

NOTAP REFORMS – AUTOMATION OF REGISTRATION PROCESS OF TECHNOLOGY TRANSFER AGREEMENTS



September 2019

Background

The National Office for Technology Acquisition and Promotion ("NOTAP") is responsible for monitoring, regulating and facilitating the inflow of foreign technology in Nigeria. NOTAP's mandate is implemented primarily through the evaluation and registration of technology transfer agreements which are required to be submitted to NOTAP within 30 days from the effective date.¹

The agreements that are subject to NOTAP's regulation in Nigeria include agreements relating to hotel management, trademarks license, software license, value added services, shared services, management services, technical know-how and franchise.²

Prior to registration, NOTAP evaluates these agreements in terms of their legal, economic and technical benefits to the Nigerian economy.

Automation of the Application Process

In line with the ease of doing business initiative of the Federal Government, NOTAP has been implementing reforms to ease the application process for registration of agreements. NOTAP recently announced the introduction of the automated platform for registration of technology transfer registrations. Thus, with effect from 2 September 2019, applications can be submitted online through NOTAP's online portal at <https://techreg.notap.gov.ng/VendorReg> and <http://www.notap.gov.ng/>.

Prior to its 2 September 2019 announcement, the process for submitting applications to NOTAP was by hand delivery in person or by dispatch riders from accredited courier service to the Director General of NOTAP either directly at the Head Office in Abuja or through the Lagos Zonal office. The application is required to be accompanied by a copy of the agreement, required documents, completed NOTAP forms and payment of the applicable fees. The evaluation process was also done manually within NOTAP through the movement of physical files between its several units which made the process both time consuming and inefficient.

¹ Please note that section 5(2) of the NOTAP Act prescribes 60 days. However, NOTAP Guidelines stipulates 30 days, which is what NOTAP implements in practice.

² See paragraph 2.2. of the NOTAP Guidelines 2018 (<https://www.notap.gov.ng/content/revISED-guidelines-registration-technology-transfer-agreements>).

Our Comments

The automated platform is a step in the right direction and if properly implemented, will go a long way in reducing the bottlenecks often experienced using manual applications. Similar reforms implemented by other government agencies like the Corporate Affairs Commission (“CAC”) has resulted in more efficient processes for company incorporation via the CAC portal.³


Although the public notice issued by NOTAP states that all applications are to be submitted online, we can confirm that NOTAP is yet to make the online application mandatory or exclusive and that companies are still allowed to submit manual applications. At this early stage of the automation process, it is necessary for the manual application to operate concurrently with the automated platform to give sufficient time to both NOTAP and the corporate entities that engage with it to operate the automated process and address any early stage implementation issues. The success story recorded by the CAC was not without serious challenges that were faced at the early stages of implementation.


NOTAP needs to embark on an awareness campaign and engagement to educate the general public on the efficient use of the online platform.


³ www.cac.gov.ng.

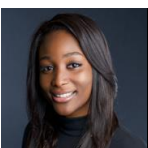


Contact Details

	<p>Oghogho Makinde Partner</p> <p>M +234 803 402 8360 E Oghogho.Makinde@aluko-oyebode.com</p>
---	---

	<p>Joke Aliu Partner</p> <p>M +234 803 573 9417 E Joke.Aliu@aluko-oyebode.com</p>
---	---

	<p>Cephas Caleb Senior Associate</p> <p>M +234 706 417 4614 E Cephas.Caleb@aluko-oyebode.com</p>
---	---

	<p>Ina Arome Senior Associate</p> <p>M +234 810 216 4162 E Ina.Arome@aluko-oyebode.com</p>
--	--

Further information about the firm, its practice areas, client briefing notes and details of seminars/events are available at www.aluko-oyebode.com. This is a publication of Aluko & Oyebode and is for general information only. It should not be construed as legal advice under any circumstances. For further information, please contact us at ao@aluko-oyebode.com.