

*Extraordinary*



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# A BILL

## FOR

AN ACT TO PROVIDE FOR PRUDENT MANAGEMENT OF THE NATION'S RESOURCES, ENSURE LONG TERM MACRO-ECONOMIC STABILITY OF THE NATIONAL ECONOMY, SECURE GREATER ACCOUNTABILITY AND TRANSPARENCY IN FISCAL OPERATIONS WITHIN THE MEDIUM TERM FISCAL POLICY FRAMEWORK AND THE ESTABLISHMENT OF THE FISCAL RESPONSIBILITY COMMISSION TO ENSURE THE PROMOTION AND ENFORCEMENT OF THE NATION'S ECONOMIC OBJECTIVES; AND FOR RELATED MATTERS

*Sponsored by Senator Dahiru, Aishatu Ahmed*

[ ] Commencement

ENACTED by the National Assembly of the Federal Republic of Nigeria:

1 PART 1- ESTABLISHMENT, FUNCTIONS AND POWERS OF THE FISCAL  
2 RESPONSIBILITY COMMISSION

3 1.-(1) There is hereby established, a body to be known as the Fiscal Establishment  
4 Responsibility Commission (in this Act referred to as "the Commission"). of the Commission

5 (2) The Commission shall be a body corporate with perpetual  
6 succession and a common seal and may sue and be sued in its corporate  
7 name; and shall have the power to acquire and own properties for the  
8 performance of its functions under this Act.

9 RESPONSIBILITY, POWERS AND FUNCTIONS OF THE COMMISSION

10 2.-(1) For the purpose of performing its functions under the Act, the Powers of the  
11 Commission shall have power to: Commission

12 (a) compel any person or government institution to disclose  
13 information relating to public revenues and expenditure; and

14 (b) conduct investigations to ascertain whether any person has  
15 violated any provisions of this Act;

1 (c) request for and obtain information relating to public revenue,  
2 expenditure and related matters from any person, department, public  
3 institution or body, or agency, or arm of the Federal Government;

4 (d) request and be permitted by all government ministries,  
5 departments, extra-ministerial departments, agencies, public bodies,  
6 institutions, corporations and arms of government to inspect all documents,  
7 records, minutes, entries, electronic systems, machine and objects which the  
8 Commission shall deem necessary for the performance of its functions under  
9 this Act;

10 (e) interview any person it deems necessary with regard to  
11 government revenue and expenditure;

12 (f) cause statements to be made on oath and have power to search,  
13 enter premises, seize documentation and records required as evidence pursuant  
14 to the ex-parte orders of a competent court;

15 (g) monitor and enforce the remittance of revenue by all Corporations  
16 and government agencies into the Consolidated Revenue Fund as is herein  
17 provided and publish same at the commencement of every fiscal year;

18 (h) collaborate and cooperate with all or any of the Nigerian Police,  
19 Economic and Financial Crimes Commission, Independent Corrupt Practices  
20 and other Related Offences Commission or any other agency, public body,  
21 ministry or extra-ministerial department in the performance of any of its  
22 functions under this Act;

23 (i) without prejudice to the powers of the Auditor General of the  
24 Federation, review or verify the financial records of any government agency,  
25 corporation, ministry, department, extra-ministerial department etc;

26 (j) Make rules and issue guidelines for implementation of this Act;  
27 and

28 (k) do other things which, in its opinion, are necessary for the efficient  
29 performance of its functions under this Act.

30 (2) If the Commission is satisfied that a person has committed any

1 punishable offence under this Act or violated any provisions of this Act, the  
2 Commission shall undertake the prosecution of the alleged offender.

3 (3) Every prosecution of an offender under this Act by the  
4 Commission or its appointed Legal Practitioner shall be deemed to have  
5 been done with the consent of the Attorney General of the Federation.

6 3.-(1) The Commission shall perform the following functions:

Functions of  
the Commission

7 (a) monitor and enforce the provisions of this Act and by so doing,  
8 promote the economic objectives contained in section 16 of the  
9 Constitution;

10 (b) disseminate such standard practices including international  
11 good practice that will result in greater efficiency in the allocation and  
12 management of public expenditure, revenue collection, debt control and  
13 transparency in fiscal matters;

14 (c) undertake fiscal and financial studies, analysis and diagnosis  
15 and disseminate the result to the general public;

16 (d) make rules for carrying out its functions under the Act;

17 (e) perform any other function consistent with the promotion of the  
18 objectives of this Act;

19 (f) enforce the submission of periodic returns on revenue  
20 performance showing estimates, actual collection and remittances to the  
21 Consolidated Revenue Fund of the Federal Government by corporations  
22 and agencies accompanied by accurate documentary evidence of collections  
23 and remittances; including ensuring that all profits or dividend payments  
24 due to the Federal Government from any privatized entity in which the  
25 Federal Government is a shareholder are duly remitted into the CFR;

26 (g) attend and monitor monthly monitoring meeting of all revenue  
27 collectors in collaboration with the office of the Accountant General of the  
28 Federation;

29 (h) monitor the operation of the Excess Crude Account and the  
30 various Funds created under the Nigerian Sovereign Investment Authority

- 1 (Establishment, Etc.) Act, 2011;
- 2 (i) appoint for the Commission, such numbers of employees as it may
- 3 deem expedient and necessary for the proper and efficient performance of its
- 4 functions under this Act;
- 5 (j) determine the terms and conditions of service in the Commission,
- 6 including disciplinary measures for the employees of the Commission;
- 7 (k) develop and implement appropriate staff conditions of service for
- 8 its staff including fixing of remuneration, pension scheme and other fringe
- 9 service benefits;
- 10 (l) from time to time, in consultation with the Salaries and Wages
- 11 Commission, review the remuneration payable to the employees of the
- 12 Commission;
- 13 (m) regulate its proceeding and make standing orders with respect to
- 14 the holding of its meetings, notices to be given, the keeping of minutes of its
- 15 proceedings and such other matters as the Commission may, from time to time
- 16 determine; and
- 17 (n) perform any other function consistent with the promotion of the
- 18 objectives of this Act.
- 19 (2) The Commission shall be independent in the performance of its
- 20 functions.
- 21 (3) The provisions of Public Officers Protection Act shall apply to the members
- 22 and staff of the Commission in the discharge of their functions under this Act.
- 23 4.-(1) The Commission shall establish and maintain a Fund from
- 24 which shall be defrayed all expenditure incurred by the Commission.
- 25 (2) There shall be credited to the Fund established pursuant to
- 26 subsection (1) of this section, the funds specified in subsection (3) of this
- 27 section and grants from other sources.
- 28 (3) The Commission shall be entitled on monthly basis to 5% of the
- 29 funds remitted into the Consolidated Revenue Fund of the Federal Government
- 30 as operating surplus pursuant to section 22 of this Act as cost of collection.

Establishment  
of a Fund for the  
Commission

1	<b>5.-(1)</b> The Commission shall consist of:	Composition of the Commission
2	(a) a Chairman, who shall be the Chief Executive and accounting	
3	officer of the Commission;	
4	(b) one member representing:	
5	(i) The organised private sector,	
6	(ii) Civil Society engaged in causes relating to probity,	
7	transparency and good governance,	
8	(iii) Organised labour.	
9	(c) a representative of the Federal Ministry of Finance of a level not	
10	below the rank of a Director; and	
11	(d) one member to represent each of the following six geographical	
12	zones of the country, that is: North-Central, North-East, North-West, South-	
13	East, South-West, and South-South.	
14	(2) All members of the Commission shall be persons of proven	
15	integrity and must possess appropriate qualifications with not less than 10	
16	years cognate post qualification experience.	
17	(3) The Chairman and other members of the Commission other	
18	than ex-officio members shall be appointed by the President subject to	
19	confirmation by the Senate.	
20	(4) The Chairman and members of representing the six	
21	geographical zones shall be full time members.	
22	<b>6.</b> The Chairman, Secretary and ex-officio members of the	Tenure of Office
23	Commission shall hold office for a term of 5 years.	
24	<b>7.-(1)</b> Notwithstanding the provision of section 6 of this Act, a	Cessation of membership
25	member of the Commission shall cease to hold office if:	
26	(a) he becomes bankrupt or makes a compromise with his	
27	creditors;	
28	(b) he is convicted of a felony or any offence involving dishonesty,	
29	corruption or fraud by any court whether in Nigeria or elsewhere;	
30	(c) he becomes incapable of carrying out the functions of his office	

1 either by reason of infirmity of mind or body;

2 (d) the President is satisfied that it is not in the interest of the  
3 Commission or the interest of the public that the member should continue in  
4 office and the President removes him from office.;

5 (e) he has been found guilty of violation of the code of conduct or  
6 serious misconduct in relation to his duties;

7 (f) he resigns his appointment by a notice under his hand, addressed to  
8 the President; or

9 (g) in the case of a person who becomes a member by virtue of the  
10 office he occupies, he ceases to hold such office for whatever reason.

11 (2) Where a vacancy occurs in the membership of the Commission, it  
12 shall be filled by the appointment of a successor to hold office for the remainder  
13 of the term of office of the predecessor, provided that the successor shall  
14 represent the same interest as his predecessor.

Emoluments etc  
of members

15 **8.-(1)** There shall be paid to the Chairman and Secretary of the  
16 Commission such salaries, allowances and benefits as the Revenue  
17 Mobilisation Allocation and Fiscal Commission may from time to time  
18 approve.

19 (2) There shall be paid to the ex-officio (part time) members of the  
20 Commission such sitting allowance and benefits as may be determined by the  
21 Revenue Mobilisation and Fiscal Commission may, from time to time,  
22 approve.

Submission of  
annual report  
to the National  
Assembly

23 **9.** The Commission shall prepare and submit to the National  
24 Assembly not later than 30th June in each financial year; a report of its  
25 activities including all cases of contravention investigated during the  
26 preceding financial year, and shall include in the report a copy of its audited  
27 accounts for the preceding financial year.

## 28 PART II - THE MEDIUM TERM EXPENDITURE FRAMEWORK

Medium Term  
Expenditure

29 **10.-(1)** The Federal Government after consultation with the states  
30 shall-

1 (a) not later than six months from the commencement of this Act,  
2 cause to be prepared and laid before the National Assembly, for their  
3 consideration a Medium-Term Expenditure Framework for the next three  
4 financial years; and

5 (b) thereafter, the Federal Government, through the Ministry of  
6 Finance, not later than six months before commencement of the next  
7 financial year, cause to be prepared a Medium - Term Expenditure  
8 Framework for the next three financial years.

9 (2) The framework so prepared, shall be submitted to the Federal  
10 Executive Council for consideration and Federal Executive Council shall  
11 thereafter, through the Ministry of Finance, submit the framework to the  
12 National Assembly for consideration and approval.

13 (3) The framework so laid shall be considered for approval with  
14 such modifications, if any, as the National Assembly finds appropriate by a  
15 resolution of each House of the National Assembly.

