

Technology Transfer Agreements In Nigeria: Costs, Requirements, And Agreement Patterns

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Description

Introduction: Embracing Technological Advancement

In Nigeria, the exchange of knowledge and expertise through Technology Transfer Agreements (TTAs) is instrumental in fostering economic development and innovation.

The National Office for Technology Acquisition and Promotion (NOTAP) plays a pivotal role in facilitating these agreements, ensuring they align with local needs and regulations.

This comprehensive guide delves into the intricacies of TTAs, shedding light on the registration process, requirements, and diverse agreement patterns.

Understanding Technology Transfer Agreements

TTAs serve as conduits for the transfer of technology, intellectual property, and technical know-how between Nigerian entrepreneurs and their foreign counterparts.

These agreements can encompass various sectors, ranging from manufacturing to information technology, and are tailored to meet specific business objectives.

The Registration Process: Simplified Steps

Registering a TTA with NOTAP involves a structured process, ensuring transparency and compliance:

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1. **Application Submission:** Submit the application within 30 days of the agreement's effective date, accompanied by requisite documents.
2. **Completion of NOTAP Forms:** Provide detailed information about the agreement, company profile, and financial records using NOTAP's standardised forms.
3. **Documentation:** Submit mandatory documents, including the agreement, certificate of incorporation, audited accounts, and evidence of tax compliance.
4. **Payment of Fees**: Various fees apply, such as presentation fee, penalty fee (if applicable), registration fee, and processing fee for certificate extension.

Online Registration Process: Simplifying Access

To streamline the registration process, NOTAP offers an intuitive online platform accessible via their website.

Here is a step-by-step guide:

- **Visit the NOTAP Website**: Head to the NOTAP website and navigate to the Technology Transfer Portal.
- **Login or Register**: Scroll to the bottom left-hand side of the page and click on the "Login or Register to NOTAP Technology Transfer Portal" link.

- **Register as a New User**: If it is your first time or you have not registered before, click on the “Register” link.
- **Fill Out the Registration Form**: Complete the registration form with your company details, select the sector you belong to, and click the submit button.
- **Activate Your Account**: Upon successful registration, an email link will be sent to the provided email address. Log in to your email, click the activation link to activate your account.
- **Log In**: After activating your account, log in to the system using the email and password you provided during registration.
- **Make Payment**: Upon successful login, you will be presented with a payment screen to pay the presentation fee of N 50,000 to NOTAP.
- **Choose Payment Method**: Multiple modes of payment are available. Select your preferred payment method and enter the required details.
- **Complete Payment**: Follow the instructions provided to complete the payment process. Enter your cardholder name, card number, expiry date, CVV, and click submit.
- **Receive Receipt**: You should receive a receipt for any payments made, confirming the transaction’s success.
- **Notification of Completion**: Once the process is completed and the transaction is successful, you will receive a notification.
- **Return to NOTAP Platform**: After payment is done, you will be redirected to the NOTAP platform. The system will automatically log you out.
- **Complete Your Profile**: Once payment has been completed and approved, you can log back into the platform. Now, you can proceed to complete your profile.

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By following these simple steps, companies can efficiently register online and gain access to NOTAP’s technology transfer platform, facilitating the exchange of knowledge and expertise for mutual growth and development

Benefits of Technology Transfer Agreements

TTAs offer numerous benefits to Nigerian enterprises and the economy at large:

- Access to cutting-edge technology and expertise.

- Enhancement of local innovation and industrial capabilities.
- Strengthening of international partnerships and collaborations.
- Job creation and skill development opportunities.
- Diversification of the economy and sustainable growth.

Exploring Agreement Patterns

TTAs can take various forms, each tailored to suit specific business arrangements and objectives.

Let us delve into the different agreement patterns recognised by NOTAP:

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1. **Trademark License Agreement**:

Grants exclusive or non-exclusive rights to use a trademark for selling goods or marketing services.

Payment ranges from 0 – 0.5% of Net Sales, based on locally manufactured goods.

Application requirements include the trademark license agreement, evidence of local registration, and ownership structure documentation.

2. **Technical Know-How Agreement**:

Facilitates the transfer of skills, knowledge, and information for manufacturing processes.

Fees range from 0 – 5% of Net Sales, depending on the complexity of the technology.

Mandatory for companies involved in manufacturing in Nigeria.

Documentation requirements include technology transfer agreement, company profile, audited accounts, and evidence of local manufacturing.

3. **Management Services Agreement**:

Involves the provision of management expertise for optimising business operations.

Fees range from 2 – 5% of Profit before Tax (PBT), based on the extent of management services.

Mandatory for companies seeking foreign management expertise.

Documentation requirements include the management services agreement, company profile, and financial records.

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4. **Technical Services Agreement**:

Provides short-term technical services within a project or contract.

Payment based on man-hours, per diem, or monthly rates.

Documentation requirements include entry and exit documents stamped by Nigerian Immigration Service.

5. **Consultancy Services Agreement**:

Engages consultants for specific project-related tasks.

Fee not more than 5% of the entire project cost, with variations based on project complexity.

Documentation requirements include consultancy agreement, project status report, and invoices for payment.

6. **Software License Agreement**:

Involves deployment and resale of software products.

Payment typically in lump-sum or annually, based on the scope of services.

Documentation requirements include software license agreement, evidence of appointment of local vendor, and invoices for payment.

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7. **Franchise Agreement**:

Grants rights to exploit a franchisor's business model and intellectual property.

Payment includes initial/basic fee, continuing fee, and marketing/advertising fee.

Mandatory for businesses seeking to adopt established business models.

Documentation requirements include franchise agreement and evidence of local raw material sourcing.

8. **Research and Development (R&D) Agreement**:

Focuses on access to patents, inventions, and research outcomes for product development.

Fee ranges from 0.5 – 1% of Net Sales, with emphasis on local content development.

Documentation requirements include R&D agreement, evidence of local content development, and establishment of R&D centre.

Conclusion: Unlocking Growth Through Technology Transfer

Navigating the complexities of TTAs requires meticulous planning, adherence to regulatory frameworks, and a clear understanding of business objectives.

By embracing TTAs, Nigerian enterprises can harness foreign expertise, drive technological advancement, and propel industrial growth.

Contact us today to embark on your journey towards innovation and prosperity.

Summary of Costs for TTAs:

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Fee Type	Amount (Nai
Presentation Fee	N 50,000.00
Penalty Fee (Late Submission)	N 100,000.00
Registration Fee (Ranges from)	N 100,000.00
Processing Fee for Extension of Certificate	N 100,000.00
Professional Fee (Ranges from)	N 650,000.00

(Note: Fees are subject to periodic changes by NOTAP)

Category

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