

PETROLEUM TECHNOLOGY DEVELOPMENT FUND ACT  
(REPEAL AND RE-ENACTMENT) BILL, 2019

ARRANGEMENT OF SECTIONS

*Section:*

1. Establishment of the Petroleum Technology Development Fund
2. Purpose of the Fund
3. The Governing Council
4. Tenure of office
5. Cessation of membership
6. Powers of the Council
7. Appointment of Executive Secretary
8. Appointment of other staff of the Fund
9. Pensions
10. Staff regulations
11. Financial provisions
12. Power to accept gift
13. Annual estimates and accounts
14. Annual reports
15. Exemption from taxes
16. Power to borrow
17. Power to invest
18. Limitation of suit against the Fund
19. Service of documents
20. Legal proceedings
21. Indemnity
22. Confidentiality
23. Directives
24. Regulations
25. Repeal of Cap P1S LFN 2004.
26. Interpretation
27. Short title



# A BILL

## FOR

AN ACT TO REPEAL THE PETROLEUM TECHNOLOGY DEVELOPMENT FUND ACT CAP P15 LAWS OF THE FEDERATION OF NIGERIA, 2004 AND TO RE-ENACT THE PETROLEUM TECHNOLOGY DEVELOPMENT FUND ACT; AND FOR RELATED MATTERS

*Sponsored by Hon. Benjamin Okezie Kalu*

[ ] Commencement

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

1           1.-(1) There is hereby established a body to be known as the  
2           Petroleum Technology Development Fund (in this Bill referred to as "the  
3           Fund").

Establishment of  
the Petroleum  
Technology  
Development Fund

4           (2) The Fund shall be a body corporate with perpetual succession  
5           and a common seal and may sue and may be sued in its corporate name and  
6           shall be capable of acquiring, holding or disposing of any property  
7           moveable or immoveable for the purpose of carrying out its functions.

8           2. The Fund established under section 1 of this Bill shall be for the  
9           purposes of development, promotion and implementation of petroleum  
10          technology and manpower development through research and training of  
11          Nigerians as graduates, professionals, technicians, and craftsmen in the field  
12          of engineering, geology, geosciences, management, economics and other  
13          relevant fields in the petroleum industry within Nigeria or abroad; and in  
14          particular; and without prejudice to the generality of the foregoing, the Fund  
15          shall be utilized to:

Purpose of the  
Fund

16                 (a) initiate, design and implement an effective indigenous research  
17                 and development capacity for Nigeria's oil and gas industry;

18                 (b) co-ordinate with research centres in Nigeria and abroad the

- 1 adaptation of technological innovations for the Nigerian oil and gas industry;
- 2 (c) use existing human resources development facilities in Nigeria for
- 3 an expanded manpower development programmes in the oil and gas industry;
- 4 (d) provide scholarships, bursaries and grants to Nigerians, wholly or
- 5 partially, in universities, polytechnics, colleges, schools and institutions in
- 6 relevant disciplines in Nigeria or abroad;
- 7 (e) sponsor regular or as necessary visits to oil and gas fields,
- 8 platforms, refineries, petrochemical plants, gas processing facilities, oil and
- 9 gas jetties and for arranging any necessary attachments of personnel to
- 10 establishments connected with the development of oil and gas industry in
- 11 Nigeria;
- 12 (f) harmonise human resources and manpower development
- 13 programmes of companies operating in the oil and gas industry in Nigeria;
- 14 (g) make endowments to faculties, schools and colleges in Nigerian
- 15 universities, polytechnics, colleges and other related institutions approved by
- 16 the Government Council of the Fund;
- 17 (h) make available appropriate educational and research materials,
- 18 books, workshops, studies, laboratories and training equipment in the
- 19 institutions specified in paragraph (g) of this section;
- 20 (i) support, as the case may be skill acquisition programmes aimed at
- 21 enhancing employment in the oil and gas industry in Nigeria;
- 22 (j) support the financing of and participation in seminars, conferences
- 23 and workshops that will enhance the development of technology in the oil and
- 24 gas industry in Nigeria;
- 25 (k) periodically compute, evaluate and update the basic needs of
- 26 Nigeria's oil industry in terms of skill, expertise and know-how; and
- 27 (l) enhance and develop infrastructure in the faculties, schools and
- 28 colleges in Nigerian universities, polytechnics, colleges and other related
- 29 institutions approved by the Council of the Fund.

The Governing  
Council

1                   3.-(1) There is hereby established for the Fund, a Governing  
2 Council (in this Bill referred to as "the Council") which shall be responsible  
3 for the general control and administration of the Fund.

