2021

Guidelines

- Guidelines on Operations of Electronic Payment Channels in Nigeria [third party source]
- Guidance Note on Anti-Money Laundry/Counter Terrorism Regulations for Other Financial Institutions
- Circular Bsd/Dir/Gen/Cir/03/027 to Banks and Other Financial Institutions: Revised CBN Anti-Money Laundering/Counter Terrorism Financing (AML/CfFT) Manual, 2009 (Draft)
- Guidelines on Mobile Money Services in Nigeria
- Nigeria Payment Systems Vision 2025



SMEs and Digital Inclusion

Digital trade holds the potential to open global markets to SMEs and disadvantaged groups. By leveraging digital technologies, small businesses, rural enterprises, and minority-owned businesses can overcome traditional barriers to international trade, such as high costs, limited market access, and logistical challenges. E-commerce platforms, digital payment systems, and online marketing tools enable these businesses to reach international customers, integrate into global value chains, and attain economies of scale previously limited to larger corporations. This section highlights recent support measures targeted to helping SMEs and disadvantaged groups capitalise specifically on the opportunities of the global digital economy.

Guiding Questions

We analyse whether the government has established specific programs or initiatives to support SMEs or disadvantaged groups in participating in the digital economy or digital trade. For each program, we distil the objective of the support, the form of support provided, and the target group of the program.

Nigeria has implemented a range of initiatives to support SMEs and disadvantaged groups in digital trade. These efforts encompass national strategies, government agency programmes, and international partnerships. The initiatives focus on developing digital skills, integrating digital technologies into business operations, and promoting digital financial inclusion. Specific programmes target micro-enterprises, rural businesses, and women-led companies.

Summary

○ The Nigerian government has established a policy framework to support digital trade for SMEs. In 2019, it launched the National Digital Economy Policy and Strategy 2020-2030 to leverage digital technologies for economic growth. One of its eight pillars specifically addresses support for SMEs in developing digital skills, integrating digital technologies, and enabling digital trade and financial inclusion. The Ministry of Communications and Digital Economy's Strategic Roadmap and Action Plan 2021-2024 further emphasises the need for a digital ecosystem supporting micro-enterprises and SMEs.

○ Several government agencies operate programmes to assist SMEs in digital trade. Since 2018, the Small and Medium Enterprises Development Agency of Nigeria (SMEDAN) has managed a conditional grant scheme for micro-enterprises, providing financial support for technology upgrades, infrastructure development, and digital capacity building. In 2021, SMEDAN launched the MSMEs Digital Academy, offering technical assistance in digital marketing, e-commerce, and cybersecurity.

○ The Nigeria Information Technology Development Agency (NITDA) implements various initiatives to enhance digital literacy and digitisation for SMEs. In 2020, NITDA introduced the National Adopted Village for Smart Agriculture (NAVSA) programme, which supports rural businesses in establishing a digital presence through skills training and subsidies.



○ Initiatives targeting specific disadvantaged groups have also been implemented. In 2023, NITDA launched a Female Founders Training programme to empower Nigerian women in building successful businesses through digital technologies and skills. The Nigerian Export Promotion Council (NEPC) established the ITC SheTrades Nigeria Hub in 2016, providing skills training in digitalisation for women-led businesses.

○ International collaborations further supplement these efforts. In 2023, the Nigerian Ministry of Finance, Budget and National Planning joined the Pan-African e-Commerce Initiative, launched by the German Development Agency GIZ. This programme supports SMEs in adopting e-commerce and electronic payment systems and improving technical skills. In 2024, the Imo State Government partnered with Digital SME, a European alliance of ICT SMEs, to drive regional digital transformation, including digital skills training workshops.



SOURCES

- National Digital Economy Policy and Strategy 2020-2030
- Nigeria Information Technology Development Agency: Strategic Roadmap And Action Plan (SRAP 2021-2024)
- Small and Medium Enterprises Development Agency of Nigeria: Conditional Grant Scheme for Micro Enterprises
- Small and Medium Enterprises Development Agency of Nigeria: MSMEs Digital Academy
- Nigeria Information Technology Development Agency: NITDA Digital Economy Employability Programme
- Nigeria Information Technology Development Agency: National Adopted Village for Smart Agriculture
- Nigeria Information Technology Development Agency: NITDA Female Founders TRAINING
- Nigerian Export Promotion Council: ITC SheTrades Nigeria Hub
- GIZ: Pan-African e-Commerce Initiative
- Imo State Government: DIGITAL SME has signs MOU with Imo State Government



02 Digital Economy Factsheet

Digital Economy Factsheet

This factsheet describes Nigeria's digital economy across four key dimensions: digital economy size and activities, digital infrastructure and connectivity, digital skills, and digital government.



