

THE OSUN STATE INNOVATION, TECHNOLOGY AND ENTERPRISE ACCELERATOR
BILL, 2018

A Bill for

AN ACT TO ESTABLISH AN INSTITUTIONAL FRAMEWORK FOR THE ACCELERATION OF INNOVATION, TECHNOLOGY AND ENTERPRISE DEVELOPMENT IN OSUN STATE, AND FOR THE DEVELOPMENT OF INFRASTRUCTURE TO ATTRACT KNOWLEDGE BASED INDUSTRIES TO THE STATE, AND TO EMPOWER OSUN STATE INDIGENES FOR INNOVATION BASED ENTERPRISE START-UPS, AND FOR RELATED MATTERS.

ENACTED by the Osun State Assembly:

PART I - PRELIMINARY

Short title and Commencement:

1. This Act may be cited as the Osun State Innovation, Technology and Enterprise Accelerator Act, 2018, and shall come into operation on such date as the Governor of Osun State shall give his assent.

Interpretation:

2. In this Act, unless the context otherwise requires-
 - “Government” means Osun State Government;
 - “Governor” means Osun State Governor;
 - “Board” means the Osun State Innovation, Technology and Enterprise Accelerator Board established under section 9;
 - “Start-up” means a newly founded enterprise in any sector of industry, with a view to growing into a large globally competitive company;
 - “Chief Executive Officer” means the chief executive officer of the Board appointed under section 15;
 - “Permanent Secretary” means the Permanent Secretary for a participating governmental ministry, agency or department;
 - “ITE Research Parks” means Innovation, Technology and Enterprise Research Parks, which operate venues, locations or facilities that provide the environment for start-up founders and their staff and mentors, to operate, interact and collaborate with the aim of fostering exchange of ideas, resources and other intangibles in support of their respective innovations;
 - “Start-up Founder” means any person or organisation engaged in or participating in the founding of a new Start-up;
 - “Innovation” means any business undertaking that offers new commercial solutions in the form of products, methods and/or services, to existing and/or new markets;

“Enterprise” means a business or company;

“Network” means a group or system of interconnected people and/or businesses;

“Innovation Cluster” means groupings of independent undertakings — innovative start-ups, small, medium and large undertakings as well as research organisations — operating in a particular sector and region and designed to stimulate innovative activity by promoting intensive interactions, sharing of facilities and exchange of knowledge and expertise and by contributing effectively to technology transfer, networking and information dissemination among the undertakings in the cluster.

Act to supersede:

3. Where the provisions of this Act are inconsistent with the provisions of any other written law, the provisions of this Act shall prevail.

PART II – GUIDING PRINCIPLES FOR THE ACCELERATION OF INNOVATION, TECHNOLOGY AND ENTERPRISE DEVELOPMENT IN OSUN STATE

Innovation, Technology and Enterprise Start-up Training:

4. (1) The Government shall allocate []% of its budgeted annual expenditure to fund the authorized activities of the Board.
(2) The Government, in collaboration with the Board, shall promote innovation, technology and enterprise Start-ups throughout the State by providing sponsorships to eligible graduates and other individuals, who are indigenes of Osun, and who are duly admitted and enrolled in training programs that are specific to the acquisition of knowledge and skills necessary for successful Start-up of new enterprises, comparable and/or equivalent to the training required for membership Start-ups in the Postgraduate Innovation, Technology and Enterprise Start-up (PIES) Network, which was created, and is coordinated by the Adulawo Nigeria Network Limited (ANNL).
(3) The Board, in collaboration with the Government shall conduct State-wide Innovation Challenge Contests as a means of identifying talented and promising graduates and other individuals for sponsorship in innovation, technology and enterprise Start-up training.
(4) Every Local Government in Osun, in collaboration with the Board, shall conduct educational and informational campaigns in order to encourage graduates and other individuals resident in the Local Government, to participate in the Innovation Challenge Contests.

