

A BILL

FOR

AN ACT TO ESTABLISH THE NATIONAL AGRICULTURAL DEVELOPMENT
FUND AND FOR RELATED MATTERS

Sponsored by Hon. Munir Dan Agundi

[] Commencement

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

PART I - ESTABLISHMENT OF THE NATIONAL AGRICULTURAL DEVELOPMENT FUND AND THE GOVERNING BOARD

1- (1) There is established a body to be known as the National
Agriculture Development Fund (in this Bill referred to as "the Fund").

Establishment of
the National
Agricultural
Development Fund

(2) The Fund shall be a body corporate with perpetual succession
and a common seal and may-

(a) may sue and be sued in its corporate name; and

(b) may hold and dispose its property whether movable or
immovable.

2- (1) There is established for the Fund a Governing Board (in this
Bill referred to as "the Board").

Establishment of
the Governing
Board

(2) The Board shall consist of-

(a) the Chairman;

(b) one representative each of the following-

(i) Ministry of Finance (office of the Accountant-General);

(ii) Federal Inland Revenue Service;

(iii) All Farmers Association of Nigeria;

(iv) National Food Reserve Agency;

(v) Bankers Association of Nigeria;

(vi) the organised private sector to represent special interest;

(c) two persons to represent the Federal Ministry of Agriculture

1 and Water Resources

2 (d) one person from each of the six geo-political zones; and

3 (e) the Executive Secretary.

4 (3) The Chairman and members shall be appointed by the President
5 on the recommendation of the Minister.

6 (4) The President may vary the composition of the Board after
7 consultation with the Minister.

8 (5) The Performance of the functions or exercise of the powers of the
9 Board shall not be affected by reason of there being a vacancy in the
10 membership of the Board.

11 (6) The appointment of a member shall no be invalidated by reason of
12 a defect or irregularity in or in connection with his nomination or appointment.

13 (7) Member, other than ex-officio, shall be part-time members.

14 (8) The supplementary provisions set out in the schedule to Bill shall
15 have effect with respect to the proceedings of the Board and other matters
16 contained therein.

Qualifications
of members

17 3.-(1) The Chairman and members shall hold the following
18 qualifications-

19 (a) finance as it relates to agriculture, agricultural policy formulation
20 and implementation; or

21 (b) economics as it relates to agriculture, agricultural policy and
22 implementation.

Tenure of
members

23 4.-(1) A member other than ex-officio-

24 (a) shall hold office for a term of four years and no more; or

25 (b) may hold office on terms and conditions as may be specified in his
26 letter of appointment.

27 (2) A member may at any time be removed from office by the
28 President for inability to discharge the functions of his office (whether arising
29 from infirmity of mind or body) or if the President considers that it is not in the
30 interest of the Fund or the Public for such member to continue in office.

1 **5.-(1) A member may cease to hold office if-**

Cessation of
membership

2 (a) he is without permission of Board absent for more than three
3 consecutive meetings of the Board or without such permission is absent
4 from the country for a period exceeding one year;

5 (b) in case of a professional who is disqualified or suspended
6 (other than at his own request) from practising his profession in any part of
7 Nigeria by the order of any competent authority.

8 (c) A person shall cease to be a member if he-

9 (i) holds any office of profit under the Fund;

10 (ii) enter into any contract with the Fund or is engaged or
11 participates in sharing of profits in any contract with the Fund;

12 (iii) becomes bankrupt;

13 (iv) is guilty of serious misconduct in relation to his duties; or

14 (v) is convicted of a felony or any offence involving dishonesty.

15 (2) A Member may at any time resign his membership-

16 (a) by giving notice in writing through the Minister to the President
17 and resignation becomes effective from the date specified in the notice; and

18 (b) if no date is specified, from the date of receipt of the notice by
19 the President.

20 (3) Where a member ceases to hold office for any reason
21 whatsoever before the expiration of his term of office, the President after
22 consulting the Minister may appoint another person for the unexpired term.

23 **6.-(1) Notwithstanding anything to the contrary in this Bill, the** Dissolution
24 **Minster shall exercise all the powers of the Board where-**

25 (a) the Board has not been constituted;

26 (b) the Board has been dissolved; and

27 (c) any action taken or decision reached in compliance with the
28 provision of this subsection shall be valid for all intent and purpose.

