

A BILL

FOR

AN ACT TO AMEND THE SMALL AND MEDIUM SCALE INDUSTRIES
DEVELOPMENT AGENCY (ESTABLISHMENT) ACT, NO 16 OF 2003, CAP. S16,
LAWS OF THE FEDERATION OF NIGERIA, (LFN), 2003 AND FOR RELATED
MATTERS

Sponsored by Hon. Uryime Idem

[] Commencement

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

1 1. The Small and Medium Scale Industries Development Agency
2 (Establishment) Act Cap S16 LFN., 2004 (hereinafter referred to as "the
3 Principal Legislation") is hereby amended in the manner spelt out
4 hereunder;

Amendment of
the Principal Act

5 2. Section 9 of the Principal Legislation is hereby amended to
6 insert new Subsection (c) to read thus;

Amendment of
Section 9

7 (c) demand and impose payment of prescribed fee by the small and
8 medium Scale industries into the fund of the agency for the operations and
9 management of the activities of the Agency.

10 Section 9 of the Principal Legislation is hereby amended to insert
11 new Subsection (d) to read thus;

12 (d) be responsible for the disbursement and allocation of available
13 resources such as loans and grants to the deserving small and medium scale
14 industries.

15 Section 9 of the Principal Legislation is hereby amended to insert
16 new Subsection (e) to read thus;

17 (e) ensure that no loans and grants is given to any small and
18 medium scale industries without proper verification and authentication by
19 the Agency.

1 Subsection 9 (c) is now re-numbered as subsection (f) as follows:

2 (f) do such other things as are necessary for the successful
3 performance of its function under this Act.

Amendment of
Section 13

4 3. Section 13 of the Principal Legislation is hereby amended to insert
5 subsection 13 (1) and (2) thus;

6 13.-(1) The Agency shall establish and maintain a fund into which
7 shall be paid and credited:

8 (a) the take-off grants from the Federal Government;

9 (b) annual subvention from the Federal Government;

10 (c) loans and grant-in-aid from national, bilateral and multilateral
11 agencies;

12 (d) rents, fees and other internally generated revenues from services
13 provided by the Agency; and

14 (e) all other sums accruing to the Agency, from time to time.

Introduction of
a new sub-section
(13) (2)

15 4. There is hereby introduced a new sub-section (13) (2) to insert the
16 following;

17 The agency shall maintain and levy funds for the following purposes;

18 (a) There shall be prescribed a fee from every Small and Medium
19 Scale Industries contributed to the development and training of operators;

20 (b) That such fee shall be determined by the governing Board of the
21 Agency (Section 2 of the Act) in fulfilment of Section 8 of this Act;

22 (c) An annual compliance certificate shall be issued to every
23 registered small and medium scale industries practicing under the umbrella of
24 the Agency and in compliance with this Act;

25 (d) The Agency shall set up procedures and guidelines for the
26 acquisition of the Compliance certificate;

27 (e) Any small and medium scale industries that seeks contracts from
28 the government shall require a Compliance Certification from the Agency
29 before such contracts are awarded;

30 (f) That such Compliance Certificate shall be issued subject to the

1 approval of the governing Board;

2 (g) No Small and Medium scale industries shall operate, access
3 loans and grants without the approval and certification of the agency.

4 5. Section 28 of the Principal Legislation is hereby amended to
5 insert additional words into the interpretation section;

Amendment of
Section 28.

6 In this Act, "small business", and "medium business" under
7 Section 1 of this Act:

8 "Small": means industries and firms with workforce of between 10 and 49
9 employees.

10 "Medium": means industries and firms with workforce of between 50 and
11 249 employees.

12 6. This Bill may be cited as the Small and Medium Scale Industries
13 Development Agency (Establishment) Act (Amendment) Bill, 2020.

Citation

EXPLANATORY MEMORANDUM

This Bill seeks to include the amendment of the Small and Medium Scale
Industries Development Agency (Establishment) Act No. 16 of 2003, CAP
S15, LFN., 2003.

