

YOUTH ENTREPRENEURSHIP DEVELOPMENT TRUST FUND.

(ESTABLISHMENT) BILL, 2021

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A BILL

FOR

AN ACT TO MAKE PROVISION FOR THE ESTABLISHMENT OF YOUTH ENTREPRENEURSHIP DEVELOPMENT TRUST FUND AND A MANAGEMENT TEAM TO ADMINISTER THE FUND; AND FOR RELATED MATTERS

Sponsored by Hon. Farah Dagogo

[] Commencement

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

1 PART I - ESTABLISHMENT, FUNCTIONS AND MEMBERSHIP
2 OF THE BOARD

3 1.-(i) There shall be established a fund into which shall accrue all
4 moneys that shall be saved and employed strictly in the circumstances as
5 provided for in this Bill;

Establishment
and Objective of
the Fund

6 (ii) The Fund shall be known as the Youth Entrepreneurship
7 Development Trust Fund (in this Bill referred to as the "the Youth Fund");

8 (iii) The objective of the Youth Fund shall be: 0 provide an assured
9 socio-economic security for Nigerian youth, and for use in the
10 circumstances provided for in this Bill.

11 (2) The fund shall consist of:

12 (a) not less than 5% capital estimate proposal from the Federation
13 Account approved as appropriation for the fiscal year;

14 (b) revenue accruing periodically from approved investments
15 made out of the capital in the Youth Fund;

16 (c) One percent profit as declared by each private entity in the
17 country;

18 (d) other revenue legitimately accruing to the fund by means not
19 provided for in this Bill; and

1 from time to time.

Establishment
of the Management
Board

2 2.-(1) There is hereby established for the management of the Youth
3 Fund, a body to be known as the Youth Fund Management Board (in this Bill
4 referred to as "the Board") which shall, subject to this Bill have general control
5 of the Youth Fund and investments of sums forming part of the Youth Fund.

6 (2) The Board shall be a body corporate with perpetual succession and
7 a common seal and may sue and be sued in its corporate name.

8 (3) The Board shall for the purpose of the discharge of its functions
9 under this Bill have power, to:

10 (a) acquire, hold and alienate property, real or personal; and

11 (b) enter into any contract or other transactions.

Functions of the
Board

12 3.-(1) The Board shall be responsible for, the:

13 (a) administration of the Youth Fund and the investment of sums
14 forming part of the Fund;

15 (b) pre-qualification of youths of Nigerian origin to benefit from the
16 Youth Fund;

17 (c) disbursement of the Fund to the Youth that have been qualified to
18 benefit from the Youth Fund;

19 (d) setting the guideline for accessing the Youth Fund

20 (e) general administration of the Youth Fund and regulations made
21 there-under.

22 (2) The Board shall have power to carry out such activities, as may
23 appear to the Board to be incidental or conducive to the attainment of its
24 objects under this Bill.

Membership of
the Board

25 4.-(1) The Board shall consist of the following members:

26 (a) the Chairman who shall be a Youth appointed by the President, on
27 the recommendation of the Minister for Youth & Sports Development;

28 (b) one persons nominated by the National Youth Council of Nigeria;

29 and

30 (c) one representative each of:

- 1 (i) the Federal Ministry of Youth & Sports Development
- 2 (ii) Federal Ministry of Employment, Labour and Productivity;
- 3 (iii) the Central Bank of Nigeria;
- 4 (d) the Managing Director.

5 (2) The supplementary provisions set out in the Schedule to this
6 Bill shall have effect with respect to the proceedings of the Board and the
7 other matters contained therein.

8 5.-(1) The members of the Board shall hold office for a term of four Tenure of office
9 years and shall be eligible for reappointment for one further term of four
10 years and no more.

11 (2) The members of the Board shall be paid such remuneration and
12 allowances as the Minister may, from time to time, determine.

13 (3) A member of the Board may resign his appointment by a notice
14 in writing under his hand, addressed to the Minister.

15 6. A member of the Board shall cease to hold office if, he: Cessation of
Membership

- 16 (a) becomes of unsound mind;
- 17 (b) becomes bankrupt or makes a compromise with his creditors;
- 18 (c) is convicted of a felony or of any offense involving dishonesty;
- 19 (d) is guilty of serious misconduct in relation to his duties.

20 PART II - MANAGEMENT OF THE FUND AND STAFF OF THE BOARD

21 7.-(1) The President shall appoint for the Board, a Managing Appointment of
the Managing
Director and
Executive Directors
22 Director and six Executive Directors representing each of the geopolitical
23 zones in the country on the recommendation of the Minister.