29 **7. Member shall be paid such allowances as the Federal**
30 **Government may from time to time direct.**

Allowances of
member

1 PART II - FUNCTIONS OF THE FUND AND POWERS OF THE BOARD

Functions of the
Fund

2 8. The Fund shall-

3 (a) provide finance to support Agricultural development in Nigeria
4 taking into consideration the need to increase food production in Nigeria;5 (b) provide finance for the implementation Agricultural policies and
6 to strengthen Agriculture Institutions within the framework on national
7 priorities and strategies;8 (c) provide fund for on-lending to farmers and corporate bodies
9 through appropriate financial institutions including microfinance banks,
10 cooperative societies, organisations, farmer groups and institutions on
11 appropriate soft terms;12 (d) provide finance primarily for projects and programmes
13 specifically designed to introduce, expand or improve food production
14 systems;15 (e) provide financial support in the form of grant for research,
16 training, market information systems and agricultural extension service in
17 research institutes, universities and Ministries;18 (f) provide emergency Fund for agriculture Finance and intervention
19 for the control of trans-boundary animal diseases outbreak;20 (g) participate in the effort to build rural access to financial service
21 through micro finance by creating linkages between upstream financial centre
22 (including private sector groups) and local organisation's swerving rural poor
23 people;24 (h) assist the effort of donor institution to increase food and
25 agricultural production as well as that organization's technical competence and
26 experience in this field; and27 (i) engage in such activities and perform such functions as this Bill
28 may confer or as the President may, after consultation with the Minister, permit
29 or assign to it.

- 1 **9. The Board shall have power to-**
- 2 (a) make regulations for the management of the Fund with the
- 3 approval of the Minister;
- 4 (b) propose the Annual Budget Estimate of the Fund;
- 5 (c) approve all grants for agricultural research, training and
- 6 development;
- 7 (d) approve loan for agricultural investment subject to section 8 (b)
- 8 of this Bill;
- 9 (e) review and monitor the activities of the Fund;
- 10 (f) approve payment to persons employees by the Fund such
- 11 remuneration and allowances;
- 12 (g) give report on all activities of the Fund on the quarterly basis
- 13 through the Minister to the President;
- 14 (h) specify the manner in which assets of the Fund are to be held
- 15 and regulate payments into and out of the Fund;
- 16 (i) specify the manner for the timely disbursement and recovery
- 17 (where necessary) of loan;
- 18 (j) require the keeping of proper accounts and records for the
- 19 purposes of the Fund in such form as may be specified in the rules;
- 20 (k) require the accounts of the Fund to be audited periodically by
- 21 the Auditor-General of the Federation;
- 22 (l) ensure the submit of copies of accounts and the Auditor's report
- 23 thereon to the Federal Executive Council through the Minister;
- 24 (m) monitor the execution of projects; and
- 25 (n) carry out such other activities as may be incidental to the
- 26 discharge of its function under this Bill.

Powers of the
Board

27 **PART III – APPOINTMENT OF THE EXECUTIVE SECRETARY**

28 **AND OTHER STAFF**

- 29 **10.-(1) There shall be for the Fund an Executive Secretary who**
- 30 **shall be appointed by the President on the recommendations of the Minister.**

Appointment of
the Executive
Secretary etc.

1 (2) The Executive Secretary shall be a person who in the opinion of
2 the Minister has acquired cognate experience in any of the following
3 disciplines-

4 (a) agricultural finance;

5 (b) economics;

6 (c) agricultural policy formulation and implementation.

7 (3) The Executive Secretary shall be the Chief Executive of the Fund
8 and is responsible for the day to day administration of the Fund subject to the
9 general direction of the Board.

10 (4) The Executive Secretary shall-

11 (a) hold office for a term of five years and no more; or

12 (b) on such terms and condition as are specified in his letter of
13 appointment;

14 (5) Notwithstanding, the provision of subsection (4) of this section,
15 the Executive Secretary may be removed from office by the President-

16 (a) for inability to discharge the function of his office (whether arising
17 from infirmity of mind or body or any other cause); or for misconduct; or

18 (b) if he is satisfied that it is not in the interest of the service or the
19 public for him to continue in office.

20 (6) The Executive Secretary may resign his appointment by a letter to
21 the President through the Minister.

Appointment of
the Secretary/
Legal Adviser and
other staff

22 **11.-(1)** The Board shall appoint for the Agency a Secretary and Legal
23 Adviser who shall be a Legal Practitioner and must have been so qualified for a
24 period of not less than 10 years.

25 (2) The Secretary Legal Adviser shall-

26 (a) be Secretary to the Board;

27 (b) arrange for meetings of the Board;

28 (c) prepare the agenda and minutes of meetings of the Board;

29 (d) convey decisions of the Board; and

1 (e) carry out such other functions as may be assigned to him by the
2 Board.