16 (4) The Ministry of Finance shall submit a copy of the framework  
17 approved by the Federal Executive Council to the Commission not later than  
18 3 working days from the date of its submission to the National Assembly.

19 (5) The Medium-Term Expenditure Framework shall contain:

20 (a) a Macro-Economic Framework setting out the macroeconomic  
21 projections, for the next three financial years, the underlying assumptions  
22 for those projections and an evaluation and analysis of the macroeconomic  
23 projections for the preceding three financial years;

24 (b) a Fiscal Strategy Paper setting out:

25 (i) The Federal Government's medium term financial objectives,

26 (ii) The policies of the Federal Government for the medium term  
27 relating to taxation, recurrent (non-debt) expenditure debt expenditure,  
28 capital expenditure, borrowings and other liabilities, lending and  
29 investment,

30 (iii) The strategic economic, social and developmental priorities of



- 1 the Federal Government for the next three financial years,
- 2 (iv) An explanation of how the financial objectives, strategic,  
3 economic, social and developmental priorities and fiscal measures set out  
4 pursuant to sub-paragraph (i), (ii) and (iii) of the paragraph relate to and  
5 comply with the economic objectives set out in section 16 of the Constitution.
- 6 (c) an expenditure and revenue framework setting out:
- 7 (i) Estimates of aggregate revenues for the Federation for each  
8 financial year, based on the predetermined Commodity Reference Price  
9 adopted and tax revenue projection and the expected share of Federal  
10 Government Revenue,
- 11 (ii) Aggregate expenditure projection for the Federal government for  
12 each financial year in the next three financial years,
- 13 (iii) Aggregate tax expenditure floor for the Federation for each  
14 financial year in the next three financial years, Provided that, the estimates and  
15 expenditures provided under paragraph (d) of this subsection shall be:
- 16 (a) Based on reliable and consistent data certified in accordance with  
17 section 13 (2) (b) of this Act;
- 18 (b) Targeted at achieving the macro-economic projection set out in  
19 paragraph (a) of this subsection;
- 20 (c) Consistent with and derive from the underlying assumptions  
21 contained in the Macro-economic framework, the objectives, policies,  
22 strategic priorities and explanations in the Fiscal Strategy Paper;
- 23 (d) a consolidated Debt Statement setting out and describing the fiscal  
24 significance of the debt liability of the Federal Government and measures to  
25 reduce any such liability;
- 26 (e) a statement describing the nature and fiscal significance of  
27 contingent liabilities and quasi fiscal activities and measures to offset the  
28 crystallization of such liabilities; and
- 29 (f) consolidated debt profile and limit for the Federal, State and Local  
30 Governments.

1	<b>11.</b> The estimates of:	Aggregate expenditure ceiling
2	(1) Aggregate expenditure and the aggregate amount appropriated	
3	by the National Assembly for each financial year shall not be more than the	
4	estimated aggregate revenue plus a deficit, not exceeding three per cent of	
5	the estimated Gross Domestic Product or any sustainable percentage as may	
6	be determined by the National Assembly for each financial year.	
7	(2) Aggregate expenditure for the financial year may exceed the	
8	ceiling imposed by the provisions of subsection (1) of this section, if in the	
9	opinion of the President there is a clear and present threat to national security	
10	or sovereignty of the Federal Republic of Nigeria.	
11	<b>12.</b> -(1) The Minister shall be responsible for the preparation of the	Preparation of the Medium Term Expenditure Framework
12	Medium Term Expenditure Framework.	
13	(2) In preparing the draft Medium-Term Expenditure Framework,	
14	the Minister:	
15	(a) shall hold public consultation, on the Macro-economic	
16	Framework, the Fiscal Strategy Paper, the Revenue and Expenditure	
17	Framework, the Strategic, economic, social and developmental priorities of	
18	government, and such other matters as the Minister deems necessary:	
19	Provided that such consultations shall be open to the public, the	
20	press and any citizens or authorized representatives of any organization,	
21	group of citizens, who may attend and be heard on any subject matter	
22	properly in view;	
23	(b) shall seek inputs from the following:	
24	(i) National Economic Council;	
25	(ii) National Planning Commission;	
26	(iii) Joint Planning Commission;	
27	(iv) National Council on Developmental Planning;	
28	(v) National Assembly;	
29	(v) Central Bank of Nigeria;	
30	(vi) National Bureau of Statistics;	

	1	(vii) Revenue Mobilisation Allocation and Fiscal Commission;
	2	(viii) Fiscal Responsibility Commission; and
	3	(ix) Any other relevant statutory body as the Minister may determine;
	4	(c) shall consider and reflect as may be deemed appropriate the input
	5	of the bodies and persons referred to in paragraphs (a) and (b) of subsection (2)
	6	of this section.
Time Limit for presentation of Medium Term Expenditure Framework to Federal Executive Council and National Assembly	7	<b>13.</b> -(1) The Minister shall before the end of the second quarter of each
	8	financial year, present the Medium-Term Expenditure Framework to the
	9	Federal Executive Council for consideration and approval.
	10	(2) The Federal Executive Council shall, not later than the end of July
	11	each financial year consider and approve the Medium-Term Expenditure
	12	Framework for the next three years.
	13	(3) The Medium-Term Expenditure Framework as approved by the
	14	Federal Executive Council shall, not later than mid August of each financial
	15	year, be presented by the Minister of Finance to the National Assembly for
	16	consideration and adoption.
	17	(4) The National Assembly shall, before the last day of August each
	18	financial year, consider and approve the Medium-Term Expenditure
	19	Framework:
	20	Provided that where the National Assembly fails to consider and
	21	approve the Medium-Term Expenditure Framework one week after the
	22	deadline set by this subsection, its approval shall be dispensed with, and the
	23	framework shall take effect as presented to the National Assembly.
	24	(5) The Minister shall within the time set by the rules submit a copy of
	25	the Medium-Term Expenditure Framework approved by the Federal Executive
	26	Council to the Commission.
Publication of Medium Expenditure Framework in the Gazette etc.	27	<b>14.</b> Not later than 30 days of its approval by the National Assembly or
	28	otherwise coming into effect, the Medium -Term Expenditure Framework as
	29	approved shall be published in the Gazette, Ministry of Finance website and the
	30	mass media by the Minister.

1	<b>15.-(1)</b> Subject to subsection (2) of this section, the President may	Adjustments to the Medium-Term Expenditure Framework
2	cause adjustments to be made to a medium term expenditure framework	
3	(2) Any adjustment to the approved Medium Term Expenditure	
4	Framework shall be limited to:	
5	(a) The correction of manifest error; and	
6	(b) Changes in the fiscal indicators, which in the opinion of the	
7	President are significant.	
8	<b>16.</b> States and Local Governments which so desire shall be	Assistance to States and Local Governments
9	assisted by the Federal Government to manage their fiscal affairs within the	
10	medium term framework.	
11	PART III - THE ANNUAL BUDGET	
12	<b>17.</b> Notwithstanding anything to the contrary contained in this Act	Annual Budget to be derived from Medium Term expenditure Framework
13	or any other written law, the Medium term Expenditure Framework shall:	
14	(1) Be the basis for the preparation of the estimates of revenue and	
15	expenditure required to be prepared and laid before the National Assembly	
16	under section 81 (1) of Constitution.	
17	(2) The sectoral and compositional distribution of the estimates of	
18	the expenditure referred to in subsection (1) of this section shall be	
19	consistent with the medium term developmental priorities set out in the	
20	Medium Term expenditure Framework.	
21	<b>18.-(1)</b> The Federal Ministry of Finance shall, not later than the end	Time limit for Budget preparation
22	of September each financial year, present the budget for the next financial	
23	year for the consideration and approval of the Federal Executive Council.	
24	(2) The Federal Executive Council shall, not later than the last day	
25	of October of each financial year, approve the budget presented to it under	
26	subsection (1) of this section.	
27	(3) The National Assembly shall give priority attention to the	
28	consideration of the budget upon presentation of same to it by the President.	
29	<b>19.</b> The estimates of revenue and expenditure (in the Act referred	Annual Budget to be accompanied by certain documents
30	to as the "Annual Budget") shall be accompanied by:	

1 (a) a copy of the underlying revenue and expenditure profile for the  
2 next two years;

3 (b) a report setting out actual and budgeted revenue and expenditure  
4 and detailed analysis of the performance of the budget for the 18 months up to  
5 June of the current financial year;

6 (c) a revenue framework broken down into monthly collection targets  
7 prepared on the basis of the predetermined Reference Commodity Price as  
8 contained in Medium-Term Expenditure Framework, and other revenue  
9 sources, including the net current revenue and the respective memorandum  
10 items;

11 (d) measures on cost, cost control and evaluation of result of  
12 programmes financed with previous budgetary resources;

13 (e) a Fiscal target appendix derived from the underlying Medium-  
14 Term Expenditure Framework setting out the following targets for that  
15 financial year:

16 (i) Target inflation rate,

17 (ii) Target fiscal account balances,

18 (iii) Any other development target deemed appropriate; and

19 (f) a Fiscal Risk Appendix evaluating the fiscal and other related risks  
20 to the annual budget and specifying measures to be taken to offset the  
21 occurrence such risks.

Application of  
Part III to States  
and Local  
Governments

22 **20.** In preparing their annual budget, States and Local Governments  
23 may adopt the provisions of this Part with such modification as may be  
24 appropriate and necessary.

#### 25 PART IV - BUDGETARY PLANNING OF CORPORATIONS AND OTHER

#### 26 RELATED AGENCIES

Preparation of  
estimates of  
revenue and  
expenditures by  
corporations etc.

27 **21.-(1)** The Government corporations, agencies and government  
28 owned companies listed in the Schedule to this Act or subsequently added  
29 thereto pursuant to this Act (in this Act referred to as "the Corporations") shall,  
30 not later than 6 months from the commencement of this Act and not later than

1 the end of the second quarter of every year, cause to be prepared and  
2 submitted to the Minister their estimates of revenue and expenditure for the  
3 next three financial years.

4 (2) Each of the bodies referred to in subsection (1) of this section  
5 shall submit to the Minister not later than the end of August in each financial  
6 year:

7 (a) an annual budget derived from the estimates submitted in  
8 pursuance of subsection (1) of this section;

9 (b) projected operating surplus which shall be prepared in line with  
10 accrual accounting practices; and

11 (c) estimated revenue shall be broken down by the corporations  
12 into monthly collection targets, including, where applicable, a separate  
13 description of measures to combat corruption, fraud, evasion of taxes or  
14 diversion of government revenue.

15 (3) The Minister shall cause the estimates submitted in pursuance  
16 of subsection (2) of this section to be attached as part of the Appropriation  
17 Bill to be submitted to the National Assembly.

