

NIGERIA NON-OIL AND GAS SECTOR CONTENTS DEVELOPMENT AND IMPLEMENTATION BILL, 2025: A CRITICAL ANALYSIS OF ITS PROSPECTS FOR SUSTAINABLE INDUSTRIAL DEVELOPMENT AND ECONOMIC TRANSFORMATION

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Abstract

Nigeria's dependence on imported goods, foreign expertise, and external technologies across critical sectors of its economy has significantly constrained domestic industrialization, employment generation, technology acquisition, and sustainable national development. Although the Nigerian Oil and Gas Industry Content Development Act, 2010 substantially improved indigenous participation in the petroleum sector, no comprehensive legal framework currently governs domestic content development in the broader non-oil economy. The Nigerian Non-Oil and Gas Sector Content Development and Implementation Bill, 2025 seeks to bridge this policy gap by institutionalizing Nigerian Content requirements across strategic sectors including manufacturing, agriculture, mining, construction, ICT, healthcare, transportation, tourism, professional services, and government procurement. This paper critically examines the Bill using doctrinal legal research and qualitative policy analysis. It evaluates the Bill's regulatory and institutional framework, procurement regime, local capacity development provisions, technological transfer mechanisms, financial localization requirements, enforcement architecture, and regulatory oversight. Drawing on comparative experiences from Brazil, South Africa, Malaysia, Indonesia, and Nigeria's petroleum sector, the paper argues that the proposed legislation possesses significant potential to stimulate industrial competitiveness, strengthen indigenous enterprises, increase employment opportunities, deepen domestic value chains, and reduce capital flight. Nevertheless, successful implementation will depend on institutional independence, regulatory coordination, transparency, adequate funding, political commitment, and sustained investment in skilled human resources and technological innovation. The paper concludes that the Bill represents a strategic legislative instrument capable of accelerating Nigeria's diversification of the economy agenda if effectively implemented and supported by complementary industrial and innovation policies.

Keywords: Nigerian Content, Local Content Policy, Industrial Development, Economic Diversification, Technology Transfer, Local Procurement, Industrial Policy, Nigeria.

1.0 Introduction

Economic development literature consistently emphasizes that countries achieving sustainable industrial transformation deliberately build domestic productive capacities before integrating extensively into global value chains (Chang, 2002; Rodrik, 2013). Rather than relying

indefinitely on imported goods, foreign labour, and external technologies, successful emerging economies have adopted policies that prioritize indigenous participation, local manufacturing, technological transfer, innovation, and enterprise development. Such strategies have enabled countries including South Korea, Malaysia, Brazil, China and Indonesia to strengthen national competitiveness while simultaneously attracting foreign investment under clearly defined local participation requirements (UNCTAD, 2023). Nigeria presents a paradox in this regard. Despite possessing one of Africa's largest economies, abundant natural resources, and a population exceeding 230 million people, the country continues to experience relatively low levels of industrialization outside the petroleum industry (World Bank, 2024). Manufacturing contributes less than one-fifth of national output, while unemployment, underemployment, and dependence on imported industrial inputs remain significant development challenges (National Bureau of Statistics [NBS], 2024). Public infrastructure projects, information technology services, manufacturing equipment, engineering consultancy, healthcare technologies, construction materials, and professional services continue to rely heavily on foreign suppliers, thereby limiting domestic value addition and technology diffusion. Success recorded under the Nigerian Oil and Gas Industry Content Development Act, 2010 demonstrates that targeted domestic content legislation can substantially improve indigenous participation within strategic sectors. According to the Nigerian Content Development and Monitoring Board (NCDMB), Nigerian participation in the oil and gas industry increased significantly following the enactment of the Act through enhanced local procurement, technology acquisition, fabrication capacity, and employment of Nigerian professionals (NCDMB, 2024). However, these gains remain largely confined to the petroleum sector, while most non-oil sectors continue to operate without a comprehensive legal framework promoting domestic participation. Recognizing this institutional gap, the Nigerian Non-Oil and Gas Sector Content Development and Implementation Bill, 2025 proposes an integrated legislative framework extending Nigerian Content principles across virtually every productive sector of the national economy except petroleum operations, which remain governed by the Nigerian Oil and Gas Industry Content Development Act, 2010. The proposed Bill seeks to institutionalize local procurement preferences, strengthen indigenous enterprises, encourage technological transfer, promote research and innovation, regulate expatriate employment, establish a Nigerian Content Trust Fund, and create a dedicated regulatory authority responsible for implementation and monitoring. The proposed Bill also aligns with Nigeria's broader economic policy aspirations embodied in the Nigerian Industrial Revolution Plan, the National Development Plan (2021–2025), the African Continental Free Trade Area (AfCFTA), the National Science, Technology and Innovation Policy, and various Executive Orders promoting domestic content in government procurement. Collectively, these initiatives seek to diversify Nigeria's economy away from excessive dependence on crude oil exports by promoting manufacturing, value addition, innovation, and private-sector-led industrial growth. Nevertheless, introducing comprehensive domestic content legislation outside the oil and gas industry raises important legal, economic, and institutional questions. Concerns arise regarding compatibility with international trade obligations, possible procurement inefficiencies, regulatory duplication, administrative costs, institutional independence, investor confidence, and implementation capacity. Questions also remain regarding whether Nigerian industries currently possess sufficient technological capability to satisfy the ambitious domestic content targets envisaged by the Bill. Against this background, this paper critically examines the

Nigerian Non-Oil and Gas Sector Content Development and Implementation Bill, 2025. Rather than merely describing its provisions, the study evaluates its likely contribution to Nigeria's industrial transformation agenda by identifying its strengths, potential implementation challenges, and implications for sustainable national development.

2. Statement of the Problem

Despite decades of economic reforms, Nigeria continues to face persistent structural weaknesses characterized by heavy dependence on imported industrial goods, limited domestic manufacturing capacity, inadequate technological transfer, weak research commercialization, and high unemployment. Although government expenditure on infrastructure and government procurement amounts to billions of dollars annually, a substantial proportion of these expenditures continues to benefit foreign contractors, suppliers, consultants, and manufacturers, thereby reducing opportunities for domestic enterprise development and local wealth creation (World Bank, 2024). The enactment of the Nigerian Oil and Gas Industry Content Development Act, 2010 demonstrated that legally enforceable domestic content requirements can significantly enhance indigenous participation, increase local procurement, improve employment generation, and strengthen technological capabilities. However, similar statutory provisions have remained largely absent across non-oil sectors, resulting in fragmented implementation of domestic content initiatives through executive directives and sector-specific policies with limited enforcement mechanisms. Consequently, sectors such as construction, agriculture, mining, manufacturing, ICT, aviation, healthcare, maritime services, and government procurement continue to exhibit substantial dependence on foreign contractors and imported technologies. This situation contributes to capital flight, persistent trade imbalances, inadequate industrial linkages, low domestic value addition, and limited opportunities for indigenous firms to participate meaningfully in national development projects. Although the proposed Nigerian Non-Oil and Gas Sector Content Development and Implementation Bill seeks to address these deficiencies through comprehensive legal regulation, several critical issues remain unresolved. These include the institutional capacity of the proposed Board, coordination with existing regulatory agencies, enforcement mechanisms, compatibility with procurement laws and international trade commitments, protection against regulatory capture, funding sustainability, and potential impacts on foreign investment and market competitiveness. Existing scholarly literature has extensively examined domestic content implementation within Nigeria's petroleum sector, yet relatively few studies have critically analyzed the proposed extension of domestic content principles to the wider economy. This creates an important gap in legal and policy scholarship, particularly regarding the Bill's likely contribution to industrial advancement, technology acquisition, employment generation, and sustainable diversification of the economy. The present study therefore addresses this gap by providing a comprehensive doctrinal and policy analysis of the proposed legislation and its implications for Nigeria's long-term economic transformation.