3 (3) The Board may deploy or appoint for the Fund other employees
4 upon such terms and conditions as may be determined by the Board.

5 (4) Service in the Fund shall be approved service for the purpose of
6 the Pension Reform Act.

7 PART IV - FINANCIAL PROVISIONS

8 12.-(1) The Fund shall establish and maintain an account from Account
9 which shall be defrayed all expenditure incurred by the Fund.

10 (2) There shall be paid into the account established in subsection 1
11 of this section the following-

12 (a) take off grant provided by the Federal Government;

13 (b) whole or part of the Natural Resource Development Fund as
14 may be approved by the President from time to time;

15 (c) 2% of profit after tax of each commercial bank in Nigeria;

16 (d) 5% of profit before tax of each oil exploration Company in
17 Nigeria;

18 (e) other monies as may be appropriated by the National Assembly.

19 13. The Board may from time to time, apply the proceed of the Expenditure
20 account established in section 12 (1) of this Bill to-

21 (a) the cost of administration of the Fund;

22 (b) the payment of the allowances and benefits of members and for
23 reimbursing members of any Committee set up by the Board for such
24 expenses as may be expressly authorised by the Board;

25 (c) the payment of salaries, remuneration or allowances, pensions
26 and other benefits payable to the officers, and other employees of the Fund,
27 but no payment of any kind under this paragraph (except such as may be
28 expressly authorised by the Board) shall be made to any person who is in
29 receipt of emolument from the Federal or State Government; and

30 (d) the development and maintenance of any property vested in or

1 owned by the Fund.

Annual accounts
and estimates

2 14.-(1) The Fund shall keep accounts in respect of each year and
3 proper records in relation to those accounts and shall cause to be prepared in
4 each year-

5 (a) a statement showing the income and expenditure of the Fund for
6 the preceding year; and

7 (b) a statement of all assets and liabilities of the Fund as at the last day
8 of the immediate preceding year.

9 (2) The Fund shall cause every statement prepared under this section
10 to be audited within six months after the end of the year to which the statement
11 relates by Auditors appointed from the list and in accordance with the
12 guidelines supplied by the Auditor-General of the Federation.

13 (3) The Fund shall submit to the Minister, not later than 31st August in
14 each year as estimate of its expenditure and income during the next succeeding
15 year.

Annual report,
audited accounts
and Auditor's
report

16 15.-(1) The Fund shall prepare and submit to the Minister not later than
17 six months after the end of the year a report, in such form as the Minister may
18 direct, on the activities of the Fund during the immediate preceding year and
19 shall include in the report a copy of the audited accounts of the Fund for that
20 year and Auditor's report thereon.

21 (2) The Minister shall submit a copy of each report made to him under
22 this section to the Federal Executive Council.

Gifts

23 16.-(1) The Fund may accept any gift of land, money or other property
24 on such terms and conditions, if any as may be specified by the person or
25 organization making gift.

26 (2) The Fund shall not accept any gift if the conditions attached by the
27 person or organisation offering the gift are inconsistent with functions and
28 objectives of the Fund.

Power to borrow

29 17.-(1) The Fund may, from time to time, borrow by way of overdraft
30 or otherwise such sums as it may require for the performance of its functions

1 under this Bill.

2 PART V - LEGAL PROCEEDINGS

3 18.-(1) No suit shall be instituted in any court against the Fund or Time within
4 its employee unless it is commenced- which to sue

5 (a) within three months next after the act, neglect or default
6 complained of; and

7 (b) in the case of continuation of damage or injury, within three
8 months next after the ceasing thereof.

9 (2) No suit shall commence against the Fund before the expiration
10 of a period of one month after written notice of the intention to commence
11 the suit shall have been served on the Fund by the intending plaintiff or his
12 agent and the notice shall clearly state-

13 (a) cause of action;

14 (b) particulars of claim;

15 (c) the name and place of abode of the intending plaintiff; and

16 (d) the relief which he claims.

17 19. A notice referred to in section 18 (2) of this Bill, summons or Service of
18 other documents required or authorised to be served on the Fund under this documents
19 Bill or any other law or enactment may be served by-

20 (a) delivering it to the office of the Executive Secretary; or

21 (b) by sending it by registered post addressed to the Executive
22 Secretary or the principal office of the Fund.

23 20.-(1) In any action or suit against the Fund, no execution or Restriction on
24 attachment of process in any nature thereof shall be issued against the Fund execution
25 unless not less than three months notice of the intention to execute or attach
26 has been given to the Fund.