4                   (2) The Council shall:

5                   (a) be a body corporate with perpetual succession; and

6                   (b) may sue and be sued in its corporate name.

7                   (3) The Council shall consist of:

8                   (a) a Chairman;

9                   (b) one representative each of the Federal Ministry:

10                  (i) Petroleum Resources,

11                  (ii) Finance,

12                  (iii) Education, an

13                  (iv) Science and Technology;

14                  (c) one representative each of the:

15                  (i) Petroleum Technology Association of Nigeria,

16                  (ii) Lagos chamber of Commerce and Industry,

17                  (iii) Nigerian Association of Indigenous Petroleum

18 Explorationists, and

19                  (iv) Society of Petroleum Engineers,

20                  (d) three persons one whom shall be a woman to represent a variety  
21 of professional interests; and

22                  (e) the Executive Secretary who shall be a member/Secretary of the  
23 Council.

24                  (4) The Chairman and members of the Council shall each be:

25                  (a) persons of proven integrity; and

26                  (b) appointed by the President.

27                  (5) The supplementary provisions set out in the Schedule to this  
28 Bill shall have effect with respect to the proceedings of the Council and the  
29 other matter contained therein.

30                  4.-(1) The Chairman and members of the Council, other than ex-

Tenure of office

1 officio members, shall each hold office for a period of 4 years in the first  
2 instance and may be re-appointed for a further period of 4 years and no more.

3 (2) The members of the Council shall be paid such remuneration and  
4 allowance as the President may, from time to time, determine.

5 (3) A member of the Council, other than an ex-officio member, may  
6 resign his appointment by a notice in writing under his hand, addressed to the  
7 President and such resignation shall take effect only upon acknowledgment by  
8 the President.

Cessation of  
membership

9 **5.-(1)** A member of the Council shall cease to hold office if:

10 (a) he becomes of unsound mind;

11 (b) he becomes bankrupt or makes a compromise with his creditors;

12 (c) he is convicted of a felony or of any offence involving dishonesty;

13 (d) he dies; or

14 (e) he is guilty of serious misconduct in relation to his duties.

15 (2) A member of the Council may be removed from office by the  
16 President, if, he is satisfied that it is not in the interest of the Fund or the interest  
17 of the public that the member should continue in office.

18 (3) Where a vacancy occurs in the membership of the Council, it shall  
19 be filled by the appointment of a successor to hold office for the remainder of  
20 the term of office of his predecessor, so however that the successor shall  
21 represent the same interest and shall be appointed by the President.

Powers of the  
Council

22 **6.-(1)** The Council shall have power to do anything which in its  
23 opinion is expedient to facilitate the carrying out of the utilization of the fund  
24 under this Bill and in particular to:

25 (a) receive all monies accruing to the Fund;

26 (b) control the property and finances of the Council;

27 (c) scrutinize and approve programmes and projects of the Fund;

28 (d) ensure accountability and proper utilization of the monies in the  
29 Fund;

30 (e) enter into contractual arrangements for the purpose of executing

1 approved activities of the Fund;

2 (f) invest funds in such manner and to such extent as it may deem  
3 necessary and expedient;

4 (g) ensure the disbursement of funds for approved programmes  
5 and projects of the Fund;

6 (h) monitor and evaluate the execution of approved programmes  
7 and projects of the Fund;

8 (i) liaise with relevant Ministries, Agencies and other bodies  
9 connected with the execution of the programmes of the Fund;

10 (j) update the Federal Government on its activities and progress  
11 through annual and audited reports;

12 (k) approve the employment of qualified staff for the Fund;

13 (1) design and approve conditions of service for the staff of the  
14 Fund;

15 (m) retain the balance of monies accruing to the Fund after the  
16 disbursement specified in this Bill for the discharge of the utilization of the  
17 Fund.

18 7.-(1) There shall be for the Fund an Executive Secretary who  
19 shall:

Appointment  
of Executive  
Secretary

20 (a) be appointed by the President on the recommendation of the  
21 Minister;

22 (b) be a person with good knowledge in administrative matters;

23 (c) be the chief executive and accounting officer of the Fund;

24 (d) have such qualifications and experience as are appropriate for a  
25 person required to perform the functions of that office under this Bill; and

26 (e) hold office for a period of 4 years in the first instance and may  
27 be eligible for re-appointment for a further period of 4 years and no more on  
28 such terms and conditions as to emolument, conditions of service as may be  
29 specified in his letter of appointment.

