

A BILL

FOR

AN ACT TO PROVIDE GUIDELINES FOR THE PAYMENT OF JUDGEMENT DEBT
OWED BY THE FEDERAL GOVERNMENT AND ITS AGENCY AND FOR
RELATED

Sponsored by Hon. Lynda Chuba Ikpeazu

[] Commencement

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

- 1 1. The objective of this Bill includes to:
- 2 (a) ensure that the Federal Government and its Agencies, conduct
- 3 their activities according to the law and due processes to forestall conflict
- 4 and unnecessary litigation;
- 5 (b) ensure that public servant whose action or inaction occasioned,
- 6 resulted to avoidable litigation which lead to judgement debt are held
- 7 personally liable for their action or inaction as provided by the Public
- 8 Service Rules and Regulations;
- 9 (c) ensure that Federal Government and its Agencies directly pay
- 10 judgment debt as and when due without any negative impact on the quality
- 11 of their services to the public;
- 12 (d) Curb fraud and arbitrariness in the payment of judgment debt
- 13 by the Federal Government and its Agencies;
- 14 (e) Provide guidelines for the payment of judgment debt owed by
- 15 the Federal Government and its Agencies;
- 16 (f) Ensure that judgment debt owed by the Federal Government
- 17 and its Agencies are verified and documented for record purpose;
- 18 (g) ensure that the National Assembly appropriate funds to the
- 19 office of the Attorney General of the Federation for the payment of
- 20 judgement debt annually or when necessary.

Objectives of
the Bill

Verification of
Judgement

1 2.-(1) Every judgement debt shall be presented to the office of the
2 Attorney General for verification within 3 months from the date of judgment

3 (2) Subject to subsection (1), the following information are required
4 for verification of a judgement debt:

5 (a) Contractual agreement;

6 (b) History of conflict;

7 (c) Parties to the conflict;

8 (d) Evidence of reconciliation of conflict prior to the litigation (if
9 any);

10 (e) Certified true copy of judgement;

11 (f) Suit number;

12 (g) Principal sum and interest (if any);

13 (h) Terms of payment;

14 (i) Payment made with date;

15 (j) Balance of payment;

16 (k) Appeal (if any);

17 (l) Evidence of re-negotiating payment after judgement;

18 (m) Evidence of disciplinary measure taken against the public servant
19 for action or inaction resulting to conflict and

20 (n) Any other information that may be required for verification.

Guidelines for
payment of
Judgement Debt

21 3.-(1) The Attorney general on the advice of the Minister in charge of
22 Finance, may propose an amount subject to the approval of both Houses of the
23 National Assembly for the payment of judgement debt annually or when
24 necessary.

25 (2) Subject to subsection (1) in determining the amount to be
26 proposed for payment of judgement debt, priority should be given to the
27 following:

28 (a) the need for government and its agencies to obey court judgement;

29 (b) where the judgement creditor is a foreign government or
30 international organization and delay in payment may lead to embarrassment in

1 the eyes of the international community;

2 (c) where an order of garnishee in respect of the matter has been
3 given by a court of law on the judgement;

4 (d) where delay in payment in the opinion of the National Security
5 Adviser constitutes threat to national security and order;

6 (e) where the conflict involves death or threat to life of a person and
7 payment of the judgement debt may ameliorate the situation;

8 (f) date of judgement namely, first in time;

9 (g) where delay in payment of the principal sum attracts compound
10 interest;

11 (h) where the judgment creditor agrees to part payment in
12 satisfaction of full payment of the judgment debt;

13 (i) where the judgment creditor agrees to installment payment in
14 satisfaction of full payment;

15 (j) where payment of the judgment debt is recommended by the
16 president of the Federal Republic of Nigeria for public interest; and

17 (k) any other criteria specified in a regulation made by the office of
18 the Attorney General of the Federation pursuant to this Bill.

19 4. Notwithstanding the provisions of this Bill, the Federal
20 Government and its agencies shall be directly responsible for the payment of
21 judgment deb on services and supplies for which funds were duly
22 appropriated in the annual budget by the National Assembly.

Direct payment
of Judgment Debt
by the Federal
Government and
its Agencies

23 5. Except otherwise authorized under this Bill or its regulations,
24 every Federal revenue generating Agency shall be directly responsible for
25 the payment of the judgment debt owed by it.

Payment of
Judgment Debt
by Federal Revenue
generating agencies

26 6. To realize the objective of this Bill, the Attorney General shall
27 subject to the approval of both Houses of National Assembly make
28 regulations on any of the following:

Regulations

29 (a) On the mount of judgment debt that the Federal Government
30 and its Agencies shall have power to pay directly;

1 (b) Guidelines for payment of judgment debts by Federal revenue
2 generating agencies;

3 (c) Composition and functions of a committee to assist to verify
4 judgment debt claims and payments;

5 (d) Composition and functions of a Committee to assist to verify
6 judgment debt claims and payments.

Interpretation

7 7. Except otherwise stated by this Act, the:

8 “Attorney General” means office of the Attorney General of the Federation

9 'Agency' means Federal Ministries, Departments and Agency;

10 “compound interest” means interest added to the judgment debt so that the
11 added interest also earn interest from then on;

12 “Judgment debt” means a debt that have been reviewed by a judge in a court of
13 law and found to be valid;

14 “Federal Revenue Generating Agency” means any Agency authorized by Law
15 to generate funds and retain part of such funds to finance its operations;

16 “Garnishee order” means a court order requiring a person to withhold part of
17 the funds owed to a judgment debtor and instead to the judgment creditor or the
18 court in satisfaction of a debt which is due;

19 “International embarrassment” means any international discomfiture.

Citation

20 8. This Bill may be cited as Judgment Debt (Payment Guidelines)
21 Bill, 2016.

EXPLANATORY MEMORANDUM

This bill seek to provide guidelines for the payment of judgment debt owed by the federal government and its agency, and to also provides for matters related thereto.