3. Objectives of the Study

The broad objective of this study is to critically examine the Nigerian Non-Oil and Gas Sector Content Development and Implementation Bill, 2025 as a framework for promoting sustainable industrial advancement and economic transformation in Nigeria. The specific objectives are to:

1. examine the legal and regulatory and institutional framework established by the Bill for promoting Nigerian Content across non-oil sectors;
2. evaluate the Bill's provisions on procurement, employment, technological transfer, local manufacturing, and indigenous enterprise development;
3. assess the strengths and potential implementation challenges of the proposed legislation;
4. compare the Bill with selected international domestic content frameworks and Nigeria's Oil and Gas Industry Content Development Act, 2010; and
5. recommend policy measures for strengthening the implementation and effectiveness of the proposed legislation.

4. Research Questions

The study seeks to answer the following questions:

1. What legal and regulatory and institutional framework does the Bill establish for Nigerian Content development?
2. How effective are the Bill's provisions in promoting indigenous industrial advancement, employment, and technological transfer?
3. What implementation challenges are likely to affect the realization of the Bill's objectives?
4. How does the proposed legislation compare with international domestic content regimes?
5. What policy measures are necessary to ensure successful implementation?

5. Scope of the Study

The present study focuses on the provisions of the Nigerian Non-Oil and Gas Sector Content Development and Implementation Bill, 2025. It critically examines the Bill's institutional arrangements, regulatory mechanisms, procurement provisions, technological transfer requirements, employment policies, financial localization measures, compliance framework, dispute resolution mechanisms, and enforcement architecture. Comparative references are drawn from the Nigerian Oil and Gas Industry Content Development Act, 2010 and selected domestic content regimes in Brazil, South Africa, Malaysia, and Indonesia to identify international best practices that are relevant to Nigeria. The study is limited to doctrinal legal and policy analysis and does not involve primary empirical data collection.

6. Literature Review

6.1 Conceptual Review

6.1.1 The Concept of Nigerian Content

The concept of Nigerian Content has evolved from a sector-specific policy initiative into a broader national development strategy aimed at maximizing indigenous participation in economic activities. Nigerian Content refers to the deliberate utilization of Nigerian human resources, locally manufactured goods, indigenous services, domestic technologies, financial institutions, and research capabilities in executing economic activities within the country (NCDMB, 2024). Beyond simple local procurement, it encompasses domestic value addition, technology acquisition, employment creation, enterprise development, skills enhancement, innovation, and national industrial competitiveness. Although the concept gained legislative prominence through the Nigerian Oil and Gas Industry Content Development Act (NOGICD

Act), 2010, its philosophical foundation predates the Act. Earlier initiatives, including the Nigerian Enterprises Promotion Decrees of 1972 and 1977 (popularly known as the Indigenization Decrees), sought to increase Nigerian ownership of businesses previously dominated by foreign interests (Forrest, 1994).

While those policies emphasized ownership transfer, contemporary Nigerian Content policy focuses on developing sustainable productive capacity through local manufacturing, procurement, research, technological transfer, and workforce development. Internationally, similar concepts are commonly described as Local Content Policies (LCPs). The World Bank (2020) defines domestic content policies as government measures requiring investors to source specified proportions of labour, goods, services, technology, or finance from domestic markets. Likewise, UNCTAD (2023) views domestic content requirements as strategic industrial policy instruments designed to strengthen domestic value chains and increase national participation in global production systems. Consequently, Nigerian Content should not be interpreted merely as protectionism but as a developmental strategy intended to transform domestic industries into globally competitive enterprises while ensuring that foreign investment generates broad-based economic benefits.

6.1.2 Local Content Policy and Industrial Development

Industrial development remains one of the primary objectives of domestic content policies worldwide. According to Chang (2002), successful industrialization has historically depended on governments implementing strategic interventions that enable domestic firms to acquire technological capabilities before competing internationally. Countries that relied exclusively on free-market mechanisms during early industrialization often experienced weak domestic manufacturing and continued dependence on imported technologies. Local content policies therefore seek to increase domestic production by encouraging local sourcing, stimulating backward industrial linkages, promoting indigenous entrepreneurship, and creating employment opportunities (Rodrik, 2013). These policies frequently require investors to procure specified percentages of goods and services locally, establish domestic manufacturing facilities, invest in workforce training, and collaborate with indigenous enterprises. Nigeria's proposed Non-Oil and Gas Sector Content Development Bill reflects these objectives by extending domestic content requirements beyond petroleum operations to sectors such as manufacturing, agriculture, mining, ICT, construction, aviation, healthcare, tourism, maritime services, and professional consultancy. If effectively implemented, the Bill could facilitate industrial diversification, reduce import dependence, increase domestic value addition, and strengthen national competitiveness. Nevertheless, several scholars caution that domestic content policies must balance protection of domestic industries with market efficiency. Excessively restrictive requirements may discourage foreign investment, increase production costs, or reduce competitiveness if domestic suppliers lack adequate capacity (OECD, 2021). Effective implementation therefore requires phased localization targets, institutional flexibility, continuous skills development, and regular performance evaluation.

6.1.3 Technology Transfer and National Development

Technology transfer occupies a central position within modern domestic content frameworks. Technology transfer refers to the systematic acquisition, adaptation, diffusion, and

commercialization of technological knowledge from foreign firms to domestic enterprises and institutions (Maskus, 2004). It extends beyond importing machinery to include research collaboration, workforce training, patent licensing, innovation partnerships, and institutional learning. Economic historians attribute the rapid industrialization of countries such as Japan, South Korea, Singapore, China, and Malaysia partly to deliberate policies requiring multinational corporations to transfer knowledge to domestic firms (Amsden, 2001). Rather than remaining perpetual consumers of foreign technologies, these countries gradually developed indigenous innovation capabilities through structured learning and technology absorption. Nigeria has historically experienced limited technology diffusion despite decades of foreign investment, particularly outside the petroleum industry. Many multinational corporations continue to import machinery, specialized personnel, engineering services, and technical expertise without substantial transfer of knowledge to local firms (UNIDO, 2022). Consequently, domestic enterprises frequently remain dependent on foreign technical support for maintenance, production, and innovation. The proposed Bill attempts to address this challenge by mandating Nigerian Content Development Plans incorporating technological transfer programmes, research partnerships, local manufacturing initiatives, workforce training, and succession planning for expatriate positions. Such provisions align with global best practices promoting sustainable industrial learning.

6.1.4 Local Procurement and Public Policy

Public procurement constitutes one of the most influential instruments available to governments for promoting domestic economic development. According to the World Trade Organization (2022), government procurement accounts for approximately 12 - 20 percent of GDP in many developing countries. Consequently, procurement policies significantly influence industrial growth, enterprise development, employment generation, and innovation. Development economists increasingly advocate strategic procurement, whereby governments utilize procurement expenditure to stimulate domestic industries while maintaining transparency, efficiency, and value for money (McCrudden, 2007). Under such arrangements, governments may legitimately grant preference margins to qualified domestic suppliers where consistent with national legislation and international obligations. Nigeria's Public Procurement Act, 2007 introduced competitive bidding principles but contains relatively limited provisions regarding systematic domestic content promotion. Executive Orders 003 and 005 subsequently encouraged preference for Nigerian goods and local technology, although implementation has remained inconsistent because these instruments lack comprehensive statutory backing. The proposed Bill significantly strengthens this policy direction by requiring public institutions to prioritize Nigerian companies, provided they possess the necessary competence, quality standards, and technical capacity. It further requires foreign bidders to establish partnerships with indigenous firms, thereby encouraging knowledge sharing and domestic enterprise development.

6.2 Empirical Review

Empirical evidence suggests that well-designed domestic content policies contribute positively to employment generation, industrial advancement, technology acquisition, and enterprise growth, although outcomes vary depending on institutional quality. In Nigeria, Ovadia (2016) found that implementation of the Nigerian Oil and Gas Industry Content Development Act

substantially increased indigenous participation in engineering, fabrication, logistics, marine services, and project management. Indigenous ownership of oil servicing companies increased considerably following enactment of the legislation.