18 Provided that, where appropriate, the Minister shall in consultation  
19 with the corporation revise such estimates.

20 **22.**-(1) Notwithstanding anything to the contrary contained in this  
21 Act or any other written law governing a corporation, every corporation  
22 (listed or added to the schedule to this Act) shall remit 80% of its Operating  
23 Surplus into the Consolidated Revenue Fund of the Federal Government  
24 within 30 days after the end of the statutory deadline for publishing its  
25 audited financial Report. Provided that if the Minister at any time, by  
26 appropriate circular, directs the payment of any amount by Agencies and  
27 Corporations into the Consolidated Revenue Fund of the Federal  
28 Government, compliance with such a circular by a Corporation shall be  
29 taken into cognizance in determining the amount payable by it as operating  
30 surplus as stipulated in this Act.

Remittance of  
revenue by  
Corporations

	1	(2) Each corporation shall, not later than three months after the end of
	2	its financial year, cause to be prepared and published its audited financial
	3	reports in accordance with such rules as may be prescribed from time to time.
Cessation of application	4	<b>23.</b> The provisions of sections 21 and 22 shall cease to apply to any of
	5	the corporations from the date of privatization, Provided Always that the
	6	Commission shall monitor and ensure that dividend payments due to the
	7	Federal Government by virtue of any shares held by it in the privatized
	8	corporation are duly remitted into the Consolidated Revenue Fund.
	9	(2) The Minister, shall, on the recommendation of the Commission,
	10	include any other corporation, agency or government-owned company in the
	11	schedule to this Act through appropriate circular or notice.
	12	PART V - BUDGETARY EXECUTION AND ACHIEVEMENT OF TARGETS
Annual cash plan	13	<b>24.-(1)</b> The Federal Government, through the Office of the
	14	Accountant General, shall cause to be drawn up, an Annual Cash Plan for each
	15	financial year.
	16	(2) The Annual Cash Plan shall be prepared in advance of the financial
	17	year setting out projected monthly cash flows and shall be revised quarterly to
	18	reflect actual cash flows.
	19	(3) A copy of the Annual Cash Plan shall be submitted to the
	20	Commission by the Office of the Accountant General within one week of its
	21	preparation or amendment.
Disbursement schedule	22	<b>25.-(1)</b> The Minister, shall within 30 days of the enactment of the
	23	Appropriation Act, prepare and publish a disbursement Schedule derived from
	24	the Annual Cash Plan for the purpose of implementing the Appropriation Act.
	25	(2) The Minister shall cause the disbursement schedule prepared
	26	pursuant to subsection (1) of this section to be published in the official gazette,
	27	the Ministry's website and mass media.
	28	(3) The Minister shall cause a copy of the disbursement schedule to be
	29	submitted to the Commission in accordance with the rules.

- 1                   **26.**-(1) The sums appropriated for a specific purpose shall be used      Power of Minister  
2 solely for the purpose specified in the Appropriation Act.      to approve virement
- 3                   (2) Without prejudice to subsection (1) of this section, the Minister  
4 may in exceptional circumstances and in the overall public interest,  
5 recommend for the approval of the National Assembly virements from sub-  
6 heads of account, without exceeding the amount appropriated to such head  
7 of account.
- 8                   **27.**-(1) Where by the end of three months, after the enactment of      Power to restrict  
9 the Appropriation Act, the Minister determines that the targeted revenues      further commitments  
10 may be insufficient to fund the heads of expenditure in the Appropriation  
11 Act, the Minister shall, within the next 30 days of such determination, take  
12 appropriate measures to restrict further commitments and financial  
13 operation according to the criteria set in the fiscal Risk Appendix.
- 14                   (2) Where the target revenue are re-established, either in part or in  
15 full, the appropriations for which further commitments were restricted shall  
16 be restored proportionately .
- 17                   (3) The provisions of the subsections (1) and (2) of this section  
18 shall not apply to statutory or constitutional expenditures.
- 19                   **28.**-(1) Any proposed tax relief shall be accompanied by an      Restriction on  
20 evaluation of its budgetary and financial implications in the year it becomes      the grant of tax  
21 effective and in the three subsequent years, and shall only be approved by      relief  
22 the Minister, if it does not adversely impair the revenue estimates in the  
23 annual budget or if it is accompanied by countervailing measure during the  
24 period mentioned in this subsection through revenue increasing measures  
25 such as tax rate raises and expansion of the tax base.
- 26                   (2) The provisions of this section shall not apply to:
- 27                   (a) changes in the rates of the taxes mentioned in section 163 of the  
28 Constitution; and  
29                   (b) debt cancellation in an amount lower than the cost of collection.



Responsibility of the Budget Office of the Federation to monitor and report on implementation	1	<b>29.</b> -(1) The Budget Office of the Federation, shall monitor and
	2	evaluate the implementation of the Annual Budget, assess the attainment of
	3	fiscal targets and report thereon on a quarterly basis to the Fiscal Responsibility
	4	Commission and the Joint Finance Committee of the National Assembly.
	5	(2) The Minister of the supervising Ministry responsible for The
	6	Budget Office of the Federation shall cause the report prepared pursuant to
	7	subsection (1) of this section to be published in the mass and electronic and on
	8	its website, not later than 30 days after the end of each quarter.
Application of Part V to states and local governments	9	<b>30.</b> In the implementing their annual budgets, States and Local
	10	Governments may adopt the provisions of this part with such modifications as
	11	may be appropriate and necessary.
	12	PART VI - PUBLIC REVENUE
Forecast and collection of public revenue	13	<b>31.</b> Any fund due to the Federation from any tier of government may
	14	be set off by the federation on or towards payment or remittance of any sum due
	15	to that tier of government from the Federation.
Revenue forecast	16	<b>32.</b> -(1) The Minister shall, at least 30 days before the deadline for the
	17	submission of its budget proposals place at the disposal of the National
	18	Assembly, the revenue estimates for the following year, including the net
	19	current revenue and the respective memorandum items,
	20	(2) The Minister shall cause the documents mentioned in subsection
	21	one of this section to be submitted to the Commission within seven days of its
	22	submission to the National Assembly.
	23	<b>33.</b> Estimated revenue shall be broken down by the Minister into
Executive to breakdown estimated revenue	24	Monthly collection targets, including, where applicable, a separate description
	25	of measures to combat tax fraud and evasion.
	26	PART VII - SAVINGS AND ASSET MANAGEMENT
	27	<b>34.</b> -(1) Where the reference commodity price rise above the
	28	predetermined level, the resulting excess proceeds shall be saved in
	29	accordance with the provisions of subsection (2) of this section.
	30	(2) The saving of each Government in the Federation in pursuance to

1 sub section (1) of this section shall be deposited in a separate account which  
2 shall form part of the respective Governments Consolidated Revenue Fund  
3 to be maintained at the Central bank of Nigeria by each Government.

4 (3) The central Bank of Nigeria shall, in consultation with the  
5 Minister of Finance, the State Commissioners of Finance, and Local  
6 Government Treasurers, invest, for and on behalf of the Governments in the  
7 Federation, the saving of each Government and such investment can be  
8 undertaken in a consolidated manner, provided that, the shares of each  
9 Government and income due to them from the investment are clearly  
10 identified.

11 (4) The Central Bank of Nigeria in the discharge of its obligation  
12 under subsection (3) of this section shall, observe the limits and conditions  
13 imposed by safety and prudential considerations and the need to maintain  
14 macro-economic stability and such safety and prudential conditions are to  
15 be agreed upon with the Minister of Finance, State Commissioners of  
16 Finance and Local Government Treasurers.

17 (5) No Government in the federation shall have access to the  
18 savings made in pursuance to subsection (2) of this section, unless the  
19 reference commodity price falls below the predetermined level for a period  
20 of three consecutive months.

21 (6) The augmentation referred to in sub section (5) of this section  
22 shall be limited to such sums that will bring the revenue of government to the  
23 level contained in its budget estimates.

24 (7) Notwithstanding the provisions of subsections (5) and (6) of  
25 this section and subject to agreement by Federal and State Governments in  
26 the Federation, a proportion of the savings may be appropriated in the  
27 following year for capital projects and programmes.

28 (8) The Central Bank shall on quarterly basis make available to the  
29 Commission the amount standing to the credit of the account referred to in  
30 subsection (2) of this section.

	1	PART VIII - PUBLIC EXPENDITURES
Cap on cost to revenue and conditions for increasing government expenditure	2	<b>35.</b> Every Agency, Corporation and government Parastatal shall limit
	3	and ensure that their annual budgetary expenditure from internally generated
	4	revenue does not exceed 75% of their gross revenue.
	5	(1) A proposal to create, expand or improve government action which
	6	will result in an expenditure increase shall be accompanied by:
	7	(a) an estimate of the budgetary or financial impact in the year it
	8	becomes effective and in the two subsequent years; and
	9	(b) a statement by the person requesting for the expenditure, stating
	10	how the increase or action is covered or relevant to the Appropriation Act and
	11	the Medium-term Expenditure Framework.
	12	(2) The provisions of this section shall not apply to expenditures
	13	deemed inconsequential and shall apply to State and Local Government only to
	14	the extent to which they have adopted these provisions.
Conditions for increasing personnel expenditure	15	<b>36.</b> The granting of any advantage or increase of remuneration, the
	16	creation of posts or allocation of career structures and employment of new
	17	personnel on any account by bodies and entities including foundations
	18	established and maintained by the Federal Government shall only be effected
	19	if, there is a prior budgetary allocation sufficient to cover the estimated
	20	expenditure.
All contracts to comply with rules and guidelines	21	<b>37.</b> All contracts with regard to the execution of annual budget; shall
	22	comply with the rules and guidelines on:
	23	(a) procurement and award of contracts; and
	24	(b) due process and certification of contract.
Application of Part VIII to States and Local Governments	25	<b>38.</b> In incurring public expenditures, States and Local Governments
	26	may adopt the provisions of this Part with such modifications as may be
	27	appropriate and necessary.
	28	PART IX - DEBT AND INDEBTEDNESS
Framework for debt management	29	<b>39.-(1)</b> The framework for debt management during the financial year
	30	shall be based on the following rules:

1 (a) Government at all tiers shall only borrow for capital  
2 expenditure and human capital development, provided that, such borrowing  
3 shall be on concessional terms with low interest rate and with a reasonable  
4 long amortization period subject to the approval of the appropriate  
5 legislative body where necessary; and

6 (b) Government shall ensure that the level of public debt as a  
7 proportion of national income is held at a sustainable level as prescribed by  
8 the national Assembly from time to time on the advice of the Minister.

9 (2) Notwithstanding the provisions of subsection 1 (a) of this  
10 section and subject to the approval of the National Assembly, the Federal  
11 Government may borrow from the capital market.

12 **40.-(1)** The President shall within 90 days from the  
13 commencement of this Act and with advise from the Minister of Finance  
14 subject to approval of National Assembly, set overall limits for the amounts  
15 of consolidated debt of the Federal, State and Local Governments pursuant  
16 to the provisions of items 7 and 50 of Part I of the Second Schedule of the  
17 constitution and the limits and conditions approved by the National  
18 Assembly, shall be consistent with the rules set in this Act and with the fiscal  
19 policy objectives in the Medium term fiscal Framework.