ITE Research Parks in Osun:

5. The Government, in collaboration with the Board and other relevant stakeholders, shall:
 - a. Undertake and promote the establishment of infrastructures and physical spaces suitable for hosting ITE Research Parks in Osun;
 - b. Encourage both existing and new companies to utilize the facilities provided at those Research Parks.

Incentives for attracting innovation companies to Osun:

6. The Government, in collaboration with the Board and relevant stakeholders, shall:
 - a. Encourage and facilitate the relocation of innovation based companies to Osun;
 - b. Design and offer incentives as necessary to give Osun a competitive advantage to attract companies of all sizes and in all sectors of industry;
 - c. Offer attractive tax policies and incentives such as credits and/or rebates for investments made by companies in infrastructure against their tax liabilities;

Government Contracting Set-Asides:

7. The Government, in collaboration with the Board and relevant stakeholders, shall:
 - a. Encourage all governmental procurement agencies to identify portions of their expenditures that are to be set aside for companies located within Osun;
 - b. Collaborate with Osun-based innovation companies in sourcing for provision and supply of the products and services that are needed by governmental agencies;
 - c. Commit a portion of the annual expenditures of all governmental agencies, ministries and departments to the procurement of products and services from Osun based companies.

International Collaborations:

8. The Government, in collaboration with the Board and other relevant stakeholders, shall:
 - a. Establish partnerships with international organizations, companies, Universities and other non-governmental organizations in order to facilitate access of Osun-based companies to technical and financial resources that enhance their global competitiveness.
 - b. Promote and encourage the exchange of personnel and other resources that will expose Osun-based companies to a world wide community of markets, products and services.

PART III – THE OSUN STATE INNOVATION, TECHNOLOGY AND ENTERPRISE
ACCELERATOR BOARD

9. (1) There is established a Board known as the Osun State Innovation, Technology and Enterprise Accelerator Board.
(2) The Board shall be a body corporate with perpetual succession and a common seal and shall, in its corporate name, be capable of:
 - a. suing and being sued;
 - b. purchasing or otherwise acquiring, holding, charging and disposing of movable and immovable property in Nigeria or elsewhere;
 - c. borrowing money or receiving grants; and
 - d. doing or causing to be done or performing all such other things or acts for the proper performance of its functions under this Act, as may be lawfully done or performed by a body corporate.

Composition of the Board:

10. (1) The Board to be appointed and inaugurated by the Governor shall consist of:

- a. The Chief of Staff in the Office of the Governor or his representative;
 - b. The Permanent Secretary in the Ministry for the time being responsible for finance;
 - c. Seven persons nominated as follows:
 - i. The Chief Executive Officer of the Western Nigeria Competitiveness Forum and Innovation Cluster Consortium (WNCFICC) or its successor;
 - ii. One person nominated by a representative or an association of major manufacturers based in Osun;
 - iii. One person nominated by a representative or an association of Start-up Founders of Osun-based Enterprises;
 - iv. One person nominated by a representative or an association of private investors whose investment portfolio include Osun-based Enterprises;
 - v. One person nominated by a representative or an association of Federal Tertiary Institutions in Osun;
 - vi. One person nominated by a representative or an association of State Tertiary Institutions in Osun;
 - vii. One person nominated by a representative or an association of Private Tertiary Institutions in Osun;
- (2) No person shall be appointed under subsection (1)(c) unless such person:
- a. Is of impeccable character and high moral standing;
 - b. Possesses at least a post-secondary education certificate and has knowledge and expertise beneficial to innovation, technology and enterprise Start-ups;
 - c. Is an active and current member of the WNCFICC;

Conduct of business and affairs of the Board:

11. (1) The conduct and regulation of the business and affairs of the Board shall be as set out in the Schedule (see below).
- (2) Except as provided in the Schedule, the Board may regulate its own procedure.

