

A BILL

FOR

AN ACT TO AMEND THE NIGERIA SOVEREIGN INVESTMENT AUTHORITY (ESTABLISHMENT, ETC) ACT, 2011 TO ALIGN IT WITH THE 1999 CONSTITUTION OF THE FEDERAL REPUBLIC OF NIGERIA, RESTORE THE SOVEREIGNTY OF THE NAIRA AS THE NATIONAL CURRENCY, ENSURE TRANSPARENCY OF ITS FUNDING, AND ENTRENCH PARLIAMENTARY ACCOUNTABILITY

Sponsored by Hon. Shehu N. Garba

[] Commencement

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

1 1. Section 1 Subsection (1) of the Nigeria Sovereign Investment Authority Act is amended as follows: Amendment of Section 1

2
3 "(1) There is established the Nigeria Sovereign Wealth Authority."

4 2. Section 3(a) of the Nigeria Sovereign Investment Authority Act is amended as follows: "(a) Building a savings base for Nigeria." Amendment of Section 3

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6 3. Section 7 Subsection (2)(3) of the Nigeria Sovereign Investment Authority Act is expunged, as new Subsection (2) was created as follows: Amendment of Section 7

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9 "(2) ' Council shall be the highest policy organ of the Authority and shall have the responsibility of presenting the Annual Budget of the Authority to the National Assembly".

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12 Subsection (4) of Section 7 now becomes Sub-section (3).

13 4. Section 12 of the Nigeria Sovereign Investment Authority Act is amended by specifying Subsection (1) and (2) as follows: Amendment of Section 12

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15 "(1) The Authority shall provide written quarterly reports on its operations to the relevant Committees of both Houses of the National Assembly and specifically with respect to its assets, liabilities, redemptions,

1 realizations, sales, and how it has met its investment objectives." .

2 "(2) Provide that the relevant Committee of both Houses of the
3 National Assembly shall make half-yearly reports of matters contained in
4 Section 12(1) to be sent to each of the Federal House of Representatives, and
5 the Senate."

Amendment of
Section 13

6 5. Section 13 Subsection (1) is amended as follows:

7 "(1) The Council shall hold meetings such that would enable it
8 discharge the duties imposed on it under this Act". Subsection (3) is expunged.

9 6. Section 14 of the Nigeria Sovereign Investment Authority Act is
10 amended by expunging Subsection (I), thus, having no Subsection; and
11 provides as follows:

12 "The Council may constitute a sub-committee comprising members of the
13 Council with demonstrated experience in the international investment industry
14 to assist in the discharge of its functions under this Act."

Amendment of
Section 25

15 7. Section 25 of the Nigeria Sovereign Investment Authority Act is
16 amended by expunging Subsections (1) and (2), thus, having no Subsection;
17 and provides as follows:

18 "The Board shall exercise due diligence in the conduct of its affairs and in the
19 discharge of its responsibilities under this Act provided that its Annual Budget
20 shall be subject to the approval of the National Assembly."

Amendment of
Section 29

21 8. Section 29 Subsection (1) and (2) of the Nigeria Sovereign
22 Investment Authority Act is amended as follows:

23 "(1) The Authority shall be established by a Seed Fund which shall be
24 Nigerian Naira, One Hundred and Sixty Billion."

25 "(2) The Seed Fund shall be a direct charge on the Consolidated
26 Revenue Fund of the Federation at commencement of operation by the
27 Authority."

Amendment of
Section 30

28 9. Section 30 Subsection (2) is expunged, thus, the amended Section
29 30 has no Subsection, and should now read as follows:

30 "Subsequent funding shall be by an annual pre-determined amount by which

1 the actual oil price is higher than the budgeted oil benchmark price, or an
2 amount specified in the Appropriation Act, which ever is higher."

3 **10. Section 32 of the Nigeria Sovereign Investment Authority Act** Amendment of
4 is rearranged as Subsection (2) is expunged; Section 32

5 "(1) All ownership interest in the Authority shall be held by the
6 Federal Government, State Governments, Federal Capital Territory, Local
7 Governments and Area Councils of the Federation on behalf of the people of
8 Nigeria."

9 "(2) The Federal Government, State Governments, Federal Capital
10 Territory and Local Government and Area Councils of the Federation shall
11 not transfer, redeem, assign, dispose of, sell, mortgage, pledge or otherwise
12 encumber any interest of any kind in the Authority."

13 **11. Section 37 Subsection (1) of the Nigeria Sovereign Investment** Amendment of
14 Authority Act is amended as follows: Section 37

15 "(1) Not later than 3 months after the end of each financial year
16 which shall be 1st January to 31st December, annually, the Authority shall
17 submit a report (the "Annual Report") to the President, the Minister, the
18 Central Bank of Nigeria, the National Economic Council, the National
19 Assembly and each State House of Assembly of its activities during the
20 financial year concerned."

21 **12. Section 38 Subsection (2) of the Nigeria Sovereign Investment** Amendment of
22 Authority Act is amended as follows: Section 38

23 "(2) The external audit shall be carried out by an auditor(s)
24 appointed from a list of Auditors approved by the Auditor-General of the
25 Federation. The Council shall have the power to appoint the external
26 auditor(s) to the Authority."

27 **13. Section 59 of the Nigeria Sovereign Investment Authority Act** Amendment of
28 is amended as follows: Section 59

- 1 "This Act may be cited as the Nigeria Sovereign Wealth Authority
- 2 (Establishment, etc) Amendment Act, 2015."

EXPLANATORY MEMORANDUM

This Bill Seeks to amend the Nigeria Sovereign Investment Authority (establishment, etc) Act, 2004 to align it with the 1999 Constitution of the Federal Republic of Nigeria, restore the Sovereignty of the Naira as the National currency, ensure transparency of its funding, and entrench parliamentary accountability.