Limits on  
consolidated debt  
of Federal, State  
and Local  
Governments

20 (2) Outstanding judgement debts not paid shall be considered part  
21 of the consolidated debts for the purpose of application of the respective  
22 limits set in pursuance of this section.

23 (3) For the purpose of verifying compliance with the limits  
24 specified pursuant to this section, the Commission shall at the end of each  
25 quarter, determine the amount of the Consolidated debt of each tier of  
26 government.

27 (4) The Commission shall publish, on a quarterly basis, a list of the  
28 Governments in the federation that have exceeded the limits of consolidated  
29 debt, indicating the amount by which the limit was exceeded.

30 (5) Where at the end of any quarter, the consolidated debt of the

1 Federal, State or Local Government exceeds the respective limits, it shall be  
 2 brought within the limit, not later than the end of the three subsequent quarters  
 3 with a minimum of 25 per cent reduction in the first quarter.

4 (6) Violators of the limits specified pursuant to this section shall:

5 (a) be prohibited from borrowing from internal or external sources,  
 6 except for the refinancing of existing debts; and

7 (b) bring the debt within the established limit by restricting funding  
 8 commitments accordingly.

9 (7) Where non-compliance with the limit specified pursuant to this  
 10 section persist after the time limited by subsection (5) of this section, the  
 11 affected tier of Government shall also be prohibited from receiving grants from  
 12 any other Government in the Federation.

13 (8) Whenever the fundamentals of the proposals referred to in this  
 14 section are changed due to economic instability or change in monetary or  
 15 exchange policies, the President shall submit to the National Assembly a  
 16 request for a review of the current limits.

Servicing of  
external debt

17 41.-(1) Servicing of external debts shall be the direct responsibility of  
 18 the Government that incurred the debt.

19 (2) The cost of servicing Federal Government guaranteed loans shall  
 20 be deducted at source from the share of the debtor Government from the  
 21 Federation Account.

#### 22 PART X - BORROWING

Conditions of  
borrowing and  
verification of  
compliance with  
limits

23 42.-(1) Any Government in the Federation or its agencies and  
 24 corporations desirous of borrowing shall, specify the purpose for which the  
 25 borrowing is intended and present a cost-benefit analysis, detailing the  
 26 economic and social benefits of the purpose to which the intended borrowing is  
 27 to be applied and repayment programme.

28 (2) Without prejudice to subsection (1) of this section, each  
 29 borrowing shall comply with the following conditions:

30 (a) the existence of prior authorization in the Appropriation or other

1 Act or Law for the purpose for which the borrowing is to be utilized; and  
2 (b) the proceeds of such borrowing shall solely be applied towards  
3 long-term capital expenditures.

4 (3) Nothing in this section shall be construed to authorize  
5 borrowing in excess of the limits set out in section 40 of this Act.

6 (4) The Commission shall verify on a quarterly basis, compliance  
7 with the limits and conditions for borrowing by each Government in the  
8 Federation.

9 (5) Without prejudice to the specific responsibilities of the  
10 National Assembly and Central Bank of Nigeria, the Debt Management  
11 Office shall maintain comprehensive, reliable and current electronic  
12 database of internal and external public debts, guaranteeing public access to  
13 the information.

14 **43.**-(1) All banks and financial institutions shall request and obtain  
15 proof of compliance from the Commission with the provisions of this Part  
16 before lending to any Government in the Federation.

Lending by  
financial  
institutions

17 (2) Lending by banks and financial institutions in contravention of  
18 this Part shall be unlawful.

19 **44.** -(1) The Central Bank of Nigeria in its relation with  
20 Government agencies and Parastatals shall be subject to the following  
21 prohibitions:

Prohibition against  
CBN in its relation  
with government  
agencies and  
parastatals

22 (a) purchasing fresh issues of government securities on the date of  
23 its primary issue in the market, except in the circumstances under subsection

24 (2) of this section;

25 (b) exchanging on a temporary basis, the debt securities of any  
26 Government in the Federation for Federal public debt securities and forward  
27 exchange; or

28 (c) granting guarantees on behalf of any Government in the  
29 Federation.

30 (2) The Central Bank of Nigeria may only underwrite securities

1 issued by the Federal Government, which are rolled over to refinance maturing  
2 securities.

3 (3) The underwriting permitted under subsection (2) of this section  
4 shall be offset through a public auction at market determined rate.

Power of the  
minister to grant  
guarantees

5 **45.-(1)** Subject to the provisions of this Part, the Minister may with  
6 the approval of the Federal Executive Council, grant guarantees on behalf of  
7 any Government in the Federation.

8 (2) Any guarantee granted by the Minister shall be conditional upon  
9 the provision of a counter guarantee in an amount equal to or higher than the  
10 guarantee obligation, provided that there are no overdue obligations from the  
11 requesting Government in the Federation to the guarantor and its controlled  
12 corporations and such guarantee shall also be on compliance with the  
13 following:

14 (a) Counter-guarantee shall only be accepted from State or Local  
15 Governments; and

16 (b) The counter-guarantee required by the Federal Government from  
17 State or Local Government or by State or Local Government, may consist in  
18 the appropriation of tax revenue directly collected and resulting from statutory  
19 transfers and the guarantor shall be authorised to retain such revenue and use  
20 the respective amount to repay overdue debts.

21 (3) In the case of foreign currency borrowing, Federal Government  
22 guarantee shall be a requirement and no State, Local Government or Federal  
23 Agency shall, on its own borrow externally.

24 (4) Any guarantee provided in excess of the debts limits set pursuant  
25 to section 43 of this Act shall be an offence.

#### 26 PART XI - TRANSPARENCY AND ACCOUNTABILITY

Fiscal  
transparency

27 **46.-(1)** The Federal Government shall ensure that its fiscal and  
28 financial affairs are conducted in a transparent manner and accordingly ensure  
29 full and timely disclosure and wide publication of all transactions and

1 decisions involving public revenues and expenditures and their implications  
2 for its finances.

3 (2) The National Assembly shall ensure transparency and public  
4 participation during the preparation and discussion of the Medium-Term  
5 Expenditure Framework, Annual Budget and the Appropriation Bill.

6 47.-(1) The federal Government shall publish its audited accounts  
7 not later than six months following the end of the preceding financial year. Publication of  
audited accounts

8 (2) Federal Government shall, not later than two years following  
9 the commencement of this Act and thereafter, not later than 7 months  
10 following the end of each financial year, consolidate and publish in the mass  
11 media and the Ministry of Finance website, its audited accounts for the  
12 previous year.

13 (3) The publication of general standards for the consolidation of  
14 public accounts shall be the responsibility of the office of the Accountant-  
15 General of the Federation.

16 48. The Federal Government through its Budget Office within 30  
17 days after the end of each quarter, publish a summarised report on budget  
18 execution in such form as may be prescribed by the Fiscal Responsibility  
19 Commission and not later than 6 months after the end of the financial year, a  
20 consolidated budget execution report showing implementation against  
21 physical and financial performance targets shall be published by the  
22 Minister of Finance for submission to the National Assembly and  
23 disseminate to the public. Publication of a  
summarised report  
on budget execution

## 24 PART XII - ENFORCEMENT

25 49.-(1) Any person who wilfully, whether directly or indirectly,  
26 hinders or obstructs the Commission or its agent from performing the  
27 functions or duties imposed by this Act commits an offence and shall upon  
28 conviction be liable to a term of imprisonment of not less than three (3)  
29 months or a fine not less than N500,000.00 (Five Hundred Thousand Naira)  
30 or to both fine and imprisonment. Offences and  
Penalties



1           (2) Any person who gives false information to another person,  
2 authority or the Commission, in response to a request or in the performance of a  
3 function imposed by this Act or falsifies any document commits an offence and  
4 shall upon conviction be liable to a term of imprisonment of not less than Six  
5 (6) months or fine not less than N1,000,000.00 (One Million Naira) or to both  
6 fine and imprisonment.

7           (3) Any person who, with intent to deceive or mislead, makes a partial  
8 (instead of full) disclosure of information to the Commission or its agent,  
9 Federal Ministry of Finance, Budget Office of the Federation, Debt  
10 Management Office or any other Government Institution, in response to a  
11 request made in the performance of a function imposed by this Act commits an  
12 offence and shall upon conviction be liable to a term of imprisonment of not  
13 less than three (3) months or fine not less than N500,000.00 (Five Hundred  
14 Thousand Naira) or to both fine and imprisonment.

15           (4) Any person who refuses or fails, without lawful excuse, to give  
16 information to the Commission or Federal Ministry of Finance, Budget Office  
17 of the Federation and the Debt Management Office of the Federation or any  
18 other Government Institution, upon a request made in the performance of a  
19 function imposed by this Act commits an offence and shall upon conviction be  
20 liable to a term of imprisonment of not less than One year or a fine of not less  
21 than N1,000,000.00 (One Million Naira) or both fine and imprisonment.

22           (5) Any person who, without lawful excuse, fails to perform a duty  
23 imposed upon or assigned to him or the office which he occupies by this Act  
24 commits an offence and shall upon conviction be liable to a term of  
25 imprisonment not less than three (3) months or fine not less than N500,000.00  
26 (Five Hundred Thousand Naira) or both fine and imprisonment.

27           (6) Any person(s) who borrows or lends or is responsible for  
28 borrowing or lending in contravention of the provisions of Part (X) of this Act  
29 commits an offence and shall upon conviction be liable to imprisonment for a  
30 term not less than six (6) months or with a fine not less than N1,000,000.00

1 (One Million Naira) or with both fine and imprisonment.

2 (7) Any person who under-declares public revenue generated or  
3 collected by any government institution, corporation, agency, or  
4 government owned company commits an offence and shall upon conviction  
5 be liable to refund the total amount under-declared, imprisonment for a term  
6 not less than three years or with a fine not less than 10% of the total amount  
7 under-declared, or with both fine and imprisonment.

8 (8) Any person who duplicates a project or item in the` budget, or  
9 accepts and expends a grant regarding an item for which monies are  
10 appropriated, released and spent from the budget, commits an offence and  
11 shall upon conviction be liable to imprisonment for a term not less than one  
12 year or with a fine not less than N1,000,000.00 (One Million Naira) or with  
13 both fine and imprisonment.

14 (9) Subject, only, to the provisions of the Constitution, any person  
15 who spends or authorises the spending of any money collected or generated  
16 without appropriation by the National Assembly, commits an offence and  
17 shall upon conviction be liable to imprisonment for a term not less than three  
18 years or with a fine not less than 10% of the total amount spent or with both  
19 fine and imprisonment.

20 (10) Any person who transfers or spends any sum allocated for a  
21 particular project, or service in an Appropriation Act, on another project or  
22 service without approval of the National Assembly, commits an offence and  
23 shall upon conviction be liable to imprisonment for a term not less than three  
24 (3) months or a fine not less than N500,000.00 or to both imprisonment and  
25 fine.

