

A BILL

FOR

AN ACT TO PROVIDE FOR THE ESTABLISHMENT OF THE SPECIAL FUNDS ACCOUNTS COMMISSION AND VEST IT WITH THE RESPONSIBILITY FOR THE OPERATION, CONTROL AND MANAGEMENT OF THE SPECIAL ACCOUNTS AND FOR OTHER RELATED MATTERS

Sponsored by Senator Mohammed Shaaba Lafiagi

[] Commencement

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

1 PART I- ESTABLISHMENT OF THE SPECIAL FUNDS ACCOUNTS

2 COMMISSION

3 1.-(1) There shall be established a body to be known as the Special
4 Funds Accounts Commission (in this Bill referred to as "the Commission"). Establishment of
the Commission

5 (2) The Commission shall be a body corporate with perpetual
6 succession and a common seal and may sue and be sued in it's corporate
7 name.

8 (3) The Commission shall operate and manage all Special
9 Accounts of the Federal Government.

10 2. The Head Office of the Commission shall be in Abuja, the
11 Federal Capital Territory. Head office of
the Commission

12 3. The Special Funds Accounts Commission referred to in this Bill
13 shall include but not limited to the following Special Funds: Membership of
the Special
Accounts

- 14 (a) Solid Minerals Fund;
- 15 (b) Textile Revival Fund;
- 16 (c) Development of Natural Resources Accounts;
- 17 (d) Derivation and Ecology Account;
- 18 (e) Stabilization Account;
- 19 (f) Sugar Development Fund;

Establishment
and Membership
of the Board of
Directors

1 (g) Excess Crude Account etc.

2 4.-(1) There shall be established a Board of Directors for the
3 Commission (in this Bill referred to as the "Board") which shall be charged
4 with the responsibilities and functions of the Commission and it shall consist of
5 the following:

6 (a) The Director General of the Commission;

7 (b) One Director each for the different Special Accounts;

8 (c) The Accountant General of the Federation;

9 (d) The Head of the Budget Office;

10 (e) A representative of the Federal Ministry of Finance;

11 (f) The Governor of the Central Bank of Nigeria;

12 (g) The Auditor - General of the Federation.

13 (2)(a) The Director General and Members of the Board of Directors
14 listed in SS.1 of this Bill shall be appointed by the President on the
15 recommendation of the Minister of Finance subject to the confirmation of the
16 Senate;

17 (b) They shall be persons who are well knowledgeable, with
18 background in banking and finance;

19 (c) They shall be persons of high moral standing in the society, with
20 impeccable character;

21 (d) They shall not be persons found guilty of financial misconduct or
22 embezzlement;

23 (e) The Board of Directors shall be the highest decision making body
24 of the Special Funds Accounts Commission.

Signatories to
the Special
Accounts

25 5.-(1) The signatories to the Special Funds Accounts shall be the
26 following:

27 (a) The Director General of the Commission;

28 (b) The Governor of the Central Bank of Nigeria;

29 (c) The Minister of Finance;

30 (d) The Secretary to the Government of the Federation.

1 **6.-(a)** The Director General of the Special Funds Accounts shall be Powers and
2 the Chief Executive and Accounting Officer and he or she shall oversee the Duties of the
3 day - to - day running of the Special Funds; Director-General

4 (b) Preserve order and power to take such measures as are
5 reasonable, necessary to manage the funds;

6 (c) See that transactions are conducted in a regular manner and that
7 the observance of due process is maintained;

8 (d) Ensure that the true intention of the Funds are strictly adhered
9 to;

10 (e) Ensure that all questions that arise are promptly decided and
11 resolved.

12 (2) The Director General shall preside at every general meetings of
13 the Board, if he is not present within one hour after the time appointed for the
14 holding of meeting, the members present shall choose one of their members
15 to preside over the meeting.

16 **7.-(1)** The Directors of each of the Special Funds mentioned in S.3 Duties of the
17 of this Bill shall be responsible for the administration and management of Directors of the
18 their different Special Funds and report to the Director General for special Funds
19 ratification.

20 (2) The Directors shall be answerable and report to the Director
21 General of the Commission.

22 (3) The Directors shall expressly disclose every financial
23 transaction of the Commission to the Director General for necessary
24 approval.