Functions of the Board:

12. The Board shall be responsible for:
 - a. Advising Government ministries, departments and other agencies on policy matters relating to the development of innovation, technology and enterprise and facilitating the relevant bodies, organs or departments of Government to develop and implement comprehensive and integrated innovation, technology and enterprise development programmes;
 - b. Facilitating the liaison, co-operation and coordinated working of all ministries, agencies and persons charged with the development of innovation, technology and enterprise;
 - c. Seeking out stakeholder-organisations, development partners, relevant government departments, innovators, entrepreneurs, operators, producers, processors, professionals, experts and research institutions in innovation, technology and enterprise and coordinate, support, use, deploy, encourage, facilitate or work with

- them for the purposes of developing and advancing innovation, technology and enterprise in Osun;
- d. Carrying out experiments, investigations and research in connection with innovation, technology and enterprise;
 - e. The collection, analysis and storage of statistics and other information relating to innovation, technology and enterprise;
 - f. The establishment of information centres, preparation and publication of information relating to innovation, technology and enterprise;
 - g. The promotion of exhibitions of innovations in Osun;
 - h. Facilitating the establishment and improvements of laboratories, experimental stations, workshops and factories and the provision of facilities ancillary thereto;
 - i. The endowment of scholarships and bursaries for the instruction of participants engaged in research related to innovation, technology and enterprise, whether in the laboratories, experimental stations, factories and workshops of the Board or elsewhere;
 - j. Rendering to persons engaged in innovation, technology and enterprise such services as may be necessary upon payment of such fees as may be prescribed or otherwise determined from time to time by the Board itself;
 - k. Assessing all such relevant information as may be necessary, and establish information linkages both nationally and internationally among stakeholders, for the efficient administration of innovation, technology and enterprise;
 - l. Promoting the marketing of Osun innovation products and services both locally and internationally through shows, trade fairs, exhibitions and foreign missions abroad, as well as through print and electronic media;
 - m. Recommending to the government appropriate measures for regulating import and export of Osun innovation products and inputs;
 - n. Collaborating with other stakeholders in the industry or any other persons or organisations outside the industry within or outside Osun, as it may deem appropriate to the Board to do, to ensure production and distribution of quality Osun products and services, or otherwise for furtherance of the purpose for which the Board is established;
 - o. Promoting the transfer and adoption of appropriate technologies in Osun;
 - p. Initiating mechanisms to build Osun's financial capacity for self-sustenance;
 - q. Developing and maintaining proactive cooperation with international institutions in areas relevant to achieving the Board's objectives and represent innovation, technology and enterprise stakeholders on innovation, technology and enterprise issues at relevant national, regional and international forums and ensure that the interests of the Start-up founders are addressed;
 - r. Ensuring that the policies and strategies for development of innovation, technology and enterprise are continually reviewed and implemented;
 - s. Performing such other functions that are incidental to the attainment of the guiding principles for the development of innovation, technology and enterprise as set out under Part II of this Act.

Powers of the Board:

13. (1) The Board shall have all powers necessary for the proper performance of the functions under this Act.
- (2) Without prejudice to the generality of the foregoing, the Board shall have power to:
 - a. Control, supervise and administer the assets of the Board in such manner as best promotes the purpose for which the Board is established;
 - b. Determine the provisions to be made for capital and recurrent expenditure and for the reserves of the Board;
 - c. Receive any grants, gifts, donations or endowments and make legitimate disbursement there from;
 - d. Open such bank accounts for its funds as may be necessary;
 - e. Invest any of its funds not immediately required for its purposes in the manner provided in section 28;
 - f. Undertake any activity necessary for the fulfilment of any of its functions under this Act.

Remuneration of Board members:

14. The Board shall pay its members such remuneration, fees or allowances as it may determine in consultation with the Permanent Secretary for the time being responsible for matters relating to finance.

Chief Executive Officer:

15. (1) There shall be a chief executive officer of the Board who shall be appointed by the Board and whose terms and conditions of service shall be determined by the Board in the instrument of appointment or otherwise in writing from time to time.
- (2) No person shall be appointed under this section unless such person:
 - a. Is a holder of a degree in a branch of science, engineering, business administration or information technology from a recognised University;
 - b. Has at least five years post graduate working experience in a relevant area
- (3) The chief executive officer shall:
 - a. Be the secretary to the Board; and
 - b. Subject to the direction of the Board, be responsible for the day to day management of the affairs and staff of the Board.

