

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 PROCUREMENT OF GOODS, WORKS AND SERVICES, AND TO PROHIBIT THE EXCLUSION OF LOCALLY PRODUCED GOODS IN THE PROCUREMENT PROCESS, AND FOR OTHER RELATED MATTERS

Sponsored by Senator Mohammed Shaaba Laftagi

[] Commencement

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

1 1. All procurement exercise conducted by every Government
 2 Ministry, Department, Agencies, and Parastatals in each fiscal year and in
 3 line with the provisions of the Public Procurement Act, in Nigeria shall give
 4 top priority to local manufacturers and indigenous companies (referred in
 5 this Section as "Entity") producing such goods and services as advertised by
 6 the Ministry, Department, Agencies and Corporations, as in the budget for
 7 that fiscal year;

Procurement of locally made products/goods by Government by Ministries, Agencies and Parastatals and Private Establishment in Nigeria

8 2. Notwithstanding the provisions of section (1), the Ministry,
 9 Department, Agency or Parastatal shall procure the goods, works and
 10 services of such entity if:

Recognizing the quality of goods as essential in procurement practices

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

- 15 (a) The Standards Organization of Nigeria (SON);
- 16 (b) The National Food and Drug Administration and Control
- 17 (NAFDAC) any other government recognized institution capable of

1 determining quality Standards.

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

Prohibitions

5 3. No Government Ministry, Department, Agency or Parastatal shall
6 engage in secret procurement of goods, works and services such that such
7 procurement exercise excludes the local manufacturers or providers of goods,
8 works or services procured as a result of that exercise;

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

13 (i) Such goods, works and services are not produced in Nigeria;

14 (ii) Such goods, works and services are not readily available in the
15 stock of the local manufacturers as a result of technical and social factors, or

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

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

Monitoring and
Prosecution

20 6. The Due Process Office and the Economic and Financial Crimes
21 Commission in conjunction with relevant bodies such as MAN, NACCIMA,
22 NASSI shall have the powers of:

23 (i) Monitoring the compliance with this Bill; and

24 (ii) Arrest and prosecute offenders of this Bill, respectively.

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

Penalties

27 8. Any officer involved in contravening this Bill commits an act of
28 economic sabotage and shall be liable on conviction to:

29 (i) Compulsory retirement where it involves a staff, and dismissal for
30 a political appointee, and

1 (ii) A term of imprisonment not exceeding 3 months, or a fine not
2 exceeding N500,000;

3 9. Where it is proven that such an officer contravenes in part or in
4 whole the provision(s) of this Bill in connivance with a foreign entity, such
5 officer shall be liable on conviction to:

6 (i) A term of imprisonment not less than 6 months or a fine of
7 N500,000.

8 10. The Federal High Court shall have jurisdiction to prosecute Jurisdiction
9 contraveners of this Bill.

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

13 12. In this Bill: Interpretation

14 "Entity" means an indigenous or foreign company or firm;

15 "Officer" means any staff of the Government Ministry or Department or
16 Agency or Parastatal or Corporation;

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

19 "Foreign entity" means Companies that are indifferent to local content;

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

22 13. This Bill may be cited as the local Industry Patronage Bill, Citation
2015.