26 (11) Any person who assaults an officer, staff or agent of the  
27 Commission while performing a function under this Act commits an offence  
28 and shall upon conviction be liable to imprisonment for a term of two years  
29 without an option of fine.

30 Provided that, in addition to the punishment provided herein, the

1 court shall have the power to award appropriate compensation to the staff or  
2 officer so assaulted.

3 (12) Any person who aids or abates the commission of an offence  
4 under this Act commits an offence and shall upon conviction be liable to the  
5 same sanction as the principal offender.

6 (13) Any person who fails to remit funds pursuant to section 23 of this  
7 Act commits an offence and shall upon conviction be liable to imprisonment  
8 for a term not less than one (1) year or a fine not less than N2,000,000.00 (Two  
9 Million Naira) or to both imprisonment and fine, and shall in addition, remit the  
10 full amount so outstanding.

11 (14) Any person who partially remits funds pursuant to section 23 of  
12 this Act commits an offence and shall upon conviction be liable to  
13 imprisonment for a term not less than six (6) months or a fine not less than  
14 N1,000,000.00 (One Million Naira) or to both imprisonment and fine, and shall  
15 in addition, remit the full amount so outstanding.

16 (15) Any person who contravenes any provision of this Act commits  
17 an offence and shall where no other punishment has been provided be liable to  
18 imprisonment for a term not less than three (3) months or a fine not less than  
19 N500,000.00 (Five Hundred Thousand Naira).

Enforcement

20 **50.**-(1) Any person shall have legal capacity to enforce the provision  
21 of this Act by obtaining prerogative orders or other remedies at the Federal  
22 High Court, without having to prove any injury (personal or otherwise) or to  
23 show any special or particular interest in the cause of action.

24 (2) The court shall have the power to, whether under a criminal or civil  
25 action brought pursuant to the provisions of this Act, order the recovery of  
26 every proceed of corrupt enrichment or wrongful benefit obtained by or  
27 conferred on any person from any public revenue, fund or other opportunity  
28 that belongs to government.

29 (3) Every public fund recovered under this Act shall be paid into the  
30 Consolidated Revenue Fund of the Federation.

1                   **51.** The Federal High Court shall have exclusive jurisdiction to  
2 entertain and determine action relating to matters covered by this Act.

3                   PART XIII - MISCELLANEOUS PROVISIONS

4                   **52.** Government securities, provided that they are duly listed on  
5 the Stock Exchange, may be offered as collateral to guarantee loans or other  
6 financial transactions under this Act for their economic values as defined by  
7 the Ministry.

8                   **53.** The proceeds derived from the sale or transfer of public  
9 properties and rights over public assets shall not be used to finance recurrent  
10 or debt expenditure, provided that, such proceeds may be used to liquidate  
11 existing liabilities directly charged against such properties or assets.

12                  **54.** The Federal Government may provide technical and financial  
13 assistance to States and Local Governments that adopt similar fiscal  
14 responsibility legislation along the same line in this Act for the  
15 modernization of their respective tax, financial and asset administration.

16                  **55.** The Federal Government, through the Ministry of Finance,  
17 may upon the recommendation of the Commission, offer such incentive and  
18 positive recognition to any Agency of Government which is able to meet its  
19 revenue target and compliance with the provisions of this Act.

20                  **56.** There is hereby established a Fiscal Responsibility Council to  
21 be constituted by the Chairman of the Commission and the Heads of Fiscal  
22 Responsibility bodies at the State Level, which shall hold meetings to  
23 deliberate on issues pertaining to fiscal policy framework and prudent  
24 management of the nation's resources.

25                  PART XIV - INTERPRETATION AND CITATION

26                  **57.** In this Act-

Interpretation

27 "Appropriation Act" means an Act or law passed by the National or State  
28 Assembly or Local Government authorizing spending from the Consolidate  
29 Revenue Fund and includes a Supplementary Appropriation Act or Law;  
30 "Appropriation Bill" means the Bill referred to in sections 59 of the

- 1 Constitution of the Federal Republic of Nigeria, 1999;
- 2 "Arms of Government" means the Executive, Legislature and Judiciary;
- 3 "Borrowing" means any financial obligation arising from:
- 4 (a) any loan including principal, interest, fees of such loans;
- 5 (b) the deferred payment for property, goods or services;
- 6 (c) bonds, debentures, notes or similar instruments;
- 7 (d) letters of credit and reimbursement obligations with respect
- 8 thereto;
- 9 (e) trade or bankers' acceptance;
- 10 (f) capitalised amount of obligations under leases entered into
- 11 primarily as a method of raising financing or of financing the acquisition of the
- 12 asset leased;
- 13 (g) agreements providing for swaps, selling rates, ceiling and floor
- 14 rates, contingent participation or other hedging mechanisms with respect to the
- 15 payment of interest or the convertibility of currency; and
- 16 (h) a conditional sale agreement, capital lease or other title retention
- 17 agreement.
- 18 "Budget Call Circular" means a circular:
- 19 (i) requesting the submissions in a prescribed form, of the revenue and
- 20 expenditure estimates of ministries, extra-ministerial departments, and other
- 21 executing agencies of Government for the next financial year; and
- 22 (ii) giving details, guidelines and instructions on the preparation of
- 23 the estimates and expenditure in a manner consistent with the medium term
- 24 developmental priorities set out in the Medium-Term Expenditure Framework;
- 25 "Capital Expenditure" means spending on an asset that last for more than one
- 26 financial year and expenses associated with the acquisition of such assets;
- 27 "Concessional terms" means the terms of the loan must be at an interest rate not
- 28 exceeding 3 percent;
- 29 "Consolidated debt" means the aggregate of the outstanding financial
- 30 obligations of Government including those of its Parastatals and agencies at

- 1 any point in time arising from:
- 2 (i) borrowing money including principal, interest, fees of such
- 3 borrowed money,
- 4 (ii) the deferred payment for property, goods or services,
- 5 (iii) bonds, debentures, note or similar instruments,
- 6 (iv) letters of credit and reimbursement obligations with respect
- 7 thereto,
- 8 (v) Guarantees,
- 9 (vi) Trade or bankers' acceptances,
- 10 (vii) Capitalised amounts of obligations under leases entered into
- 11 primarily as a method of raising financing or of financing the acquisition of
- 12 the asset leased';
- 13 (viii) Agreements providing for swaps, ceiling rates, ceiling and
- 14 floor rates, contingent participation or other hedging mechanisms with
- 15 respect to the payment of interest or the convertibility of currency and
- 16 (ix) A conditional sale agreement, capital lease or other title
- 17 retention agreement.
- 18 "Corporation" includes a government agency and a government owned
- 19 company.
- 20 "Cost-benefit-analysis" means an analysis that compares the cost
- 21 undertaking a service, project or programme with the benefits that citizens
- 22 are likely to derive from it;
- 23 "Financial Institution" means banks and every institution or organization
- 24 that lends money, gives credit facility or guarantees the repayment of loans
- 25 or credit facilities on a commercial basis.
- 26 "Fiscal Risk Appendix" An explanatory attachment that provides a set of
- 27 indicator that can be used to measure local fiscal risk;
- 28 "Fiscal Risk Target" provides numerical target for each risk indicator with
- 29 which a fiscal entity will be considered fiscally healthy;
- 30 "Fiscal year" has the meaning ascribed by the constitution;

- 1 "Fiscal Policy Objectives" means the goals set by Government for attainment  
2 of set targets for a given period;
- 3 "Government or any reference to a Government" shall, where appropriate,  
4 include the executive, legislature and judiciary;
- 5 "Government Owned Company" means a statutory corporation, Government  
6 agency and a company in which Government has controlling interest;
- 7 "Gross Revenue" under Part IV of this Act, means all revenue earned by or  
8 accruing to a corporation from all sources less subventions from government  
9 and grants from donors;
- 10 "Lending Institution" means a bank or financial institution;
- 11 "Medium-Term Expenditure Framework" means the document referred to and  
12 the content of which is prescribed in section 10 of this Act;
- 13 "Minister" means the Minister charged with the responsibility for finance;
- 14 "Net Debt" means the Consolidate Debt less what is owed to Government, its  
15 Parastatals and agencies at any point in time;
- 16 "President" means the President of the Federal Republic of Nigeria;
- 17 "Public Debt Securities" means public debt represented by securities issued by  
18 the Federal Government (including those of the Central Bank of Nigeria), the  
19 State and Local Governments;
- 20 "Public Expenditure" means outlays other than those resulting into debt  
21 reduction;
- 22 "Public revenue" all moneys received by a Government in the Federation:
- 23 "Quarter" means one quarter of a financial year and quarterly shall be  
24 construed accordingly;
- 25 "Recurrent Expenditure" means normal overhead and administrative expenses  
26 and personnel cost including salaries, emoluments and other benefits of  
27 employees;
- 28 "Reference Commodity Price" means such price as may be determined by the  
29 President subject to the approval of the National Assembly;
- 30 "Refinancing of debt securities" means issuance of securities to repay the

- 1 existing debt;
- 2 "State financial institution" means any financial institution in which one or
- 3 more state governments have controlling interests;
- 4 "State" shall be construed to include the Federal Capital Territory;
- 5 "Tax expenditure projections" means the projected amount expected to be
- 6 utilized in the granting of tax relief or tax holiday;
- 7 "Tax revenue projections" means the projected collectible tax or revenue
- 8 within a particular planning period; and
- 9 "Tiers of Government" means the Federal, State and Local Governments;
- 10 **58.** The Fiscal Responsibility Act, 2007 is hereby repealed. Repeal
- 11 **59.** This Bill may be cited as the Fiscal Responsibility Bill, 2020. Citation

EXPLANATORY MEMORANDUM

This Bill seeks to provide for prudent management of the Nation's Resources, ensure long Term Macro-Economic stability of the National Economy, secure greater accountability and transparency in Fiscal operations within the Medium Term Fiscal Policy Framework and the establishment of the Fiscal Responsibility Commission to ensure the promotion and enforcement of the Nation's Economic objectives.





# A BILL

## FOR

AN ACT TO PROVIDE FOR THE ESTABLISHMENT OF THE NIGERIA  
NATIONAL COMMISSION AGAINST THE PROLIFERATION OF SMALL ARMS  
AND LIGHT WEAPONS TO COORDINATE AND IMPLEMENT ACTIVITIES TO  
COMBAT THE PROBLEM OF THE PROLIFERATION OF SMALL ARMS AND  
LIGHT WEAPONS IN NIGERIA IN LINE WITH THE ECONOMIC COMMUNITY  
OF WEST AFRICAN STATES CONVENTION ON SMALL ARMS AND LIGHT  
WEAPONS, AND FOR RELATED MATTERS

*Sponsored by Senator Smart Adeyemi*

[ ] Commencement

ENACTED by the National Assembly of the Federal Republic of  
Nigeria as follows:

1           PART I - ESTABLISHMENT AND MEMBERSHIP OF THE NIGERIA  
2           NATIONAL COMMISSION AGAINST THE PROLIFERATION OF SMALL  
3           ARMS AND LIGHT WEAPONS

4           1.-(1) There is established the National Commission Against the  
5           Proliferation of Small Arms and Light Weapons (in this Act referred to as  
6           "the National Commission which shall promote and ensure-co-ordination of  
7           concrete measures for-effective control-of small arms and light weapon in  
8           Nigeria.