Size and Activities of the Digital Economy

To describe the size and activities of Nigeria's digital economy, we used data provided by the World Trade Organization and conducted our own calculations. We specifically analyzed the share of advanced technology products in total trade, cross-border trade in telecommunications, computer, information and audiovisual services, and total digitally delivered services.

Advanced technology products accounted for 8.72% of Nigeria's imports. The share of advanced technology products in exports was considerably lower at 0.13%, indicating a significant technology trade imbalance.

Figure 1:
Telecommunications, Computer, Information and Audiovisual Services

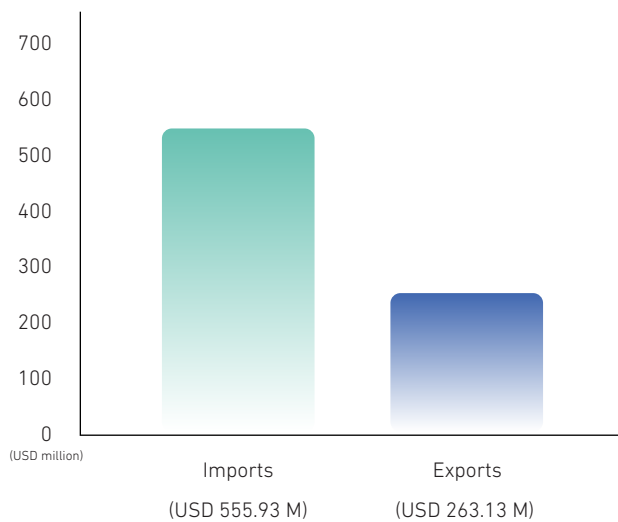


Figure 1 provides data for Nigeria's telecommunications, computer, information, and audiovisual services in 2022.

Figure 2:
Digital Delivered Services

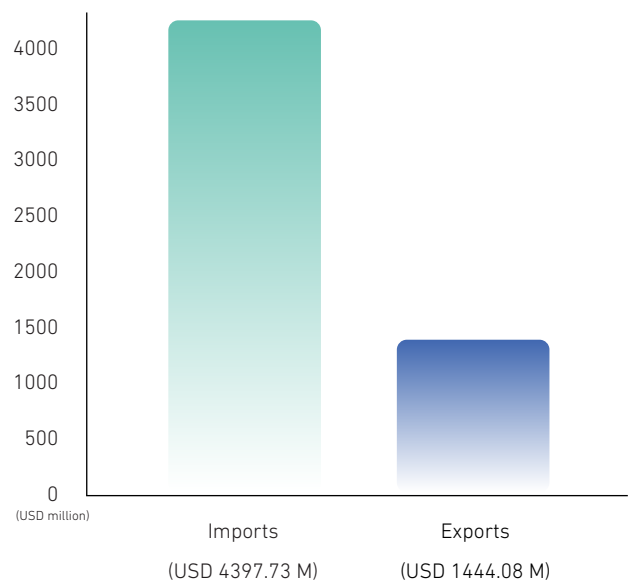


Figure 2 provides data for the total digitally delivered services in 2023.

Digital Infrastructure and Connectivity

To analyze Nigeria's digital infrastructure and connectivity, we analyzed data provided by the International Telecommunications Union. We focused on internet access, broadband coverage, and traffic, as well as mobile phone ownership.

