

NATIONAL SOCIAL INVESTMENTS TRUST FUND
(ESTABLISHMENT) BILL, 2020
ARRANGEMENT OF SECTIONS

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A BILL

FOR

AN ACT TO ESTABLISH NATIONAL SOCIAL INVESTMENTS TRUST FUND, TO ALLEVIATE POVERTY AMONG VULNERABLE NIGERIAN CITIZENS THROUGH TARGETED PROGRAMMES FOR THE AGED, INFIRMED, UNEMPLOYED AND STUDENTS, AND FOR RELATED MATTERS

Sponsored by Hon. Mansur Manu Sora

[] Commencement

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

- 1 1.-(1) There is hereby established the National Social Investments
2 Trust Fund (in this Bill referred to as "the Fund") into which shall be paid all
3 contributions and other monies as may be required to be paid or contributed
4 under this Bill and which Fund shall be operated and managed as provided in
5 this Bill. Establishment
of the National
Social Investment
Trust Fund
- 6 2.-(1) There is hereby established for the Fund a board of directors Establishment
of the Board of
Directors
7 (in this Bill referred to as "the Board").
- 8 (2) The Board-
- 9 (a) shall be a body corporate with perpetual succession and
10 common seal;
- 11 (b) may sue and be sued in its corporate name; and
- 12 (c) may, for the purpose of its functions, acquire, hold, or dispose of
13 property, whether movable and immovable.
- 14 (3) The Board shall comprise of-
- 15 (a) a Chairman who shall be appointed by the President;
- 16 (b) one person to represent the Federal Ministry of Humanitarian
17 Affairs, Social Development and Disaster Management;
- 18 (c) one person to represent the Federal Ministry of Budget and
19 National Planning;

1 (d) one person to represent the organised civil society in Nigeria;

2 (e) the Executive Secretary; and

3 (f) the two Executive Directors.

4 (4) The members of the Board, other than the Chairman and the
5 executive team, shall be appointed by the President on the recommendation of
6 the body they represent.

7 (5) The members of the Board shall be paid such allowances as the
8 Fund may, from time to time, approve.

9 (6) The provisions of the Schedule to this Bill shall have effect with
10 respect to the proceedings of the Board and the other matters mentioned
11 therein.

Tenure of Office

12 **3.**-(1) A member of the Board appointed, other than by office, shall
13 hold office for a term of three years, and subject to the provisions of subsection
14 (2) of this section, shall be eligible for reappointment for only one further term
15 of three years.

16 (2) The office of a member of the Board shall become vacant if-

17 (a) he resigns as a member by notice in writing under his hand
18 addressed to the President; or

19 (b) he becomes bankrupt, suspends payment of his debts or
20 compounds with his creditors; or

21 (c) he is convicted of an offence involving dishonesty or fraud; or

22 (d) he becomes of unsound mind; or

23 (e) he becomes a director or an officer of a banking or payment
24 systems service provider; or

25 (f) the Minister is satisfied that it is not in the interest of the Fund for
26 the member to continue in office and notifies the member in writing to that
27 effect.

Removal from
office of members
of the Board

28 **4.**-(1) If it appears to the Board that a member of the Board should be
29 removed from office on the grounds of misconduct or inability to perform the
30 functions of his office, the Board shall make a recommendation through the

1 Minister to the President.

2 (2) If the President, after making such inquiries as he considers
3 necessary, approves the recommendation, the Minister shall, in writing,
4 declare the office of the member vacant.

5 (3) Notwithstanding the provisions of subsection (1) of this
6 section, the President may remove a member of the Board from office if he is
7 satisfied that it is in the public interest so to do.

8 **5.** The functions of the Board shall be to-

Functions of the
Board

9 (a) manage and superintend the affairs of the Fund;

10 (b) develop the overall policy and general management of the
11 Fund;

12 (c) formulate policies and guidelines for operating the Fund and
13 ensuring their implementation;

14 (d) work closely with the management of the Fund to ensure
15 smooth operation of the affairs of the Fund;

16 (e) decide on and approving the borrowing power and credit limits
17 of the Fund;

18 (f) approve annual reports and statement of accounts of the Fund;

19 (g) appoint and approving fees for external auditors;

20 (h) give effect to directions that may emanate from time to time,
21 from the Minister who may, and

22 (i) carry out such other activities connected with or incidental to the
23 other functions of the Board.

24 **6.** Without prejudice to the generality of section 5 of this Bill, the
25 Fund shall have power to-

Functions of
the Fund

26 (a) receive appropriations from the Federal Government;

27 (b) accept grants, donations and gifts from the Federal, State
28 Government, local government, or any individual or body whether
29 incorporated or not, for all or any of the purposes of this Act.