30 (2) The Executive Secretary shall, subject to the general direction

1 of the Council, be responsible:

2 (a) for the day to day administration of the Fund;

3 (b) for keeping the books and proper records of the proceedings of the  
4 Council;

5 (c) for the assessment of contributions under this Bill and the  
6 collection and payment of moneys into the Fund;

7 (d) for the payment of all disbursements authorized under or by virtue  
8 of this Bill by the Council;

9 (e) for accounting for all moneys collected, paid or otherwise  
10 expended under this Bill;

11 (f) for ensuring the achievement of the utilization of the Fund under  
12 this Bill;

13 (g) for administration of the secretariat of the Council, and

14 (h) for the general direction and control of all other employees of the  
15 Fund.

Appointment of  
other staff of the  
Fund

16 **8.-(1)** The Fund may, with the approval of the Council, appoint such  
17 other staff or employees as, in the opinion of the Fund, may be expedient and  
18 necessary for the proper and efficient performance of its functions under this  
19 Bill.

20 (2) The terms and conditions of service (including remuneration,  
21 allowances, benefits and pensions) of the employees of the Fund shall be as  
22 determined by the Council.

23 (3) The Fund shall have power to appoint either on transfer or on  
24 secondment from any public service in the Federation, such employees as may,  
25 in the opinion of the Fund, be required to assist the Fund in the discharge of any  
26 of its functions under this Act, and shall have power to pay to persons so  
27 employed such remuneration (including allowances) as the Governing Council  
28 may, after consultation with the National Salaries and Wages Commission,  
29 determine.

Pensions

30 **9.** Service in the Fund shall be approved service for the purposes of



1 pensions and accordingly, the officers, staff or employees of the Fund shall  
2 be entitled to pensions and other retirement benefits in accordance with the  
3 provisions of the Pension Reform Act.

4 10.-(1) The Council may, subject to the provisions of this Bill,  
5 make staff regulations relating generally to the conditions of service of the  
6 employees of the Fund and without prejudice to the generality of the  
7 foregoing, such regulations may provide for:

Staff Regulations

8 (a) the appointment, promotion and disciplinary control (including  
9 dismissal) of employees of the Fund; and

10 (b) appeals by such employees against dismissal or other  
11 disciplinary measures, and until such regulations are made, any instrument  
12 relating to the conditions of service of officers in the public service of the  
13 Federation shall be applicable.

14 (2) Staff regulations made under subsection (1) of this section shall  
15 not have effect until approved by the Minister and when so approved they  
16 need not be published in the Federal Gazette but the Fund shall cause them to  
17 be brought to the notice of all affected persons in such manner as it may,  
18 from time to time, determine.

19 11.-(1) The Fund shall establish and maintain a fund which shall  
20 consist of into which shall be paid:

Financial Provisions

21 (a) the balance of the monetary assets outstanding in the accounts  
22 of the Petroleum Technology Development Fund at the commencement of  
23 this Bill;

24 (b) all further sums payable to or received by the Minister in terms  
25 of any agreement made by the Government and any company in relation to  
26 oil and gas prospecting or mining concession;

27 (c) funds and grants accruing from international and domestic  
28 donor organisations for the development of petroleum technology in  
29 Nigeria;

30 (d) fees payable for services rendered to local and foreign

1 institutions, agencies and companies in petroleum technology and  
2 management services;

3 (e) penalty fees resulting from:

4 (i) non-compliance with relevant expatriate quota provisions, and

5 (ii) violation of the Nigerian content laws;

6 (f) any other sum, from time to time, freely donated or accruing to the  
7 Government or the Fund for development of petroleum technology or the  
8 training and education of Nigerians in the oil and gas industry as the Governing  
9 Council established under Section 3 of this Bill may direct and monies in the  
10 said Fund together with Interest (if any) payable in respect thereof shall be  
11 applied for the purposes specified in section 2 of this Bill.

12 (2) The Fund may, from time to time, apply the proceeds of the fund  
13 established pursuant to subsection (1) of this section to:

14 (a) to the cost of administration of the Fund;

15 (b) to the payment of fees, allowances and expenses of members of  
16 the Council, or any committee set up by the Council;

17 (c) to the payment of salaries, allowances, and benefits of staff of  
18 Fund;

19 (d) for the maintenance of any property vested in the Fund or under its  
20 administration; and

21 (e) for and in connection with all or any of the objectives of the Fund  
22 under this Bill.

Power to accept  
gifts

23 **12.**-(1) The Fund may accept gifts of and, money or other property  
24 upon such terms and conditions, if any, as may be specified by the person or  
25 organization making the gift.

26 (2) The Fund shall not accept any gift if the conditions attached by the  
27 person or organization making the gift are inconsistent with the objectives of  
28 the Fund under this Bill.

Annual estimates,  
accounts, etc.