Figure 3:
Digital Infrastructure and Connectivity

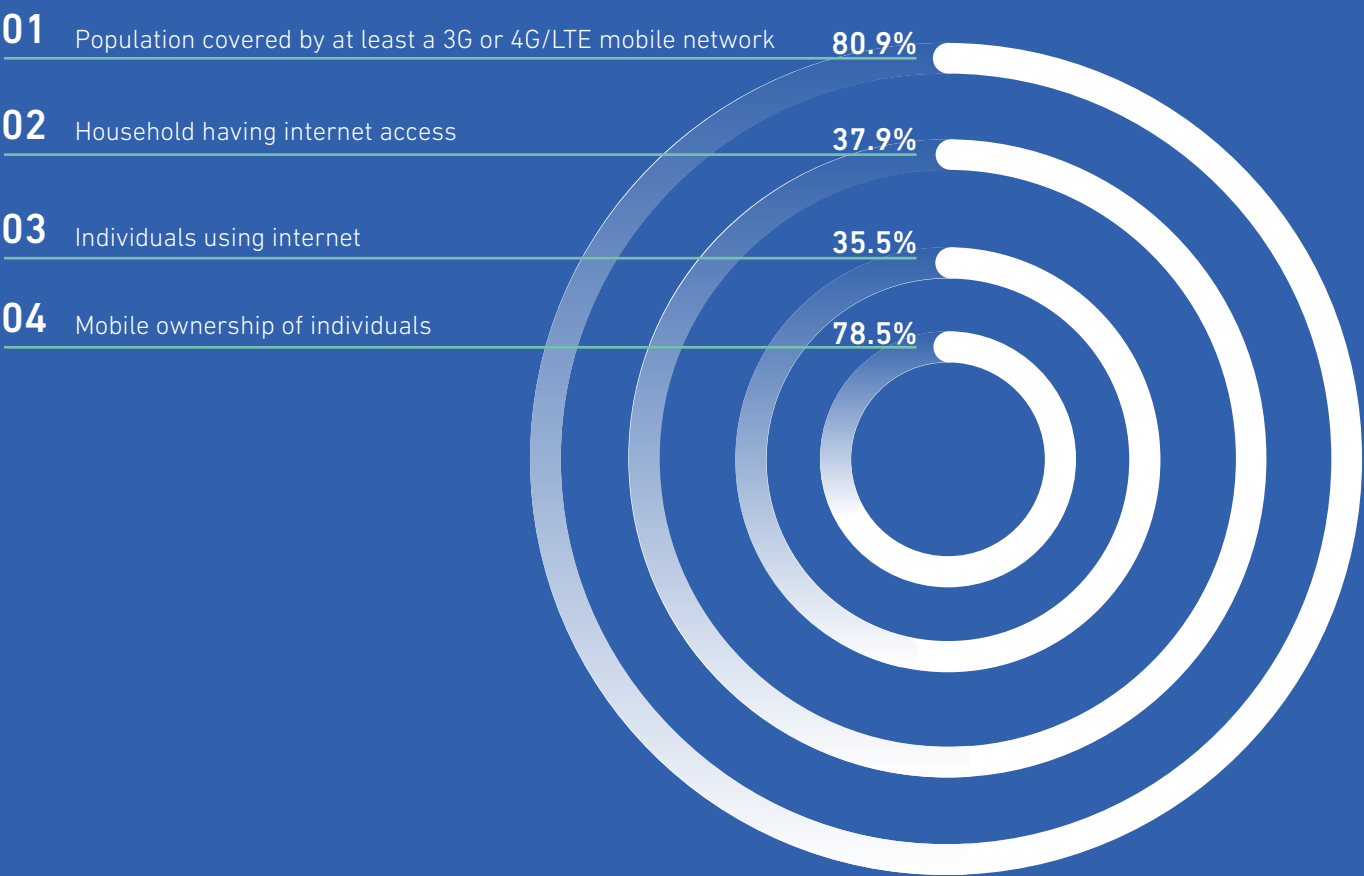
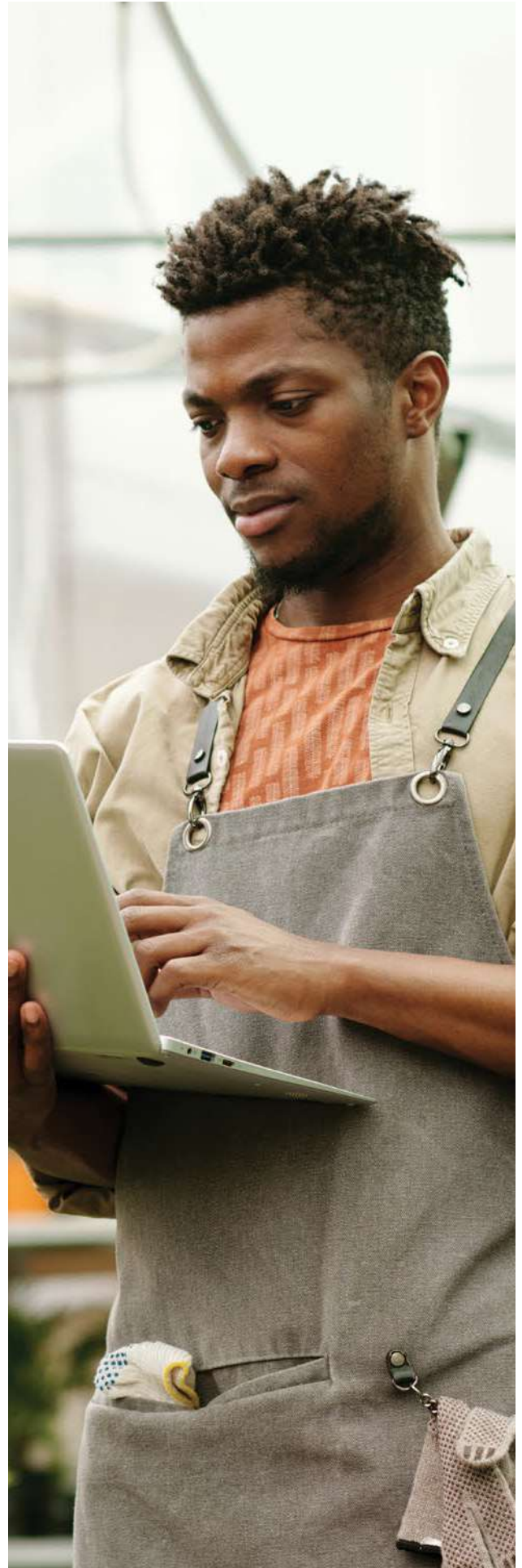