Similarly, studies by Adegbite and Machethe (2020) observed that domestic content requirements enhanced employment opportunities for Nigerian professionals while stimulating investments in fabrication yards, welding technology, engineering consultancy, and vocational training. The Nigerian Content Development and Monitoring Board (2024) reports that Nigerian participation in the petroleum industry has risen from less than 10 percent before the enactment of the NOGICD Act to over 50 percent in several operational segments. Although these figures vary across subsectors, the evidence demonstrates that legally enforceable domestic content policies can significantly increase domestic participation.

Outside Nigeria, Tordo et al. (2013) examined domestic content implementation across Ghana, Brazil, Trinidad and Tobago, and Norway. Their findings indicate that countries recording the greatest success combined legal enforcement with substantial investment in education, vocational training, research institutions, supplier development programmes, and industrial financing. Conversely, empirical studies also identify significant implementation challenges. Again, Warner (2017) argues that domestic content policies frequently fail where governments establish unrealistic localization targets without corresponding investment in domestic productive capacity. Similarly, OECD (2021) reports that excessive protectionism may discourage innovation if domestic firms become insulated from international competition.

These findings suggest that Nigeria's proposed Bill must be accompanied by complementary investments in education, technical training, infrastructure, research commercialization, SME financing, and institutional strengthening.

6.3 Comparative Review of International Local Content Frameworks

Comparative experience demonstrates that domestic content legislation has become an important instrument of industrial policy globally. A cursory review of the content policy initiatives of select country is as follows:

Brazil: The country implemented extensive local procurement requirements within its petroleum, shipbuilding, and manufacturing sectors. Although early implementation encountered cost and efficiency challenges, the policy substantially increased domestic engineering capabilities and industrial employment (OECD, 2020).

South Africa: The South Africa's Broad-Based Black Economic Empowerment (B-BBEE) Act combines procurement preferences, enterprise development, ownership participation, and skills development to address historical economic exclusion. The policy has contributed to greater participation of indigenous enterprises, although implementation remains uneven (DTIC, 2023).

Malaysia's Vendor Development Programme: This represents one of the world's most successful supplier development initiatives. Rather than merely imposing procurement quotas, Malaysia invested heavily in technical education, SME financing, industrial parks, innovation centres, and technology incubation programmes, enabling domestic firms to integrate successfully into global manufacturing supply chains (Rasiah, 2019).

Indonesia: The country similarly requires substantial domestic content participation within telecommunications, manufacturing, defence production, and renewable energy sectors. Local sourcing requirements have significantly stimulated domestic manufacturing capacity, although implementation has required continuous regulatory adjustments to maintain investor confidence (UNCTAD, 2023).

Ghana's Petroleum Local Content Regulations, 2013: Within Africa here, the Ghanaian Act emphasized local employment, indigenous ownership, technological transfer, supplier registration, and workforce development. Although implementation challenges remain, the legislation has increased participation of Ghanaian enterprises in petroleum operations. These international experiences reveal that successful domestic content policies depend not merely on legislation but also on institutional capacity, political commitment, investment in education, industrial financing, technological capability, and continuous policy evaluation.

Table 1: Comparative Analysis of Selected Countries' Local Content Frameworks

Feature	Nigerian Oil & Gas Industry Content Act (2010)	Proposed Nigerian Non-Oil Content Bill (2025)	Malaysia (Vendor Content Development Programme)	Brazil (Local Content Regulations)	Ghana (Petroleum Local Content Regulations)
Coverage	Oil & Gas only	Manufacturing productive and SMEs sectors	Petroleum, All non-oil manufacturing All sectors	and infrastructure	Petroleum sector
Objective	Economy- Indigenous wide transformation participation industrial and inclusion upgrading	Economic SME industrial and inclusion development	Industrial localization	Indigenous participation	
Procurement Preference	Yes	Yes Yes	Yes	Yes	Yes
Technology Transfer	Moderate	Strong Moderate	Very Strong	Strong	Strong
Research & Development Human	Limited	Strong Modera te emphasis	Strong	Strong	Moderate
Capital Development	Yes	Extensive Extensive	Extensive	Moderate	Moderate

Local Manufacturing	Moderate	Very Strong Strong	Very Strong	Strong	Moderate
Financial Localization Dedicated	Limited	Extensive Moderate	Moderate	Moderate	Limited
Development Fund Supplier	Yes	Yes No	Yes	Yes	No
Development	Yes	Yes Yes	Yes	Yes	Yes

Feature	Nigerian Oil & Gas Industry Content Act (2010)	Proposed Nigerian South Africa Non-Oil (B-BBEE) Content Bill (2025)	Malaysia (Vendor Development Programme)	Brazil (Local Content Policy)	Ghana (Petroleum Local Content Regulations)
SME Development	Moderate	Very Strong Strong	Very Strong	Strong	Moderate
Monitoring Institution	NCDMB	Proposed Non-Oil Content Board	SME Corporation Malaysia	National Petroleum Agency	Petroleum Commission
Overall Sector-Development specific Orientation		Economy Inclusive wide growth	Industrial upgrading	Industrial	Sector-specific competitiveness localization

Source: Developed by the Author (2026) based on the reviewed legislation and policy frameworks.

6.4 Research Gap

Existing scholarship overwhelmingly concentrates on the implementation of Nigerian Content within the petroleum industry under the Nigerian Oil and Gas Industry Content Development Act, 2010 (Ovadia, 2016; Adegbite & Machethe, 2020; NCDMB, 2024). Comparatively little scholarly attention has been devoted to the proposed extension of Nigerian Content principles to the broader non-oil economy. Furthermore, previous studies have primarily examined operational outcomes such as employment generation, local procurement, supplier development, and indigenous participation, with limited analysis of the legal and institutional architecture required for economy-wide implementation. Critical issues relating to regulatory coordination, government procurement reform, technological transfer obligations, financial localization, dispute resolution, and compatibility with international trade commitments remain insufficiently explored. The present study addresses these gaps by undertaking a comprehensive doctrinal and policy analysis of the Nigerian Non-Oil and Gas Sector Content Development and Implementation Bill, 2025. It evaluates the Bill not merely as proposed legislation but as a strategic instrument for industrial transformation, diversification of the economy, and sustainable national development. Through comparative evaluation with international domestic content frameworks and Nigeria's existing petroleum-sector experience, the study contributes to emerging scholarship on domestic content governance and provides evidence-based recommendations for effective implementation.

7. Theoretical Framework

The Bill which seeks to promote economic development, indigenous industrialization, technological transfer, local entrepreneurship, employment generation, and sustainable economic transformation, is anchored on a multi-theoretical construct comprising the Developmental State Theory, Endogenous Growth Theory, National Innovation Systems Theory, Institutional Theory, and Dependency Theory. Together, these theories provide complementary explanations for why governments intervene in markets to promote domestic productive capacity and national economic development.

7.1 Developmental State Theory

The Developmental State Theory emerged primarily from studies of Japan's post-war economic transformation and was later extended to explain the rapid industrialization of South Korea, Taiwan, Singapore, and other East Asian economies (Johnson, 1982; Evans, 1995). The theory argues that governments play an active rather than passive role in economic development. Instead of allowing market forces alone to determine industrial outcomes, the state deliberately formulates policies that protect emerging industries, promote domestic enterprises, facilitate technology acquisition, coordinate investment, and strengthen national competitiveness. According to Johnson (1982), the success of Japan's industrialization resulted largely from deliberate government intervention through industrial policies, targeted investments, strategic procurement, export promotion, and close collaboration between government agencies and private enterprises.

