

A BILL

FOR

AN ACT TO PROVIDE FOR THE REPEAL AND RE-ENACTMENT OF THE NIGERIAN IRON AND STEEL DEVELOPMENT ACT, 2019 AND FOR RELATED MATTERS

Sponsored by Hon. Olawuyi Raheem Tunji

[] Commencement

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

PART I

1
2 1.-(1) There is hereby established a body to be known as the
3 Nigerian Iron and Steel Development Agency (in this Act referred to as the
4 "Agency") which shall have the functions assigned to it under this Act.

Establishment of the Nigerian Iron and Steel Development Agency and its Governing Board

5 (2) The Agency shall be a body corporate with perpetual
6 succession and a common seal and may:

- 7 (a) sue and be sued in its corporate name;
- 8 (b) acquire, hold and dispose of property, both movable and
9 immovable; and
- 10 (c) enter into contracts.

PART II

12 2.-(1) There is hereby established for the management of the
13 Agency a governing board (in this Act referred to as "the Board").

Establishment and Membership of the Governing Board of the Agency

- 14 (2). The Board shall consist of:
- 15 (a) a Chairman to be appointed by the President on the
16 recommendation of the Minister;
- 17 (b) The Director-General of the Agency who shall act as the
18 Secretary to the Board;
- 19 (c) One representative each of the following Federal Ministries:
- 20 (i) Power and Steel;

- 1 (ii) Industry; and
 2 (iii) Finance.
 3 Not below the rank of Director;
 4 (d) One representative each of the Federal Government Steel
 5 Companies.

Tenure

- 6 3. Subject to the provisions of section 4 of this Act, a member of the
 7 Board, other than ex-officio members, shall hold office:
 8 (a) For a term of four years in the first instance and may be
 9 reappointed for a further term of four years and no more; and
 10 (b) On such terms and conditions as may be specified in his letter of
 11 appointment.
 12 (3) The supplementary provisions contained in the schedule to this
 13 Act shall have effect with respect to the tenure of the office:

The Chief Executive and other members of staff

- 14 PART III
 15 4.-(1) There shall be appointed by the President, a Director-General
 16 for the Agency, who shall be the Chief Executive Officer of the Agency and
 17 shall be responsible for the day to day running of the affairs of the Agency.
 18 (2) He shall also be the Chief Accounting Officer of the Agency.
 19 (3) The Director-General shall hold office on such terms and
 20 conditions as are specified in his letter of appointment.

Appointment of other staff of the Agency

- 21 5.-(1) The Board shall appoint for the Agency such number of
 22 employees as may in its opinion be expedient and necessary for the proper and
 23 efficient performance of the functions of the Agency.
 24 (2) The terms and conditions of service (including remuneration,
 25 allowances, benefits and pensions) shall be determined by the Board after
 26 consultation with the Federal Civil Service Commission.

Responsibilities and Functions of the Authority

- 27 6.-(1) Subject to and in accordance with the provisions of this Act, the
 28 Authority shall be charged with the responsibility for:
 29 (a) The construction, operation and maintenance of a national iron
 30 and steel plant in such a place or such places in Nigeria as the Federal

1 Government may require;

2 (b) The procurement of materials for the construction, operation
3 and maintenance of the plant or plants in question; and

4 (c) The development of the application and use of iron and steel
5 generally.