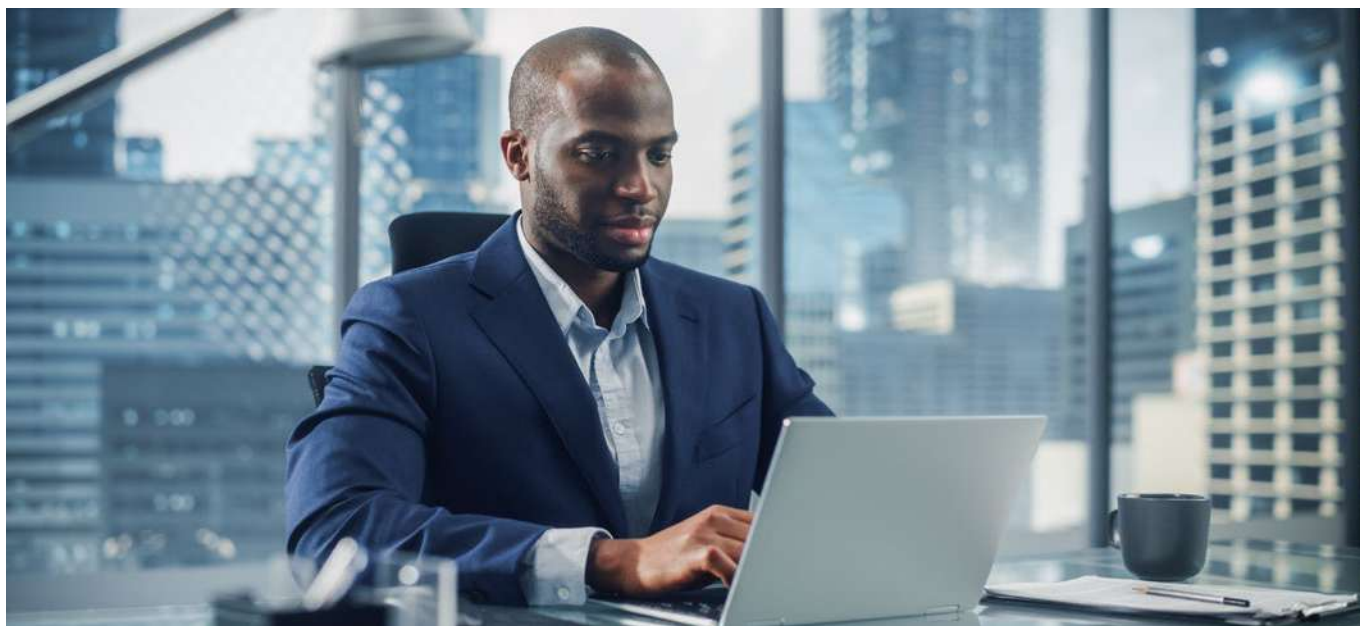
Figure 3 provides data to analyze Nigeria's digital infrastructure and connectivity in 2022.

