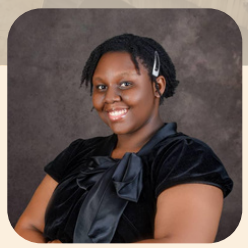
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ITANA AND THE EVOLUTION OF NIGERIA'S FREE ZONE FRAMEWORK



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Introduction

For many Nigerian entrepreneurs, building a technology company with global ambitions has often meant looking outside Nigeria for a suitable corporate structure. A common approach has been to incorporate in suitable jurisdictions such as Delaware, using that entuty to hold intellectual property as a foreign parent company and raise capital from investors who are more familiar with the legal and financial systems in those jurisdictions, while retaining the company's developers and much of its operations in Nigeria.

While this structure may make commercial sense for the business and its investors, it can also mean that a significant part of the value generated by Nigerian talent and innovation is ultimately held outside the country. Itana, formerly known as Talent City, seeks to offer an alternative.

Licensed by the Nigeria Export Processing Zones Authority (NEPZA), Itana describes itself as Africa's first digital special economic zone. Unlike the traditional free-zone model built largely around factories, warehouses and the physical movement of goods, Itana is designed primarily for technology, finance and service businesses, with much of its business formation and administrative processes intended to be handled digitally.

The initiative's momentum culminated in September 2026 when it became part of the Federal Government's broader Digital Free Zones programme. President Bola Tinubu directed the Minister of Industry, Trade and Investment, Dr Jumoke Oduwole, working with the Itana Innovation project and the Presidential Steering Committee on Digital Free Zones, to develop a roadmap for the full implementation of the initiative within 180 days.

From Factories to Digital Services

Free zones have traditionally been associated with physical trade, particularly manufacturing, warehousing, export processing and logistics. In Nigeria, they operate within a framework administered by the Nigeria Export Processing Zones Authority (NEPZA), which was established more than three decades ago. That framework was largely developed for a commercial environment where business activities were tied to physical locations and the movement of goods.

The way businesses operate has since changed considerably. Today, commerce is becoming more and more location agnostic. A Nigerian software company may have developers in Abuja, clients in London, investors in the United States and cloud infrastructure hosted elsewhere, without owning a factory or maintaining a significant physical presence outside Nigeria. Similarly, a consulting firm based in Nigeria can serve clients across Africa without establishing an office in every country where its clients are located.

Despite this shift, many of the rules around incorporation, banking, immigration, taxation and the movement of capital are still being developed with more traditional forms of business in mind. A digital economic zone wouldapproachthe issue differently. This is the gap that Itana seeks to address. Rather than focusing on where a business is physically located, it considers the legal, regulatory and infrastructure framework that a digital business needs to operate effectively and compete internationally.

Itana's model draws on some of the features that have made jurisdictions such as Delaware, Dubai, Estonia and Shenzhen attractive to businesses, including regulatory certainty, simpler business formation, access to capital and a supportive commercial ecosystem. The objective, however, is not simply to replicate those jurisdictions, but to adapt relevant aspects of their approach to Nigeria's own legal, regulatory and commercial environment.

Origins and Legal Foundation

Itana evolved from **Talent City**, an initiative publicly discussed by Iyinoluwa Aboyeji, co-founder of Andela and Flutterwave, in 2022 as a new kind of business environment for start-ups and service companies looking to build from Nigeria and scale across Africa. Talent City was subsequently rebranded as **Itana**. According to TechCrunch, Luqman Edu is the founder and CEO of Itana, Coco Liu serves as COO, while Aboyeji is a founding investor. In September 2023, the company raised US$2 million in pre-seed funding from investors including LocalGlobe, Amplo, Pronomos Capital and Future Africa.

The thinking behind the project is relatively straightforward: if Nigerian entrepreneurs can establish companies abroad and use those structures to raise international capital and serve global markets, should it not also be possible to provide an environment in Nigeria that allows them to do much the same?