6 (2) In connection with the discharge of its responsibilities under
7 subsection (1) of this section, the functions of the Authority shall be to:

8 (a) Examine from the technical and economic points of view in all
9 its aspects the feasibility of establishing in Nigeria a national iron and steel
10 plant or national iron and steel plants on the basis of locally available raw
11 materials, imported raw materials or both, to consider suitable processes,
12 possible sites and other factors relating to the establishment of the said plant
13 or plants and to make recommendations as to the viable economic
14 conditions for the establishment thereof;

15 (b) Conduct, manage and co-ordinate (in collaboration with the
16 Federal Ministry of Steel Development and its departments) surveys,
17 mining operations and other necessary activities for obtaining in Nigeria
18 materials of the kind needed for iron and steel production;

19 (c) Establish facilities and conduct tests and operations for
20 ascertaining and improving the qualities and performance of the materials
21 and processes for iron and steel production, and of iron and steel products;

22 (d) Design, erect and construct in Nigeria a National Iron and Steel
23 Plant or National Iron and Steel Plants and provide and carry out incidental
24 services and works;

25 (e) To train managerial and technical staff for the running of the
26 said plant or plants and for the carrying on of the various surveys, services
27 and other activities incidental or related to the plant or plants and its or their
28 establishment;

29 (f) Conduct research and development in the technology and other

1 aspects of iron and steel production and in the application of iron and steel
2 products;

3 (g) Operate and manage the said plant or plants and incidental
4 services and sell iron and steel products;

5 (h) Utilise the by-products of the said plant or plants;

6 (i) Develop and manufacture iron and steel products and equipment to
7 be used for the purposes of and in relation to basis engineering;

8 (j) Collect information on the supply, demand and prices of iron and
9 steel products in Nigeria and elsewhere in order to determine how the
10 development of industries in Nigeria is affected;

11 (k) Effect the standardisation of iron and steel products for economic
12 production and utilisation and for the purpose of facilitating the co-ordination
13 of specifications;

14 (l) Make recommendations to the Minister on the formulation of
15 policies relating to the development of the iron and steel industry and related
16 industries in Nigeria; and

17 (m) Carry on all such other activities as are necessary or expedient for
18 the discharge of its responsibilities under subsection (1) of this section.

Allowances of
Members

19 7. There shall be paid to every member of the Board such allowances
20 and expenses as the Federal Government may from time to time determine.

Cessation of
Membership

21 8.-(1) Notwithstanding the provisions of section 3 of this Act, a
22 person shall cease to hold office as a member of the Board if:

23 (a) he becomes bankrupt, suspends payment or compounds with his
24 creditors;

25 (b) he is convicted of a felony or any offence involving dishonesty or
26 fraud;

27 (c) becomes of unsound mind, or incapable of carrying out his duties;

28 (d) he is guilty of a serious misconduct in relation to his duties;

29 (e) in the case of a person possessed of professional qualifications, he
30 is disqualified or suspended, other than at his own request, from practising his

1 profession in any part of the world by an order of a competent authority
2 made in respect of that member; or

3 (f) he resigns his appointment by a letter addressed to the President.

4 (2) if a member of the Board ceases to hold office, for any reason
5 whatsoever, before the expiration of the term for which he is appointed,
6 another person representing the same interest as that member shall be
7 appointed to the Council for the unexpired term.

8 (3) A member of the Board may be removed by the President if he is
9 satisfied that it is not in the interest of the Agency or the interest of the public
10 that the member continues in office.

11 9.-(1) Service in the Agency shall be approved service for the
12 purposes of the Pensions Act.

Application of
Pension Reform
Act of 2004

13 (2) The officers and other persons employed in the Agency shall be
14 entitled to pensions, gratuities and other retirement benefits as are enjoyed
15 by persons holding equivalent grades in the Civil Service of the Federation.

16 (3) Nothing in subsections (1) and (2) of this section shall prevent
17 the appointment of a person to any office on terms which preclude the grant
18 of pension and gratuity in respect of that office.

19 (4) for the purpose of the application of the provisions of the
20 Pensions Act, any power exercisable thereunder by the Minister or other
21 authority of the Government of the Federation, other than the power to make
22 regulations under section 23 thereof, is hereby vested in and shall be
23 exercisable by the Board, and not by any other person or authority.