Establishment of  
the Nigeria  
National  
Commission  
Against the  
Proliferation of  
Small Arms and  
Light Weapons

9           (2) The National Commission is a body corporate with perpetual  
10          succession and a common seal and may:

11          (a) sue or be sued in its corporate name;  
12          (b) enter into contracts, and acquire, hold and dispose of property;  
13          and

14          (c) so far as is possible for a body corporate exercise the rights,  
15          powers and . privileges and incur the liabilities and obligations of a natural  
16          person of full age and capacity.

Membership  
of the National  
Commission

- 1                   **2.-(1)** The National Commission shall consist of:
- 2                   (a) the Minister of Foreign Affairs who shall be the Chairman;
- 3                   (b) one person, not below the rank of Director or its equivalent, to be
- 4 appointed from each of the following Ministries, Department and agency, as
- 5 the case may be:
- 6                   (i) the Ministry Internal Affairs,
- 7                   (ii) the Ministry of Defence,
- 8                   (iii) the Federal Ministry of Justice,
- 9                   (iv) the State Security Service,
- 10                  (v) the Nigeria Police Force, Nigeria Security and Civil defence
- 11 corps;
- 12                  (vi) the Nigerian Customs Service;
- 13                  (b) the Director-General of the National Commission who shall also
- 14 be the Secretary of the National Commission; and
- 15                  (c) two persons to represent civil society organisations engaged in the
- 16 control of the proliferation of small arms and light weapons.
- 17                  **(2)** The members of the National Commission, other than ex-officio
- 18 members shall be appointed by the President on the recommendation of the
- 19 Minister,
- 20                  **(3)** The National Commission may co-opt a person to act as adviser at
- 21 a meeting of the National Commission, but a person so co-opted shall not count
- 22 towards a quorum or vote at the meeting.
- 23                  **(4)** A member of the National Commission, including a person co-
- 24 opted as a member
- 25 under subsection (3) of this section, shall be paid such reasonable allowance in
- 26 accordance with the scale approved by the Federal Government.
- 27                  **(5)** The supplementary provisions set out in the Schedule to this Act
- 28 relate to the proceedings of the National Commission and the other matters
- 29 specified in it.

Tenure of office  
of members

- 30                   **3. -(1)** A member, other than an ex-officio member:

1                   (a) shall hold office for a term of four years commencing on the  
2                   date of appointment on such terms and conditions as may be specified in his  
3                   letter of appointment; and

4                   (b) may, at the end of his term unless he previously vacates or is  
5                   otherwise removed from office, be re-appointed for a further term of four  
6                   years only.

7                   (2) The office of a member, other than an ex-officio member shall  
8                   become vacant if:

9                   (a) his term has expired;

10                  (b) he resigns his office by notice in writing under his hand  
11                  addressed to the President through the Minister;

12                  (c) he dies;

13                  (d) he becomes of unsound mind or incapable of carrying out his  
14                  duties;

15                  (e) he becomes bankrupt;

16                  (f) he is found guilty of gross misconduct relating to his duties;

17                  (g) he ceases to hold the office on the basis of which he became a  
18                  member of the National Commission;

19                  (i) the National Commission by resolution declares that -the  
20                  member should be removed from office for contravening the provisions of  
21                  paragraph 3 (1) of the Schedule to this Act; or

22                  (j) the President is satisfied that it is not in the interest of the  
23                  National Commission or of the public for the person appointed to continue  
24                  in office.

25                  (3) Where a vacancy occurs in the National Commission, it shall be  
26                  filled by an appointment by the President of a successor who shall represent  
27                  the same interest as that member whose exit created the vacancy.

28                  (4) Where the office of a member of the National Commission  
29                  becomes vacant, the President shall appoint another person in his place in  
30                  accordance with the provisions of this Act.

	1	PART II - FUNCTIONS THE NATIONAL COMMISSION
Functions of the National Commission	2	<b>4.</b> The National Commission is responsible for:
	3	(a) establishing programmes of action to prevent, combat and
	4	eradicate the illicit trade in small arms and light weapons;
	5	(b) formulating strategies, plans and policies for the reduction in the
	6	proliferation of small arms;
	7	(c) sensitizing the public on the need to hand in to security services
	8	illegally held light weapons;
	9	(d) updating the Register of Small Arms and Light Weapons and
	10	transmitting them to the Economic Community of West Africa States and any
	11	other international organisation that may so require;
	12	(e) advising the Economic Community of West Africa States African
	13	Union and United Nations Organization on exemptions to be granted to
	14	member States for weapons of categories 1, 2 and 3 to meet legitimate national
	15	defence and security needs, or to participate in peace support or other
	16	operations in accordance with the decisions of the United Nations, African
	17	Union, Economic Community of West Africa States, or other regional or sub-
	18	regional body of which it is a member.
	19	(f) providing appropriate recommendations to the Economic
	20	Community of West Africa States, African Union and United Nations
	21	Organization Secretariat on exemptions to be granted under the Convention.,
	22	(g) liaising on a permanent basis with Economic Community of West
	23	Africa States, African Union, United Nations Organization and the Programme
	24	for Co-ordination for Assistance on Security and Development secretariats on
	25	issues relevant to the Convention and on issues regarding the proliferation of
	26	small arms in general;
	27	(h) initiating and developing mechanisms for exchange of
	28	information and experience with the National Commission of other Economic
	29	Community of West Africa States, African Union and United Nations
	30	accordance with the provisions of this Act;

(i) mobilizing resources for programme expenditures; and performing such other functions as are assigned to it under this Act or to National Commissions under the Convention.

PART III - MANAGEMENT AND STAFF

5.-{I) There shall be for the National Commission, a Director-General to be appointed by the President, on the recommendation of the Minister. Director-General  
of the National  
Commission

(2) The Director-General shall:

(a) be the chief executive and accounting officer of the National Commission;

(b) be an experienced in matters relating small arms and light weapons;

(c) be responsible for the day-to-day administration and management of the National Commission and the keeping of books and records of the National Commission;

(d) ensure that, in conducting its affairs, the National Commission is guided by the Jaws of Nigeria and international best practices which shall include the development and implementation of information security measures, technical and administrative competence, and the principles of impartiality, confidentiality, objectivity and integrity;

(e) formulate and develop an efficient and performance driven administration;

(g) the control and maintenance of discipline of staff; and

(e) perform such other functions as are assigned to him under this Act or any other law.

(3) The National Commission may give to the Director-General general directions as to the management of the property, business and funds of the National Commission and other matters relating to the functions of the National Commission.

(4) The Director-General shall be appointed into office for a term r

1 of four years in the first instance and may subject to satisfactory performance,  
2 be re-appointed for a further term off our years and no more.

3 (5) The Director-General shall cease to hold office if any the  
4 provisions of section 3 (2) (a) to (h) of this Act become applicable to him.

5 (6) The salary and emoluments of the Director-General of the  
6 National Commission shall be equivalent to that of a Permanent Secretary in  
7 the public service of the Federation.

8 (7) All departments shall render such assistance as may be reasonably  
9 required in the exercise, performance or carrying out of the powers, functions  
10 and duties conferred on. assigned to or imposed on the Director-General by or  
11 under this Act.

Delegation of  
powers by the  
Director-General

12 **6. -(1)** The Director-General may:

13 (a) delegate, in writing, any of the his powers under this Act to a  
14 Deputy Director of the National Commission; or

15 (b) instruct any other employee to perform any of the functions  
16 assigned to the National Commission under this Act.

17 (2) A delegation or instruction under subsection (1) of this section:

18 (a) is subject to the limitations or conditions that the Director-General  
19 may impose; and

20 (b) does not relieve the Director-General of the ultimate  
21 responsibility concerning the exercise of the delegated power or the  
22 performance of the assigned function.

23 (3) The Director-General may confirm, vary or revoke any decision  
24 taken by an employee in consequence of a delegation or instruction under  
25 subsection (1) of this section, as tong as no such variation or revocation of a  
26 decision detracts from any rights or contractual obligations that may have  
27 accrued as a result of the decision.

Other Staff

28 **7.-(1)** The National Commission may, from time to time, appoint  
29 directly, or on secondment from Jaw enforcement and security agencies,  
30 Ministries or private sector, such professional, technical and other staff as it

1       may consider necessary to assist the National Commission in the effective  
2       and efficient performance of its functions under this Act.

3               (2) For the purposes of this Act, a public officer who is transferred  
4       or seconded to the National Commission under subsection (I) of this section  
5       shall be regarded as a staff of the National Commission and be subject only  
6       to the control and direction of the National Commission.

7               (3) The National Commission shall, with the approval of Minister  
8       make staff regulations and determine conditions of service, including  
9       allowances, pensions and other benefits and disciplinary control, as are  
10      appropriate for its employees.

11              (4) The National Commission shall publish regulations made  
12      under subsection (4) of this section in such manner as it may determine.

13              (5) The National Commission shall, for the purpose of achieving  
14      maximum efficiency in the discharge of its functions set out in this Act,  
15      institute schemes for the training of its staff.

16              **8.-(1)** A person, other than the Director-General, shall not be  
17      appointed or seconded to perform any of the functions of the National  
18      Commission unless:

Security screening  
of staff

19              (a) information with respect to that person has been gathered in a  
20      security screening investigation by the State Security Service; and

21              (b) the National Commission, after evaluating the information  
22      gathered, is satisfied that the person may be so appointed or seconded  
23      without the possibility that he might be a security risk or that he might act in  
24      any way prejudicial to the objectives or functions of the National  
25      Commission.

26              (2) Where the National Commission on the advice of the Director-  
27      General is satisfied, it shall certify that the person has successfully  
28      undergone a security clearance.

