

NIGERIA SOVEREIGN INVESTMENT AUTHORITY
(ESTABLISHMENT, ETC.) ACT AMENDMENT BILL, 2015.

ARRANGEMENT OF SECTIONS

1. Amendment of the Nigeria Sovereign Investment Authority
(Establishment, Etc) Act 2015
2. Amendment of section 1 of the Principal Act
3. Amendment of section 7 of the Principal Act
4. Amendment of section 12 of the Principal Act
5. Amendment of section 13 of the Principal Act
6. Amendment of section 14 of the Principal Act
7. Amendment of section 25 of the Principal Act
8. Amendment of section 29 of the Principal Act
9. Amendment of section 30 of the Principal Act
10. Amendment of section 32 of the Principal Act
11. Amendment of section 37 of the principal Act
12. Short title.

A BILL

FOR

AN ACT TO AMEND THE NIGERIA SOVEREIGN INVESTMENT AUTHORITY (ESTABLISHMENT, ETC) ACT, 2011 TO ALIGN IT WITH THE 1999 CONSTITUTION OF THE FEDERAL REPUBLIC OF NIGERIA, RESTORE THE SOVEREIGNTY OF THE NAIRA AS THE NATIONAL CURRENCY, ENSURE TRANSPARENCY OF ITS FUNDING AND ENTRENCH PARLIAMENTARY ACCOUNTABILITY AND FOR OTHER MATTERS CONNECTED THEREWITH.

Sponsored by Senator Rose Oko

[] Commencement

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

1 1. The Nigeria Sovereign Investment Authority Act (hereinafter
2 referred to as the "Principal Act") is amended as set out in this Bill.

3 2. Section 1 subsection (1) of the principal Act) is hereby
4 expunged and a new section 1(1) inserted as follows:

5 “(1) there is hereby established the Nigeria Sovereign Wealth
6 Authority.”

7 3. Section 7 Subsections (2) and (3) of the Principal Act are
8 expunged, as a new subsection (2) is inserted as follows:

9 “(2) The Council shall be the highest policy making organ of the
10 Authority and shall have the responsibility of presenting the Annual Budget
11 of the Authority to the National Assembly”.

12 Subsection (4) of section 7 now becomes new subsection (3)

13 4. Section 12 of the Principal Act is amended by inserting
14 subsections (1) and (2) as follows:

Amendment of
Section 12

15 (a) the Authority shall provide written quarterly reports on its
16 operations to the relevant Committees of both Houses of the National
17 Assembly and specifically with respect to its assets, liabilities, redemptions,

1 realizations, sales and the extent to which it has met its set investment
2 objectives.”

3 “(2) provided that the relevant Committee of both Houses of the
4 National Assembly shall make half-yearly reports of matter contained in
5 section 12(1) to be sent to the Senate and House of Representatives,
6 respectively.”

7 **6. Section 13 subsection (1) is expunged and a new subsection (1) is**
8 **inserted as follows:**

9 “(1) the Council shall hold meetings such that would enable it
10 discharge the duties imposed on it under this Act”.

11 Subsection (3) is also expunged.

Amendment of
Section 14

12 **7. Section 14 of the Principal Act is amended by expunging**
13 **subsection (1), thus having no subsection; and provides as follows:**

14 “The Council may constitute a sub-committee comprising members of the
15 Council with demonstrable experience in the international investment industry
16 to assist in the discharge of its functions under this Act.”

Amendment of
Section 25

17 **8. Section 25 of the Principal Act is amended by expunging**
18 **subsections (1) and (2), thus having no subsections, and provides as follows:**

19 “The Board shall exercise due diligence in the conduct of its affairs and in the
20 discharge of its responsibilities under this Act:

21 Provided that its annual budget shall be subject to the approval of the National
22 Assembly.”

Amendment of
Section 29

23 **9. Section 29 subsections (1) and (2) of the Principal Act is amended**
24 **by the deletion of the subsections, and inserting new subsections (1) and (2) as**
25 **follows:**

26 “(1) The Authority shall be established by a Seed Fund which shall be,
27 One Billion Dollar Nigeria Naira equivalent.”

28 “(2) The Seed Fund shall be directly charged on the Consolidated
29 Revenue fund of the Federation at the commencement of operations by the
30 Authority.

1 **10.** Section 30 subsection (2) is hereby expunged, thus having no
2 subsection, and a new section 30 is inserted and now reads as follows:

3 **30.** Funding shall be by an annual pre-determined amount by
4 which the actual oil price is higher than the budgeted oil benchmark price, or
5 an amount specified in the Appropriation Act, whichever is higher.”

6 **11.** Section 32 (2) of the Principal Act is amended by inserting a
7 “full stop” immediately after the word Councils and deleting the phrase “of
8 their respective contributions” appearing thereafter.

Amendment of
Section 32 (2)

9 **12.** Section 37 subsection (1) of the Principal Act is amended to
10 read as follows:

11 (1) Not later than 3 months after the end of each financial year,
12 which shall be 1st January to 31st December annually, the Authority shall
13 submit a report (the “Annual Report”) to the President, the Minister, the
14 Central Bank of Nigeria, the National Economic Council, the National
15 Assembly and each State House of Assembly of its activities during the
16 financial year under consideration.”

17 **13.** This Act may be cited as the Nigeria Sovereign Investment
18 Authority (Establishment, etc.) Act Amendment Bill, 2015.

Citation

EXPLANATORY MEMORANDUM

This Bill seeks to amend the Nigeria Sovereign Investment Authority (Establishment, Etc) Act, 2011, to align it with the 1999 Constitution of the Federal Republic of Nigeria (as amended), to restore the sovereignty of the Nation as the national currency, ensure transparency of its funding and ensure parliamentary accountability.