25 **8.-(1)** The Director General and the Directors of the Special Funds Tenure of Office
26 Accounts Commission shall each hold office for 4 years and may be re-
27 appointed on the expiration of their first 4 year term subject to the
28 recommendation of the Finance Minister and confirmation of the Senate of
29 Federal Republic of Nigeria.

30 (2) A person shall not be eligible for appointment as Director

1 General or member of the Board of Directors of the Commission.

Resignation

2 9.-(1) The Director General and the members of Board of Directors
3 shall cease to function or resign their appointment on the following conditions:

4 (a) If he dies;

5 (b) Becomes bankrupt;

6 (c) Becomes insane or of unsound mind;

7 (d) If he is found guilty of misappropriation of fund or breach of trust.

8 (2) The Director General, Director or any member of the Board of
9 Directors may resign his appointment by writing, signed and submitted to the
10 of Finance of Minister.

Funds of the
Commission

11 10. -(1) The funds of the commission shall be derived from the
12 Federation Account.

13 (2) The funds of the Special Accounts shall be subject to review, so as
14 to accommodate contemporary contingencies.

15 (3) All Federal Government Contributions for the different Special
16 Funds Accounts shall be accordingly paid into the Commissions different
17 accounts.

18 (4) The different Funds mentioned in S.3 of this Bill shall maintain
19 different accounts for the payment of all monies accruable to the Commission.

20 (5) The Commission shall also disburse from the different accounts
21 accordingly to service expenditures like salaries, fees, allowances, rent,
22 pension and gratuity of its staff.

Executive and
Utilization of
Funds

23 11.-(1) The Funds of all the Special Accounts of the Commission shall
24 be strictly utilized for the purpose and intendment of their establishment.

25 (2) Every disbursement and expenditure of the commission shall be
26 defined and captured within the purview and ambit of the intendment of the
27 funds.

28 (3) It shall be an offence for any authorization or utilization of any
29 funds in these accounts outside the purpose for which these accounts were
30 established.

1 **12.-(1)** It shall be an offence for any monies to be disbursed from
2 the accounts of any of the Special Funds for the purpose of grant or loan to
3 any individual, institution or agency of government.

Abuse of the
Special Funds

4 (2) Any contravention of any of the provisions in SS. 3 and 4 of this
5 section shall attract a penalty of 2 years imprisonment or N5,000,000 fine or
6 both.

7 (3) It shall be an offence under this Bill for any money to be used
8 for any purpose other than the purpose that fund was set-aside for. Any such
9 default shall attract the same punishment as in S.10 (2) of this Bill.

10 (4) It shall amount to an abuse of the Special Funds under the
11 following:

12 (a) If the Special Funds is diverted for any other use;

13 (b) If the Special Fund is caused to become dormant by deliberately
14 not utilizing the funds for the proposed use;

15 (c) Any other wrong utilization, misapplication or approval for
16 utilization outside the original intention of the funds.

17 **13.-(1)** The Auditor - General of the Federation shall at all time
18 material carry out the following functions:

Auditing of the
Special Accounts

19 (a) Conduct quarterly inspection and auditing of all Special
20 Accounts;

21 (b) Be availed of all financial books, accounts details and all
22 necessary records relevant to the different Special Accounts;

23 (c) Make quarterly reports of his findings and recommendation to
24 the president through the office of the Minister of Finance.

25 **14.** The Federal High Court shall have jurisdiction to entertain
26 matters arising from the contravention or breach of the Provisions of this
27 Bill.

Jurisdiction

28 **15.** In this Bill, unless the context otherwise requires:

Interpretation

29 "Special Funds Accounts" refers to the funds set-aside by government to

1 diversify, support and provide core services "in special areas to develop the
2 economy;

3 "Abuse" means the use of the funds for purposes outside the intention of the
4 funds like lending as loan or grants;

Citation

5 "Court" means the Federal High court.

6 **16.** This Bill may be cited as the Special Funds Accounts Commission
7 Bill, 2015.

EXPLANATORY NOTE

This Bill seeks to establish the Special Funds Accounts Commission to Operate and Manage the Special Funds and check the abuses, wrong utilization and mismanagement of the Special Funds Accounts.