Staff of the Board:

16. The Board may appoint such officers and other staff as are necessary for the proper discharge of its functions under this Act, upon such terms and conditions of service as it may determine.

Delegation by the Board:

17. The Board may, by resolution either generally or in any particular case, delegate to any committee or to any member, officer, employee or agent of the Board, the exercise of any of the powers or the performance of any of the functions or duties of the Board under this Act or under any other written law.

Common seal:

18. (1) The common seal of the Board shall be kept in such custody as the Board may direct and shall not be used except on the order of the Board.
(2) The affixing of the common seal of the Board shall be authenticated by the signature of the chairperson and the chief executive officer and any document not required by law to be made under seal and all decisions of the Board may be authenticated by the signatures of both the chairperson and the chief executive officer.
(3) Notwithstanding the provisions of subparagraph (2) the Board shall, in the absence of either the chairperson or the chief executive officer in a particular matter, nominate one member to authenticate the seal on behalf of either the chairperson or the chief executive officer.
(4) The common seal of the Board when affixed to a document and duly authenticated shall be judicially noticed and unless the contrary is proved, any necessary order or authentication by the Board under this section shall be presumed to have been duly given.

PART IV – FINANCIAL PROVISIONS

Funds of the Board:

19. (1) the funds of the Board shall comprise:
 - a. Funds appropriated by State Law annually under Section 4(1) of this Act;
 - b. Donations and Grants from Individuals, Companies, Private Enterprises Philanthropies, government agencies; and non-governmental organizations;
 - c. The innovation, technology and enterprise development levy imposed in accordance with subsection (2);
 - d. Such fees, monies or assets as may accrue to or vest in the Board in the course of the exercise of its powers or the performance of its functions under this Act or under any written law; and
 - e. All monies from any other source provided for or donated or lent to the Board.
- (2) The Permanent Secretary for the time being responsible for matters relating to finance may, in consultation with the Board and other relevant departments of the Government, by order in the Official Gazette, impose a levy to be known as the Innovation, Technology and Enterprise Development Levy on services and products, originating from outside the State of Osun, procured by any agency, department and/or Ministry of the Government. The objective of this levy is to encourage all government agencies, department and/or ministries to give priority to the procurement of goods and services originating from the State, thereby building the capacity of Osun-based enterprises.
- (3) An agency, department or ministry which fails to pay any amount of the levy payable by it on or before the date prescribed by the order, shall have the amount due deducted

from its statutory budget in the following fiscal year, and such amount shall be remitted to the Board.

(4) The balance of the funds of the Board at the end of the financial year shall be retained by the Board for the purposes for which the Board is established.

Financial year:

20. The financial year of the Board shall be the period of twelve months beginning on the first January and ending on the thirty-first December in each year.

Annual estimates:

21. (1) At least three months before the commencement of each financial year, the Board shall cause to be prepared estimates of the revenue and expenditure of the Board for that year.

(2) The annual estimates shall make provision for all estimated expenditure of the Board for the financial year and in particular, the estimates shall provide for:

- a. The payment of the salaries, allowances and other charges in respect of members of the Board and staff of the Board;
- b. The payment of pensions, gratuities and other charges in respect of the staff of the Board;
- c. The proper maintenance of the buildings and grounds of the Board;
- d. The maintenance, repair and replacement of the equipment and other property of the Board; and
- e. The creation of such reserve funds to meet future or contingent liabilities in respect of retirement benefits, insurance or replacement of buildings or equipment, or in respect of such other matter as the Board may deem appropriate.
- f. Operational expenses for Research, Development, Test and Evaluation (RDT&E), Technical Services and Provisions for Start-Up support.

(3) The annual estimates shall be approved by the Board before the commencement of the financial year to which they relate.

Accounts and audit:

22. (1) The Board shall cause to be kept all proper books and records of accounts of the income, expenditure and assets of the Board.