29              (3) The Director-General may at any time, after consultation with  
30      the National Commission, subject a person referred to in subsection (1) of



	1	this section to further security screening investigation as contemplated in
	2	subsection (1) (a) of this section.
Service in the National Commission to be pensionable	3	<b>9. -(1)</b> Service in the National Commission is pensionable service for
	4	purposes of the Pension Reform Act, 2004 (2004 No.2) and accordingly,
	5	employees of the National Commission shall, in respect of their services, be
	6	entitled to pensions and other retirement benefits as are enjoyed by persons
	7	holding equivalent grades in the public service of the Federation.
	8	(2) Notwithstanding the provisions of -subsection (1) of this section,
	9	nothing in this Act shall prevent the appointment of-a person to any office on
	10	terms which preclude the grant of pension in respect of that office.
	11	(3) For the purpose of the application of the provisions of the Pension
	12	Reform Act, any powers exercisable by a Minister or other authority of the
	13	Government of the Federation (not being the power to make regulations under
	14	section 97 under that Act) are hereby vested in and shall be exercisable by the
	15	Board.
Establishment of Departments and Special Units	16	<b>10.</b> The National Commission shall establish Departments and
	17	Special Units for the effective and efficient discharge of its functions and
	18	powers under this Act.
	19	PART IV - FINANCIAL PROVISIONS
Fund the National Commission	20	<b>11. -( 1)</b> There shall be established for the National Commission a
	21	fund which shall be applied towards the discharge of its functions and duties
	22	under this Act and into which shall be credited:
	23	(a) take off grants and annual subventions received from the
	24	Government of the Federation;
	25	(b) budgetary allocations approved by the National Assembly for the
	26	purpose of the National Commission;
	27	(c) grants, gifts or donations from international organisations and
	28	donor agencies, provided that the terms and conditions attached to a grant, gift
	29	or donation are not inconsistent with the functions of the National Commission;
	30	(d) charges, fees and other sums collected or received for services rendered by

1 the National Commission; and

2 (e) all other funds which may, from time to time, accrue to the  
3 National Commission;

4 (2) The fund established pursuant to subsection (1) of this section  
5 shall be managed in accordance with extant Financial Regulations  
6 applicable in the public service of the Federation.

7 **12.** The National Commission may, from time to time, apply the  
8 proceeds of the fund established pursuant to section 11 (1) of this Act for the  
9 following purposes:

Expenditure of  
the National  
Commission

10 (a) the cost of administration of the National Commission;

11 (b) the reimbursement of members of the National Commission or  
12 any committee set up by the National Commission for such expenses as may  
13 be authorised in accordance with the rates approved by the Government of  
14 the Federation;

15 (c) the payments of salaries, fees and other remunerations or  
16 allowances, payable to members of the National Commission, committee,  
17 employees, experts or professionals appointed by the National  
18 Commission;

19 (d) the maintenance of any property acquired or vested in the  
20 National Commission; and

21 (e) any matter connected with all or any of the functions of the  
22 National Commission under this Act.

23 **13.** -(I) The National Commission shall not later than 30th August  
24 of each year, submit to the Minister for approval, estimates of the income  
25 and expenditure of the National Commission for the next financial year.

Estimates,  
accounts and audit

26 (2) The National Commission shall:

27 (a) keep proper records and accounts of its incomes and  
28 expenditures;

29 (b) prepare a statement of accounts in respect of each year; and

30 (c) ensure that the bank accounts are held with reputable banks.

	1	(3) The National Commission shall, within the first four months of
	2	each financial year, submit its accounts to auditors appointed by the National
	3	Commission from the list and in accordance with guidelines approved by the
	4	Auditor-General of the Federation, for auditing.
	5	(4) The audited accounts of the National Commission and the
	6	Auditor-General's report on those accounts shall form part of the Auditor
	7	General's overall annual report to the National Assembly.
Annual report	8	<b>14.</b> The National Commission shall, not later than six months after
	9	the end of each year, submit through the Minister to the President, a report on
	10	the activities of the National Commission, including evaluation reports
	11	received and of money laundering and terrorist financing trends and its
	12	administration during the preceding year and shall include in the report, the
	13	audited accounts of the National Commission and the auditor's comments on
	14	them.
	15	PART V - LEGAL PROCEEDINGS AGAINST THE NATIONAL COMMISSION
Limitation of suit against the National Commission t	16	<b>15.-(1)</b> Subject to the provisions of this Act, the provisions of the
	17	Public Officers' Protection Act (Cap. P41 LFN 2004) apply in relation to any
	18	suit instituted against the Director-General, a member of the Board, or an
	19	employee of the National Commission.
	20	(2) Notwithstanding anything contained in any other law or
	21	enactment, no suit shall lie or be instituted in any court against the Director;
	22	General, a member of the Board, or employee of the National Commission for
	23	any act done in pursuance of this Act or any other law or enactment on money
	24	laundering or terrorist financing or of any public duty or authority or in respect
	25	of any alleged neglect or default in the execution of this Act or such other law or
	26	enactment, duty or authority, unless:
	27	(a) it is commenced within three months after the act, neglect or
	28	default complained of; or
	29	(b) in the case of a continuation of damage or injury, within 6 months
	30	after its cessation.

1 (3) No suit shall be commenced against the Director-General, a  
2 member of the Board or an employee of the National Commission before the  
3 expiration of 3 months after written notice of the intention to commence the  
4 suit shall have been served on the National Commission by the intending  
5 plaintiff or his agent.

6 **16.** A notice, summons or other documents required or authorised  
7 to be served on the National Commission under the provisions of this Act or  
8 any other law or enactment may be served by delivering it to the Director-  
9 General, or by sending it by registered post and addressed to the head office  
10 of the National Commission.

Service of  
documents

11 **17. -(1)** In an action or a suit against the National Commission, no  
12 execution or attachment process in any nature thereof shall be issued against  
13 the National Commission unless not less than 3 months' notice of the  
14 intention to execute or attach has been given to the National Commission.

Restriction on  
execution against  
property of the  
National  
Commission

15 (2) Any sum of money which may by the judgment of any court be  
16 awarded against the National Commission shall, subject to any direction  
17 given by the court, where no notice of appeal against the said judgment has  
18 been given, be paid from the fund of the National Commission.

19 **18.** The Director-General, a member of the National Commission,  
20 or an employee of the National Commission shall be indemnified out of the  
21 assets of the National Commission against any proceedings brought against  
22 him in his capacity as the Director-General, member of the National  
23 Commission or the employee of the National Commission where (he act  
24 complained of is not ultra vires his powers.

Indemnity of  
officers

25 PART VI - COLLECTIO , STORAGE, DESTRUCTION, MANAGEMENT AND  
26 STOCKPILING OF SMALL ARMS AND LIGHT WEAPONS

27 **19. -(1)** The National Commission shall collect:

- 28 (a) small arms which are surplus to the national needs or have  
29 become obsolete;  
30 (b) seized light weapons;

Collection, storage  
and destruction of  
small arms and  
light weapons

	1	(c) unmarked light weapons;
	2	(d) illicitly held light weapons;
	3	(e) small arms collected in the implementation of peace accords or
	4	programmes for the voluntary handing in of weapons.
	5	(2) A small arms or light weapon collected under subsection (1) of this
	6	section shall be registered and securely stored or destroyed.
	7	(3) The National Commission shall promote and carry out
	8	programmes of voluntary handing in of small arms and light weapons.
Management and security of stockpiles	9	<b>20.</b> -(1) The National Commission shall take the necessary measures
	10	to ensure the safe and effective management, storage and security of national
	11	stocks of small arms and light weapons.
	12	(2) The National Commission shall, in pursuance of subsection (1) of
	13	this section, establish effective standards and procedures for stockpile
	14	management, storage and security, including:
	15	(a) appropriate site;
	16	(b) physical security measures of storage facilities;
	17	(c) inventory management and record keeping;
	18	(d) staff training;
	19	(e) security during manufacture and transportation; and
	20	(f) sanctions in case of theft or loss.
	21	(3) The National Commission shall ensure that stockpiles of small
	22	arms and light weapons by manufacturers, dealers as well as individuals are
	23	securely ordered in accordance with the appropriate standards and procedures;
	24	<b>PART VII - REGISTER OF SMALL ARMS AND LIGHT WEAPONS AND</b>
	25	<b>REGISTER ARMS FOR PEACE OPERATIONS</b>
Establishment of Register of Small Arms and Light Weapons	26	<b>21.</b> -(1) The National Commission shall keep and maintain a
	27	computerised Register of Small Arms and Light Weapons and a database, in
	28	which shall be recorded the following information:
	29	(a) description of the product (type of model, calibre) and quantity (if
	30	it concerns a batch);

- 1 (b) the content of the marking;
- 2 (c) the names and addresses of the former and current owners and,
- 3 when possible, successive owners;
- 4 (d) the date of registration;
- 5 (e) information concerning each transaction including:
- 6 (i) the name and address of the shipper, the intermediary (where
- 7 applicable), the consignee and the user indicated on the end-user-certificate;
- 8 (ii) the point of departure, transit and destination, as well as the
- 9 customs references and the dates of departure, transit and delivery to the
- 10 end-user;
- 11 (iii) the export, transit and import licence (quantities and batches
- 12 corresponding to the same licence as well as the validity of the licence);
- 13 (iv) full details concerning the method of transport and the
- 14 transporter;
- 15 (v) the controlling agency or agencies (at point of departure, transit
- 16 and entry);
- 17 (vi) the nature of the transaction (commercial, non-commercial,
- 18 private or public, conversion, repair), and
- 19 (vii) where applicable, the insurer and the financial institution
- 20 intervening in the transaction.
- 21 (2) The records in the Register shall be kept permanently,
- 22 **22.-(1)** The National Commission shall also:
- 23 (a) keep and maintain a Register of Small Arms and Light weapons
- 24 destined for use in peacekeeping operations both inside and outside the
- 25 ECOWAS or AU territory under the ECOWAS and AU and Executive
- 26 Secretary to ensure the control of movements of small arms and light
- 27 weapons and their effective withdrawal at the end of peace operations in
- 28 which Member States are participating; and
- 29 (b) declare to the ECOWAS, African Union and United Nations
- 30 Organization Executive Secretariat all small arms and light weapons:

Register or Arms  
for Peace  
Operations

	1	(i) used in peace operations, or
	2	(ii) seized, collected or destroyed during peace operations in Nigeria
	3	and in the ECOWAS or AU region.
Registrar of arms	4	<b>23.</b> The National Commission shall appoint a Registrar of Arms who
	5	shall:
	6	(a) keep, maintain and update, from time to time, the Registers
	7	established under sections 21 and 22 of this Act; and
	8	(b) transmit the Registers to the Secretariat of the Economic
	9	Community of West Africa States.
	10	PART VIII - CONTROL OF THE MANUFACTURE OF SMALL ARMS
	11	AND LIGHT WEAPONS
Control of the manufacture of small arms and light weapons	12	<b>24.</b> -(1) The National Commission shall:
	13	(a) control the manufacture of small arms and light weapons within
	14	Nigeria;
	15	(b) regulate the activities of local small arms and light weapons
	16	manufacturers; and
	17	(c) adopt strategies and policies to the reduction or limitation of the
	18	manufacture of small arms and light weapons so as to control the local
	19	manufacture as well as their marketing within West African Economic
	20	Community States.
	21	(2) The National Commission shall also prepare an exhaustive list of
	22	local manufacturers of small arms and light weapons and ensure their
	23	registration in the Register of Small Arms and Light Weapons established
	24	under section 21 of this Act.
Measures of control for small arms and light weapons manufacture	25	<b>25.</b> -(1) The National Commission shall ensure the effective control of
	26	the manufacturing of small arms and light weapons.
	27	(2) The National Commission shall not grant a request for the
	28	manufacture of small arms and light weapons unless the manufacturer gives
	29	information relating to:
	30	(a) details of the arms to be manufactured and the quantity, exact type

1 and kind of arms using ECOWAS classification system, including all serial  
2 numbers and other markings;

3 (b) the procedure for marking, the procedure for entering details of  
4 each small arm and light weapon into the Register of Small Arms and Light  
5 Weapons established under section 21 of this Act and information on the  
6 storage and management of the small arms and light weapons after  
7 manufacture.

