

A BILL

Executive

FOR

AN ACT TO AMEND THE FISCAL RESPONSIBILITY ACT, 2007, TO PROVIDE AN EXPANDED SCOPE OF BORROWING POWERS TO THE GOVERNMENT AND FOR RELATED MATTERS, 2017

[] Commencement

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

1 1. The Fiscal responsibility Act, 2007 (in this Act referred to as
2 "the Principal Act") is amended as set out in this Act.

Amendment of the Fiscal Responsibility, 2017

3 2. Section 41 of the Principal Act is amended by-
4 (1) inserting a new subsection (2) as follows-

Amendment of Section 41 of the Principal Act

5 "(2) Notwithstanding the provision of subsection (1) of this section,
6 where the economic situation in the country makes it compelling, the
7 Government may, in compliance with the provisions of this Act, borrow for
8 a purpose other than capital expenditure or human development."

9 (2) renumbering the existing subsection (2) and (3) as subsection
10 (3) and (4), respectively.

11 3. Paragraph (b) of subsection (2) is amended by inserting
12 immediately after the word 'expenditures', the phrase-

Amendment of Section 44 of the Principal Act

13 "except where the provision of section 41 (2) of the Act applies."

14 4. This Bill may be cited as the Fiscal Responsibility
15 (Amendment) Bill, 2017.

Short Title

EXPLANATORY MEMORANDUM

(This memorandum does not form part of the Bill but seeks to explain its purport)

This Act seeks to expand the scope of borrowing available to the Government to be exercised in inevitable and desirable situations.