(2) Within a period of four months from the end of each financial year, the Board shall submit to an auditor appointed under this section, the accounts of the Board together with:

- a. A statement of the income and expenditure of the Board during that year; and
- b. A balance sheet of the Board on the last day of that year.

(3) The accounts of the Board shall be audited and reported upon in accordance to the Nigerian Corporate Affairs Commission (CAC) Act.

Investment of funds:

23. The Board may invest any of the funds of the Board in securities, trust funds, or in any other securities or banks which the Board may, from time to time, approve for that purpose.

PART V – MISCELLANEOUS PROVISIONS

Stakeholder forums:

24. (1) The Board shall encourage and assist individual entrepreneurs to come together and form grassroots Start-up associations, community based organisations, common interest groups, or primary cooperative societies or other similar organisations for purposes of developing innovation, technology and enterprise in Osun through the enjoyment of economies of scale, access to affordable credit and other services.
- (2) Upon formation of the grassroots Start-up associations, each one of them shall be encouraged to register with such state and national organisations as may be prescribed for the purposes of attaining the objects referred to in sub-section (1).
- (3) The Board shall, at least once in every six months, organise consultative forums with the national organisations referred to in subsection (2) to deliberate on matters affecting innovation, technology and enterprise.

Regulations:

25. (1) The Governor may, on recommendation of the Board, make Regulations generally for the better carrying out of the objects of this Act.
- (2) Without prejudice to the generality of subsection (1), the Regulations may:
- a. Prescribe anything required by this Act to be prescribed or prohibit anything required by this Act to be prohibited;
 - b. Prescribe the State Start-up organisation under section 24;
 - c. Prescribe the forms of applications, notices, licences and other documents for use under this Act;
 - d. Prescribe the fees payable under this Act.

SCHEDULE

PROVISIONS AS TO THE CONDUCT OF BUSINESS AND AFFAIRS OF THE BOARD

Tenure of office:

1. The Chairperson or a member of the Board other than the ex-officio members shall, subject to the provisions of this Schedule, hold office for a period of three years, in such terms and conditions as may be specified in the instrument of appointment, but shall be eligible for re-appointment for one further term for a total of six years.

Vacation of office:

2. (1) A member other than an ex-officio member may:
- a. At any time resign from office by notice in writing to the Governor;

- b. Be removed from office by the Governor on recommendation of the Board if the member:
 - i. Has been absent from three consecutive meetings of the Board without its permission;
 - ii. Is convicted of a criminal offence that amounts to a felony under the Laws of Nigeria;
 - iii. Is incapacitated by prolonged physical or mental illness for a period exceeding 6 months;
 - iv. Is otherwise unable or unfit to discharge his functions.

Meetings:

- 3. (1) The Board shall, at its first meeting, elect a non-executive Chairperson from amongst the persons appointed under Section 10 (1)(c) of this Act.
(2) The Board shall meet not less than four times in every financial year and not more than four months shall elapse between the date of one meeting and the date of the next meeting. At least two of the annual meetings of the Board shall be face-to-face. Other scheduled meetings may be conducted via teleconferences and/or video conferences.
(3) Notwithstanding subparagraph (2), the Chairperson may, and upon requisition in writing by at least five members shall, convene a special meeting of the Board at any time for the transaction of the business of the Board.
(4) Unless three quarters of the total members of the Board otherwise agree, at least fourteen days' written notice of every meeting of the Board shall be given to every member of the Board.
(5) [The quorum for the conduct of the business of the Board shall be half of the total members including the Chairperson or the person presiding.
(6) The Chairperson shall preside at every meeting of the Board but members present shall elect one of their number to preside whenever the chairperson is absent, and the person so elected shall have all the powers of the Chairperson with respect to that meeting and the business transacted thereat.
(7) Unless a unanimous decision is reached, a decision on any matter before the Board shall be by a majority of the votes of the members present and voting, and in case of an equality of votes, the Chairperson or the person presiding shall have a casting vote.
(8) Subject to subparagraph (5), no proceeding of the Board shall be invalid by reason only of a vacancy among the members thereof.
(9) Subject to the provisions of this Schedule, the Board may determine its own procedures and the procedures for any committee of the Board and for the attendance of other persons at its meetings and may make standing orders in respect thereof.