30 (c) invest funds which are not immediately required for meeting

1 expenses in authorised securities;

2 (d) organise and operate, in collaboration with reputable insurance
3 companies, a social investment protection system designed to guarantee
4 liquidity to the Fund as well as afford cover beneficiaries of the Fund's
5 programmes; and

6 (e) do anything and enter into any transaction which in its opinion is
7 necessary to ensure the proper performance of its functions under this Bill.

Powers of the
Board

8 **7.** The Board shall have power to-

9 (a) to acquire offices and other premises for the use of the Fund;

10 (b) to fix terms and conditions of service including remuneration of
11 the employees of the Fund;

12 (c) establish such State and other branches of the Fund as it may deem
13 necessary for the proper performance of its functions; and

14 (d) to do such other things as are necessary for the successful
15 performance of its functions under this Bill.

Executive Secretary
and Executive
Directors

16 **8.-(1)** There shall be appointed for the Fund, by the President, the
17 following officers, that is-

18 (a) an Executive Secretary, who shall be the Chief Executive of the
19 Fund and be responsible for the day-to-day management of the affairs of the
20 Fund;

21 (b) such number of Executive Directors, not exceeding two, as he may
22 determine who shall perform such duties as may be assigned to them, from time
23 to time, by the Board or the Executive Secretary; and

24 (c) a person appointed as the Executive Secretary or Executive
25 Director shall be of proven integrity and must have worked in an executive
26 capacity at the National Social Investment Programme for a minimum of two
27 years.

28 (2) A person appointed as the Executive Secretary or an Executive
29 Director shall not, while holding that office, qualify to hold any office as a
30 Director in any other bank or payment systems service provider, corporation,

1 company or any other establishment without the approval of the Board.

2 (3) The Executive Secretary and Executive Directors appointed
3 pursuant to the provisions of subsection (I) of this section shall hold office
4 for a period of four years and may be re-appointed for a further period of four
5 years.

6 (4) Subject to subsection (3) of this section, the Executive
7 Secretary and Executive Directors shall each hold office on such terms and
8 conditions as may be specified in their respective letters of appointment.

9 **9.** Notwithstanding the provisions of section 8 subsection (3) of
10 this Bill, the Executive Secretary and Executive Directors may be removed
11 from office by the President if any circumstance arise which would require
12 the Executive Secretary or Executive Director to cease to hold office as a
13 member of the Board under this Bill.

Removal of
Executive
Secretary or
Executive Director

14 **10.**-(1) The Board shall appoint a Secretary to the Fund who shall-

Secretary and
other staff

15 (a) be responsible to the Executive Secretary;

16 (b) arrange the business of the meetings of the Board;

17 (c) keep the records and conduct the correspondence of the Board;

18 and

19 (c) perform such other duties as the Board or the Executive
20 Secretary may, from time to time, determine.

21 (2) The Board shall appoint such number of officers and other
22 persons as employees of the Fund as may appear expedient and necessary to
23 the Board for the proper and efficient conduct of the business and functions
24 of the Fund.

25 (3) The terms and conditions of service (including remuneration,
26 allowances and pension benefits) of the Secretary to the Fund and other
27 employees of the Fund shall be as may be determined by the Board.

28 **11.**-(1) The resources of the Fund shall be to the benefit of the poor
29 and vulnerable citizens of Nigeria. The Fund shall develop and implement
30 programmes to directly distribute periodic allowances to:

Coverage

- 1 (a) uneducated people with the minimum age of fifty-five,
2 (b) unemployed people living with permanent disability,
3 (c) unemployed youths between the ages of twenty-six to thirty-five,
4 and
5 (d) university students in the science, technology, engineering, arts,
6 and mathematics discipline.

7 (2) The Fund shall maintain a comprehensive database of the eligible
8 citizens of Nigeria under its programmes and use its best endeavour to
9 regularly update the database.

10 (3) Benefits under the programmes shall vest personally on the
11 beneficiary of the programmes and may not be transferred, assigned, or
12 otherwise relinquished in favour of another.

Ineligible persons

13 **12.** A person shall not be eligible for benefit under the programmes if-

14 (a) he has pensions, or is proven to have other source of regular
15 income; or

16 (b) he is not resident in Nigeria.

Repayment of
benefit improperly
received

17 **13.**-(1) Where any person has received any benefit or payment under
18 this Bill when he is not lawfully entitled to it, he shall be liable to repay to the
19 Fund the value of the benefit or the amount of such payment, or in the case of
20 his death, his estate or representative shall be liable to repay the same from the
21 assets of the deceased, if any, in his hands.

