

# A BILL

## FOR

AN ACT TO ALTER THE CONSTITUTION OF THE FEDERAL REPUBLIC OF NIGERIA 1999 TO PROVIDE FOR THE ESTABLISHMENT OF HOST COMMUNITIES DEVELOPMENT COMMISSIONS; AND FOR RELATED MATTERS

*Sponsored by Hon. Doctor Farah Dagogo*

[ ] Commencement

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

1           1. The Constitution of the Federal Republic of Nigeria 1999 (in  
2 this Bill referred to "the Principal Act") is altered to set out in the Bill. Alteration of the  
Constitution of  
the Federal Republic  
of Nigeria, 1999

3           2. Section 162 (2) of the Principal Act is amended by substituting  
4 for subsection (2) a new sub-section '(2)': Alteration of  
Section 162 (2)

5           (a) The President, upon the receipt of advice from the Revenue  
6 Mobilisation Allocation and Fiscal Commission, shall table before the  
7 National Assembly proposals for revenue allocation from the Federation  
8 Account, and in determining the formula, the National Assembly shall take  
9 into account, the allocation principles especially those of population,  
10 equality of States, internal revenue generation, land mass, terrain as well as  
11 population density;

12           Provided that the principle of derivation shall be constantly  
13 reflected in any approved formula as being not less than thirteen percent of  
14 the revenue accruing to the Federation Account directly from any natural  
15 resources.

16           (b) The thirteen percent derivation shall be paid directly to the host  
17 communities;

18           (c) The Host Communities Development Commissions is under  
19 this Constitution guaranteed; and accordingly, the Government of each

1 beneficiary State shall, subject to this section, ensure their existence under a  
2 Law which provides for the establishment, structure, composition, finance and  
3 functions of such Commissions within 12 months of the existence of this  
4 Alteration;  
5 (d) Failure of any State to establish the Host Communities  
6 Development Commission shall be deemed as an offence and such a State shall  
7 forfeit 30% of her monthly benefit from the 13 % derivation fund till such a  
8 time that the Commission is established.

Citation: [ 9 ] 3. This Bill may be cited as the Constitution of the Federal Republic  
10 of Nigeria, 1999 (Fifth Alteration) Bill, 2021.

Explanatory Memorandum

11 This Bill seeks to alter Section 162 (2) of the Constitution of the Federal  
12 Republic of Nigeria 1999 to establish the Host Communities Development  
13 Commission charged responsibility of administering the thirteen percent  
14 derivation allocation to the mineral benefiting States under the Constitution.