Similarly, Evans (1995) introduced the concept of embedded autonomy, arguing that developmental states succeed when governments maintain sufficient independence to formulate national development policies while remaining closely connected to productive private-sector actors. Thus, the proposed Nigerian Non-Oil and Gas Sector Content Development and Implementation Bill reflects several principles of Developmental State Theory. The proposed Bill proposes: establishment of a specialized Nigerian Content Development and Monitoring Board; mandatory Nigerian Content Development Plans; preferential procurement for Nigerian enterprises; promotion of indigenous manufacturing; regulation of expatriate employment. Others include, technological transfer obligations; development of local suppliers; and the creation of a Nigerian Content Trust Fund. These interventions demonstrate the state's intention to shape market outcomes in favour of indigenous industrial advancement rather than relying solely on market forces. Developmental State Theory, therefore, provides an appropriate framework for explaining why the proposed legislation seeks to increase domestic participation in strategic sectors while promoting long-term industrial transformation, when it is bereft of inefficiency, corruption, rent-seeking, or regulatory capture (Leftwich, 2000).

7.2 Endogenous Growth Theory

Unlike traditional neoclassical growth models that regard technological progress as externally determined, the Endogenous Growth Theory argues that sustainable economic growth results primarily from deliberate investments in skilled human manpower, research, innovation, education, and technology (Romer, 1990; Lucas, 1988). The theory maintains that knowledge accumulation generates increasing returns because technological innovations continually improve productivity, stimulate entrepreneurship, and create new economic opportunities. Consequently, governments should invest strategically in research institutions, education, skills development, and innovation ecosystems.

The Nigerian Non-Oil and Gas Sector Content Development and Implementation Bill strongly reflects these principles through provisions requiring: technological transfer programmes; local manufacturing initiatives; research, development and innovation; professional training; curriculum development; supplier development programmes; collaboration with Nigerians in the Diaspora; and succession planning for expatriate positions. These provisions recognize that industrial competitiveness depends not merely on ownership of productive assets but on the continuous development of technological knowledge and skilled human resources. The Endogenous Growth Theory, therefore, supports the Bill's emphasis on capacity building rather than merely replacing foreign firms with indigenous firms lacking technological competence. Long-term economic transformation requires domestic firms to acquire innovation capabilities that enable them to compete globally.

7.3 National Innovation Systems Theory

The National Innovation Systems (NIS) Theory was developed principally by Freeman (1987), Lundvall (1992), and Nelson (1993). The theory argues that national competitiveness depends on interactions among universities, research institutions, industries, financial institutions, and government agencies. Innovation is therefore viewed as a systemic rather than isolated process. According to the theory, countries achieve sustainable industrialization when governments facilitate collaboration among: universities; industries; research institutes; financial institutions;

regulatory agencies; technology developers; and private enterprises. The proposed Bill embodies this collaborative approach by encouraging partnerships among Nigerian universities, research organizations, industries, professional associations, regulatory agencies, and Nigerian professionals in the Diaspora.

Similarly, the proposed National Supplier Database represents an institutional mechanism for integrating domestic enterprises into national production systems while improving access to procurement opportunities. The proposed Bill also recognizes that research commercialization and technological innovation require coordinated public policy rather than isolated private-sector initiatives. The National Innovation Systems Theory, therefore, explains why the Bill seeks to strengthen linkages among research, education, manufacturing, technology, finance, and government procurement.

7.4 Institutional Theory

The Institutional Theory emphasizes the importance of formal and informal institutions in shaping economic progress, development and performance (North, 1990; Scott, 2014). Such institutions include: laws, regulations, government agencies, professional standards, organizational norms, and enforcement mechanisms. According to North (1990), countries achieve sustainable development when institutions reduce uncertainty, promote transparency, enforce contracts, protect investments, and encourage productive economic behaviour. The proposed Bill represents an attempt to strengthen Nigeria's regulatory and institutional framework for industrial advancement through the: establishment of the Nigerian Non-Oil and Gas Sector Content Development and Monitoring Board; statutory approval procedures; monitoring and compliance mechanisms; enforcement powers; penalties for non-compliance; dispute resolution procedures; and regulatory oversight by the National Assembly.

Hence, the Institutional Theory suggests that these legal structures will enhance policy consistency and reduce uncertainty for investors while promoting compliance with Nigerian Content requirements. Nevertheless, institutional effectiveness depends not merely on legislation but on administrative capacity, political independence, transparency, accountability, and adequate funding. Weak institutions may undermine implementation regardless of the quality of legislation.

7.5 Dependency Theory

The Dependency Theory emerged from the works of Frank (1967), Prebisch (1950), and Amin (1976). The theory argues that developing countries frequently remain economically dependent because they export primary commodities while importing manufactured goods, technology, capital equipment, and technical expertise from industrialized nations. This pattern creates structural dependence that limits domestic industrialization and perpetuates unequal economic relationships. Nigeria's economy exhibits several characteristics identified by the Dependency Theory through: heavy reliance on imported machinery, dependence on foreign technical expertise, importation of industrial inputs, external financing of major infrastructure projects, and limited domestic technology development. The proposed Bill Nigerian Non-Oil and Gas Sector Content Development and Implementation Bill, 2025 seeks to reduce these structural dependencies by promoting: local manufacturing, domestic procurement, indigenous

professional services, Nigerian financial institutions, research and innovation, technological transfer, and workforce localization.

From the perspective of Dependency Theory, the Bill represents an attempt to increase Nigeria's economic autonomy by strengthening domestic productive capacity, but should not undermine foreign direct investment and international trade (Todaro & Smith, 2021). Therefore, the Bill adopts a balanced approach by encouraging foreign investment while requiring partnerships that generate measurable benefits for Nigerian enterprises.

7.6 Application and Justification of the Theories

Although each of the foregoing theories explains particular dimensions of domestic content policy, none independently captures the comprehensive objectives of the Nigerian Non-Oil and Gas Sector Content Development and Implementation Bill, 2025. Accordingly, this study adopts a complementary theoretical framework in which: the Developmental State Theory explains the strategic role of government in directing industrial transformation through legislative and policy interventions. The Endogenous Growth Theory justifies investments in skilled human resources, research, technological transfer, and innovation as drivers of long-term productivity and competitiveness. The National Innovation Systems Theory highlights the importance of coordinated interactions among government, industry, academia, and financial institutions in fostering technological advancement and indigenous industrial capacity. The Institutional Theory underscores the necessity of effective legal and regulatory institutions for ensuring policy implementation, compliance, and accountability. While the Dependency Theory provides a critical perspective on reducing structural reliance on foreign goods, services, technology, and expertise by strengthening domestic productive capabilities. Collectively, these theories provide a robust analytical framework for assessing whether the proposed Bill can serve as an effective instrument for Nigeria's industrialization, diversification of the economy, technology acquisition, employment generation, and sustainable development. They also offer criteria for evaluating the Bill's institutional design, implementation prospects, and policy implications within both national and comparative international contexts.

8.0 Methodology

8.1 Research Design

The researchers adopted a doctrinal legal research design complemented by critical policy analysis and comparative legal analysis in this study. The doctrinal approach is appropriate because the principal focus is the examination of the provisions of the proposed Nigerian Non-Oil and Gas Sector Content Development and Implementation Bill, 2025, its legal implications, institutional arrangements, and potential contribution to Nigeria's industrial and economic transformation. Doctrinal legal research involves the systematic analysis of statutes, bills, regulations, judicial decisions, government policy documents, international legal instruments, and scholarly literature to determine the content, coherence, effectiveness, and practical implications of legal rules (Hutchinson & Duncan, 2012). Since the Bill is legislative in nature, this methodology provides the most appropriate framework for evaluating its strengths, limitations, and implementation prospects. To enrich the legal analysis, the study incorporates critical policy analysis, which examines the economic rationale, governance implications, and

developmental consequences of the proposed legislation. The study further employs comparative legal analysis by examining similar domestic content frameworks in Nigeria's petroleum sector and selected jurisdictions, including Brazil, South Africa, Malaysia, Indonesia, and Ghana, to identify international best practices and contextual lessons for Nigeria.