From a legal perspective, Itana operates within Nigeria's existing free-zone framework rather than as a separate or parallel jurisdiction. It is licensed under the framework administered by the Nigeria Export Processing Zones Authority (NEPZA), through which qualifying businesses can establish Free Zone Enterprises and operate under the applicable free-zone regime. This distinction is important. Itana is not seeking to create a private legal system for technology companies; rather, it is using an existing Nigerian legal and regulatory structure and adapting it to the needs of digital and service-based businesses within the NEPZA Framework. The legal basis for this model was strengthened,in 2021, when 'virtual city' was introduced into the NEPZA framework, paving the way for the development of a free-zone model suited to digital, technology and service-based businesses. The Federal Government has since taken the concept further through the Presidential Steering Committee on Digital Free Zones, bringing digital free zones into a broader national policy framework.

In practical terms, the Itana model combines three main elements. First is the regulatory framework, built around NEPZA licensing and the existing free-zone regime. Second is the digital platform, through which businesses can access services relating to incorporation, banking, visas and compliance without the level of physical presence traditionally associated with operating within a free zone. Third is the business ecosystem, bringing together founders, investors and professional service providers, alongside the proposed physical Itana District in Lagos.

According to Itana, once an application has been approved, a business can receive its registration certificate and NEPZA operating licence within 48 hours, although other aspects of setting up the business, including opening a bank account, may extend this timeframe up to two weeks. Itana currently states that its Free Zone Enterprise package costs US$2,000 for the first year, with the operating licence renewable annually at US$1,000. These fees and processing timelines are part of Itana's current commercial offering and may therefore change over time.

Relevance: Why Itana Matters Now

Itana is relevant because the way businesses operate has changed considerably, while many of the systems designed to regulate them were developed for a commercial environmentthat is gradually becoming obsolete. Free zones have historically been associated with manufacturing, warehousing, export processing and logistics. Digital businesses are different. They can create, deliver and export value without necessarily moving physical goods or maintaining a substantial physical presence in every market where they operate.

Itana seeks to bridge the gap between the increasingly borderless way of doing business and the current regulatory framework that has traditionally been built around physical enterprises.

Some of the key features of the Itana model include:

1**. Faster market entry:** Itana states that, once an application has been approved, a business registration certificate and operating licence can be issued within 48 hours. While the entire set-up process may not necessarily be completed within two days, the broader objective is to simplify the process and reduce some of the administrative hurdles involved in establishing a business in Nigeria.

2. **100% ownership:** Qualifying businesses can be wholly owned by their founders without the need for a local equity partner. This gives both Nigerian and foreign founders greater flexibility in structuring the ownership and control of their businesses.

3. **Potential tax advantages:** Tax treatment is understandably one of the major attractions of the free-zone model. Itanapromotes certain tax benefits for qualifying activities, including corporate income tax and VAT advantages and the ability to repatriate dividends (subject to the applicable Nigerian tax and free-zone laws, and is not an automatic exemption from tax).

The position may differ where an enterprise carries on activities outside the free zone or sells goods or services into Nigeria's customs territory. Businesses considering the structure should therefore assess the tax treatment against their particular activities and revenue model.

4. **Easier movement of international personnel:** The free-zone framework provides a different immigration arrangement from that ordinarily applicable to conventional companies, while Itana also offers support with visa and immigration processes. This can be particularly useful for businesses that need to bring foreign founders, specialists or other international personnel into Nigeria.

5. **Multi-currency banking support:** Itana also provides support for setting up multi-currency business banking. For technology and service companies that receive payments from overseas customers, raise foreign investment or operate across several markets, access to suitable banking arrangements can be an important part of doing business internationally.

6. **Digital sovereignty:** Another important aspect of the project is its focus on digital infrastructure. In 2025, Itana announced what it describes as Africa’s first full-stack AI and Data Growth Zone, bringing together local GPU computing capacity, data-storage infrastructure, AI and MLOps talent, and support for data and intellectual-property governance. The wider significance is that Nigerian and African businesses may have greater opportunities not only to use emerging technologies, but also to build, host and commercialise technology and intellectual property locally rather than depending entirely on infrastructure located outside the continent.

Taken together, these features are intended to address some of the practical challenges faced by technology and service companies seeking to operate from Nigeria while remaining connected to international customers, investors and markets.

Objectives: What Itana Is Trying to Achieve

Beyond the branding and technology surrounding the project, Itana is pursuing a number of practical objectives. Many of these now align with the Federal Government’s broader objectives for the Digital Free Zones initiative.

1. **Attract foreign and domestic investment:** One of the principal objectives is to create a business environment that gives both Nigerian and international investors greater confidence to establish and invest in businesses operating from Nigeria.