27 (2) Any sum of money which may by the judgement of any court
28 awarded against the Fund shall subject to any direction given by the court
29 where no notice of appeal against the judgement has been given, be paid
30 from the account of the Fund.

Indemnity 1 **21.** A member, the Executive Secretary or any employee of the Fund
2 shall be indemnified out of the asset of the Fund against any liability incurred
3 by him in defending any proceeding, whether civil or criminal, if any such
4 proceeding is brought against him in his capacity as a member, Executive
5 Secretary or employee of the Fund.

6 **PART VI - MISCELLANEOUS**

General direction 7 **22.** Subject to the provision of this Bill, the President may give to the
by the President 8 Fund directives of a general nature or relating generally to matters of policy
9 with regard to the performance by the Fund of its functions and it shall be the
10 duty of the Fund to comply.

Direction by 11 **23.** Subject to the provision of this Bill, the Minister may give to the
the Minister 12 Board directions of general nature relating to matters of policy with regard to
13 the exercise by the Board of its functions and the Board shall comply with such
14 directions.

Power to make 15 **24.** The Minister may make regulations generally for the purpose of
Regulations 16 giving full effect to this Bill.

Fixing of seal 17 **25.** The fixing of the seal of the Fund shall be authenticated by the
18 signature of the Executive Secretary and the Secretary.

Interpretation 19 **26.** In this Bill-
20 "Account" means the account established by section 12(1);
21 "Board" means the Governing Board of the Fund established by section 2 of
22 this Bill;
23 "Chairman" means the Chairman of the Board;
24 "Functions" includes power and duty;
25 "Fund" means the Fund established by section 1 (1);
26 "Executive Secretary" is the Chief Executive of the Fund and Chairman of the
27 Management Committee;
28 "Member" means an individual representing an organization or institution in
29 (the Board and includes the Chairman and Executive Secretary);
30 "Minister" means the Minister charged with responsibility for matters relating

1 to Agriculture.

2 27. This Bill may be cited as the National Agricultural Short Title
3 Development Fund (Establishment) Bill, 2016.

4 SCHEDULE

5 SUPPLEMENTARY PROVISIONS RELATING TO THE PROCEEDINGS

6 OF THE BOARD

7 1. Before appointing a person as a member, the Minister shall
8 satisfy himself that, that person will have no such interest or owe such
9 allegiance as likely to affect prejudicially the discharge by him of his
10 functions as a member and that he has no such interest, and any person who
11 is or whom the Minister proposes to nominate as a member shall, whenever
12 requested by the Minister considers necessary for the performance by the
13 Minister of his duties under this Bill.

14 2.-(1) Subject to this Bill and section 27 of the Interpretation Act
15 (which provides for the decisions of a statutory body to be taken by a
16 majority of the members of the body and for the persons presiding to have a
17 second or casting vote), the Board may make standing orders regulating its
18 proceedings or of any committee thereof.

19 (2) The quorum at a meeting shall be a third of the members of the
20 meeting.

21 3.-(1) the Board shall meet not less than three times in each year
22 and subject thereto, the Board shall meet whenever it is summoned by the
23 Chairman, and if the Chairman is required to do so, by notice to him by not
24 less than seven members, he shall summon a meeting of the Board to be held
25 within seven days from the date on which the notice is given.

26 (2) At any meeting of the Board, the Chairman shall preside but if
27 he is absent, the members present at the meeting shall elect one of their
28 members to preside provided there is a quorum.

29 4. Where the board wishes to obtain the advise of any person on
30 any particular matter, the Board may invite any person as it thinks fit, but

1 any person who is invited by virtue of this sub-paragraph shall not be entitled to
2 vote at any meeting of the Board and shall not count towards a quorum.

3 5.-(1) The Board may appoint one or more committees to carry out, on
4 behalf of the Board, such of its functions as the Board may determine.

5 (2) Every Committee appointed under this paragraph shall consist of
6 such number of persons as may be determined by the Board and not more than
7 one third of those persons who are not members of the Board.

8 (3) A decision of a Committee of the Board shall be of no effect until it
9 is ratified by the Board.

10 6.-(1) Where member has an interest in any application for loan for
11 any project made or proposed by any beneficiary shall disclose his interest at a
12 meeting of the board.

13 (2) Such disclosure shall be recorded in the minutes of the meeting
14 and the member shall not take part after such disclosure in any deliberation or
15 decision of the Board with regard to that particular subject matter in respect of
16 which his interest was disclosed.

EXPLANATORY MEMORANDUM

This Bill seeks to establish the National Agricultural Development Fund and
for related matters