8.2 Sources of Data

The study relies exclusively on secondary sources of data, including: the Nigerian Non-Oil and Gas Sector Content Development and Implementation Bill, 2025, the Constitution of the Federal Republic of Nigeria, 1999 (as amended), Nigerian Oil and Gas Industry Content Development Act, 2010, Public Procurement Act, 2007, Nigerian Investment Promotion Commission Act, NOTAP Act, NITDA Act, Standard Organisation of Nigeria Act, Relevant Executive Orders on domestic content, National Development Plan (2021–2025), African Continental Free Trade Area (AfCFTA) Agreement, World Bank Reports, UNCTAD Reports, OECD Policy Papers, African Development Bank publications, National Bureau of Statistics reports, Peer-reviewed journal articles, and books, conference proceedings, and policy reports. These sources provide both legal authority and empirical evidence for evaluating the Bill within national and international contexts.

8.3 Method of Data Analysis

The study employs qualitative content analysis. The provisions of the Bill are analysed thematically according to its major policy components, namely: institutional governance; Nigerian Content planning; procurement policy; technological transfer; indigenous enterprise development; local manufacturing; financial localization; expatriate employment; enforcement mechanisms; dispute resolution; and regulatory oversight. The analysis also incorporates comparative evaluation against selected international domestic content laws and industrial policies to assess consistency with global best practices. By doing this, the study critically evaluates whether the Bill is capable of addressing Nigeria's structural industrial challenges while maintaining regulatory efficiency, investor confidence, and international competitiveness.

9. Data Presentation and Critical Analysis

9.1 Overview of the Bill

The Nigerian Non-Oil and Gas Sector Content Development and Implementation Bill, 2025 represents is one of the most comprehensive attempts to institutionalize domestic content policy across Nigeria's non-petroleum economy. Unlike previous policy directives and executive orders, the Bill seeks to establish legally enforceable obligations applicable to virtually all sectors benefiting from government expenditure, government procurement, concessions, licences, incentives, and public-private partnerships. Its overall philosophy reflects the recognition that sustainable national development cannot occur where significant proportions of government expenditure continually finance imported goods, foreign labour, overseas consultancy services, external financial institutions, and offshore manufacturing.

Consequently, the Bill seeks to ensure that public expenditure generates measurable domestic economic benefits through increased participation of Nigerian enterprises, professionals, financial institutions, manufacturers, researchers, and service providers. The proposed legislation, therefore, extends principles previously applied only within Nigeria's petroleum

industry to sectors including manufacturing, agriculture, mining, ICT, infrastructure, construction, aviation, maritime transport, healthcare, tourism, professional services, and science and technology. From a policy perspective, this represents a significant shift from sector-specific regulation toward a comprehensive national industrial policy framework.

9.2 Institutional Framework

Establishment of the Nigerian Non-Oil and Gas Sector Content Development and Monitoring Board

One of the most significant innovations of the Bill is the establishment of the Nigerian Non-Oil and Gas Sector Content Development and Monitoring Board. The proposed Board is assigned responsibility for: implementing Nigerian Content policies; approving Nigerian Content Development Plans; monitoring compliance; conducting audits; maintaining supplier databases; recommending incentives; promoting research and innovation; coordinating technological transfer; supporting SMEs; and issuing regulations.

Critical Assessment

The establishment of a specialized regulatory institution is consistent with international experience. The success of the Nigerian Content Development and Monitoring Board (NCDMB) under the Nigerian Oil and Gas Industry Content Development Act, 2010 demonstrates that effective implementation requires dedicated institutions rather than fragmented responsibilities dispersed among numerous ministries. Similarly, Brazil's National Petroleum Agency (ANP), Malaysia's SME Corporation, and South Africa's Department of Trade, Industry and Competition each play central coordinating roles in implementing domestic content and industrial advancement policies in their countries. Nevertheless, creating another federal regulatory agency raises legitimate concerns. This is because Nigeria already possesses numerous institutions whose mandates intersect with aspects of the proposed Board's responsibilities, including: the Bureau of Public Procurement (BPP); the Nigerian Investment Promotion Commission (NIPC); the Standard Organisation of Nigeria (SON); National Office for Technology Acquisition and Promotion (NOTAP); NITDA; Industrial Training Fund (ITF); Small and Medium Enterprises Development Agency of Nigeria (SMEDAN); and the Bank of Industry (BOI).

Hence, there is need for a clear statutory delineation of responsibilities, without which institutional duplication may arise, and consequently increase administrative costs, regulatory delays, and bureaucratic conflicts.

Policy Recommendation: The proposed Bill should clearly define inter-agency coordination mechanisms, including statutory Memoranda of Understanding (MoUs), digital information-sharing platforms, and joint compliance committees to minimize regulatory overlap.

9.3 Nigerian Content Development Plans

The proposed Bill requires every entity seeking licences, contracts, permits, concessions, incentives, or government approvals to submit a comprehensive Nigerian Content Development Plan before commencing operations. The proposed plans must include: the local procurement strategy; employment plans; succession planning; technological transfer programmes; research

initiatives; financial localization; insurance arrangements; legal services; budgetary commitments. The implication is that no projects should be allowed to commence, until the Board issues a Certificate of Approval for it.

Critical Assessment: This provision represents one of the strongest aspects of the Bill. Rather than treating domestic content as an afterthought, Nigerian Content planning becomes an integral component of project design from inception. Comparable approaches in other climes include: Norway's petroleum licensing system; Brazil's local procurement regime; Ghana's Petroleum Local Content Regulations; and Malaysia's industrial supplier development programmes. Early planning encourages investors to identify domestic suppliers before procurement decisions are finalized, thereby increasing opportunities for indigenous participation.

However, this mandatory approval procedures may also create unintended bureaucratic bottlenecks, since in Nigeria there is already significant delays in obtaining environmental approvals; tax clearances; procurement certifications; immigration approvals; investment registrations, and other business approval documents. Thus, critics fear that introducing another approval layer could increase project implementation costs and delays, if administrative timelines are not strictly shortened and adhered to. This is why the Bill proposes decisions within 15 days. The practical implementation, however, will depend on adequate staffing, digital processing systems, and institutional accountability.

Recommendation

The Board should operate an integrated electronic approval platform linked to existing government agencies, thereby reducing processing time and improving transparency.

9.4 Preference for Nigerian Companies in Public Procurement

Public procurement constitutes one of the Bill's most transformative provisions. This is because it requires: first consideration for qualified Nigerian firms, preference margins, mandatory joint ventures, local subcontracting, restrictions on unnecessary foreign procurement, and protection against discrimination based solely on company age. Critical Assessment This provision aligns closely with international procurement policies promoting domestic enterprise development. For instance, the United States applies "Buy American" requirements for certain federal procurements. The South Africa's Preferential Procurement Policy Framework Act which incorporates socio-economic objectives into procurement decisions, is yet another example. Another case in point is the Malaysian option, which similarly uses procurement to strengthen its indigenous SMEs.

On the other hand, Nigeria spends trillions of naira annually on government procurement, without much domestic contents' payback. Redirecting even a modest proportion of this expenditure toward competitive indigenous enterprises would significantly increase: employment generation, manufacturing output, indigenous SME development, tax revenues, and technology acquisition. However, standard rules must be factored in, to ensure that procurement preferences do not undermine quality, transparency, or value for money. The proposed Bill appropriately requires Nigerian firms to satisfy competence, quality, and capacity requirements

before preference applies. This balanced approach minimizes risks associated with indiscriminate protectionism.

