

# **THE LAGOS STATE INNOVATION BILL**

## **ARRANGEMENT OF SECTIONS**

1. Interpretation

### **PART I – OBJECTIVES AND APPLICATION OF THE BILL**

2. Objectives of the Bill
3. Application of the Bill

### **PART II — THE LAGOS STATE SCIENCE RESEARCH AND INNOVATION COMMISSION**

4. Establishment of the Lagos State Science Research and Innovation Commission
5. Establishment of the Governing Board of the Commission
6. Tenure of the Members of the Board of the Commission
7. Cessation of membership
8. Duties of the Board

### **PART III — ADMINISTRATION OF THE INNOVATION ECOSYSTEM IN LAGOS STATE**

9. Functions and Powers of the Commission
10. Meetings of the Commission
11. Staff of the Commission
12. Service in the Commission to be pensionable
13. Fund of the Commission
14. Application of the Fund of the Commission
15. Power to accept gifts
16. Functions of the Ministry of Innovation, Science and Technology
17. The Lagos Science and Innovation Portal
18. One-Stop Centre

### **PART IV — ELIGIBLE ENTITIES**

19. Eligibility Entities
20. Procedure for Registration of Eligible Entities.
21. Registration of Eligible Entities.
22. Incentives and Rights of Eligible Entities.
23. Obligations of Eligible Entities
24. Withdrawal of Lagos Innovation Certificate
25. Reissuance of Lagos Innovation Certificate

### **PART V — RESEARCH AND DEVELOPMENT INNOVATION FUND**

26. Establishment of RD&I Fund.
27. Funding of RD&I Fund.

28. Application of the RD&I Fund
29. Eligibility Criteria
30. Commercialisation of Research Outputs
31. Exempted Persons and Research Activities
32. Research Funding Schemes
33. Appointment of a Fund Manager.
34. Functions of the Fund Manager.
35. Transparency and Monitoring
36. International Cooperation Regarding Funding for Research and Innovation
37. Industry-Academic Innovation Partnership
38. Investors' Incentives for Investments in Eligible Entities

## **PART VI — TAX AND FISCAL INCENTIVES**

39. Science, Technology, Research and Innovation Commercialisation Grants.
40. Waiver of Fees and Levies
41. Application and Approval Process
42. Private Sector Participation in Innovation
43. Monitoring and Compliance
44. Transitional Provision
45. Transparency and Accountability

## **PART VII — TRAINING, CAPACITY BUILDING, AND TALENT DEVELOPMENT PROGRAMMES**

46. Support for Local Talent Development
47. National Research Fellowships
48. Returnee Researcher Program
49. Human Capital and Talent Development
50. Monitoring and Evaluation

## **PART VIII — ACCELERATORS, INCUBATORS, AND INNOVATION INFRASTRUCTURE**

51. Support for Accelerators and Incubators
52. Technology Transfer Offices
53. Innovation Infrastructure

## **PART IX — MISCELLANEOUS PROVISIONS.**

54. Ethics

## **PART X — MISCELLANEOUS PROVISIONS.**

55. Inclusion, Equity and Access
56. Offences and Penalties
57. Audit

- 58. Power to make regulations or guidelines.
- 59. Citation.

## A BILL

## FOR

**A LAW TO PROVIDE A LEGAL FRAMEWORK FOR THE PROMOTION, FUNDING, DEVELOPMENT, AND GOVERNANCE OF INNOVATION, SCIENCE, AND TECHNOLOGY RESEARCH IN LAGOS STATE; TO PROVIDE FOR THE ADMINISTRATION OF THE INNOVATION AND RESEARCH ECOSYSTEM; TO ESTABLISH THE LAGOS STATE SCIENCE, RESEARCH AND INNOVATION COMMISSION; TO PROMOTE STRATEGIC ALLIANCES AMONG GOVERNMENT AGENCIES, INDUSTRY CONSORTIA, RESEARCH INSTITUTIONS, AND OTHER STAKEHOLDERS; AND FOR CONNECTED PURPOSES.**

**THE LAGOS STATE HOUSE OF ASSEMBLY enacts as follows:**

### 1. Interpretation

In this Bill, unless the context otherwise requires:

**“Accelerator”** means a structured, time-bound innovation support programme that provides mentorship, resources, and access to capital to startups with validated products or services, aimed at rapid growth and market scaling;

**“Angel investor”** means a high net worth individual or company that provides funding to an Emerging Innovative Enterprise typically in exchange for equity in the Emerging Innovative Enterprise;

**“Chairman”** means the chairman of the Lagos State Research and Innovation Commission;

**“Commissioner”** means the Lagos State Commissioner for Innovation, Science and Technology or any other member of the State Executive Commission for the time being charged with the responsibility for the management of innovation and technology in the State;

**“Commission”** means the Lagos State Research and Innovation Commission;

**“Entities”** means any business, organisation, institution, startup, or enterprise (whether incorporated or unincorporated) that has its primary place of business, operations, or registration in Lagos State and is engaged in activities related to research, innovation, technology, or any other field covered under this Bill;

**“Emerging Innovative Enterprise”** means an early-stage company engaged in research and innovation in the areas of manufacturing, robotics, engineering, artificial intelligence, healthcare, clean energy, digital transformation, agriculture, and engineering, with the potential to benefit Lagos residents;

**“Eligible Business”** as a business which has fulfilled the conditions listed in Section 19 (2) of this Bill, duly certified under this Bill, and is eligible to take benefit of the incentives provided under this Bill;

**“Federal Government”** means the Federal Government of Nigeria;

**“Fund of the Commission”** means the funds established by Section 13 of this Bill ;

**“Incubator”** means a programme or facility that supports early-stage innovation projects and startups by providing training, mentoring, and technical assistance to develop, test, and refine ideas toward market readiness.;

**“Innovation”** means the implementation of technology-driven ideas that lead to the creation or development of a new product, process, or service with the aim of improving efficiency, effectiveness, or competitive advantage;

**“Intellectual Property”** or **“IP”** means any intangible creation or result of intellectual effort capable of legal protection, including but not limited to Patents, trademarks, copyrights, industrial designs, trade secrets, and geographical indications, whether registered or unregistered;

**“Innovation Pipeline”** means the structured and sequential process by which ideas, research outputs, and technological developments are progressed through various stages of refinement, validation, and commercialization;

**“Open Research Data”** means research data that is made available to the public, subject to applicable legal, ethical, or regulatory restrictions, for the purpose of access, use, reuse, distribution, and further research

**“Ministry”** means the Lagos State Ministry responsible for Innovation, Science and Technology;

**“Patent”** means a legal right granted under the Patents and Designs Act, 1971 Cap 344 Laws of the Federation of Nigeria (LFN) 1990, or any successor legislation, conferring upon the holder the exclusive right to exploit an invention and to prevent third parties from exploiting the invention without the holder’s consent, for the duration specified by law.

**“Pre-Incubation”** means the phase of a startup aimed at validating a project idea, company planning and creation, developing possible business by analysing technical and economic viability and entrepreneur profile;

**“Research and Development”** or **“R&D”** means to systematic investigation, experimentation, and the application of knowledge to create new technologies, products, and processes. R&D plays a vital role in advancing scientific understanding and improving various aspects of life.;

**“RD&I Fund”** means the Research, Development and Innovation Fund;

**“Repatriated Tech Talent”** a person of Nigerian decent certified by a reputable institution as skilled in any aspect of emerging technology and has been resident outside Nigeria for a continuous period of 2 years in the preceding 5 years, now a director of an Eligible Entities and resident in Nigeria;

**“Scale-Ups”** means a company which has already validated its product within the marketplace and has proven that its business model and economics are sustainable;

**“Scientific Experimentation”** means any systematic investigation or procedure, whether theoretical or applied, undertaken for the purpose of testing, validating, or generating scientific knowledge or hypotheses;

**“Scientific Discovery”** means any novel finding, principle, or knowledge resulting from Scientific Experimentation, observation, or analysis, which advances the existing body of scientific understanding;

**“State”** means Lagos State;

**“Startup”** means a company in existence for not more than 10 years, with its objectives being the creation, innovation, production, development or adoption of a unique digital technology innovative product, service or process; and

**“Venture Capitalist”** means a person or company that provides capital to a Startup that is exhibiting high growth potential in exchange for equity.