29 **13.**-(1) The Fund shall cause to be prepared, not later than 30th  
30 September in each year, an estimate of the expenditure and income of the Fund

1 during the next succeeding year and when prepared, they shall be submitted  
2 through the Minister to the National Assembly for approval.

3 (2) The Fund shall cause to be kept proper accounts of the Fund and  
4 proper records in relation thereto and when certified by the Council the  
5 accounts shall be audited by auditors appointed by the Council from the list  
6 and in accordance with the guidelines supplied by the Auditor-General for  
7 the Federation.

8 14. The Fund shall not later than 3 months immediately preceding Annual Report  
9 the beginning of each year, submit to the Minister, a report on the activities  
10 and administration of the Fund during the immediate proceeding year and  
11 shall include in such reports the audited accounts of the Fund and the  
12 Auditor's report thereon.

13 15.-(1) The Fund shall be exempted from the payment of tax on any Exemption from  
14 income accruing from investments made by the Fund or otherwise taxes  
15 howsoever.

16 (2) The provisions of any enactment relating to the taxation of  
17 companies or trust funds shall not apply to the Fund.

18 16.-(1) The Fund may, from time to time, borrow by overdraft or Power to borrow  
19 otherwise such sums as it may require for the performance of its functions  
20 under this Bill.

21 (2) The Fund shall not, without the approval of the Minister,  
22 borrow money which exceeds, at any time, the amount set by the Minister.

23 (3) Notwithstanding subsection (1) of this section, where the sum  
24 to be borrowed is in foreign currency, the Fund shall not borrow the sum  
25 without the prior approval of the Minister.

26 17. The Fund may, subject to the provisions of this Bill and the Power to invest  
27 conditions of any trust created in respect of any property, invest all or any of  
28 its funds in any security prescribed by the Trustee Investment Act or in such  
29 other securities as may, from time to time, be approved by the Minister.

Limitation of  
suit against the  
Fund

1 18.-(1) Subject to the provisions of this Bill, the provisions of the  
2 Public Officers Protection Act shall apply in relation to any suit instituted  
3 against an officer or employee of the Fund, etc.

4 (2) Notwithstanding anything contained in any other enactment, no  
5 suit against a member of the Councilor the Executive Secretary or any other  
6 officer or employee of the Fund for any act done in pursuance or execution of  
7 this Bill or any other enactment or law, or of any public duty or authority in  
8 respect of any alleged neglect or default in the execution of this Bill or any  
9 other enactment or law, duty or authority, shall lie or be instituted in any court  
10 unless it is commenced:

11 (a) within three months next after the act, neglect or default  
12 complained of; or

13 (b) in the case of a continuing damage or injury, within six months  
14 next after the ceasing thereof.

15 (3) No suit shall be commenced against a member of the Councilor  
16 the Executive Secretary or any other officer or employee of the Fund before the  
17 expiration of a period of one month after written notice of the intention to  
18 commence the suit shall have been served on the Fund by the intending plaintiff  
19 or his agent.

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

Service of  
documents

23 19. A notice, summons or other document required or authorized to  
24 be served on the Fund under the provisions of this Bill or any other enactment  
25 or law may be served by delivering it to the Executive Secretary at the principal  
26 office of the Council.

Legal  
proceedings

27 20.-(1) In any action or suit against the Fund, no execution or  
28 attachment of process in the nature thereof shall be issued against the Fund  
29 unless not less than three months' notice of the intention to execute or attach has  
30 been given to the Fund.

1 (2) Any sum of money which by the judgment of any court has been  
2 awarded against the Fund shall, subject to any direction given by the court,  
3 where notice of appeal against the judgment has been given, be paid from the  
4 fund of the Fund.

5 21. A member of the Council or the Executive Secretary or any Indemnity  
6 officer or employee of the Fund shall be indemnified out of the assets of the  
7 Fund against any liability incurred by him in defending any proceeding,  
8 whether civil or criminal, if the proceeding is brought against him in his  
9 capacity as a member, Executive Secretary, officer or other employee of the  
10 Fund.

11 22.-(1) A member of the Council or the Executive Secretary or any Confidentiality  
12 other officer or employee of the Fund shall:

13 (a) not, for his personal gain, make use of any information which  
14 has come to his knowledge in the exercise of his powers or is obtained by  
15 him in the ordinary course of his duty as a member of the Council or as the  
16 Executive Secretary, officer or employee of the Fund;

17 (b) treat as confidential any information which has come to his  
18 knowledge in the exercise of his powers or is obtained by him in the  
19 performance of his duties under this Bill;

20 (c) not disclose any information referred to under paragraph (b) of  
21 this subsection, except when required to do so by a court or in such other  
22 circumstances as may be prescribed by the Council, from time to time.