24 PART IV - FINANCIAL PROVISIONS

25 10.-(1) The Board shall establish a fund which shall consist of:

26 (a) such sums as may be provided for it by the Government of the
27 Federation for running the affairs of the Agency;

28 (b) such sums as may be collected or received by the Agency for
29 services rendered by the Agency;

30 (c) such sums as may, from time to time, be borrowed by the

Fund of the
Agency

1 Agency under this Act; and

2 (d) such other sums as may be received by the Agency from any other
3 legitimate source.

4 (2) The other resources of the Agency shall consist of all other assets
5 which may, from time to time, be vested in or accrue to the Agency in the course
6 of discharging its functions under or pursuant to this Act.

7 (3) The Agency may, from time to time, apply the proceeds of the
8 funds established in pursuance of subsection (1) of this section for the
9 following purposes, that is to say:

10 (a) to the cost of administration of the Agency and any iron, steel and
11 similar mineral components exploration and research work thereof carried on
12 by or on behalf of the Agency;

13 (b) to the provision of such training for employees of the Agency as
14 the Board may deem necessary;

15 (c) to reimburse members of the Board and the committees of the
16 Agency for such expenses as may be expressly authorised by the Board; and

17 (d) in connection with all or any of its functions under this Act or
18 under any other enactment.

General Reserve

19 **11.**-(1) Without prejudice to the power of the Agency to set aside from
20 its revenue appropriate amounts for replacement, contingencies or other
21 purposes, the Agency may establish and maintain a general reserve.

22 (2) The management of the general reserve, the sum to be carried,
23 from time to time, to the credit of the general reserve, the charges to be made
24 against the general reserve and any other application of the moneys comprised
25 therein shall be as the Board may, with the approval of the Minister, determine.

26 (3) No part of the money comprised in the general reserve shall be
27 applied otherwise than for the purpose of the Agency.

Power to borrow
and invest

28 **12.**-(1) The Agency may, with the consent of or in accordance with
29 any general authority given by the Minister, borrow by way of loan from the
30 Federal Government or by way of temporary overdraft approved by the

1 Minister, sums required by the Agency for meeting its obligations and
2 discharging its functions under this Act.

3 (2) The Agency may invest all or any of its funds in such manner as
4 may be approved by the Minister.

5 (3) Subject to section 6 of this Act, the Minister may with the
6 approval of the President issue to the Agency directions as to the disposal of
7 surplus funds.

8 13.-(1) The Board shall prepare and submit to the Minister not later
9 than 30th September of the year in which this subsection comes into force,
10 (so however that the Minister may, if he considers it necessary, extend the
11 period) and of each subsequent year, an estimate of its income and
12 expenditure during the next succeeding year.

Annual estimates,
accounts and audit

13 (2) The Board shall keep proper accounts in respect of each year
14 and proper records in relation to those accounts and shall cause its account to
15 be audited within six months after the end of each year to which the accounts
16 relate by auditors appointed from the list and in accordance with the
17 guidelines supplied by the Auditor-General for the Federation.

18 14.-(1) The Agency shall prepare and submit to the Minister not
19 later than eighteen clear months after its establishment, and once every year
20 thereafter, a report in such form as the Minister may direct on the activities of
21 the Agency during the last preceding year, and shall include in the report a
22 copy of the audited accounts of the Agency for the year and of the auditor's
23 report on the accounts.

Annual reports

24 (2) The Minister shall cause a copy of each report made to him
25 under this section to be laid before the President so soon after the receipt
26 thereof as may be convenient.

27 (3) For the purposes of the Agency's first report under this section,
28 the last preceding year shall be deemed to include so much of any period
29 before the beginning of the year as begins with the date of the first meeting of
30 the Board.

1 PART V - MISCELLANEOUS

Prospecting
right, etc., under
the Minerals and
Mining Act

2 15. For the avoidance of doubt and notwithstanding the provisions of
3 this Act, the Minister may grant any of the rights, licences and leases under the
4 Minerals and Mining Act to any person, other than the Agency, for the
5 prospecting and mining of the steel raw materials referred to in this Act.