## **PART I – OBJECTIVES AND APPLICATION OF THE BILL**

### **2. Objectives of the Bill**

(1) The objectives of this Bill are to:

- (a) provide legal and institutional framework for the promotion of scientific and technology research, development and innovation in the State;
- (b) promote and support innovation-led research across academic, technical, and vocational institutions within the State;
- (c) support the undertaking of research and innovation that informs the development of science and technology in the State;
- (d) promote the establishment and growth of innovative companies by providing access to funding, tax incentives, and specialized support for research, development, and market adoption of new technologies;
- (e) administer and manage funds to support sustainable innovation and research initiatives;
- (f) promote collaboration among government agencies, academic and research institutions, private sector actors, and international partners to drive innovation;

- (g) Stimulate job creation and increase local content and reduce dependence on foreign technology in Lagos and Nigeria;
- (h) Attract domestic and foreign investment into Lagos' innovation ecosystem;
- (i) Increase the contribution of R&D to Lagos State's GDP and export profile;
- (j) provide a framework for the regulation of all matters listed in sub-Sections 2(a) – (i) above.

### **3. Application of the Bill**

This Bill applies to Entities and organisations having their primary place of business and activities in the State and whose respective Entities meet the eligibility set in this Bill or such other eligibility as the Commission, may by regulations, prescribe from time to time.

## **PART II — ESTABLISHMENT OF THE LAGOS STATE SCIENCE RESEARCH AND INNOVATION COMMISSION**

### **4. Establishment of the Lagos State Science Research and Innovation Commission**

- (1) There is hereby established under this Bill, a body to be known as the Lagos State Research and Innovation Commission (referred to in this Bill as the “**Commission**”).
- (2) The Commission shall be:
  - (a) a body corporate with perpetual succession and a common seal;
  - (b) capable of suing and being sued in its corporate name; and
  - (c) capable of acquiring, holding or disposing of any property, movable or immovable, for the purpose of carrying out its functions.
- (3) Except as otherwise provided in this Bill, the Commission shall, to the furthest extent possible, be independent in the performance of its functions and objectives under this Bill, and shall report directly to the Governor.

### **5. Establishment of the Governing Board of the Commission**

- (1) There shall be for the Commission, a Governing Board (in this Law referred to as “the **Board**”) which shall be responsible for the policy and general administration of the affairs of the Commission.
- (2) The Board shall consist of the following members - that is-
  - (a) A Chairman who must be an experienced and eminent private-sector and/or scientist /technologist with experience spanning areas, preferably with over 20 years of experience

appointed by the Governor on the recommendation of the Commissioner with input from the Science and Technology ecosystem

- (b) A Commissioner/Managing Director level representative of the Ministry of Finance or Lagos State Internal Revenue Service;
  - (c) Commissioner of the Ministry of Innovation, Science and Technology;
  - (d) Commissioner of Commerce, Cooperatives, Trade, and Investment;
  - (e) A legal practitioner with expertise in Intellectual Property and technology law;
  - (f) Two (2) members with proven track records in technology start-up development within or outside the State's technology ecosystem;
  - (g) One (1) member from the venture-capital industry with technology-funding expertise;
  - (h) One (1) member from the hardware or manufacturing sector with product-design and development experience;
  - (i) Two (2) research and development specialists and/or scientists with demonstrated experience in Patent-driven scientific and technological innovation;
  - (j) One (1) representative of civil societies; and
  - (k) The Executive Secretary/CEO of the Commission (ex-officio, non-voting).
- (3) Members of the Commission shall be drawn from the science, research, innovation, legal and other related areas of interest and the Commission shall, at all times, have a maximum of 11 members and the appointment of the Executive Secretary/CEO shall be subject to the confirmation of the Lagos State of House of Assembly.
- (4) The Board shall be private sector-driven, drawn from disciplines that will enhance the development of innovation and technology in Lagos State, and shall make decisions by vote.
- (5) The Board shall be paid such remuneration and allowances as may be recommended by the Commission and approved by the Board.
- (6) The composition of the Board shall be diverse and inclusive. At least 30% of Board members shall be women.
- (7) The Board shall meet at least once every quarter to perform its functions. One-third of the members of the Board may, by written request to the Chairman, call for an extraordinary meeting outside the regular quarterly meetings.
- (8) The Board may perform its functions through such Committees as it considers necessary, including but not limited to an Audit Committee, a Monitoring and Evaluation Committee, an Ethics Committee, and a Finance Committee.

## **6. Tenure of the Members of the Board of Commission**

- (1) A member of the Commission who is an ex-officio member shall cease to hold the office on the basis of which he became a member of the Commission, where his term of office expires.
- (2) A member of the Commission, other than an ex-officio member, shall hold office:
  - (a) for a term of four (4) years and may be eligible for re-appointment for another term of four (4) years and no more; and
  - (b) on such terms and conditions as may be specified in the letter of appointment.
- (3) A member of the Commission other than an ex-officio member shall:
  - (a) be a person of proven integrity; and
  - (b) have at least than 10 years' experience in science, technology and innovation gained in public or private service.

## **7. Cessation of Membership**

- (1) Notwithstanding the provisions of section 6 of this Bill, a member of the Commission shall cease to hold office where –
  - (a) he resigns his office by giving a 3 (three) months' notice in writing under his hand addressed to the Governor;
  - (b) he dies; or
  - (c) The Commission, by resolution, declares the seat vacant because he –
    - i. has been absent from the Commission meetings for four consecutive times without the permission of the Commission,
    - ii. becomes incapable of carrying out his duties due to physical or mental illness,
    - iii. has been declared bankrupt or he makes a compromise with his creditors,
    - iv. has been convicted of a felony or any offence involving dishonesty,
    - v. is guilty of gross misconduct relating to his duties, or

vi. is not or ceases to be permanently resident in Nigeria.

- (2) Notwithstanding the provisions of subsection (1), the Governor may remove a member of the Commission if he is satisfied that it is not in the interest of the Commission, Commission or public for the person appointed to continue in office.
- (3) Where a vacancy occurs in the membership of the Commission in the case of non-ex-officio members, the Governor shall appoint a successor to hold office for the remainder of the term of office of his predecessor and the successor shall represent the same interest as that member whose exit created the vacancy.

## **8. Duties of the Board**

- (1) The Board shall:
  - (a) formulate general policies for the regulation and development of the research, development and innovation in the State and the achievement and exercise of the functions of the Commission;
  - (b) approve the audited and management accounts of the Commission;
  - (c) appoint Auditors for the Commission;
  - (d) consider and approve the annual budget of the Commission as may be presented to it by the Commission;
  - (e) establish departments to achieve the objectives and the efficient discharge of the functions of the Commission under this Bill, and
  - (f) carry out such other activities as are necessary and expedient for the purposes of achieving the objectives of the Commission.