Digital Skills

To document Nigeria's digital skills, we draw on data by UNESCO. We use data points relevant to general education, since no data points on specific digital skills (for instance on creating electronic presentations, copying files, or downloading software) were available in the UNESCO dataset for Nigeria.

The upper secondary education completion rate in Nigeria was 53.71% in 2021. Gross tertiary education enrollment ratio stood at 11.81% in 2018, indicating relatively low participation in higher education. The adult literacy rate was 63.16% in 2021. Government expenditure on education as a percentage of GDP was 6.02% in 2023.





Digital Government

To examine the state of digital government in Nigeria, we rely on the World Bank's GovTech dataset. Specifically, we analyze how Nigeria provides digital government services, establishes institutions, and drafts strategies.

In terms of digital government services in 2022, Nigeria had only a cloud strategy/policy with no platform yet. It had implemented a government interoperability framework. It did not have a government open-source software policy or action plan. Nigeria maintained both an open government portal and an open data portal.

Regarding institutional frameworks for digital government in 2022, Nigeria had established a government entity focused on government technology or digital transformation. It had established a government entity focused on public sector innovation. Nigeria had institutionalized a whole-of-government approach to public sector digital transformation.

Finally, Nigeria had drafted various strategies to advance digital government in 2022:

- 01 It had a government technology or digital transformation strategy that needed to be updated
- 02 It did not have strategies or programs to improve digital skills in the public sector
- 03 It had either a strategy or program to improve public sector innovation



03 International Commitments and Collaboration

International Commitments and Collaboration

The purpose of this section is to outline the existing international commitments of Nigeria and explain in which fora it engages in. We focus on international commitments and collaboration with a digital component, meaning a connection to the pertinent policy areas explained above.

To outline international commitments, we analyse binding free trade agreements and conventions, as well as non-binding guidelines/recommendations/principles and model laws. We also reference other commitments, both binding and non-binding. For each commitment, we explain whether it is binding and which policy area(s) it can impact. Regarding international fora, we analyse participation in discussions at the pluri- and multilateral level.





Commitments

Free Trade Agreements

Nigeria has not signed any free trade agreements, which include provisions related to digital trade.

Conventions

Nigeria is party to the following conventions and agreements:

- 01 International Covenant on Civil and Political Rights (Data Protection)
- 02 G20/Organisation for Economic Co-operation and Development Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting (Taxation)
- 03 Council of Europe Convention on Cybercrime (Budapest Convention, ETS No. 185) (Cybersecurity)
- 04 Council of Europe Additional Protocol to the Convention on Cybercrime, concerning the criminalisation of acts of a racist and xenophobic nature committed through computer systems (ETS No. 189) (Cybersecurity)
- 05 Council of Europe Second Additional Protocol to the Convention on Cybercrime on enhanced co-operation and disclosure of electronic evidence (CETS No. 224) (Cybersecurity)
- 06 Berne Convention for the Protection of Literary and Artistic Works (Source Code)

Guidelines, recommendations, and principles

Nigeria is a member state of the United Nations, which has adopted the following frameworks:

- 01 United Nations Guidelines for Consumer Protection (Online Consumer Protection)
- 02 United Nations Educational, Scientific and Cultural Organization Recommendation on the Ethics of Artificial Intelligence (Artificial Intelligence)

