



**CONFERENCE COMMITTEE**

**REPORT**

**ON A BILL FOR AN**

**ACT TO AMEND THE**

**AGRICULTURAL CREDIT**

**GUARANTEE SCHEME FUND**

**ACT 2017**

**(HARMONIZED VERSION)**

**2017**

# CONFERENCE COMMITTEE REPORT ON A BILL FOR AN ACT TO AMEND THE AGRICULTURAL CREDIT GUARANTEE SCHEME FUND ACT 2016

## 1.0 Introduction

The Bill seeks to amend the Agricultural Credit Guarantee Scheme Fund Act, CAP. A11, Laws of the Federation of Nigeria, 2004 to enhance the Capital base, expand the coverage, increase the size of the loanable Fund, give more powers to the Board; and for other related matters, 2017. A Conference Committee was announced in plenary on Tuesday 1<sup>st</sup> November, 2016 and Thursday 17<sup>th</sup> November, 2016 for the Senate and House of Representatives respectively to harmonize the differences in the Bill.

## 2.0 Membership

The membership of the Conference Committee is as follows:

- |     |                                |   |                   |
|-----|--------------------------------|---|-------------------|
| 1.  | Sen. (Dr.) Abdullahi Adamu CON | - | Chairman (Senate) |
| 2.  | Hon. Mohammed Tahir Monguno    | - | Chairman (House)  |
| 3.  | Sen. Theodore Orji CON         | - | Vice Chairman     |
| 4.  | Sen. Emmanuel Bwacha CON       | - | Member            |
| 5.  | Sen. Omogunwa Yele Olatubosun  | - | Member            |
| 6.  | Sen. Shitu Muhammad Ubali      | - | Member            |
| 7.  | Sen. Akpan Albert Bassey       | - | Member            |
| 8.  | Hon. Owoidighe Ekpattai        | - | Member            |
| 9.  | Hon. Darlington Nwokocha       | - | Member            |
| 10. | Hon. Amuda Kannike Abubakar    | - | Member            |
| 11. | Hon. Adebute Oladipupo         | - | Member            |
| 12. | Hon. Muktar Chiromawa          | - | Member            |

### Secretariat:

- |                           |   |                                 |
|---------------------------|---|---------------------------------|
| Dr. Fortune Ihua-Maduenyi | - | Clerk to the Committee (Senate) |
| Mr. Mohammed Shuaibu      | - | Clerk to the Committee (H/Reps) |

### 3.0 Activity of the Committee

The Committee met on 19<sup>th</sup> January 2017 to consider the differences in the Bill in order to harmonize both versions of the Bill.

### 4.0 Recommendations

The Committee adopted the following –

#### Senate Version –

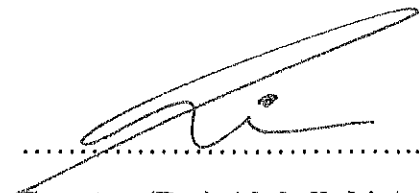
Long title, Amendment clause, Sections 2, (2) (a); 6 (1b); 7; 8; 9; 14; 16; 19; Section 1 of the Schedule; Short Title and the Explanatory Memorandum.

#### House Version -

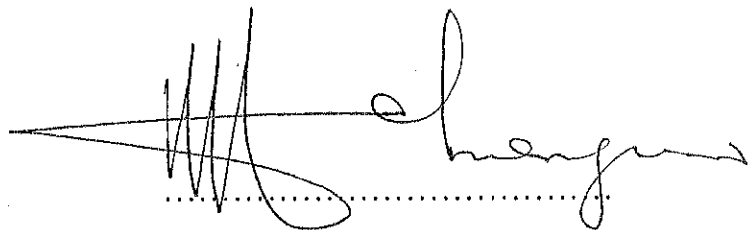
Sections 5, 6(1)(a); 10 (2) and 13.

### 5.0 Conclusion

The Committee wishes to thank the leadership of the Senate and House of Representatives for giving it the opportunity to serve in this capacity. The Committee further recommends that the harmonized version of the Bill attached to this report be passed into law.



Senator (Dr.) Abdullahi Adamu CON  
*Chairman (Senate)*



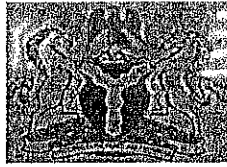
Hon Mohammed Tahir Monguno  
*Chairman (House)*



Dr. Fortune Ihua-Maduenyi  
*Clerk (Senate)*



Mr. Mohammed Shuaibu  
*Committee Clerk (House)*



**CONFERENCE COMMITTEE ON A BILL FOR AN ACT TO AMEND THE  
AGRICULTURAL CREDIT GUARANTEE SCHEME FUND ACT (AMENDMENT) BILL  
2017**

ENDORSEMENT PAGE

S/n	Name	Designation	Signature
1.	Sen. (Dr.) Abdullahi Adamu CON	Chairman (Senate)	
2.	Hon. Mohammed Tahir Monguno	Chairman (H/Reps)	
3.	Sen. Theodore A. Orji CON	Member	
4.	Sen. Emmanuel Bwacha CON	Member	
5.	Sen. Omogunwa Yele Olatubosun	Member	
6.	Sen. Shitu Muhammed Ubali	Member	
7.	Sen. Akpan Albert Bassey	Member	
8.	Hon. Owoidighe Ekpattai	Member	
9.	Hon. Darlington Nwokocha	Member	
10.	Hon. Amuda Kannike Abubakar	Member	
11.	Hon. Adebutu Oladipupo	Member	
12.	Hon. Muktari Chiromawa	Member	
	Dr. (Mrs.) Fortune Ihua-Maduenyi	Clerk to the Committee (Senate)	
	Mohammed Shuaibu	Clerk to the Committee (H/Reps)	