24 (2) The Managing Director shall be the Chief Executive Officer of
25 the Board and shall, subject to the general control of the Board, be
26 responsible for the day-to-day administration of the affairs of the Board.

27 (3) The Managing Director and the Executive Directors shall each
28 hold office for a term of four years in the first instance and shall be eligible
29 for re-appointment for one further term of four years and no more.

Removal from
office of the
Managing Director
and Executive
Directors

1 8. Notwithstanding the provision of section 7 (3) of this Bill, the
2 Managing Director or any of the Executive Directors of the Board may be
3 removed from office by the President if any circumstances arise which would
4 require the Managing Director or Executive Directors to cease to hold office as
5 a member of the Board under section 6 of this Bill.

Appointment
of the Secretary
and other staff

6 9.-(1) The Board shall cause to be appointed a person with relevant
7 academic and professional qualification as Secretary to the Board.

8 (2) The Secretary shall, subject to the directions of the Board, arrange
9 the business of the meetings of the Board, conduct the correspondence of the
10 Board and perform such other functions as the Board or the Managing Director
11 may, from time to time, direct.

12 (3) The Board may employ or Second from the Public Service of the
13 Federation or any State of the Federation such other staff as may, in the opinion
14 of the Board, be necessary to assist the Managing Director in carrying out the
15 functions of the Board under this Bill.

16 (4) The terms and conditions of service (including terms and
17 conditions as to remuneration, allowances, pensions, gratuities and other
18 benefits) of the persons employed by the Board shall be determined by the
19 Board from time to time.

20 (5) The control of the employees (including their promotion and
21 discipline) shall vest in the Board but may be delegated by the Board to the
22 Managing Director or any of the Executive Directors subject to such conditions
23 as the Board may specify.

24 PART III - FINANCIAL PROVISIONS

Estimates

25 10. The Board shall cause to be prepared in respect of each year an
26 estimate of its income and of expenditure for that year.

Expenses to be
paid out of the
Youth Fund

27 11. All expenses incurred in the administration of the Fund shall be
28 paid by the Board out of the monies of the Youth Fund.

Investment of
funds

29 12. Money standing to the credit of the Youth Fund and not
30 immediately required to be expended in meeting the obligations of the Board

1 may be invested from time to time in such proportions as the Board may
2 approve, having regard to contingencies.

3 13.--(1) The Board shall cause to be kept proper books of account
4 and records in relation thereto, and when certified by the Board such
5 accounts shall be audited as provided in subsection (2) of this section.

Accounts and
audit

6 (2) The Board shall not later than six months after the end of each
7 year cause its accounts to be audited by auditors appointed by the Board
8 from the list and in accordance with the guidelines supplied by the Auditor-
9 General for the Federation.

10 (3) The financial year of the Fund shall end on 31 December in each
11 year.

12 (4) The Board shall determine the fee payable to auditors for the
13 services rendered pursuant to this section.

14 14. The Board shall cause to be prepared and submitted to the
15 President, not later than 30 July in each year a report on the activities of the
16 Board during the immediately preceding year and shall include in the report
17 the audited accounts of the Board and the Auditor-General's report thereon.

Annual report

18 15. The fund shall not be used under any circumstances for the
19 following purposes:

Prohibition of
the use of the
Youth Fund

20 (a) as collateral or security for any form of borrowing by the
21 Government; or

22 (b) to make up shortfalls in the Recurrent or Capital Expenditure of
23 the Government.

24 PART IV - MISCELLANEOUS PROVISIONS

25 16. No stamp duty shall be payable on any receipt, contract,
26 instrument or other document given or executed by or on behalf of the
27 Board.

Exemption from
payment of stamp
duty

28 17. The Board shall not be liable to pay income tax and no tax by
29 whatever name called shall be payable in respect of any property vested in

Board exempted
from payment of
income tax

Benefits exempted
from tax and
inalienable

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18.-(1) Benefits payable under this Bill:

(a) shall be exempted from taxation; and

(b) shall not be liable to attachment for debt under any process of law.

(2) Contributions to the Youth Fund shall be inalienable and shall not be assets for the benefits of creditors in the event of the bankruptcy or insolvency of the contributor.

Indemnity

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19. No member, officer, servant or agent of the Board shall incur personal liability for any act done in good faith while engaged in the business of the Board.