9.5 Technology Transfer, Research and Local Manufacturing

One of the central pillars of the Bill is its deliberate emphasis on technological transfer, research, development and innovation (R&D), local manufacturing, and skilled human resources development. It requires regulated entities to incorporate technological transfer programmes into their Nigerian Content Development Plans, encourages collaboration between indigenous enterprises and foreign investors, mandates succession planning for expatriate positions, promotes curriculum development in educational institutions, and authorizes fiscal incentives for firms investing in local production and innovation.

Critical Analysis

Technology acquisition has historically been the catalyst for industrial transformation in countries that successfully transitioned from developing to industrialized economies. The rapid industrialization of Japan after World War II, South Korea during the 1970s and 1980s, and more recently China and Malaysia, was underpinned by deliberate policies compelling multinational corporations to transfer technical knowledge, establish domestic production facilities, and develop local engineering capacity (Amsden, 2001; Rodrik, 2013). Nigeria's industrial experience has largely differed from those countries'. Despite decades of foreign direct investment in manufacturing, telecommunications, mining, and construction, technology spillovers to indigenous enterprises have remained nothing to write home about. Many foreign contractors continue to import machinery, technical personnel, engineering services, and even relatively simple production inputs that could potentially be sourced locally.

Consequently, this relegates domestic firms to mere subcontractors rather than innovators or original equipment manufacturers. The proposed Bill addresses this challenge by transforming technological transfer from a voluntary corporate social responsibility initiative into a statutory obligation. This represents one of its greatest strong points, because sustainable industrial advancement depends not only on local ownership but also on the acquisition of technological capabilities and innovation capacity. However, international experience demonstrates that legislative provisions alone rarely produce meaningful technological transfer. Brazil's early domestic content programme in the petroleum sector initially achieved high levels of local procurement but experienced difficulties where domestic firms lacked technological sophistication. Malaysia's Vendor Development Programme achieved better outcomes because domestic content requirements were accompanied by substantial investments in technical education, industrial research institutes, innovation financing, and supplier mentoring programmes (Rasiah, 2019).

Unfortunately, the Nigeria Ajokuta Steel Complex experience, where to date, technology could not be transferred to indigenous people after decades, in spite of huge investments, remains a sad story in history. Accordingly, therefore, implementation of the Bill should be accompanied by increased investment in universities, polytechnics, vocational education, industrial research centres, and technology incubation hubs. Without complementary investments in knowledge

generation and innovation ecosystems, statutory technological transfer obligations may become largely symbolic.

9.6 Expatriate Employment and Skills Localization

Another significant innovation of the Bill is its comprehensive regulation of expatriate employment. It provides that expatriates may only be employed where qualified Nigerians are unavailable and requires every expatriate position to have an approved succession plan supported by structured skills transfer. The proposed Bill further requires the proposed Board to verify the absence of suitable Nigerian professionals before expatriate quotas or work permits are approved.

Critical Analysis

This provision reflects international best practice in labour localization. Countries such as Saudi Arabia (Saudization), the United Arab Emirates (Emiratization), Qatar (Qatarization), Malaysia, Indonesia, and Norway have adopted similar policies aimed at reducing dependence on foreign labour while strengthening their domestic professional capacity. Nigeria can follow suit. In Nigeria, however, expatriate quota administration has frequently been criticized for inadequate monitoring and weak enforcement. Cases have been reported where foreign workers continue occupying positions that qualified Nigerians could reasonably perform, particularly in engineering, construction, manufacturing, ICT, and professional consultancy.

The proposed Bill, therefore, seeks to ensure that expatriate employment contributes to long-term national capacity building rather than creating perpetual dependence on foreign expertise. Nevertheless, implementation requires careful balancing. This is because excessively restrictive expatriate regulations may discourage foreign investment in highly specialized sectors where Nigeria still experiences shortages of advanced technical expertise. Hence, a more effective approach would combine strict regulation with periodic labour market assessments conducted jointly by the proposed Board, the National Universities Commission (NUC), Industrial Training Fund (ITF), National Board for Technical Education (NBTE), Manufacturers Association of Nigeria (MAN), Nigerian Society of Engineers (NSE), and other professional bodies. Such collaboration would enable localization targets to reflect actual labour market realities rather than political expectations.

9.7 National Supplier Database and SME Development

The proposed Bill establishes a National Supplier Database containing qualified Nigerian companies and professionals eligible to participate in regulated procurement.

Critical Analysis of this

Supplier databases have become essential components of modern industrial policy because they reduce information asymmetry between procuring entities and domestic suppliers. Case examples include the Malaysia's SME Corporation, Brazil's supplier registration systems, and South Africa's Central Supplier Database, all of which significantly enhanced indigenous participation in government procurement.

So, for Nigeria, the proposed database could generate several important benefits which include: increased visibility of indigenous enterprises, improved transparency in procurement, easier

verification of local capacity, enhanced access for SMEs to government contracts, and improved monitoring of Nigerian Content compliance. However, the effectiveness of the database will depend on its integrity, accessibility and strict adherence to the rules. Again, if registration becomes excessively bureaucratic or vulnerable to political patronage, genuine SMEs may be excluded while non-performing firms secure preferential treatment. This must be avoided.

The database should therefore be fully digitalized, integrated with the Corporate Affairs Commission (CAC), Federal Inland Revenue Service (FIRS), Bureau of Public Procurement (BPP), Standard Organisation of Nigeria (SON), and relevant professional regulatory bodies. Regular independent audits should also be conducted to maintain credibility.

9.8 Insurance, Legal and Financial Services

The Bill requires Nigerian Content entities to utilize Nigerian insurance companies, legal practitioners, and financial institutions wherever practicable. It further mandates that at least 80 percent of operational revenues generated from regulated activities be maintained within Nigerian financial institutions.

Critical Analysis of this

These provisions recognize that economic development extends beyond manufacturing alone. Significant portions of project expenditure are often devoted to banking, insurance, legal consultancy, financial advisory services, and project financing. Retaining these activities within Nigeria increases domestic financial intermediation, supports professional service industries, and reduces capital flight. Similar financial localization policies exist in Brazil, Malaysia, and several Gulf countries, where governments deliberately strengthen domestic financial institutions through strategic public sector transactions.

Nevertheless, mandatory localization should not reduce competitiveness or increase project costs. Nigerian financial institutions must possess adequate capital, technological capacity, international correspondent banking relationships, and sophisticated project finance expertise to support large-scale infrastructure and industrial projects. Consequently, implementation should remain sufficiently flexible to accommodate complex international financing arrangements with demonstrably beneficial outcome to Nigeria.

9.9 Nigerian Content Trust Fund

The Bill establishes a Nigerian Content (Special) Trust Fund financed through a 1 percent surcharge on qualifying contracts, government appropriations, grants, donations, investment income, and internally generated revenues. This Fund is intended to finance: research, supplier development, skills acquisition, technology transfer, SME support, innovation, and institutional capacity development. Administrative expenditure is limited to 5 percent of total Fund resources.

Critical Analysis

Dedicated funding mechanisms have historically distinguished successful industrial policies from unsuccessful ones. Malaysia's Human Resource Development Fund, South Korea's industrial technology funds, and Brazil's innovation financing institutions demonstrate that

sustainable industrial transformation requires predictable long-term financing. The proposed Trust Fund therefore represents one of the strongest institutional features of the Bill.

However, experience from Nigeria's intervention funds—including the Petroleum Technology Development Fund (PTDF), Tertiary Education Trust Fund (TETFund), and various development finance schemes—shows that transparent governance is critical. Without rigorous accountability mechanisms, dedicated funds risk diversion, political interference, or inefficient allocation. So, to safeguard the Fund, the Bill should explicitly require: annual independent financial audits, publication of audited accounts, parliamentary oversight, civil society participation, and digital disclosure of all beneficiaries. Such transparency measures would enhance public confidence and improve investment effectiveness.

9.10 Enforcement, Offences and Administrative Penalties

The Bill prescribes substantial criminal and administrative sanctions for non-compliance, including imprisonment, significant monetary fines, contract disqualification, administrative penalties, and suspension of regulated activities.