23 23. Subject to the provisions of this Bill, the President may give to Directives  
24 the Council such directives of a general nature with regard to the exercise by  
25 the Council of its functions under this Bill and it shall be the duty of the  
26 Council to comply with the directives.

27 24. The Council may make such regulations as it deems to be Regulations  
28 necessary or expedient for giving full effect to the provisions of this Bill.

29 25.-(1) The Petroleum Technology Development Fund Act, Cap Repeal of  
30 P15, Laws of the Federation of Nigeria, 2004 is hereby repealed. Cap. P15  
L.F.N, 2004

1 (2) Any subsidiary legislation made under the repealed Act shall, in so  
2 far as it is not inconsistent with this Bill, remains in operation until revoked or  
3 replaced by a subsidiary legislation made under this Bill, and shall be deemed  
4 for all purposes to have been made under this Bill.

Interpretation

5 **26.** In this Bill, unless the context otherwise requires:  
6 "Council" means the Petroleum and Technology Development Fund  
7 Governing Council established by Section 3 of this Bill;  
8 "Executive Secretary" means the Executive Secretary of the Fund appointed  
9 under section 7 of this Bill;  
10 "Financial year" means the period of twelve months Beginning from 1st  
11 January and ending 31st December:  
12 "Fund" means the Petroleum Technology Development Fund established by  
13 section 1 of this Bill;  
14 "Government" means the Government of the Federation of Nigeria;  
15 "Minister" means the Minister charged with the responsibilities for matters  
16 relating to petroleum resources;  
17 "property" includes right, assets, liabilities and obligations of the Fund;  
18 "regulations" means regulations made pursuant to Section 24 of this Bill.

Short title

19 **27.** This Bill may be cited as the Petroleum Technology Development  
20 Fund Act (Repeal and Re-enactment) Bill, 2019.

## SCHEDULE

## Section 4 (5)

## SUPPLEMENTARY PROVISIONS RELATING TO THE COUNCIL

*Proceedings of the Council*

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1.-(1) Subject to this Bill and section 27 of the Interpretation Act, the Council may make standing orders regulating its proceedings or those of any of its committees.

(2) The quorum of the Council shall be the Chairman and one half of the members present and voting and the quorum of any Committee of the Council shall be determined by the Council.

2.-(1) The Council shall meet not less than four times in each Year and subject thereto, the Council shall meet whenever it is summoned by the Chairman, and if the Chairman is required to do so by notice given to him by not less than four other members, he shall summon a meeting of the Council to be held within fourteen days from the date on which the notice is given;

(2) At any meeting of the Council, the Chairman shall preside but if he is absent, the members present at the meeting shall appoint one of their members to preside at that meeting.

(3) Where the Council desires to obtain the advice of any person on a particular matter, the Council may co-opt him to the Council for such period as it thinks fit; but a person who is in attendance by virtue of this subparagraph shall not be entitled to vote at any meeting of the Council and shall not count towards a quorum.

*Committees*

3.-(1) The Council may appoint one or more committees to carry out, on behalf of the Council, such of its functions as the Council may determine.

(2) A committee appointed under this paragraph shall consist of such number of persons (not necessarily members of the Council) as may be determined by the Council; and a person other than a member of the Council

1 shall hold office on the committee in accordance with the terms of his  
2 appointment.

3 (3) A decision of a committee of the Council shall be of no effect until  
4 it is confirmed by the Council.

5 *Miscellaneous*

6 4.-(1) The fixing of the seal of the Council shall be authenticated by  
7 the signature of the Chairman or of any other person authorized generally or  
8 specially to act for that purpose by the Council and the Executive Secretary.

9 (2) Any contract or instrument which, if made or executed by a person  
10 not being a body corporate, would not be required to be under seal may be made  
11 or executed on behalf of the Council by the Executive Secretary or any person  
12 generally or specially authorizes to act for that purpose by the Council.

13 (3) Any document purporting to be a document duly executed under  
14 all of the Council shall be received in evidence and shall, unless and the  
15 contrary is proved, be presumed to be so executed.

16 (4) The validity of any proceeding of the Council or of a committee  
17 thereof shall not be adversely affected by Any vacancy in the membership of  
18 the Council or committee, or by any defect in the appointment of a member of  
19 the Council or of a committee, or by reason that a person not entitled to do so  
20 took part in the proceedings of the Council or committee.

EXPLANATORY MEMORANDUM.

This Bill seeks to repeal and re-enact the Petroleum Technology Development Fund Act so as to make adequate provision for the effective administration of the Fund.