## **PART III — ADMINISTRATION OF THE INNOVATION ECOSYSTEM IN LAGOS STATE**

### **9. Functions and Powers of the Commission**

- (1) The Commission shall –
  - (a) formulate and provide general policy guidelines for the realisation of the objectives of this Bill;
  - (b) establish strategic directions for research, innovation, and development in the State;
  - (c) Formulate a 5-year R&D Strategy in line with national development goals, emerging global challenges and frontier technologies and the State's priorities;
  - (d) On an annual basis, publish the minimum number of research, development, and innovation-supporting activities to be undertaken in that year. Such activities shall align with, and give effect to, the Commission's 5-year R&D Strategy;

- (e) Coordinate R&D and innovation activities across government ministries, departments and agencies, academia, and the private sector;
- (f) On its own initiative, provide funding for research and development activities relating to frontier technologies;
- (g) support Technology Transfer Offices (TTOs) in Eligible Institutions.
- (h) Facilitate access to IP protection, IP licensing, and IP commercialization.
- (i) It shall maintain a central registry of all R&D and innovation activities in Lagos or funded under this Bill. It shall monitor and evaluate outcomes of funded research and publish annual innovation performance reports;
- (j) facilitate the provision of essential incentives for innovation activities in the state, ensuring that innovation is proliferated across the broader economy. Drive incentive programs that will promote and drive the expansion of physical and digital infrastructure for the science research, technology and innovation ecosystem. This includes the development of incentives for rapid prototyping and deep science laboratories;
- (k) oversee initiatives to provide researchers and innovators with affordable resources to labs, venture studios, and research and development facilities, across the State;
- (l) promote the attainment and maintenance of excellence in research and innovation;
- (m) ensure the continuous evaluation of the regulatory framework to foster the growth of research, innovation and the startup ecosystem in the State;
- (n) develop and implement mechanisms that promote innovative companies access to funding, including venture capital, government grants, and angel investment Programmes, to support their growth and development;
- (o) provide grants to persons, research institutions, and universities conducting postgraduate research in the areas of science, technology, and innovation to support digital technological development;
- (p) make, amend or revoke rules and regulations for the operations of the Commission, in accordance with the provisions of this Bill;
- (q) support research and development activities related to digital technology innovation ;
- (r) drive and incentivize demand-driven research, identify and promote strategic fields of innovation and propose incentives to stimulate development in these sectors;
- (s) institutionalise linkages between universities, research institutions, the private sector, the Government, and other relevant stakeholders in the ecosystem;
- (t) design and implement policies and programmes aimed at developing local talent in areas critical to the development of research, innovation and startups, such as technology, engineering, and business development;
- (u) design and implement mechanisms that support the innovation pipeline, ensuring the structured progression of research outputs into market-ready products and service;

- (v) collaborate with the State's Ministry of Education to strengthen curricula in technological entrepreneurship and management of technology for science and engineering students.
- (w) support the growth and promote commercialisation of local research and development on digital innovation.
- (x) facilitate and help promote incentive programs that commercialize deep science and technology research results and Patents
- (y) encourage collaborative research and development activities including international collaborations between industry, higher education institutions, and research organisations, particularly in emerging technology;
- (z) foster industry- academia-Government collaboration for the advancement of innovation;
- (aa) approve and facilitate partnerships with local and international business incubators, Accelerators and digital innovation hubs to foster the establishment and growth of startups in Lagos State, subject to the approval of the Commission;
- (bb) facilitate synergy between innovators and investors, including Angel Investors, Venture Capitalists, private equity firms, private investors, development finance institutions, global asset management firms, financial institutions, research institutions and other stakeholders at both national and international levels;
- (cc) the payment of the various grants provided under this Bill to researcher(s) or group of researchers entitled to the benefit;
- (dd) Organize a yearly deep technology skills program or coordinate with agencies and organisations that organize a yearly deep technology skills program;
- (ee) in collaboration with the Trademark, Patent and Designs Registry of the Federal Ministry of Industry, Trade and Investment to maintain a national database of Patents and pending Patent application;
- (ff) In collaboration with the Trademark, Patent and Designs Registry, publish information on publicly funded research and development work on the database;
- (gg) perform other functions as are necessary or expedient to ensure the efficient operation of the Commission and other bodies established under this Bill;
- (hh) collaborate with similar institutions or organisations operating at the national and international levels, including governmental and non-governmental, and private entities, to advance the objectives of this Bill;
- (ii) organize quarterly consultative forum or such other event it may deem fit to receive feedbacks with all stakeholders in the innovation ecosystem; and
- (jj) have the power to carry out such activities as may appear to the Commission to be incidental or conducive to the attainment of its objects under this Bill.

## **10. Meetings of the Commission**

- (1) The Board shall meet at least four (4) times every calendar year.

- (2) The Chairman may summon an emergency meeting of the Commission when the need arises.
- (3) The Chairman shall preside at every meeting of the Commission and in the absence of the Chairman, the Vice Chairman shall preside. In the absence of the Chairman and the Vice Chairman, one of the members shall be appointed to preside.
- (4) Where the Commission desires to obtain the advice of a person on a matter, the Commission may co-opt the person(s) as a member for such period as it deems fit. The person(s) so co-opted shall not be entitled to vote at any meeting of the Commission and shall not count towards a quorum.

## **11. Staff of the Commission**

- (1) The day-to-day operations of the Commission shall be managed by an Executive Secretary/CEO appointed by the Board.
- (2) The Executive Secretary shall possess a minimum of 15 years of relevant post-qualification experience, at least 5 of which must be at the senior management or executive level in a field related to innovation, science, technology, or public sector administration and a first degree or its equivalent in Science, Technology, Engineering, Mathematics (STEM) Innovation Policy, ICT, or any other related discipline, from a recognized institution.
- (3) The Executive Secretary shall devote his/her full time to the service of the Commission and while holding office shall not hold any other office or employment except where appointed by virtue of their office in the Commission into the membership of the board of any government agency in Nigeria or any international organisation to which the Commission is a member or an affiliate.
- (4) The Executive Secretary shall
  - (a) attend the meetings of the Board, and its committees and render all necessary secretarial services in respect of the meetings and advise on compliance by the meetings with applicable laws and regulations;
  - (b) implement policies and decisions of the Board;
  - (c) oversee the Commission's staff and programs;
  - (d) coordinate stakeholders across sectors;
  - (e) keep and maintain records of the Board; and
  - (f) carry out such administrative and other secretarial duties as may be required by the Board;
- (5) The Executive Secretary shall exercise the powers of the Board only with the authority of the Board

- (6) The Commission may pay persons so employed such remunerations and allowances as may be determined by the Board.
- (7) The Commission shall be allowed to recruit from the private sector with a competitive salary structure.

## **12. Service in the Commission to be Pensionable.**

- (1) Service in the Commission shall be public service for the purpose of this Bill and accordingly, every full-time staff of the Commission shall be entitled to pension and other retirement benefits as prescribed by law. Remuneration of the Executive Secretary and other staff of the Commission.
- (2) Notwithstanding the provisions of Section 12(1) above, members of the Governing Board of the Commission shall not be entitled to pension or other retirement benefits under this Section, except where a board member has served continuously for a minimum period of fifteen (15) years, in which case the Governing Board of the Commission may, by resolution, decide applicable long-service benefits.
- (3) Nothing in this section shall prevent the appointment of a person to any office on such terms and conditions, which preclude the grant of pension and other retirement benefits.

## **13. Fund of the Commission**

- (1) The Commission shall establish and maintain a fund (in this Bill referred to as the "**Fund of the Commission**") into which shall be paid the following:
  - (a) budgetary allocation from the State Government;
  - (b) penalties, fees, charges, and administrative cost of proceedings; and
  - (c) monetary gifts, contributions and other funds that may be received by the Commission.
- (2) The Commission shall maintain and operate bank accounts for funds as approved by the Board

## **14. Application of the Fund of the Commission**

- (1) The Commission may apply the proceeds of the Fund of the Commission:
  - (a) meet the cost of administration of the Commission;
  - (b) reimburse members of any committee set up by the Commission for expenses duly authorised or approved;
  - (c) pay the salaries, fees or other remuneration or allowances, pensions and gratuities payable to the staff and members of the Board of the Commission;

- (d) maintain any property acquired by or vested in the Commission;
- (e) implement all or any of the functions of the Commission under this Bill or any matter connected with those functions; and
- (f) meet any capital expenditure approved by the Board.