22 (2) Where any person has received any benefit or payment under this
23 Act when he is not lawfully entitled to it, and subsequently becomes entitled to
24 other benefits under this Bill, the Fund shall recover the value of the benefit or
25 the amount of such payment from that other benefit that he is entitled to.

26 (3) The amount recoverable under this section may be recovered as a
27 debt due to the Fund.

The funds of
the Fund

28 **14.** The funds of the Fund shall comprise of the following:

29 (a) a direct deduction of fifteen percent from the aggregate value-
30 added tax collected in a month;

- 1 (b) appropriations from the Federal Government;
- 2 (c) such sums as may be paid to the Fund in the course of its
- 3 operations;
- 4 (d) all interests received in respect of moneys invested by the Fund;
- 5 (e) all monies raised for the purposes of the Fund by way of gifts,
- 6 loans, grants-in-aid, testamentary dispositions or otherwise;
- 7 (f) donations from State and local governments, international
- 8 donor and development agencies;
- 9 (e) monies borrowed from any source approved by the Board; and
- 10 (f) such other monies as may, from time to time, accrue to the Fund.

11 **15.**-(1) Without prejudice to section 6 of this Bill, the Fund shall Borrowing powers

12 not, except with the approval of the Minister, borrow from any source any

13 money exceeding its annual cashflow projection.

14 (2) The Fund shall have power to secure the repayment of any

15 money borrowed by the Fund in such manner as the Fund may think fit and,

16 in particular, by the issue of debentures charged on all or any of the Fund's

17 properties, and shall also have power to purchase, redeem and pay up any of

18 those securities.

19 **16.** The Fund may, from time to time, apply the proceeds of the Expenditure of

20 Fund established in pursuance of section 14 (1) of this Bill- the Fund

- 21 (a) to the cost of administration of the Fund;
- 22 (b) to paying or reimbursing members of the Board or of any
- 23 committee set-up by the Board for expenses as may be expressly authorised
- 24 by the Board;
- 25 (c) to the payment of the salaries, fees or other remuneration,
- 26 allowances, pensions and gratuities payable to the officers and other
- 27 employees of the Fund;
- 28 (d) for the maintenance of any property vested in the Fund;
- 29 (e) to the payment of all expenses incurred on behalf of the Fund;
- 30 and

	1	(f) to and in connection with performing all or any of the functions of
	2	the Fund and the Board.
Annual accounts	3	17. -(1) The Board shall, in respect of each year, keep proper book of
	4	accounts of the revenue and expenditure of the Fund from 1 January to the 31
	5	December of the same year, together with a statement of the assets and
	6	liabilities of the Fund.
	7	(2) The accounts of the Fund kept under subsection (1) of this section
	8	shall, after being audited and certified by an auditor appointed from the list and
	9	in accordance with guidelines supplied by the Auditor-General for the
	10	Federation, be submitted to the Minister and shall thereafter be published by
	11	the Fund in selected national newspapers for general information.
Annual report	12	18. The Fund shall prepare and submit to the President through the
	13	Minister, in such form as the Minister may direct and not later than 30 June in
	14	each year, a report on the activities of the Fund during the immediately
	15	preceding year and shall include in the report a copy of the audited accounts of
	16	the Fund for that year and the Auditor-General's report thereon.
State offices and branches	17	19. The Fund may, subject to the approval of the Board, open and
	18	State offices and branches in every State of the Federation of Nigeria as the
	19	Board may decide and appoint agents and correspondents in accordance with
	20	the decision of the Board.
Exemptions	21	20. The Fund shall be exempt from the payment of income tax, or any
	22	tax whatsoever, and the provisions of any enactment relating to taxation of
	23	companies shall not apply to the Fund.
Regulations	24	21. The Board may, after consultation with the Minister, make
	25	regulations with respect to any of the provisions of this Bill and without
	26	prejudice to the generality of the foregoing the regulation may provide for-
	27	(a) the prescription of anything required to be prescribed under the
	28	Bill;
	29	(b) specifying the mode and procedure for collecting the funds under
	30	this Bill;

1 (c) specifying the records to be kept by the Board and its employees
2 in respect of funds of the Fund;

3 (d) specifying the programmes required to deliver its mandate to
4 the eligible demographic under the Bill;

5 (e) the prescription of the procedure for making claims and making
6 payments under the Bill;

7 (f) the prescription of any forms or documents required for the
8 purposes of the Bill; and

9 (g) the prescription of the procedure for assessment of contribution
10 by or on behalf of the Board.

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

13 **22.**-(1) All assets, funds, resources and other movable or Savings
14 immovable property which immediately before the commencement of this
15 Bill, were vested in the National Social Investments Programme Office shall
16 by virtue of this Bill and without further assurance be vested in the Fund
17 established by this Bill.