Critical Analysis

This strong enforcement provisions distinguish the Bill from many previous industrial policies that lacked effective compliance mechanisms. Participants are unlikely to comply with local content obligations if violations carry minimal consequences. The inclusion of administrative penalties is particularly commendable because regulatory agencies often require flexible enforcement tools that avoid lengthy criminal litigation while still ensuring compliance.

Nevertheless, proportionality remains essential. Excessive punitive measures may discourage investment, especially among smaller enterprises unfamiliar with complex compliance requirements. Hence, the need for moderation, and acceptable balance here. More so, international regulatory practices generally follow graduated enforcement model consisting of: advisory notices; compliance improvement orders; administrative sanctions; civil penalties; and criminal prosecution for serious or repeated violations. The Bill could therefore be strengthened by expressly incorporating this progressive compliance approach into the process.

9.11 Comparative Assessment with Existing Nigerian Laws

The proposed Bill complements rather than replaces several existing statutes, including: the Nigerian Oil and Gas Industry Content Development Act, 2010; Public Procurement Act, 2007; Nigerian Investment Promotion Commission Act; NOTAP Act, NITDA Act; Standard Organisation of Nigeria Act; and the Industrial Training Fund Act. While the NOGICD Act is confined to the petroleum industry, the proposed Bill extends similar principles to virtually all productive sectors of the economy. This broader application reflects Nigeria's ongoing transition from an oil-dependent economy toward a diversified industrial structure.

However, overlaps with existing legislation necessitate careful statutory harmonization. For example, procurement oversight by the Bureau of Public Procurement, technology transfer regulation by NOTAP, and standards enforcement by SON should complement, rather than duplicate the responsibilities of the proposed Board. Clear coordination mechanisms will be essential to avoid regulatory conflicts and ensure efficient implementation.

10.0 The Integrated Nigerian Non-Oil Content Development Framework (INNCDF)

10.1 Rationale for the INNCDF

Although the proposed Nigerian Non-Oil and Gas Sector Content Development and Implementation Bill establishes an extensive legal and institutional framework for promoting indigenous participation across Nigeria's productive sectors, legislation alone cannot guarantee sustainable industrial transformation. International experience demonstrates that local content policies achieve meaningful outcomes only where legal provisions are integrated with institutional capacity, technological innovation, human capital development, industrial financing, transparent governance, and continuous performance evaluation (Chang, 2002; Rodrik, 2013; UNIDO, 2022).

Accordingly, this study proposes the Integrated Nigerian Non-Oil Content Development Framework (INNCDF) as a holistic implementation model for translating the Bill's statutory provisions into measurable developmental outcomes, (see figure 1 on this). Unlike previous local content models that focus primarily on procurement obligations or employment quotas, the INNCDF integrates legal, institutional, financial, technological, educational, and governance dimensions into a unified implementation architecture.

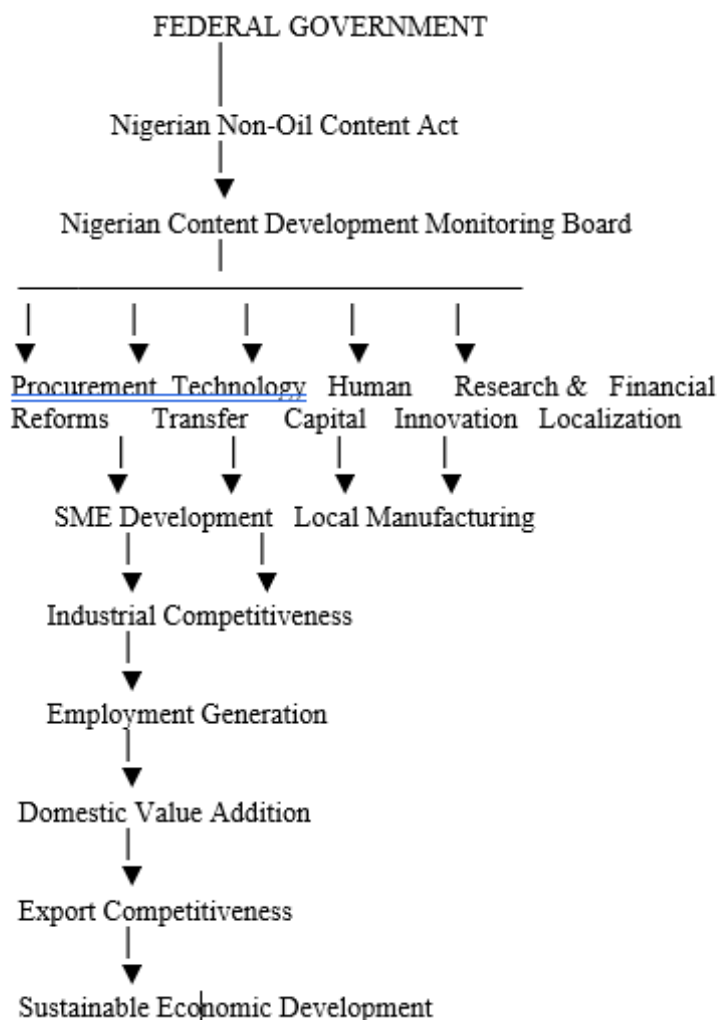


Figure 1: Integrated Nigerian Non-Oil Content Development Framework (INNCDF)

11. Summary and Discussion of Findings

A synthesis of the doctrinal analysis and available secondary evidence highlights seven major findings.

11.1 The Bill has strong potential to accelerate economic diversification, as one of Nigeria's enduring economic challenges is the overdependence on crude oil revenues despite the country's vast non-oil resource base. Recent data from the National Bureau of Statistics (NBS) indicate that the non-oil sector contributes well over 90% of Nigeria's real GDP, with agriculture, telecommunications, trade, manufacturing, and services serving as the principal drivers of economic activity. However, much of the value generated within these sectors continues to depend on imported machinery, foreign technical expertise, and offshore professional services, thereby limiting domestic industrial deepening (NBS, 2024). By mandating local procurement, indigenous participation, and domestic value addition, the proposed Bill could strengthen backward and forward industrial linkages across multiple sectors of the economy. Such diversification aligns with the objectives of the National Development Plan (2021–2025), the African Continental Free Trade Area (AfCFTA), and Nigeria's broader industrialization agenda.

11.2 The Bill will significantly strengthen indigenous enterprise development with its emphasis on supporting Nigerian enterprises rather than merely restricting foreign participation. The requirement for preference margins in public procurement, mandatory joint ventures between foreign and indigenous firms, establishment of a National Supplier Database, and dedicated funding through the Nigerian Content Trust Fund collectively create an enabling environment for indigenous business growth. This approach reflects international evidence that strategic procurement can stimulate domestic enterprise development when combined with transparent competitive processes. For example, Malaysia's Vendor Development Programme transformed numerous local firms into globally competitive suppliers by linking procurement preferences with technical assistance, financing, and supplier development initiatives (Rasiah, 2019). Similarly, Brazil's local content policies fostered domestic engineering, shipbuilding, and manufacturing industries, although implementation challenges occasionally affected efficiency (OECD, 2020).

11.3 The Bill appropriately identifies technology transfer as a central mechanism for sustainable industrialization. Nevertheless, comparative experience demonstrates that legislation alone rarely generates significant technological learning. Thus, the Bill recognizes that successful technology transfer depends on complementary investments in: higher education; technical and vocational education; industrial research institutes; innovation financing; incubation centres; digital infrastructure; and research commercialization. This is because countries such as South Korea and Singapore achieved industrial transformation not merely because multinational corporations transferred technology but because domestic institutions possessed the capacity to absorb, adapt, and improve imported knowledge (Amsden, 2001; Rodrik, 2013).