#### **15. Power to accept gifts**

- (1) The Commission may accept gifts of land, money or other testamentary dispositions, endowments and contributions on such terms and conditions, if any, as may be specified by the donor of the gift.
- (2) The Commission shall not accept any gift if the conditions attached by the donor are inconsistent with the functions and objectives of the Commission or if the acceptance of the gift would compromise the observance and maintenance of proper conduct and professionalism in the discharge of its duties and functions

#### **16. Functions of the Ministry of Innovation, Science and Technology**

- (1) The Ministry shall be responsible for:
  - (a) collaborating with the Commission to ensure alignment between policy formulation and implementation;
  - (b) ensuring the security of digital and technology infrastructure in the State;
  - (c) facilitating inter-agency collaboration at the state and federal level for the development of science, technology, and innovation in the State;
  - (d) deploying best efforts to protect the independence of the Commission;
  - (e) Collaborate and perform its functions as assigned in its Public charter; and
  - (f) perform any other function as may be assigned to it by the Lagos State Governor.

#### **17. The Lagos Science Research and Innovation Portal**

- (1) There is hereby established a portal to be known as the Lagos Science Research and Innovation Portal (the “**Innovation Portal**”) which shall serve as a platform for applying for the incentives in this Bill, for registration of eligible entities, and for any other purpose as may be determined by the Commission.
- (2) The Innovation Portal shall be deployed by the Commission for the performance of the following functions:
  - (a) providing access to information on matters pertaining to the registration of an Eligible Entities;

- (b) providing access to fiscal and non-fiscal incentives and support;
  - (c) facilitating the application for the Fund or any funding scheme under this Bill and communication in relation same;
  - (d) Serve as an interactive platform for Eligible Entities to discuss and engage on the Commission's policies, programmes, regulations, and initiatives;
  - (e) facilitating communication in relation to the reporting of the use of the Fund by or any funding scheme under this Bill by the beneficiaries;
  - (f) providing access to finance, information, innovation, and the global market for Eligible Entities;
  - (g) fostering information exchange between various stakeholders in the technology research and innovation ecosystem in Lagos State;
  - (h) providing a list of Entities which have benefited from any of the incentives under this Bill or participated in any of the initiatives implemented pursuant to this Bill;
  - (i) providing access to tools and resources to Eligible Entities;
  - (j) providing information on clearances, approvals and registration requirements to Eligible R&D and Innovation Entities and Businesses;
  - (k) receiving complaints and recommendations from industry stakeholders and the general public regarding the State R&D and Innovation;
  - (l) listing of funded projects, progress, and outcomes;
  - (m) serving as a platform for announcement and application of various schemes and incentives granted to Eligible Entities by the Lagos State Government; and
  - (n) such other use case as may be determined by the Board.
- (3) The Innovation Portal shall feature a publicly accessible digital register of all Patents and licensed technologies sponsored by the State and held by Eligible Entities for identification and exploration of collaboration opportunities by stakeholders.

## 18. One-Stop Centre

- (1) The Commission shall, with the approval of Board, set up a centre known as the **One-Stop Centre** (in this Bill referred to as the "**Centre**") on the Innovation Portal to provide a platform for information-sharing and collaboration in the Nigerian research and innovation with respect to:

- (a) eligibility criteria for Eligible Entities under this Bill;
  - (b) relevant incentives that apply to an Eligible Business;
  - (c) information on available local capabilities;
  - (d) other policy proposals that may be relevant to the Nigerian innovation ecosystem.
- (2) The Centre will be a support and guidance centre to persons wishing to set up companies based in Lagos for the creation of research and innovative products or services to incorporate their companies and fast-track their process.
- (3) Research and innovative institutions wishing to register agreements involving the transfer of foreign technology may do so through the Centre, subject to the terms of the rebate procured by the Lagos State government with the relevant Federal Government Ministry or Agency.

## **PART IV — ELIGIBLE ENTITIES**

### **19. Eligibility Entities**

#### **(1) Eligible Businesses**

An entity shall be considered an Eligible Business if:

- (a) It is primarily involved in the business of developing innovative technologies that benefit Lagos residents, have global impact and are commercially viable; or
- (b) It intends to develop innovative technologies and deep scientific breakthroughs and it has demonstrated a clear commitment to adhering to the research and development process for creation and validation of new products and services that may be established by the Commission from time to time;
- (c) It has contributed such minimum amount towards the development of original inventions and frontier technology development in Lagos as the Commission may by a regulation prescribe; or
- (d) It is primarily involved in the development of new products, processes, services and business models in areas such as manufacturing, robotics, engineering, artificial intelligence, healthcare, clean energy, digital transformation, agriculture, engineering sciences, biotech, healthtech, transportation and frontier technologies; or
- (e) It is formulating new scientific and technological breakthroughs or tech-based improvements on existing solutions; or
- (f) It focuses on creating new technologies, refining existing ones, and developing innovative solution; or

- (g) It is involved in the creation and implementation of new ideas, products, processes, or services that enhance efficiency, effectiveness and address societal challenges leveraging scientific knowledge and technological advancements; or
- (h) Entities engaged in scientific research that benefit the State, Lagos residents and have global impacts; or
- (i) Registered startups and MSMEs engaged in innovative activities; or
- (j) Innovation hubs, incubators, and technology parks;
- (k) Public-private consortia tackling strategic challenges that aligns with the State's innovation strategy;
- (l) Entities engaged in reverse-engineering of electronic, electrical, industrial and aeronautical systems.

Provided that the Commission shall, by a regulation, streamline the eligibility criteria listed above as well as prescribe other eligibility requirements ancillary thereto.

## **(2) Eligible Research Institutions**

An institution shall be considered an eligible research institution if:

- (a) It is a higher academic institution based in Lagos and has established research centres, departments, and programmes dedicated to advancing knowledge in areas such as manufacturing, robotics, engineering, artificial intelligence, healthcare, clean energy, digital transformation, agriculture, and engineering sciences; or
- (b) It is a research institution engaged in the development of innovative products, technologies, and solutions with an emphasis on cutting-edge research, prototype development, and scientific Discoveries, including institutions that are conducting applied research, particularly in advanced technologies, high-impact sectors, and cross-disciplinary innovation; or
- (c) It is involved in the investigation, experimentation, and the application of knowledge to create new technologies, products, and processes;
- (d) It has been permitted by regulation mentioned in the proviso to Section 19 (1) above.

(3) An Eligible Entity may be entitled to the incentives provided under this Bill.

## **20. Procedure for Registration of Eligible Entities**

Any entity desirous of being recognised as an Eligible Entity shall submit an application on the Innovation Portal, accompanied by documents evidencing compliance with the requirements stated in this Bill and any other documents that may be required by the Commission.

## **21. Registration of Eligible Entities**

Where the Commission is satisfied that an applicant has complied with the requirements of this Bill, the Commission shall notify the organisation and onboard the organisation on the Innovation Portal and issue the organisation a Lagos Innovation Certificate.

## **22. Incentives and Rights of Eligible Entities**

Subject to the approval of the Board, Eligible Entities may be entitled to the following incentives:

- (a) Grants under the RD&I Funds for the commercialisation of their research or innovative projects;
- (b) Waiver or reimbursement of statutory fees and costs for Patent applications by the Commission;
- (c) Guidance and detailed pre-screening for Patent eligibility;
- (d) Access to online registration and tracking system for Patent, trademark, and copyright applications through the Innovation Portal;
- (e) A fast-track Patent processing for Eligible Entities in collaboration with the Federal Ministry of Industry, Trade and Investment, or any other relevant agency at the federal level;
- (f) Subsidized legal and advisory services for Patent applications through accredited law firms and Patent agents;
- (g) An expedited approval process for technology transfer agreements in collaboration with the National Office for Technology Acquisition and Promotion (NOTAP);
- (h) Low-interest finance to facilitate technology transfer, particularly in key sectors such as manufacturing, robotics, engineering, artificial intelligence, healthcare, clean energy, digital transformation, agriculture, and engineering sciences;
- (i) reimbursement of up to 70% (seventy percent) of the costs incurred in respect of research and development activities which are originated or continued in Lagos State and result in the registration of a Patent;
- (j) Such other incentive as may be determined by the Board from time to time.