Nigeria is a member state of the Economic Community of West African States, which has adopted the following frameworks:

- 01 Directive C/DIR. 1/08/11 on fighting cybercrime within ECOWAS (Cybersecurity)

Nigeria is a member state of the African Union, that participates in the Group of 20 countries (G20), which has adopted the following frameworks:

- 01 G20/Organisation for Economic Co-operation and Development High-Level Principles on SME Financing (SMEs and Digital Inclusion) (Note: The Principles on SME Financing were adopted in 2015 before the African Union joined the G20 in 2023.)
- 02 G20 Artificial Intelligence Principles (G20 Ministerial Statement on Trade and Digital Economy, 2019) (Artificial Intelligence) (Note: The G20 AI Principles were adopted in 2019 before the African Union joined the G20 in 2023.)



Models

Nigeria has adopted or been influenced by the following model frameworks:

- 01 Commonwealth Model Law on Computer and Computer Related Crime (Cybersecurity)
- 02 Commonwealth Model Provisions on Data Protection (Data Protection)

Other Commitments

- Nigeria is a member of the World Trade Organization and as such is subject to the Moratorium on Customs Duties on Electronic Transmissions (Customs Duties), the Trade Facilitation Agreement (Trade Facilitation) and the Agreement on Trade-Related Aspects of Intellectual Property Rights (Source Code). In addition, Nigeria is a participant in the Joint Statement Initiative which has finalised a stabilised text on the Agreement on Electronic Commerce on 26 July 2024.

- Nigeria is a member of the African Union, which has adopted the Continental Artificial Intelligence Strategy (Artificial Intelligence) and the Digital Transformation Strategy for Africa (Cross-cutting).

- Nigeria is a member of the African Continental Free Trade Area, which has published the draft Protocol to the Agreement establishing the African Continental Free Trade Area on Digital Trade [Third party source (leak)] (Cross-cutting).

- Nigeria is a member of the Smart Africa Alliance, which has adopted the Artificial Intelligence for Africa Blueprint. (Artificial Intelligence)

- Nigeria is a member of the African Commission on Human and People's Rights, which has passed a Resolution on the need to undertake a Study on human and peoples' rights and artificial intelligence (AI), robotics and other new and emerging technologies in Africa - ACHPR/Res. 473 (EXT.OS/XXXI) 2021 (Artificial Intelligence).

Nigeria is a member of the Economic Community of West African States, which has adopted the following legislations:

- Supplementary Act A/SA.2/01/10 on electronic transactions within ECOWAS (Electronic Transactions)

- Supplementary Act A/SA. 1/01/10 on Personal Data Protection within ECOWAS [Download Link] (Electronic Transactions)

Additionally, Nigeria is a signatory or member of the following international frameworks:

- Bletchley Declaration on AI Safety (Artificial Intelligence)

- Hiroshima AI Process Friends Group (Artificial Intelligence)

Nigeria is a member of the International Organization for Standardization, which has issued various technical standards including:

- ISO/IEC 22989:2022 (Information technology — Artificial intelligence — Artificial intelligence concepts and terminology) (Artificial Intelligence)

- ISO/IEC 42001:2023 (Information technology — Artificial intelligence — Management system) (Artificial Intelligence)

- ISO 22376:2023 (Security and resilience — Authenticity, integrity and trust for products and documents — Specification and usage of visible digital seal data format for authentication, verification and acquisition of data carried by a document or object) (Cybersecurity)

- ISO 31700-1:2023 (Consumer protection — Privacy by design for consumer goods and services) (Consumer protection)

- ISO 13491-1:2024 (Financial services — Secure cryptographic devices (retail) (Cybersecurity)

- ISO/TS 23526:2023 (Security aspects for digital currencies) (Cybersecurity)
- ISO 23195:2021 (Security objectives of information systems of third-party payment services) (Electronic payments)
- ISO 32111:2023 (Transaction assurance in E-commerce — Principles and framework) (Electronic transactions)

Fora

Nigeria participates in the following international fora that touch upon digital issues:

- United Nations Global Digital Compact (Cross-cutting)
- European Union - African Union Digital Economy Task Force (Cross-cutting)
- Smart Africa Alliance (Cross-cutting)
- African Digital Compact (Cross-cutting)