Limitation of
suits against
the Agency, etc.

6 16.-(1) Subject to the provisions of this Act, the Public Officers
7 Protection Act shall apply in relation to any suit instituted against any officer or
8 employee of the Agency.

9 (2) Notwithstanding anything in any other enactment, no suit against
10 a member of the Board, the Director or any other officer or employee of the
11 Agency for any act done in pursuance or in execution of this Act or any other
12 enactment or law, or of any public duty or authority or in respect of any alleged
13 neglect or default in the execution of this Act or such enactment or law, duty or
14 authority, shall lie or be instituted in any court unless:

15 (a) It is commenced within six months next after the act, neglect or
16 default complained of; or

17 (b) In the case of a continuation of damage or injury, within six
18 months next after the ceasing thereof.

19 (3) No suit shall be commenced against a member of the Board, the
20 Director, officer or employee of the Agency before the expiration of a period of
21 one month after written notice of intention to commence the suit shall have
22 been served upon the Agency by the intending plaintiff or his agent.

23 (4) The Notice referred to in subsection (3) of this section shall clearly
24 and explicitly state the cause of action, the particulars of the claim, the name
25 and place of abode of the intending plaintiff and the relief which he claims.

Service of
documents

26 17. A notice, summons or other documents required or authorised to
27 be served upon the Agency under the provisions of this Act or any other
28 enactment or law may be served by delivering it to the chairman or the director
29 or by sending it by registered post and addressed to the Director at the principal
30 office of the Agency.

- 1 18.-(1) In any action or suit against the Agency, no execution or
2 attachment of process in the nature thereof shall be issued against the
3 Agency. Restriction on
execution against
property of the
Agency
- 4 (2) Any sums of moneys, which may by the judgment of the court
5 be awarded against the Agency shall, subject to any directions given by
6 Court where notice of appeal of the said judgement has been given, be paid
7 by the Agency from the general reserve fund of the Agency.
- 8 19. A member of the Board, the Director, any officer or employee Indemnity of
officers
9 of the Agency shall be indemnified out of the assets of the Agency against
10 any liability incurred by him in defending any proceeding, whether civil or
11 criminal, in which judgment is given in his favour, or in which he is
12 acquitted, if any such proceeding is brought against him in his capacity as a
13 member, Director, officer or employee of the Agency.
- 14 20. The Agency may make regulations generally for carrying into Regulations
15 effect the provisions of the Act.
- 16 21. In this Act, unless the context otherwise requires: Interpretation
- 17 "Agency" means the Nigerian Iron and Steel Raw Materials Exploration
18 Agency established under section 1 of this Act;
- 19 "Chairman" means the chairman of the Board;
- 20 "Director" means the Director of the Agency appointed under section 8 of
21 this Act;
- 22 "member" means a member of the Board and includes the chairman;
- 23 "minerals" means any steel raw materials required for the iron and steel
24 industry, excluding petroleum;
- 25 "Minister" means the Minister charged with responsibility for steel;
- 26 "Steel raw materials" includes iron ore, manganese, tungsten, nickel,
27 molybdenum, cobalt, chromium ores, dolomite, limestone, alumina-silicate
28 clays, bauxitix clays, bentonitic clays, magnesite, quartzite, kyanite, zircon
29 and silica sands, fluorspar, graphite, cooking coal, and any other mineral

1 used as an alloying agent, a fluxing agent, a refractory material or a foundry
2 material.

Repeal of No. 19
of 1971, No. 60
of 1979 and
No. 49 of 1992

3 22.-(1). the following Acts (the "repealed Acts") are hereby repealed;
4 (a). Nigeria Steel Development Authority Act No. 19 of 1971;
5 (b). National Steel Council Act No. 60 of 1979; and
6 (c) National Steel Raw Materials Exploration Agency Act No. 49 of
7 1992

Short title

8 23. This Bill may be cited as the Nigerian Iron and Steel Development
9 Bill, 2019.