## **23. Obligations of Eligible Entities**

- (1) Eligible Entities under this Bill shall:

- (a) Maintain proper books of accounts in accordance with the requirements of the Financial Reporting Commission of Nigeria;
  - (b) Provide an annual report on incentives received and advancement made by virtue of the incentives;
  - (c) notify the Commission of any change in structure, composition or objects within a period of one month from the date of such change; and
  - (d) comply with the obligations set out by the Commission after issuance of the Lagos Innovation Certificate.
- (2) Where an Eligible Entity defaults in any of the obligations or fails to meet the eligibility criteria under this Bill, the Commission shall notify the Eligible Entity of the default, and within 15 days of the notification, the Eligible Entity shall take steps to rectify the default.

#### **24. Withdrawal of the Lagos Innovation Certificate**

Where an Eligible Entity fails to regularise a default after being notified, the Commission shall withdraw the Lagos Innovation Certificate and notify the relevant MDAs or investors that may have granted incentives to such Eligible Business.

#### **25. Reissuance of Lagos Innovation Certificate**

Where an Eligible Entity, whose Lagos Innovation Certificate is withdrawn under section 24 of this Bill, rectifies the default or is re-issued its Lagos Innovation Certificate, it may apply to the Commission for a re-issuance of the Lagos Innovation Certificate.

### **PART V — RESEARCH AND DEVELOPMENT INNOVATION FUND**

#### **26. Research & Development Innovation (RD&I) Fund**

##### **(1) Establishment of the RD&I Fund**

There is established a fund to be known as the Research and Innovation Fund (the “RD&I Fund”) to be managed by the Fund Manager appointed under section 32 of this Bill.

#### **27. Funding of RD&I Fund**

##### **(1) Budgetary Allocation**

The Lagos State Government shall allocate no less than 1.5% of its annual capital budget to the RD&I Fund and the development of science, technology, research and development annually, rising to 2% within ten years of the enactment of this Bill.

- (2) The RD&I Fund shall also be funded with:
- (a) Donations;

- (b) Innovation bonds;
  - (c) Income from partnerships, royalties of co-developed research output, dividends;
  - (d) Grants; and
  - (e) any other source as may be approved by the Commission from time to time.
- (3) Any donation made pursuant to subsection 2 above shall be tax-deductible in accordance with applicable tax laws.

## **28. Application of the RD&I Fund**

The RD&I Fund shall apply to:

- (a) Support research efforts aimed at translating academic findings into commercially viable products, with a focus on market adoption and societal impact.
- (b) Support collaborative research projects between Eligible Entities to drive the development of emerging technologies, telecommunication, scientific innovations, and solutions that address global and local challenges.
- (c) Support innovative breakthroughs in the areas of manufacturing, robotics, engineering, artificial intelligence, healthcare, clean energy, digital transformation, agriculture, and engineering sciences.
- (d) Provide matching funds to support industry-academia collaboration and innovative breakthroughs, scientific experimentation, and scientific discoveries in the areas of manufacturing, robotics, and engineering
- (e) Seed funding for Emerging Innovative Enterprises.
- (f) Finance the establishment and modernization of high-end facilities across Eligible Institutions in the State.
- (g) Finance innovation hubs, tech parks, clusters, incubators, and Accelerators that bring together startups, corporates, mentors, and investors.
- (h) To support Repatriated Tech Talents start-up funding, lab space, and integration support.
- (i) To finance scholarships and fellowships for doctoral and post-doctoral researchers subject to merit and national needs in accordance with Section 43 of this Bill.
- (j) Invest in research scholarships, fellowships, and innovation bootcamps as may be determined by the Board.
- (k) Offer risk capital to Eligible Entities to test new ideas without the fear of financial ruin.

- (l) Provide support for researchers who returned from abroad in accordance with Section 44 of this Bill.

Provided always that all research funded wholly or in part with the RD&I Funds shall be made available in open-access repositories within 12 months of publication.

## **29. Eligibility Criteria**

- (1) Eligible Entities and Emerging Innovative Enterprises may be eligible to access the RD&I Funds, subject to the fulfilment of additional eligibility requirements to be published by the Board from time to time.
- (2) The Board may, by regulations, make provisions for eligibility requirements for the RD&I Fund.

## **30. Commercialisation of Research Outputs**

- (1) TTOs shall assist researchers in patenting, licensing, and supporting spin-offs from publicly funded research.
- (2) Revenue generated from commercialisation shall be shared equitably among inventors, their institutions, and the Commission in accordance with regulations issued by the Commission.
- (3) Market access support shall be provided to high-potential innovations with demonstrated commercial viability.
- (4) The Commission shall publish a register of commercialized research outputs annually on the Innovation Portal.
- (5) Where an Eligible Entity seeks to commercialize a unique patented solution, the Commission may, upon application, reimburse the company for commercialization activities in an amount to be determined by the Commission, having regard to available resources and applicable guidelines.

## **31. Exempted Persons and Research Activities**

- (1) The following persons or institutions and research activities are exempted from any grant arising from the provisions of this Bill:
  - (a) person employed in the public service of the Federation or a State or local government outside Lagos State;
  - (b) research activities or discovery for the propagation of any religion;
  - (c) all research activities that seek to promote any political party in any part of Lagos State or elsewhere;
  - (d) Persons who have already received a grant under this Bill but yet to deliver their projects, findings, or report or where the project, findings or report is of no significance to the

residents of Lagos State or it is not relevant to solving the problems identified in his application; and

- (e) a religious institution engaged in the propagation of faith.

### **32. Research Funding Schemes**

- (1) The Commission may establish a funding scheme for funding particular research and innovative projects within the State, or an area or topic of research and innovation to which the scheme shall apply.
- (2) The Commission shall encourage collaborative funding schemes that facilitate partnerships between universities, research institutions, and private sector companies, with a focus on co-developing solutions in emerging technology fields such as biotechnology, data science, and renewable energy.

### **33. Appointment of a Fund Manager**

- (1) The Commission shall hire a licensed fund manager with not less than 20 (Twenty) years experience to manage and administer the RD&I Fund in accordance with a written agreement between the Commission and the fund manager.
- (2) Provided always that the fund manager will act in accordance with the written instructions of the Board.

### **34. Functions of the Fund Manager**

The Fund Manager shall perform the following functions:

- (1) create an innovation grant budget and management framework to support research and development projects; and
- (2) Issue a framework that sets out modalities to fund, manage, and access the RD&I Fund.
- (3) Invest the funds in securities prescribed in the Trustees' Investment Act Cap T22 Laws of the Federal Republic of Nigeria 2004.
- (4) Invest the RD&I Fund in private equity and venture capital funds that invest at least 30% of their funds in Eligible Entities.
- (5) Disburse the RD&I Funds in accordance with the written instructions of the Board jointly signed by all members of the Board.
- (6) Submit periodic reports to the Board detailing the Fund's financial status, disbursements, management, administration and any other relevant updates as may be required.