Committees of the Board:

- 4. (1) The Board may establish such committees as it may deem appropriate to perform such functions and responsibilities as it may determine.
(2) The Board shall appoint the chairperson of a committee established under subparagraph (1) from amongst its members.

(3) The Board may, where it deems appropriate, co-opt any person to attend the deliberations of any of its committees.

(4) All decisions by the committees appointed under subsection (1) shall be ratified by the Board.

Disclosure of interest:

5. (1) A member who has an interest in any contract or other matter present at a meeting shall at the meeting and as soon as reasonably practicable after the commencement, disclose the fact thereof and shall not take part in the consideration or discussion of, or vote on, any questions with respect to the contract or any matter, or be counted in the quorum of the meeting during consideration of the matter.

(2) A disclosure of interest made under subparagraph (1) shall be recorded in the minutes of the meeting at which it is made.

(3) A member of the Board who contravenes subparagraph (1) commits an offence and is liable to a fine not exceeding two hundred thousand Naira.

Contracts and instruments:

6. Any contract or instrument which, if entered into or executed by a person not being a body corporate, will not require to be under seal may be entered into or executed on behalf of the Board by any person generally or specially authorised by the Board for that purpose.

MEMORANDUM OF OBJECTS AND REASONS

The principal purpose of this Bill is to put in place the legislative framework required for the implementation of the Osun State Agenda towards the Building of a Knowledge Based Society on Innovation, Infrastructure and Quality of Life (BKBSIIQL). Towards this objective, the Bill proposes to establish a stakeholders driven Innovation, Technology and Enterprise Development Board that shall be responsive to current and emerging challenges in the State.

PART I sets out the preliminary provisions of the bill.

PART II of the Bill sets out the guiding principles for the development of innovation, technology and enterprise, lists down actions to be undertaken in order to put in place effective systems to support Innovation, technology and enterprise Start-ups, and the Part also provides for the guiding principles for the financing of the initiative.

PART III of the Bill provides for the establishment and functions of the Osun State Innovation, Technology and Enterprise Development Board. Clause 9 of the Bill establishes the Board as a body corporate capable of suing and being sued in its own name. Clause 10 of the Bill sets out the composition of the Board which shall include the Chief of Staff in the Office of the Governor, the Permanent Secretary in the Ministry for the time being responsible for finance, and seven other persons appointed by the Governor upon nomination by the respective stakeholders.

Clause 12 of the bill sets out the functions of the Board which shall include a) advising Government ministries, departments and other agencies on policy matters relating to the development of innovation, technology and enterprise; b) seeking out stakeholder organisations, development partners, entrepreneurs and research institutions in innovation, technology and enterprise and coordinating or facilitating their work for the purposes of developing and advancing innovation, technology and enterprise in Osun; c) Recommending to the government appropriate measures for regulating import and export of Osun innovation products and inputs; and d) Promoting the marketing of Osun innovation products both locally and internationally through shows, trade fairs, exhibitions and foreign missions abroad, as well as through print and electronic media.

PART IV of the Bill provides for the financial provisions of the Board. Clause 19 stipulates that the Board may receive funds from the Innovation, Technology and Enterprise Development Levy that may be imposed by the Commissioner or from such fees, monies or other assets that may accrue to the Board.

Clause 21 of the Bill requires the Board to prepare annual estimates of its revenue and expenditure at least three months before the commencement of each financial year.

PART V of the Bill contains miscellaneous provisions. Clause 24 provides that the Board shall organise consultative forums with the state and national Start-up stakeholders at least once in

every six months. Clause 25 of the Bill provides that the Governor may, on the recommendation of the Board, make Regulations for the better carrying out of the objectives of the Act.

The Schedule sets out the procedure for the conduct of the business and affairs of the Board including the first meeting where there are provisions as regards the appointment of the Chairperson of the Board.