

NCC Proposes Flexible Licensing: A Green Light for Telecom Innovation

Introduction

On 17 July 2025, the Nigerian Communications Commission (NCC) published the draft General Authorization Framework (GAF)—a forward-looking regulatory proposal designed to make Nigeria's telecom licensing regime more flexible, responsive, and innovation-ready. The GAF reflects a shift away from rigid, prescriptive licensing models toward adaptive regulation that enables market testing, supports emerging technologies, and fosters broader digital inclusion.

Grounded in the Nigerian Communications Act and aligned with national policy instruments such as the National Digital Economy Policy and Strategy, the GAF is also intended to operate in synergy with the Nigeria

Startup Act, the Nigeria Data Protection Act, and the National Broadband Plan. The NCC has described the framework as a "living document," signaling a commitment to continuous stakeholder engagement and a regulatory approach that evolves with the pace of innovation.

Core Structure of the General Authorisation Framework

The GAF introduces a tiered approach tailored to different stages of service innovation:

1 Proof of Concept (PoC):

Allows for small-scale, non-commercial trials of telecom technologies under real-world conditions. These trials are time-bound and geographically



limited, helping innovators assess technical and operational viability ahead of full licensing.

2. Regulatory Sandbox:

Provides a controlled environment for testing novel services that may not fit neatly into existing rules. Participants benefit from temporary regulatory waivers and NCC oversight to refine their offerings.

3. Interim Service Authorization (ISA):

Permits temporary commercial rollout of new services that fall outside current licensing categories, allowing for legal market entry while the Commission evaluates longer-term licensing options.

Implications for Stakeholders

• Startups and Innovators:

The framework reduces barriers to entry and provides a formal pathway for testing and scaling digital solutions with regulatory clarity.

Operators and MNOs:

Offers new routes for collaboration with emerging service providers while ensuring compliance through a phased model.

• Investors and Accelerators:

Enhances visibility and predictability of regulatory treatment for early-stage technologies, aiding due

diligence and risk analysis in the innovation funding ecosystem.

• Consumers:

Consumers are likely to benefit from the introduction of inclusive, user-focused digital offerings, particularly in underserved areas, all within a transparent regulatory environment.

Regulators and Policymakers:

Creates a policy feedback loop for refining licensing architecture and bridging regulatory gaps in real time.

Next Steps with SimmonsCooper Partners

The GAF represents a significant evolution in Nigeria's telecom policy environment, prioritizing flexibility, inclusivity, and innovation. As new technologies emerge faster than existing regulations, engaging early and effectively with evolving frameworks becomes critical for innovators, operators, and investors alike.

For advisory on participating in the GAF—whether through Proof of Concept trials, Regulatory Sandbox applications, or Interim Service Authorizations—or for broader guidance on telecom and innovation policy compliance, contact us at info@scp-law.com or visit www.scp-law.com.