### 35. Transparency and Monitoring

- (1) A recipient of the Funds or any funding scheme under this Bill shall provide such reports on the research and innovation undertaken for which funding is awarded at such times and in such manner as may be required by the Fund Manager or as specified in the funding scheme.
- (2) All research funded wholly or in part with the Fund shall be made available in open-access repositories within 12 months of publication as part of the State's commitment to Open Research Data.
- (3) A recipient of funding shall provide to the Funds Manager such information as the Manager may request in relation to an award of funding, including information in relation to:
  - (a) the expenditure of the award of funding disbursed to the recipient of funding; and
  - (b) compliance by the recipient of funding with the conditions of funding.
- (4) If a recipient of funding does not provide to the Fund Manager the information requested under subsection (2), the Fund Manager shall require the recipient of funding, by notice in writing, to provide such information as is specified in the notice and within such period as is specified therein, and the recipient of funding shall comply with any such requirement.
- (5) If the Fund Manager is of the opinion, following an assessment of the information (if any) provided by a recipient of funding under this section, that there are serious deficiencies regarding compliance by the recipient of funding concerned with the conditions of funding, the Fund Manager shall investigate or arrange for an investigation of the matter to be undertaken.
- (6) The Funds Manager shall arrange for assessors as may be appropriate, to investigate whether the recipient of funding is in compliance with the conditions of funding, having examined the information (if any) provided by the recipient of funding under this section.
- (7) The Fund Manager may with the approval of the Commission, having considered the written statement of the recipient make a final and binding determination on the funding and inform the recipient of his decision in writing.
- (8) Recipient of the Fund or beneficiaries of any funding scheme in this Bill shall:
  - (a) submit bi-annual reports detailing the use of the fund; and
  - (b) conduct annual external audit on its accounts in accordance with the accounting standards authorized by the Financial Reporting council of Nigeria.
  - (c) comply with any audit or oversight measures as determined by the Commission.

- (9) Where the Fund Manager is of the opinion that a recipient of funding is not complying with the conditions of funding, the Fund Manager may make a determination under this subsection to do all or any of the following with regard to funding awarded to the recipient:
- (a) amend (including by addition) the conditions of funding;
  - (b) suspend the disbursement of further funding to the recipient of funding unless and until the Fund Manager is satisfied that the conditions of funding are being complied with by the recipient of funding.
  - (c) cancel the award of funding insofar as it relates to the disbursement of further funding to the recipient of funding with effect from a specified date;
  - (d) require the recipient of funding to repay to the Commission some or all of the funding awarded and disbursed to the recipient of funding;
  - (e) Blacklist the recipient of the funding;
  - (f) Prosecute the recipient in a court of competent jurisdiction.
- (10) All sums due to the Commission under subsection (7) shall be recoverable as debts due to the Commission and, without prejudice to any other remedy, may be recovered by the Commission as a debt under statute or a simple contract debt in any court of competent jurisdiction.
- (11) The recipient of funding concerned may appeal against any determination within 90 (ninety) days after the service of the notice on the recipient.
- (12) Provided always that the Fund Manager and the Commission shall adhere to the principles of fair hearing in making any determination under this section.
- (13) The Fund Manager may at any reasonable time where it has reasonable cause to believe that any researcher who has received funds under this Bill is not diligent in the assignment:
- (a) make any inquiry or examination which it considers necessary to satisfy himself that the provisions of this Bill are being complied with;
  - (b) search and inspect any laboratory, control room, software application, records, database, resources, materials and or equipment being used to carryout the research work for the purpose of preventing the violation of the provisions of this Bill or regulations made thereunder; and
  - (c) interrogate either alone or in the presence of witnesses any researcher or employee or any other person found in connection with the research work concerning the application of any of the provisions of this Bill.

### **36. International Cooperation Regarding Funding for Research and Innovation**

(1) The Commission may:

- (a) participate in, and contribute to the funding of, international collaborative projects that benefit Lagos residents and provide solutions to challenges affecting the State through the award of grants or other forms of financial support.
- (b) enter into an agreement with any person or body having a function relating to research and innovation outside the State for the purposes of paragraph (a).
- (c) enter partnerships with international agencies, universities, and global science missions to promote collaborative research.

### **37. Industry-Academic Innovation Partnership**

- (1) The Commission shall establish innovation hubs for structured industry-academic partnerships to fund and support scientific research, technology development, and innovation in Lagos.
- (2) Companies and private institutions may be admitted as corporate sponsors of research programs or innovation hubs designated by the State, upon payment of an annual membership fee as prescribed by the Commission.
- (3) Sponsors shall be entitled to:
  - (a) Access research outcomes and innovations developed under the framework;
  - (b) Participate in innovation expos, demos, and strategic planning workshops;
  - (c) Collaborate with academic and research institutions through non-exclusive access to intellectual property, under standardised licensing terms;
  - (d) non-exclusive, royalty-free access to research outputs by registered sponsors.
- (4) The Commission shall establish a framework to regulate industry-academic partnerships through the innovation hub. The framework shall:
  - (a) Preserve academic and research independence;
  - (b) Support the commercialisation of research outputs through Lagos-based spinouts; and
  - (c) Encourage collaborative R&D aligned with Lagos State's development priorities.
- (5) The Commission may use the R, D & I Fund to co-fund projects involving at least one academic/research institution and one private sector partner.
- (6) The R, D & I Fund may be applied to co-fund projects under this framework through a matching grant mechanism, whereby public funding is provided on condition that equivalent or proportional investment is made by a sponsor.

- (7) The annual membership fee in subsection 2 above shall be tax-deductible in accordance with applicable tax laws.

### **38. Investors' Incentives for Investments in Eligible Entities**

- (1) The Commission shall recommend to the Commission a range of incentives for investors who commit capital to Eligible Entities.
- (2) The Commission may invest the RD&I Fund in private equity and venture capital funds, provided that such funds allocate at least 30% of their total committed capital to investments in Eligible Entities.

## **PART VI — TAX AND FISCAL INCENTIVES**

### **39. Science, Technology, Research and Innovation Commercialisation Grants**

- (1) The Commission shall establish and administer a science, technology, research and innovation commercialisation grants programme (hereinafter referred to as the “**Commercialisation Programme**”).
- (2) The Commission shall issue calls for proposals and award competitive grants for basic, applied, and mission-oriented R&D.
- (3) The Commission shall establish guidelines and procedures for the submission, review, and approval of grant applications, which shall include:
- (a) clear criteria for evaluating the potential commercial impact of proposed projects;
  - (b) documentation requirements to ensure proper use of funds; and
  - (c) timelines for the disbursement of funds and reporting of outcome.
- (4) Beneficiaries of the Commercialisation Programme shall be required to:
- (a) submit periodic progress reports detailing the use of the grant and achievements;
  - (b) provide a final report upon the completion of the project; and
  - (c) comply with any audit or oversight measures as determined by the Commission.

### **40. Waiver of Fees and Levies**

- (1) Subject to provisions of this Bill, any technology company or international company may apply for a waiver of all statutory and regulatory fees, levies, and charges imposed on research and development activities.

(2) The waiver shall extend to, but not be limited to,

- (a) registration fees,
- (b) Licensing fees for specific technology-related activities;
- (c) Land use charges for properties used primarily for research and development;
- (d) Construction permit fees for facilities dedicated to research and development; and
- (e) Other fees and levies as may be determined by the State Government.

(3) The specific fees and levies eligible for waiver, and the conditions under which such waivers are granted, shall be detailed in guidelines issued by the State Government in consultation with the Commission.

#### **41. Application and Approval Process**

- (1) Companies seeking fee and levy waivers must submit an application in the prescribed format to the Commission. The application shall include detailed information on the company's research and development activities, investment levels, anticipated benefits to Lagos State's economy and innovation ecosystem, and any other information as the Commission may require.
- (2) The Commission shall evaluate each application against the established eligibility criteria and notify the applicant of the outcome within 90 days of receipt of the complete application.
- (3) Approved waivers shall remain in effect for the duration of the approved project or until such time as the company no longer meets the eligibility criteria, subject to periodic review.

#### **42. Private Sector Participation in Innovation**

- (1) Public-private joint ventures shall be permitted in innovation infrastructure development.
- (2) Equity financing for innovation startups may be supported through government-backed funds.
- (3) Lagos State shall prioritise local innovations in public procurement.
- (4) Industry fellowships and research residencies shall be facilitated.

#### **43. Monitoring and Compliance**

- (1) The Commission shall monitor the research and development activities of companies that have been granted fee and levy waivers to ensure full compliance with the terms and conditions of this Section.