8 26.-(1) The National Commission shall exchange with other Tracing  
9 ECOWAS, African Union and United Nations Organization member States  
10 information on:

11 (a) illicit small arms and light weapons;  
12 (b) seized small arms and light weapons; and  
13 (c) trafficking in weapons that contravene international law or the  
14 internal laws of the States in which the operations take place, including  
15 condemnation of the person or institution implicated, sanctions, disposal,  
16 destruction methods and neutralisation.

17 (2) The National Commission shall, in the case of other small arms  
18 and light weapons exchange the following data on a regular basis:

19 (a) on manufacture, the marking system and techniques used and  
20 authorized manufacturers;

21 (b) on transfers, exports to and imports from all other States,  
22 transits, information available concerning national legislation, existing  
23 practices and controls, authorised dealers and brokers; and

24 (c) on existing stockpiles, management, inventory, security,  
25 surplus, losses, theft and destruction.

26 (3) The National Commission may initiate a tracing request  
27 through the ECOWAS, AU or UN Executive Secretary in relation to small  
28 arms and light weapons found within Nigeria that it considers to be illicit.

29 (4) A request by the National Commission for assistance in tracing  
30 illicit small arms or light weapons shall contain sufficient information,



1 including, among others:

2 (a) information describing the illicit nature of the small arm and light  
3 weapon, including its legal justification and circumstances under which the  
4 small arm and light weapon was found;

5 (b) markings, type, calibre and other relevant information; and,

6 (c) intended use of the information being sought.

7 (5) Where the National Commission receives through the ECOWAS,  
8 AU or UN Executive Secretary request for assistance in tracing illicit small  
9 arms and light weapons found in the requesting Member State, the National  
10 Commission shall acknowledge its receipt within a reasonable time frame.

11 (6) A request from a Member State received under subsection (5) of  
12 this section shall contain the information set out in subsection (4) of this  
13 section.

14 (7) The National Commission shall provide reliable responses to  
15 tracing requests made by other Member States within one month from the date  
16 of receipt of the request.

17 (8) In responding to a tracing request, the National Commission shall  
18 provide all available information sought by the requesting Member States that  
19 is relevant for the purpose of tracing illicit small arms and light weapons;

20 (9) The National Commission may seek additional information from  
21 the requesting Member States where a tracing request does not contain the  
22 information required in this section.

23 **PART IX- MISCELLANEOUS**

Public education  
and awareness  
programmes

24 **27.-(1)** The National Commission shall, in the interest of promoting a  
25 culture of peace, design public and community education and awareness  
26 programmes at national, State and local levels in order to involve Nigerians in  
27 the efforts to curb the proliferation of small arms and light weapons.

28 (2) The National Commission shall, in pursuance of subsection (1) of  
29 this section, undertake to develop and strengthen its partnership with civil  
30 society organisations at national, State and local levels, including, women,

1 youth and others, for better information and raise public awareness on the  
2 dangers of the proliferation of small arms and light weapons.

3 (3) The National Commission shall encourage civil society  
4 organisations to play a central role in creating awareness and education of  
5 the population.

6 **28.**-(1) The administrative body domiciled in the Ministry of  
7 Foreign Affairs and known as the National Committee on SALWs  
8 (NATCOM) (in this section referred to as the "dissolved Committee") is  
9 dissolved. Dissolution,  
transitional and  
savings provisions

10 (2) Accordingly, all rights, obligations and liabilities which,  
11 immediately before the commencement of this Act, were vested in or  
12 imposed on the dissolved Committee shall be the rights, obligations and  
13 liabilities of the National Commission established under this Act;

14 **29.** The Minister may make regulations and issue guidelines as are Regulations  
15 necessary or expedient for the effective and efficient implementation of the  
16 provisions of this Act.

17 **30.** In this Act, unless the context otherwise requires: Interpretation  
18 "ammunition" means devices designed to be shot or projected through the  
19 means of firearms, including, among others:

- 20 (a) cartridges;
- 21 (b) projectiles and missiles for light weapons; and
- 22 (c) mobile containers with missiles or projectiles for anti-aircraft  
23 or anti-tank single action systems;

24 "Convention" means the Economic Community of West African States  
25 Convention on Small Arms and Light Weapons, their Ammunition and  
26 Other Related Materials, 2006, done at Abuja, on 14th June, 2006;

27 "ECOWAS" means the Economic Community of West African States; AU-  
28 means African Union; UN - means United Nations

29 "illicit" means all that is carried out in violation of the Convention;

30 "light weapons" means portable arms designed to be used by several persons

1 working together in a team and include, notably:

2 (a) heavy machine guns;

3 (b) portable grenade launchers, mobile or mounted;

4 (c) portable anti-aircraft cannons;

5 (d) portable anti-tank cannons, non-recoil guns;

6 (e) portable anti-tank missile launchers or rocket launchers;

7 (f) portable anti-aircraft missile launchers; and

8 (g) mortars with a calibre of less than one hundred millimetres;

9 "marking" means inscriptions permitting the identification of arms covered by  
10 the Convention;

11 "member" means a member of the National Commission appointed under  
12 section 2 (1) of this Act and includes the Chairperson;

13 "Minister" means the Minister of Foreign Affairs;

14 "National Commission" means the Nigeria National Commission Against the  
15 Proliferation of Small Arms and Light Weapons established under section 1 of  
16 this Act;

17 "other related materials" means all components, parts or spare parts for small  
18 arms or light weapons or ammunition necessary for its functioning; or any  
19 chemical substance serving as active material used as propelling or explosive  
20 agent;

21 "small arms" means arms used by one person and include, notably:

22 (a) firearms and other destructive arms or devices such as an  
23 exploding bomb, an incendiary bomb or a gas bomb, a grenade, a rocket  
24 launcher, a missile system or landmine;

25 (b) revolvers and pistols with automatic loading;

26 (c) rifles and carbines;

27 (d) machine guns;'

28 (e) assault rifles; and

29 (f) light machine guns;

1 "small arms and light weapons" includes ammunition and other related  
2 materials;

3 "tracing" means the systematic monitoring of the movements of small arms  
4 and light weapons and their ammunition and other related materials, from  
5 the manufacturer until the end user, with a view to helping member States  
6 competent authorities to detect illicit manufacture and-trading;

7 "weapons -of categories 1, 2 and 3" .means light weapons, small arms and  
8 ammunition, respectively,

9 31. This Bill may be cited as the Nigeria National Commission Citation  
10 Against the Proliferation of Small Arms and Light Weapons Bill, 2020.

11 SCHEDULE

12 (Sections 2 (5)

13 SUPPLEMENTARY PROVISIONS RELATING TO THE PROCEEDINGS OF THE  
14 NATIONAL COMMISSION AND OTHER MATTERS

15 1.-(1) "Subject to the provisions of section 21 of the Interpretation  
16 Act (Cap 123 LFN 2004) (which provides for the decisions of a statutory  
17 body-to be-taken by a majority of the members of the body and for the  
18 person presiding to have a second or casting vote), the National Commission  
19 to make standing orders regulating the proceedings of the National  
20 Commission and of its committee.

21 (2) The National Commission shall meet once a quarter at such  
22 times and places as the Chairman may determine.

23 (3) The quorum for a meeting of the National Commission is five,  
24 which shall include one other member who is not an ex-officio member, and  
25 the quorum of a committee of the National Commission shall be determined  
26 by the National Commission.

27 (4) The Chairman shall, at any time, if five other members request  
28 in writing, convene an emergency meeting of the National Commission,  
29 provided that not less than forty-eight hours notice is given to members for  
30 the meeting.

1           (5) At a meeting of the National Commission, where the Chairman is  
2 absent, the members present at the meeting shall appoint one of the members to  
3 preside.

4           (6) The minutes of the National Commission shall be recorded by the  
5 Secretary and signed by the Chairman or the person who presided at the  
6 meeting, after confirmation by the National Commission.

7           (7) The validity of a proceeding of the National Commission is not be  
8 affected by:

9           (a) a vacancy in its membership;

10          (b) a defect in the appointment or qualification of a member; or

11          (c) reason that a person not entitled to do so, took part in proceedings  
12 of the National Commission.

13          2. A resolution of the National Commission is valid, even though it is  
14 not passed at a meeting of the National Commission, if:

15          (a) the notice in writing of the proposed resolution was given to each  
16 member; and

17          (b) the resolution is signed or assented to by a majority of members of  
18 the National Commission, including the Director-General.

19          3.-(1) A member who has a direct or an indirect personal interest in  
20 the outcome of the:

21          (a) disclose the nature of the interest at that meeting;

22          (b) withdraw from the deliberations of the National Commission in  
23 respect of the matter; and

24          (c) not vote on the matter.

25          (2) The disclosure of the interest shall be recorded in the minutes of  
26 the meeting.

27          (3) A member who contravenes the provisions of sub-paragraph (1)  
28 may be removed from office.

29          4.-(1) The application of the common seal of the National  
30 Commission shall be authenticated by the signature of the Chairman or the

1 Director General on behalf of the National Commission.

2 (2) A document bearing the imprint of the seal of the National  
3 Commission is deemed to be properly sealed unless the contrary is proved.

4 5.-(1) Without prejudice to other provisions of this Act, the  
5 National Commission may appoint such number of committees as the  
6 National Commission considers necessary to carry out, on its behalf, such of  
7 its functions as the National Commission may determine.

8 (2) A committee appointed under this paragraph shall consist of  
9 such number of persons as the National Commission may determine, and  
10 not more than one-third of those persons maybe appointed, who are not  
11 members of the National Commission.

12 (3) A person who is not a member of the National Commission  
13 shall hold office on the committee in accordance with his letter of  
14 appointment

15 (4) A decision of a committee appointed under this paragraph shall  
16 be of no effect until it is confirmed by the National Commission.

17 EXPLANATORY MEMORANDUM

18 *(This memorandum does not form part of the Bill but is intended to  
explain its purport)*

This Bill seeks to provide for the establishment of the Nigeria National Commission against the Proliferation of Small Arms and Light Weapons to coordinate and implement activities to combat the problem of the proliferation of small arms and light weapons in Nigeria in line with the Economic Community of West African States Convention on Small Arms and Light Weapons.