18 (2) Any person who immediately before the coming into force of
19 this Bill is the holder of any office, except the Board, management team, and
20 the Secretary, shall, on the commencement of this Act, continue in office and
21 be deemed to have been appointed to his office by the Board established by
22 this Bill unless the authority by which the person was appointed terminates
23 the appointment.

24 **23.** In this Bill- Interpretation

25 "age" means the attained age at the date of receiving benefits under this Bill;

26 "benefit" means the sum of money payable or otherwise distributed to
27 eligible persons under this Bill;

28 "Board" means the Board of Directors of the Fund constituted under section
29 2 of this Bill;

30 "Chairman" means the Chairman of the Board;

1 "Executive Secretary" means the employee of the Fund appointed as such
2 under section 9 of this Bill;

3 "Minister" means the Minister charged with responsibility for matters relating
4 to humanitarian affairs, social development and disaster management;

5 "Fund" means the National Social Investment Fund established under section 1
6 of this Bill;

7 "President" means the President of the Federal Republic of Nigeria.

Short title

8 **24.** This Bill may be cited as the National Social Investments Trust
9 Fund (Establishment) Bill, 2020.

10 SCHEDULE

11 *[Section 2 (6).]*

12 *Proceedings of the Board*

13 1. Subject to this Bill and section 27 of the Interpretation Act the
14 Board may make standing orders regulating the proceedings of the Board and
15 of any committee of the Board, and in particular, as respects-

16 (a) the holding of meetings;

17 (b) notices to be given of those meetings and the proceedings thereat;

18 (c) the keeping of minutes, and the custody, production and inspection
19 of those minutes; and

20 (d) the opening, keeping, closing and auditing of accounts.

21 2. A meeting of the Board shall be presided over by the chairman or, if
22 the chairman is unable to attend any particular meeting, by another member
23 appointed by the members present at the meeting to act as chairman for that
24 particular meeting.

25 3. The quorum at a meeting of the Board shall be the chairman (or, in
26 an appropriate case, the person appointed to act as chairman under paragraph 2
27 of this Schedule) and three members.

28 4. Where standing orders made under paragraph 1 of this Schedule
29 provide for the Board, to co-opt persons who are not members of the Board,
30 those persons may advise the Board on any matter referred to them by the

1 Board, but shall not be entitled to vote at a meeting of the Board or count
2 towards a quorum.

3 *Committees*

4 5.-(1) The Board may appoint one or more committees to carry out,
5 on behalf of the Board, such of its functions as the Board may determine.

6 (2) A committee appointed under this paragraph shall consist of
7 such number of persons as may be determined by the Board, and not more
8 than one third of those persons may be persons who are not members of the
9 Board; and a person other than a member of the Board shall hold office on
10 the committee in accordance with the terms of the letter by which he is
11 appointed.

12 (3) A decision of a committee of the Board shall be of no effect until
13 it is confirmed by the Board.

14 *Miscellaneous*

15 6. The Board shall provide for the safe custody of the seal of the
16 Fund which shall only be used by the authority of the Board or of a
17 committee of the Board authorised by the Board in that behalf, and every
18 instrument to which the seal is affixed shall be signed by a member of the
19 Board and counter-signed by the secretary to the Board or by another
20 member or some other person appointed by the Board for that purpose.

21 7. A document purporting to be an instrument issued by the Fund
22 and to be sealed with the seal of the Fund authenticated in the manner
23 provided by this paragraph, or to be signed by the Executive Secretary, shall
24 be received in evidence and be deemed to be the instrument without further
25 proof, unless the contrary is shown.

26 8. A contract or an instrument which, if made or executed by a
27 person not being a body corporate would not be required to be under seal,
28 may be made or executed on behalf of the Fund by a person authorised either
29 generally or especially by the Fund to act for that purpose.

30 9. The validity of a proceeding of the Board shall not be affected-

- 1 (a) by a vacancy in the membership of the Board; or
2 (b) by a defect in the appointment of a member of the Board; or
3 (c) by reason that a person not entitled to do so took part in the
4 proceedings.

5 10. A member of the Board, and a person holding office on a
6 committee of the Board, who has a personal interest in a contract or an
7 arrangement entered into or proposed to be considered by the Board or the
8 committee shall forthwith disclose his interest to the Board or committee and
9 shall not vote on any question relating to that contract or arrangement.

EXPLANATORY MEMORANDUM

This Bill seeks to establish the National Social Investments Trust Fund with the broad objective of coordinating, administering, and redistributing critical national resources with a view to alleviating poverty among vulnerable Nigerian citizens through targeted programmes for the aged, infirmed, unemployed, and students.