Regulatory certainty, dispute-resolution arrangements and access to suitable banking services are all important parts of that proposition.

2. **Support cross-border innovation and service exports:**Itana is intended to make it easier for technology and service businesses to build from Nigeria while serving customers across Africa and other international markets. For digital businesses, expansion does not necessarily require establishing a physical office in every country where customers are located.

3. **Retain intellectual property and corporate value in Nigeria:** Intellectual property is often one of the most valuable assets of a technology company. Software, trademarks, data, proprietary systems and know-how are commonly held through foreign parent companies, even where much of the underlying innovation originated in Nigeria. One of Itana's broader objectives is to provide a sufficiently attractive business environment for more of those assets and corporate structures to remain in Nigeria.

4. **Create employment and retain talent:** The initiative also seeks to create an environment in which Nigerian professionals can work for globally competitive businesses without necessarily having to relocate abroad. Where technology and service companies can operate internationally from Nigeria, more of the resulting employment, professional expenditure and foreign-currency earnings may remain within the Nigerian economy.

5. **Position Nigeria as a base for African expansion:** Nigeria already offers a large domestic market and a substantial pool of technology and professional talent. Itana seeks to combine these advantages with the free-zone framework and access to wider African markets, including opportunities arising from the African Continental Free Trade Area (AfCFTA). The broader objective is to make Nigeria a credible base from which businesses can expand across the continent.

6. **Economic diversification:** Nigeria's economy has historically depended significantly on oil and gas. Digital services provide another route for generating export earnings because they can be delivered internationally without the physical movement of goods. A software developer in Nigeria can serve a client in Germany, an accountant can provide services to a Canadian company, while a fintech business can build products for customers across several African markets. A workable digital free-zone framework could therefore form part of Nigeria's wider effort to diversify its sources of investment, employment and export earnings.

What Remains to Be Proven

In September 2024, AFC announced its partnership with Itana and its intention to lead financing for the project's first phase, which was then estimated at approximately US$100 million. According to the Presidency's September 2026 announcement, AFC is now supporting the proposed US$500 million Itana Innovation project at Alaro City. This suggests further establishes the fact that the initiative is developing beyond its origins as a start-up ecosystem into a much larger infrastructure and investment project. So, the potential is clear, but success is not guaranteed. Much will depend on how effectively the different government agenciesand stakeholders involved are able to work together in practice. The Presidency has identified regulation, taxation, banking, immigration, arbitration and the digitisation of government processes as areas requiring coordinated action. For businesses and investors, the real test will be whether this coordination results in a system that is clear, predictable and easy to navigate.

Itana will also have to operate within Nigeria's wider economic realities. Issues such as foreign-exchange availability, access to banking services and the ability to move and repatriate capital efficiently will remain important, particularly for businesses with international investors, customers and operations.

There is also a need to distinguish between the promise of the model and its performance in practice. Some of the available information on the number of businesses within the ecosystem, processing times and other operational outcomes comes from Itana itself. While these figures are useful in understanding the progress of the initiative, a clearer picture will emerge over time as more businesses operate within the zone and there is greater independent evidence of how the model performs.

Conclusion

Itana is an interesting development because it responds to a practical challenge facing Nigeria's digital economy. Businesses that can provide services and conduct transactions across borders almost instantly are still often required to operate through regulatory and administrative systems originally designed for a more traditional, physical-based form of commerce.

What makes Itana particularly relevant is that it seeks to address this challenge from within Nigeria's existing legal and institutional framework. The idea is to create a framework and environment within Nigeria that can accommodate businesses with international customers, investors and ambitions.

The project has also moved beyond its beginnings as a private-sector initiative. It has attracted institutional financing and, as of September 2026, has become more closely integratedwith the Federal Government's wider Digital Free Zones initiative.

Ultimately, however, the success of Itana will depend on itsimplementation. The 180-day roadmap announced by the Presidency will therefore be an important next step in determining how these ambitions are translated into workable rules, processes and institutions.

For founders and investors, that is likely to be the real measure of the initiative: not simply the incentives or promises attached to the digital free-zone concept, but whether it creates a business environment that is predictable, efficient and reliable enough for companies to build and grow from Nigeria.

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