11.4 The Bill proposes the establishment of the Nigerian Non-Oil and Gas Sector Content Development and Monitoring Board as the central coordinating institution for the implementation of this proposed noble programme. The study finds that creating a specialized institution like this, is consistent with international best practices. The success of the Nigerian

Content Development and Monitoring Board (NCDMB) within the petroleum sector illustrates the importance of dedicated institutional leadership.

11.5 The Bill requires that participants must utilize Nigerian financial institutions, insurance companies, and legal practitioners as an innovative dimension of local content policy. Rather than focusing exclusively on manufacturing, the Bill recognizes that significant economic value is generated through professional services associated with major infrastructure and industrial projects. This will help maintain at least 80% of operational revenues within Nigerian financial institutions, which will consequently strengthen domestic banking liquidity; improve capital mobilization; support infrastructure financing; reduce capital flight; and enhance financial sector development.

11.6 The Bill Can Support Nigeria's AfCFTA Competitiveness, since the African Continental Free Trade Area presents significant opportunities for Nigerian manufacturers and service providers. This is consistent with WTO principles permitting legitimate domestic industrial development measures while discouraging unnecessary trade distortions.

12. Policy Implications

The findings of this study have important implications for Nigeria's industrial policy, governance architecture, and economic reform agenda. First, the Bill demonstrates a transition from sector-specific local content regulation to a comprehensive national industrial policy framework. This represents a significant evolution in Nigeria's economic governance and could reduce excessive dependence on imported goods, services, and expertise if effectively implemented.

Second, the proposed legislation reinforces the strategic role of public procurement as an instrument for industrial development rather than merely a mechanism for acquiring goods and services. Procurement policies that prioritize competent Nigerian firms have the potential to stimulate manufacturing, increase SME participation, create employment, and strengthen domestic value chains.

Third, the Bill highlights the need for stronger institutional collaboration among government agencies responsible for procurement, standards, technology transfer, industrial financing, investment promotion, and skills development. Effective implementation will depend on coordinated governance rather than isolated regulatory interventions.

Fourth, the study underscores the importance of integrating local content policy with broader national development initiatives, including the National Development Plan, the Nigeria Agenda 2050, the National Science, Technology and Innovation Policy, the National Digital Economy Policy, and Nigeria's commitments under the African Continental Free Trade Area. Such integration would enhance policy coherence and maximize developmental impact.

Finally, the Bill signals that future industrial competitiveness will depend increasingly on innovation, research commercialization, and human capital development rather than on resource endowments alone. Consequently, sustained investment in education, technical training, research institutions, and digital infrastructure should accompany the implementation of local content legislation.

13. Conclusion

The Nigerian Non-Oil and Gas Sector Content Development and Implementation Bill, 2025 represents a landmark legislative initiative aimed at repositioning Nigeria's non-oil economy as the principal driver of sustainable national development. Unlike previous local content initiatives that focused almost exclusively on the petroleum sector, the proposed Bill extends legally enforceable Nigerian Content obligations to virtually all productive sectors of the economy, including manufacturing, agriculture, mining, construction, ICT, healthcare, aviation, maritime transport, tourism, infrastructure, science and technology, and professional services.

This study has demonstrated that the Bill possesses significant potential to promote indigenous enterprise development, increase local employment, stimulate domestic manufacturing, strengthen technology transfer, deepen value addition, enhance research and innovation, improve procurement transparency, and reduce excessive dependence on imported goods, services, and technical expertise. By requiring Nigerian Content Development Plans, establishing a dedicated regulatory institution, promoting local procurement, regulating expatriate employment, supporting indigenous suppliers, and creating a Nigerian Content Trust Fund, the Bill provides a comprehensive institutional framework capable of advancing Nigeria's industrialization and economic diversification agenda. The analysis further reveals that the Bill is broadly consistent with contemporary development theories, including the Developmental State Theory, Endogenous Growth Theory, National Innovation Systems Theory, Institutional Theory, and Dependency Theory. Collectively, these theoretical perspectives justify strategic state intervention to strengthen domestic productive capacity, facilitate technological learning, and improve national competitiveness.

Comparative experiences from Brazil, Malaysia, South Africa, Indonesia, Ghana, and Norway also indicate that successful local content policies depend not merely on legislative provisions but on competent institutions, transparent governance, sustained investment in education and innovation, effective stakeholder collaboration, and continuous policy evaluation. Accordingly, while the Bill establishes an impressive legal foundation, its ultimate success will identify several implementation risks, including possible institutional overlap with existing regulatory agencies, bureaucratic delays, inadequate funding, regulatory capture, insufficient technological capability among domestic firms, and potential conflicts with international trade commitments. These challenges, however, are surmountable through effective institutional coordination, digital governance, stakeholder engagement, periodic policy review, and complementary investments in human capital, industrial infrastructure, and research commercialization.

Hence, the Nigerian Non-Oil and Gas Sector Content Development and Implementation Bill, 2025, represents a strategic legislative instrument capable of accelerating Nigeria's transition from a resource-dependent economy to a diversified, innovation-driven, and globally competitive industrial economy. If effectively implemented, the Bill could become one of the most transformative industrial policy reforms in Nigeria's post-independence history.

14. Recommendations

Based on the findings of this study, the following recommendations are proposed:

- i. The proposed Nigerian Non-Oil and Gas Sector Content Development and Monitoring Board should operate through formal collaboration with existing agencies, including the

Bureau of Public Procurement (BPP), Nigerian Investment Promotion Commission (NIPC), National Office for Technology Acquisition and Promotion (NOTAP), Standard Organisation of Nigeria (SON), National Information Technology Development Agency (NITDA), Small and Medium Enterprises Development Agency of Nigeria (SMEDAN), Bank of Industry (BOI), and Industrial Training Fund (ITF). Clearly defined statutory mandates and inter-agency coordination frameworks should be established to prevent duplication of functions.

- ii. The Board should implement an integrated electronic Nigerian Content Management System to facilitate online submission, approval, monitoring, compliance reporting, and auditing of Nigerian Content Development Plans. Digital platforms will reduce bureaucratic delays, improve transparency, and minimize opportunities for administrative corruption.
- iii. Government should substantially increase investment in technical and vocational education, engineering programmes, science education, digital skills, and industrial research. Universities, polytechnics, and research institutions should collaborate closely with industry to ensure that graduates possess the competencies required to support local content implementation.
- iv. Technology transfer obligations should be accompanied by measurable performance indicators, including local patent development, research collaborations, industrial internships, knowledge-sharing programmes, and commercialization of research outputs. Fiscal incentives should prioritize firms that establish local research centres, manufacturing facilities, and innovation hubs.
- v. The Nigerian Content Trust Fund should dedicate a substantial proportion of its resources to financing indigenous SMEs, particularly those operating in manufacturing, engineering, ICT, agriculture, construction, renewable energy, and professional services. Capacity-building programmes should include technical assistance, business development support, export readiness, and access to affordable financing.
- vi. Public procurement should balance local content objectives with transparency, quality assurance, value for money, and international competitiveness. Preference margins should apply only where Nigerian firms demonstrate adequate technical competence and compliance with applicable standards.
- vii. The Bill should expressly adopt a graduated compliance model incorporating advisory notices, compliance improvement orders, administrative sanctions, civil penalties, and criminal prosecution only for deliberate or repeated violations. Such an approach promotes regulatory fairness while maintaining effective deterrence.
- viii. The Board should publish annual Nigerian Content Performance Reports containing measurable indicators on local procurement, employment generation, technology transfer, SME participation, domestic value addition, research commercialization, and industrial competitiveness. Independent evaluations should be conducted periodically to inform policy adjustments.
- ix. Local content targets should be implemented progressively and reviewed periodically to ensure that domestic firms develop internationally competitive capabilities rather than remaining permanently dependent on statutory protection. The implementation framework should also align with Nigeria's obligations under the African Continental Free Trade Area

(AfCFTA), the ECOWAS Trade Liberalisation Scheme (ETLS), and relevant World Trade Organization (WTO) commitments.

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