A BILL

FOR

AN ACT TO AMEND THE PUBLIC PROCUREMENT ACT CAP. P44 LAWS FO THE FEDERATION OF NIGERIA (LFN) 2004, TO PROVIDE FOR DAMAGE AGAINST THE CONTRACTOR ON ISSUES RELATING TO UNDUE DELAY IN COMPLETION OF CONTRACT AND FOR RELATED MATTERS, 2016

Sponsored by Hon. Abbas Tajudeen

[ ] Commencement

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

Amendment of the Principal Act. Cap. P.44 LFN

1. The Public Procurement Act Cap. P44 Laws fort the Federation of Nigeria of Nigeria, 2004 (in this Bill referred to as "the Principal Act") is amended as set out as follows:

Insertion of New Section 37

2. The Principal Act is hereby amended by inserting a new Insertion of New Section 37 after the existing Section as follows-

"37 Notwithstanding any provision in the contract of agreement, where a contractor fails to deliver a contract within the target period with express permission from the relevant authority, the contractor shall be entitled to grace of ninety (90) days after which shall be liable to pay a damage not exceeding five (5) percent of the contract sum".

Citation

3. This Bill may be cited Public Procurement Act (Amendment) Bill, 2016.

EXPLANATORY NOTE

This Bill seeks to amend the Public Procurement Act to provide for damage against the contractor on issues relating to delay in completion of contract and to specify deadline.