Review of
operation of the
scheme

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20.-(1) The Board shall not later than five years from the commencement of this Bill and at least once during the course of every five years thereafter, cause an actuary to review the operations of the Board under this Bill.

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(2) An actuary, appointed pursuant to subsection (1) of this section, shall prepare a report on the state of the Youth Fund and in regard to any deficiency revealed, he shall state what action he recommends should be taken thereon.

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(3) The Board shall submit a copy of the report of the actuary to the Minister together with the Board's observations on any recommendations made by the actuary.

Reciprocal
agreements

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21. The Minister may enter into a reciprocal agreement with the government of any other country in which a scheme similar to that established, by this Bill has been established, and may include in the agreement provisions modifying, adapting or amending the provisions of this Bill to give effect to the agreement.

Regulations

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22.-(1) The Board may, after consultation with the Minister, make regulations giving effect to the provisions of this Bill and without prejudice to the generality of the foregoing the regulations may provide for:

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(a) the prescription of anything required to be prescribed under the

30 Bill;

1 (b) the prescription of the amount payable to any Youth under the
2 Bill;

3 (c) specifying the records to be kept by the Board and its employees
4 in respect of contributions to the Youth Fund;

5 (d) specifying the amount of contributions payable under the Bill;

6 (e) specifying the method of collecting contributions under the
7 Bill;

8 (f) the prescription of the procedure for making claims and making
9 payments under the Bill;

10 (g) the prescription of any forms or documents required for the
11 purposes of the Bill;

12 (h) the prescription of the procedure for assessment of contribution
13 by or on behalf of the Board.

14 (2) Regulations made under this section shall not come into
15 operation until they are published in the Federal Gazette.

16 23. The provisions of the Trustee Investment Act shall not apply to
17 the investment of money by the Board.

Trustee Investments
Act not apply

18 24.-(1) The Board shall open and operate separate bank accounts in
19 any reputable Nigerian bank or banks, which bank shall then become a
20 Custodian, for the purposes of receiving into and paying out the sums
21 standing to the credit of the Fund.

Bank Accounts
and Mandates

22 (2) Any account opened under sub-section (1) above shall be
23 named as the "Nigeria Youth Fund Account."

24 (3) No withdrawal or payment shall be made from the Youth Fund
25 Account unless an Instrument of withdrawal or payment order in respect of
26 such withdrawal is validated through a letter of authorization under the hand
27 of two duly authorized first class signatories of the Youth Fund, supported
28 by a two-thirds majority resolution of the Board.

1 may determine but shall meet at least once every quarter;

2 (b) A special meeting of the Board shall be called upon a written
3 request by the Chairman or by not less than two- third of the members of the
4 Board to addressed to the Secretary of the Committee;

5 (c) the quorum for any meeting of the Board shall be one third of the
6 total Members of the Board;

7 (d) At every meeting of the Board at which the Chairman is present,
8 the Chairman shall preside and in his absence a member of the Board appointed
9 by the members present from among themselves shall preside;

10 (e) The Board may at any time co-opt any person or persons to act as
11 adviser or advisers at any of its meetings, but no such person(s) so co-opted
12 shall be entitled to vote at any such meetings on any matter for decision by the
13 Committee nor shall count for a quorum;

14 (f) Questions proposed at a meeting of the Board shall be determined
15 by a simple majority of members present and voting and in the event of an
16 equality of votes, the Chairman shall have a second or casting vote;

17 (g) A member of the Board who has an interest in any company or
18 undertaking with which the Government proposes to enter into a contract on
19 behalf of the Youth Entrepreneurship Fund or who has any interest in any
20 contract which the Government proposes to enter into on behalf of the
21 Investment shall disclose in writing to the Committee the nature of his interest;

22 (h) The secretary of the Committee shall prepare and distribute to
23 members all Minutes after each meeting.

Sub-Committees

24 26. The Board may constitute such sub-committees as it considers fit
25 to deal with different aspects of its responsibilities and such sub-committee
26 shall lay before the Managing Director for onward transmission to the Board
27 the report of its activities.

Citation

28 27. This Bill may be cited as the Youth Entrepreneurship
29 Development Trust Fund (Establishment) Bill, 2021.

EXPLANATORY MEMORANDUM

This Bill seeks to create a Fund which shall be used to provide financial support to Nigerian Youth with entrepreneurship skills. It is hoped that the Youth Fund would provide a vehicle for assured socioeconomic security for Nigerian youth, to galvanize them to become employers of labour, self reliance and captains of industry. This would reduce unemployment and the social vices that characterize the Nigerian society today.

