BEING A GOODWILL MESSAGE PRESENTED

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TO PARTICIPANTS AT THE NIGERIAN BLOCKCHAIN ALLIANCE
CONFERENCE

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Protocols

It is with great pleasure that I stand before this august assembly as we consider the most disruptive transactional phenomenon to have happened to man since the introduction of fiat currency. There has been a lot of discussions about blockchain applications in Nigeria recently. Blockchain Technology currently has over 700 use cases including smart contracts, virtual currencies, e-voting, supply chain management, file storage, identity management, intellectual property, land title registration, health benefits, insurance etc. The sphere of influence of this technology is broad-based. The technology, if properly harnessed, becomes a veritable means of addressing many developmental challenges facing a developing country like Nigeria.

NITDA is at the forefront of ensuring that the right regulatory frameworks are in place to accentuate rather than stifle the blockchain innovation that has swept the global financial landscape. NITDA is well represented in the National Virtual Currency Committee hosted by the CBN; NITDA chairs the Research sub-committee; the Secretariat for the Legal and Regulatory sub-committee and a ranking member of the Technology sub-committee. The Agency does not pretend to have an encyclopaedic knowledge of the various dimensions, technologies and regulatory scope of the blockchain technology, so we are seriously building capacity by networking with public and private entities, and sponsorship to and of events like this to gain relevant knowledge that helps us drive this important technology development area. The quality of NITDA's representation to this first National Blockchain Alliance Conference organised by Cryptography Development Initiative of Nigeria (CDIN) and our financial support shows NITDA's unflinching resolve to work with necessary stakeholders to develop this important innovation.

To be clear, NITDA supports the development and application of blockchain in Nigeria. We know that the jobs of the future are dependent on innovations like this. The Agency is well aware of the multiplier effect blockchain technology would have on health records, education, financial inclusion etc. We are

however not oblivious of the dark spots of the technology especially its huge possible negative on National security, job security, economy, etc. It is for this reason that there needs to be a concerted national effort in the proper application of this innovation.

While one of NITDA's role is developmental, there exists today over 50 FinTech players and incubators/accelerators in Nigeria looking to disrupt the traditional value chain thereby unlocking new opportunities in the process and looking to grow exponentially. From companies trying to work on how to solve land registration, to smart contracts (using alternate chains), NITDA continues to support National development. Through its office of ICT Innovation and Entrepreneurship (OIIE) for instance, NITDA continues to nurture, cultivate and expand ICT innovation and entrepreneurship within Nigeria in line with the National ICT Policy and the NITDA Act 2007. The Office for Nigerian Content Development in ICT (ONC) is another subsidiary of NITDA with the responsibilities of encouraging local content development and of recent ensuring compliance with Executive order 003 in all Government IT related procurement.

NITDA unreservedly supports local content, disruptive innovation and the startup community.

NITDA from a regulatory perspective is committed to the advancement of standards and regulations for the adoption and use of technology platforms and tools that support the development and provision of products and services that the blockchain technology enables. This is necessary because, as opposed to 'sustaining innovations', disruptive innovations require time to add quality and value to its low price advantage, for 'disruption' in the general market to happen. As already mentioned, the support for, and sustenance of the IT start-up ecosystem is crucial to the further development and maturity of technologies in Nigeria. Additionally, players must play by clearly established rules and regulations provided by agencies such as NITDA, CBN, EFCC, NDIC to mention a few. NITDA is actively engaging concerned stakeholders in

collaborative engagements to ensure the sensible development and use of technology platforms and tools. There are various standing committees in existence today to identify low hanging fruits for the use of opportunities provided through these technology platforms and tools for accelerating inclusion.

Disruptive innovation is a process. It remains my hope that we sustain this conversation and continue to engage in active collaborations to move the technology industry forward.

NITDA shall continue to encourage Nigerian innovators to optimally compete in this burgeoning space while also ensuring the technology's adoption is in the interest of Nigeria and all Nigerians. In the execution of its mandate, NITDA has helped in digital job creation, capacity building and youth employment.

Conclusion

NITDA is statutorily mandated to regulate, render advisory services and incentivise information technology products, processes and services for the general well-being of Nigeria. In view of this mandate, the Agency is working actively with other government agencies to regulate the use of this technology. We believe that lack of regulation holds back innovators and stifles innovation in this promising technology. Thus, the recommendations from this conference are highly anticipated by the Agency as an input into the current efforts being made. While awaiting a tailor-made regulation, I enjoin all stakeholders to continually abide by existing laws and regulations and to all professionals involved in this cause to adhere to the rules of professionalism, integrity and unwavering commitment.

Thank you for your kind attention.