- (2) In the event of non-compliance or if any misrepresentation is discovered, the Commission shall have the authority to revoke the waiver, and the company shall be required to remit all fees and levies previously waived, in addition to any penalties as prescribed by law.

#### **44. Transitional Provision**

- (1) Companies that have commenced research and development activities prior to the effective date of this Bill shall be eligible to apply for a waiver under this Section within one year of the Bill's commencement, provided they continue to meet the eligibility criteria.
- (2) The State Government shall review and, where necessary, update the eligibility criteria and waiver conditions annually to ensure they remain aligned with the evolving research and innovation landscape.

#### **45. Transparency and Accountability**

- (1) The Commission shall, through the Commission, maintain and publish a list of all Entities that have benefited from the incentives provided under this Part, including the amount of each incentive received.
- (2) The Commission shall submit an annual report to the Governor on the implementation of the incentive programs, including their impact on research, innovation, and economic development in Lagos State.

### **PART VII — TRAINING AND TALENT DEVELOPMENT PROGRAMMES**

#### **46. Support for Local Talent Development**

- (1) The Commission shall promote the growth of the State's innovation ecosystem by implementing structured training, education, and skill development programmes tailored to strengthen the innovation capacity of individuals, organisations, and institutions across key sectors.
- (2) In furtherance of subsection (1), the Commission shall prioritise the development of indigenous talent and innovation capacity by:
  - (a) Establish and administer merit-based sponsorships, scholarships, and fellowships to support individuals and organisations undertaking innovation-focused education, technical training, or research;
  - (b) Provide tuition support, research funding, and innovation training subsidies for persons engaged in innovation-related disciplines, including science, technology, engineering, artificial intelligence, biotechnology, climate technology, and digital entrepreneurship;
  - (c) Facilitate participation in international and local innovation competitions, Accelerator programmes, exchange initiatives, and residencies that foster innovation and global exposure;

- (d) Design and implement sector-specific innovation training frameworks to drive continuous learning in high-impact areas such as product development, systems thinking, data science, prototyping, Intellectual Property management, and scaling innovation;
  - (e) Collaborate with academic institutions, innovation hubs, development agencies, private sector stakeholders, and global partners to deliver scalable and sustainable innovation capacity-building programmes; and
  - (f) Facilitate access to innovation resources, tools, infrastructure, technical expertise, and mentorship required to enable Eligible Entities to ideate, validate, and commercialise innovative solutions.
- (2) In addition to the incentives under this Bill and any other program established under this Bill , an Eligible Entities with a Repatriated Tech Talent may, upon application to the Commission in a form prescribed in a regulation issued by the Commission, be entitled to the following incentives:
- (a) Interest-free loans;
  - (b) Grants;
  - (c) Recommendations to investors and access to State-backed venture funds;
  - (d) Income tax exemptions for the Repatriated Tech Talents;
  - (e) Such other incentive that the Commission may, by regulation, prescribe from time to time.
- (3) The Commission shall determine the eligibility criteria, selection process, and modalities for accessing any programme, funding, or opportunity offered under this Section.
- (4) Beneficiaries of any programme established under this Section shall undertake to apply the acquired knowledge, skills, or resources toward the advancement of innovation activities within Lagos State, in accordance with guidelines issued by the Commission.

#### **47. National Research Fellowships**

- (1) Doctoral and post-doctoral researchers in deep science areas and frontier technologies shall be eligible for fully funded fellowships and mobility grants, subject to merit and national and sub-sovereign needs.
- (2) The resulting work of doctoral and post-doctoral research fellowships awarded under Section 43(1) above, if patented, will be eligible for grant for the commercialization of the work up to a maximum of 50% of the funding required for commercialization of the work.

#### **48. Returnee Researcher Program**

- (1) Researchers returning from abroad with the intention of starting or participating in an applied and/or basic research area critical to national objectives maybe provided with start-up funding, lab space, and integration support upon application to the Commission.
- (2) The eligible researchers for the incentives in Subsection 1 above must demonstrate a recognized track record of scientific or technological work. Such recognition may include, but is not limited to:
  - (a) have a proven track record of work recognized by international bodies such as the World Intellectual Property Organization;
  - (b) Peer-reviewed publications in high-impact international journals;
  - (c) Leadership roles or substantial contributions in internationally funded or collaborative R&D programs.
- (3) In addition to the above, returning researchers who are in the process of establishing or contributing to a local research and development program in Lagos State may be eligible for seed capital financing. The capital must be utilized exclusively for research, prototyping, technology transfer, or commercialization of research outcomes within the State.

#### **49. Human Capital and Talent Development**

- (1) The State Government shall ensure that innovation education is integrated into the curricula of all tiers of the formal education system within the State, in accordance with guidelines issued by the relevant educational authorities.
- (2) There is established under the Commission a Young Innovators Corps, which shall be responsible for identifying, training, and mentoring young persons in innovation and technological development across the State.
- (3) The Commission shall provide financial support, capacity-building programmes, and mentorship opportunities for women engaged in Science, Technology, Engineering, and Mathematics (STEM) disciplines within the State.
- (4) The Commission shall develop and implement a framework for the provision of incentives, including financial rewards, grants, or honours, to researchers resident in Lagos State who:
  - (a) publish in peer-reviewed journals of high international impact; or
  - (b) secure patents or other registrable intellectual property rights arising from their research.
- (5) The Commission shall support and facilitate the establishment and growth of diaspora research and innovation networks, with the objective of promoting knowledge exchange, collaboration, and reverse brain drain in strategic sectors of the State's economy.

#### **50. Monitoring and Evaluation**

- (1) The Commission shall establish a monitoring and evaluation framework to assess the effectiveness of its training, and talent development Programmes.
  - (a) This framework shall ensure that the Programmes are achieving the desired outcomes, meeting the needs of stakeholders, and providing measurable benefits to participants.
  - (b) The Commission shall publish an annual report detailing the performance of its Programmes, the number of participants, and the impact of the Programmes on the innovation ecosystem.
- (2) The Commission shall establish and maintain real-time digital dashboards to monitor, in a transparent and accessible manner, the performance and impact of all programmes and projects funded under this Bill.
- (3) All entities receiving funding or support under this Bill shall submit quarterly performance reports to the Commission in such form and manner as may be prescribed. The Commission shall compile and publish annual performance scorecards, which shall include key metrics such as IP outputs, job creation, and return on investment.
- (4) The Commission shall, at intervals not exceeding three years, cause an independent external evaluation of funded programmes and initiatives to be conducted by qualified third-party evaluators. The findings of such evaluations shall inform policy reforms, resource allocation, and the design of subsequent funding cycles.
- (5) The Commission shall prepare and publish an annual State of Innovation Report, providing a comprehensive overview of the innovation ecosystem in Lagos State, including trends, challenges, successes, and recommendations for improvement.

## **PART VIII — ACCELERATORS AND INCUBATORS**

### **51. Support for Accelerators and Incubators**

- (1) The Commission shall provide support to innovation-focused Accelerators and incubators that facilitate the creation, development, and scaling of high-impact, innovation-driven enterprises in Lagos State.
- (2) In furtherance of subsection (1), the Commission shall:
  - (a) Provide financial assistance, including grants, and technical support, to Accelerators and Incubators that support innovation-based start-ups and early-stage enterprises;
  - (b) Support the development and delivery of structured innovation acceleration and incubation programmes focused on product development, prototyping, commercialization, and market readiness;

- (c) Facilitate access to infrastructure, research and development facilities, digital tools, and innovation workspaces for Accelerators and Incubators operating within the State;
  - (d) Support the delivery of innovation-specific services such as technical advisory, and business model validation;
  - (e) Facilitate the development of strategic partnerships between Accelerators, incubators, innovation-driven enterprises, and key stakeholders, such as universities, research institutions, and private sector actors, to create an integrated ecosystem for the growth of innovation; and
  - (f) Offer targeted capacity-building initiatives for Accelerators and incubators to improve operational efficiency, including training on the management of innovation programmes, securing funding for innovative startups, and best practices in scaling high-impact innovations.
- (3) The Commission shall ensure that financial support is provided transparently, with clear eligibility criteria and application processes, ensuring fairness and inclusivity for accelerators and incubators in Lagos State that demonstrate a strong commitment to innovation.
- (4) The Commission shall maintain a registry of approved innovation accelerators and incubators that have received funding or support under this section to ensure transparency and accountability.