10 SCHEDULE

11 *Tenure of office of members of the Board*

12 1. Subject to paragraph 3 of this schedule, a member who is not a
13 public officer shall hold office on first appointment for a period of four years
14 beginning with the date of his appointment and at the expiration of that period,
15 for a further period of four years.

16 2. A member of the Board who is a public officer shall cease to be
17 such a member upon his ceasing to hold the office entitling him to be appointed
18 as a member of the Board.

19 3. Any member of the Board may at any time be removed from his
20 office for inability to discharge the functions of his office or for misconduct or
21 on his conviction for criminal offence involving dishonesty, fraud or moral
22 turpitude.

23 4. A member of the Board shall be paid such reasonable allowance as
24 may be determined by the Board with the approval of the Minister.

25 *Proceedings of the Board*

26 5. Subject to the provisions of this schedule, and section 27 of the
27 Interpretation Act, the Board may make standing orders for regulating its
28 proceedings or the proceedings of any of its committees.

29 6. The quorum at any meeting of the Board shall be the chairman or
30 one ex-officio member and three other members and the quorum of any

1 committees set up by the Board shall be as determined by the Board.

2 7. The chairman shall preside at every meeting at which he is
3 present and, in his absence, the members may elect one of their number
4 present at the meeting to preside at the meeting.

5 8.-(1) The Board shall meet not less than once in every six months
6 and subject to the provisions of any standing orders of the Board, it shall
7 meet at such times as it may be summoned by the Chairman.

8 (2.) if the chairman is required to do so by notice in writing given to
9 him by not less than three members, he shall summon a meeting of the Board
10 to be held within fourteen days from the date on which the notice is given.

11 9. Where the Board desires to obtain the advice or services of any
12 person on any particular matter, it may co-opt that person as a member for
13 such period as it thinks fit, provided that a person so co-opted shall not be
14 entitled to vote and shall not count towards a quorum.

15 10. The first meeting of the Board shall, notwithstanding the other
16 provisions of this Schedule, be summoned by the Minister and subject as
17 hereinbefore provided, any other meeting shall be convened by the
18 chairman.

19 *Committees*

20 11.-(1) The Board may appoint such number of committees,
21 whether standing or ad-hoc to perform such of its functions as the Board
22 may direct.

23 (2) No decision of any committee of the Board shall take effect
24 until it is confirmed by the Board.

25 (3) Every committee appointed by the Board under the foregoing
26 provisions of this paragraph shall be presided over by a member of the Board
27 and shall be made up of such number of persons, not necessarily all members
28 of the Board, as the Board may determine in each case.

29 *Miscellaneous*

30 12. The fixing of the seal of the Agency shall be authenticated by

1 the signature of the chairman (or of some other member authorised either
2 generally or specially by the Board to act in that behalf) and of the Director.

3 13. Any contract or instrument which, if made or executed by a
4 person not being required to be under seal, may be made or executed on behalf
5 of the Agency by any person generally or specially authorised by the Board to
6 act for the purpose.

7 14. Any document purporting to be a document executed under the
8 seal of the Agency and authenticated as aforesaid shall be received in evidence
9 and shall unless the contrary is proved, be presumed to be so executed.

10 15. Any member of the Board who has a personal interest in any
11 contract or arrangement entered into or proposed to be considered by the Board
12 shall forthwith disclose his interest to the Board and shall not vote on any
13 question relating to the contract or arrangement.

EXPLANATORY MEMORANDUM

This Bill seeks to provide for the repeal and re-enactment of the Nigerian Iron and Steel Development Act and to repeal the scattered pieces of legislations relating to Iron and Steel and enact an all-encompassing law to make comprehensive provisions for the exploration, exploitation, development and management of Iron and Steel sector in Nigeria.