A BILL

FOR

AN ACT TO MAKE IT MANDATORY FOR GOVERNMENT MINISTRIES, DEPARTMENTS AND AGENCIES TO GIVE PRIORITY TO LOCAL MANUFACTURERS AND INDIGENOUS COMPANIES IN THE PROCURMENT OF GOODS, WORKS AND SERVICES, AND TO PROHIBIT THE EXCLUSION OF LOCALLY PRODUCED GOODS IN THE PROCUREMENT PROCESS, AND FOR RELATED MATTERS

Sponsored by Hon. Umar Buba Jibril

[ ] Commencement

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

Priority to Local Manufacturers

1. All procurement exercise conducted by any Government Priority to Ministry, Department, Agencies, and Parastatals in each fiscal Local year and in line with the provisions of the Public Procurement Manufacturers Act in Nigeria shall give priority to Local Manufacturers and Indigenous Companies (referred in this section as "Entity") producing such goods and services as advertised by the Ministry, Department, Agencies and Corporations, as in the budget for that fiscal year;

Standards

2. Notwithstanding the provisions of section (1), the Ministry, Standards Department, Agencies and Parastatal shall procure the goods, works and services of such entity if:

(i) such Entity's goods or works, or services are certified to be of good quality subject to consistency of supply, timeliness or ability to supply on time, competitive in pricing, and is registered with any of the following Government regulatory agencies:

(a) The Standards Organisation of Nigeria (SON); or

(b) The National Food and Drug Administration and Control (NAFDAC) and any other government recognized institution capable of

determining quality Standards;

(ii) That such entity took part in the tendering and bidding processes during the procurement exercise as stipulated by the regulations as contained in the Public Procurement Act.

Not to engage in secret procurement

3. No Government Ministry, Department, Agency or Parastatal shall engage in secret procurement of goods, works and services such that such procurement exercise excludes the Local Manufacturers or providers of goods, works or services procured as a result of that exercise.

Priority to indigenous company

4. No Government Ministry, Department, Agencies or Parastatal shall engage in goods, works and services of any foreign company (in this section referred to as "foreign entity") or import into Nigeria through direct procurement, unless:

(i) such goods, works and services are not produced In Nigeria;

(ii) such goods, works and services are not readily available in the stock of the Local Manufacturers as a result of technical and social factors; or

(iii) where such goods are obtainable in Nigeria, same falls short of the approved Standard as stated by the Regulatory Agencies.

Enforcing Authority

5. The Bureau of Public Procurement shall have authority to enforce section 1,2,3, and 4 of this Bill.

Monitoring Authority

6. The Due Process Office and the Economic and Financial Crimes Commission (EFCC) in conjunction with relevant bodies such as MAN, NACCIMA, NASSI shall have the powers to:

(i) monitoring the compliance with this Act;

(ii) arrest and prosecute offenders of this Bill.

Enlightenment

7. The Ministry of Information and the National Orientation Agency shall embark on the enlightenment and publicity of the provisions of this Act.

Penalty

8.-(a) Any officer involved in contravening this Act commits an act of economic sabotage and shall be liable on conviction to:

(i) compulsory retirement where it involves a staff, and dismissal for a political appointee; and

(ii) a term of imprisonment not exceeding 3 months, or a fine not exceeding N300,000.00.

(b) Where it is proven that such an officer contravenes in part or in whole the provisions of this Act in connivance with a foreign entity, such officer shall liable on conviction to:

(i) a term of imprisonment not exceeding 6 months or a fine of N500,000.00.

9. The Federal High Court shall have jurisdiction to prosecute contraveners of this Act. Jurisdiction

10. The National Council on Public Procurement may make regulations as may be necessary or expedient for giving effect to the provisions of this Act. Regulations

11. "Entity" means an indigenous or foreign company or firm; Interpretation

"Officer" means any staff of the Government Ministry or Department or Agencies or Parastatal or Corporation;

"Goods" is any item or material listed for procurement by the Government Ministry or Department or Agencies or Parastatal or Corporation;

"Foreign entity" means Companies that is indifferent to local content;

A private company" means any company without a major government stake.

12. This Bill may be cited as the Local Industry Patronage Bill, 2016. Short Title

EXPLANATORY MEMORANDUM

This Bill seeks to make it mandatory for Government Ministries, Departments and Agencies to give priority to Local Manufacturers and Indigenous Companies in the Procurement of Goods, works and services, and to prohibit the exclusion of locally produced Goods in the Procurement Process.