## **52. Technology Transfer Offices**

- (1) All accredited public universities and government-funded research institutes in Lagos must establish a dedicated and operational Technology Transfer Office within 18 months of the enactment of this law
- (2) The Commission shall establish an annual Technology Transfer Fund to support operational costs, staffing, and capacity-building of s. Disbursement shall be performance-linked (e.g., number of patents filed, licenses issued, start-ups supported).
- (3) All TTOs shall contribute to a centralized online repository of patentable or licensed technologies available for commercialization, accessible to private sector partners and investors.
- (4) may fund patent applications and legal support costs incurred by researchers and institutions.
- (5) A framework shall be established where IP developed through public funds is owned by the host institution, with minimum 30% of net licensing revenue going to the inventors and creators, and 10% earmarked for reinvestment in TTO capacity.
- (6) TTOs shall be required to establish formal collaborative agreements with private-sector incubators, venture capital funds, and industrial parks, and report annually on technology transfer outcomes from these partnerships

- (7) An IP and Licensing Advisory Panel shall be established by The Commission to advise on policy and resolve related disputes.

### **53. Innovation Infrastructure**

- (1) The Commission shall facilitate and support the development, operation, and maintenance of science parks, shared laboratories, and digital innovation infrastructure for the benefit of the innovation ecosystem in the State.
- (2) The Commission may enter into partnerships or co-financing arrangements with private sector entities, development partners, or other stakeholders for the implementation of innovation infrastructure projects.
- (3) The Commission shall establish regional innovation centres in such locations as it may determine to be underserved or strategically important for the promotion of inclusive innovation and research activities within the State.
- (4) The Commission may, subject to such guidelines as may be issued, provide equipment grants to support the establishment or strengthening of emerging laboratories, innovation hubs, or research institutes operating within the State.
- (5) The Commission shall promote the development and utilisation of sustainable and environmentally responsible infrastructure through the provision of targeted incentives, including tax benefits, grants, or preferential access to public programmes.
- (6) All publicly funded or supported innovation infrastructure shall remain accessible, on fair and non-discriminatory terms, to eligible innovation ecosystem actors, including startups, researchers, and academic institutions, in accordance with regulations made under this Bill.

## **PART IX – ETHICS**

### **54. Ethics**

- (1) All research institutions and universities within the State must establish Institutional Review Boards (IRBs) or partner with accredited ethics committees, especially for research involving:
  - (a) Human subjects
  - (b) Animals
  - (c) Indigenous knowledge
  - (d) AI and data privacy
- (2) The Commission shall adopt a National Code of Research Conduct and Ethics which must cover:
  - (a) Plagiarism and data falsification
  - (b) Authorship and credit
  - (c) Conflict of interest
  - (d) Human and animal welfare
  - (e) Dual-use research and biosafety

- (3) The Commission shall develop a framework for investigating misconduct allegations, imposing graded sanctions and rehabilitative measures.
- (4) There is established a body to be known as the Lagos State Ethics Review Board (the “**Ethics Review Board**”), which shall be responsible for promoting, enforcing, and overseeing ethical standards in all research and innovation activities funded or supported under this Law.
- (5) All projects receiving funding or support pursuant to this Law shall be subject to prior ethics clearance issued by the Ethics Review Board or by any institutional review body duly recognised by the Commission.
- (6) The Commission shall develop and publish ethical standards and guidelines governing research and innovation activities, including standards relating to:
  - (a) authorship and publication ethics;
  - (b) data ownership, access, and use;
  - (c) transparency and disclosure obligations; and
  - (d) whistleblower protections and mechanisms for reporting unethical conduct.
- (7) Every institution or organisation receiving funding under this Law shall designate or appoint an Ethics Compliance Officer responsible for ensuring adherence to ethical standards and reporting any infractions to the Ethics Review Board.
- (8) The Commission shall cause to be prepared and published an annual ethics audit report, which shall be publicly accessible and shall detail levels of compliance, identified violations, and enforcement actions taken.
- (9) Any person or institution that contravenes the ethical standards or obligations established under this Law shall be subject to disciplinary measures, including suspension from participation in funded programmes, financial penalties, and any other sanction as may be prescribed by regulation or imposed by the Ethics Review Board.

## **PART X — MISCELLANEOUS PROVISIONS.**

### **55. Inclusion, Equity, and Access**

All innovation programs and funding shall be designed and implemented to foster inclusivity and equity, including by: allocating not less than 20% of innovation grants to women and youth-led initiatives; developing inclusive services for persons with disabilities; funding and promoting rural innovation pilots; supporting local language and culturally relevant innovation; tracking comprehensive equity indicators across all funded programs; establishing Innovation Access Desks for vulnerable communities; and providing travel grants for underrepresented researchers.

### **56. Offences and Penalties**

- (1) Any person who misappropriates funds provided under this Bill commits an offence and is liable, on conviction, to a fine not less than three times the amount misappropriated or to imprisonment for a term of not less than three years, or to both such fine and imprisonment.

- (2) Any person who, in the conduct of State-funded research, knowingly engages in falsification of research data, results, or reports, or commits plagiarism, commits an offence and is liable, on conviction, to:
- (a) disqualification from present and future State-funded research;
  - (b) full refund of grants or funds received; and
  - (c) inclusion on a publicly maintained register of blacklisted researchers or institutions.
- (3) Any person who, without justification, fails to commercialise an innovation or research output funded under this Bill within a reasonable period, as may be prescribed in the grant award, commits an offence and shall be liable, on conviction, to refund the full amount of the grant or such portion thereof as the court may determine.
- (4) Any person who knowingly fails to comply with applicable ethical standards or reporting requirements under this Bill commits an offence and shall be liable, on conviction, to:
- (a) disqualification from further participation in programmes under this Bill; and
  - (b) blacklisting for a period not less than three years.
- (5) The imposition of penalties under this section shall be without prejudice to any other civil or criminal liability that may arise under any other enactment.
- (6) Where an offence under the provision of this Bill is committed by a body of persons:
- (a) in the case of a body corporate, every director or officer of that body shall be deemed to be guilty of the offence;
  - (b) in the case of a partnership or other association of individuals, every partner or officer of that body shall be deemed to be guilty of the offence and liable accordingly.

## **57. Audit**

The Board shall ensure that the activities of the Commission are subject to independent audit from time to time.

## **58. Power to Make Regulations or Guidelines.**

- (1) The Commission, with the approval of the Governor, may issue rules, regulations, or guidelines for the proper implementation of the provisions of this Bill and the effective discharge of its duties, functions, or powers. These rules, regulations, or guidelines may include but are not limited to the following:
- (a) exemptions from any rate or charge or any corporate entity or any person or class of persons;

- (b) specifying forms and other documentation or information required under this Bill;
  - (c) establishing procedures for obtaining information required under this Bill;
  - (d) prescribing fees or charges applicable under this Bill;
  - (e) providing frameworks for the registration, de-registration, and re-registration of Eligible Entities; and
  - (f) defining processes for the transition of Eligible Entities into innovative small and medium enterprises or Scale-ups.
- (2) Any violation of the rules, regulations, or guidelines issued pursuant to this Bill shall be deemed an offence and shall attract penalties as specified within the relevant rules, regulations, or guidelines.

**59. Citation**

This Bill may be cited as the Lagos State Innovation Bill 2025