**CONFERENCE COMMITTEE REPORT ON A BILL FOR AN ACT TO AMEND THE AGRICULTURAL CREDIT GUARANTEE SCHEME FUND ACT 2017**

CLAUSES	SENATE VERSION	CLAUSES	HOUSE VERSION	CONFERENCE COMMITTEE'S RECOMMENDATION
1.	<p><b>Amendment of Long title</b></p> <p>A BILL FOR AN ACT TO AMEND THE AGRICULTURAL CREDIT GUARANTEE SCHEME FUND ACT CAP. A11 LAWS OF THE FEDERATION OF NIGERIA 2004 TO ENHANCE THE CAPITAL BASE, EXPAND THE COVERAGE, INCREASE THE SIZE OF THE LOANABLE FUND, GIVE MORE POWERS TO THE BOARD; AND FOR OTHER RELATED MATTERS 2017 (SB. 017)</p>	1.	<p><b>Amendment of Long title</b></p> <p>A BILL FOR AN ACT TO AMEND THE AGRICULTURAL CREDIT GUARANTEE SCHEME FUND ACT, CAP. A11, LAWS OF THE FEDERATION OF NIGERIA, 2004 TO EXPAND THE MEMBERSHIP OF THE BOARD OF THE FUND, RAISE THE COMMITMENT OF THE FEDERAL GOVERNMENT AND CENTRAL BANK OF NIGERIA AND INCREASE THE MAXIMUM AMOUNT TO ATTRACT A WAIVER OF SECURITY REQUIREMENT FOR A CREDIT GRANTED; AND FOR OTHER RELATED MATTERS, 2017 (HB239)</p>	<i>Senate Version adopted</i>
2.	<p><b>Amendment of Agricultural Credit Guarantee Scheme Fund Act CAP No.</b></p>	2.	<p><b>Amendment of Cap A11, LFN, 2004.</b></p>	<i>Senate Version adopted</i>

	<p><b>A.11 of the Laws of the Federation of Nigeria, 2004.</b></p> <p>The Agricultural Credit Guarantee Scheme Fund Act Cap No. A.11 of the Laws of the Federation of Nigeria, 2004 (hereinafter referred to as the 'Principal Act') is amended as set out in this Bill.</p>		<p>The Agricultural Credit Guarantee Scheme Fund Act Cap 11 Laws of the Federal of Nigeria, 2004 (in this Bill referred to as the 'Principal Act') is amended as set out in this Bill.</p>	
3.	<p><b>Amendment of Section 2.</b></p> <p>Section 2 of the Principal Act is amended in subsection (2) by substituting for the existing paragraph (a) a new paragraph (a) as follows -</p> <p>“(a) four persons appointed by the Minister -</p> <p>(i) Chairman;</p> <p>(ii) one Representative of Nigerian Farmers;</p> <p>(iii) one Representative of the Federal Ministry of Finance; and</p> <p>(iv) one Representative of the Federal Ministry of Agriculture.”</p>	3.	<p><b>Amendment of Section 2.</b></p> <p>Section 2 (2) of the Principal Act is amended by inserting after paragraph (c), a new paragraph “(d)”.</p>	<i>Senate Version adopted</i>

			(d) two representatives of the Farmers Association.	
4.	<p><b>Amendment of Section 5.</b></p> <p>Section 5 of the Principal Act is amended by inserting a new subsection '(c)'.</p> <p>(c) The Fund of <b>Three Hundred Billion Naira</b> may be increased by such amount as the Board may, from time to time determine and such increased amount shall be contributed in such proportion as the <b>Board</b> may prescribe.</p>	4.	<p><b>Amendment of Section 5.</b></p> <p>Section 5 of the Principal Act is amended by substituting for the words, "One hundred million in line 1, to <b>"Fifty Billion Naira"</b></p>	<i>House Version adopted</i>
5.	<p><b>Amendment of Section 6 (1).</b></p> <p>Section 6 of the Principal Act is amended -</p> <p>(a) in subsection (1) (a) by substituting for the expression, "<del>N</del>100,000 "in line 1, the expression "<b>N10,000,000,"</b> and</p> <p>(b) deleting paragraph (b).</p>	5.	<p><b>Amendment of Section 6(1).</b></p> <p>Section 6(1) of the Principal Act is amended</p> <p>(a) In subsection (1) (a), by substituting for the expression, "N100,000" in line 1, the expression "<b>N50,000,000"</b> and</p> <p>(b) in subsection (1) (b), by substituting for the expression, "N1,000,000" in line 2, the expression, "<b>N5,000,000"</b></p>	<p><i>House Version adopted</i></p> <p><i>Senate Version adopted</i></p>

6.	<p><b>Amendment of Section 7.</b></p> <p>Section 7 of the Principal Act is amended by substituting for the existing subsection (1) a new subsection (1) as follows –</p> <p>(1) Application for guarantees under this Bill shall be made to the <b>Board</b> by the Bank concerned following a request for a loan made to that bank and such applications shall be in such form as the <b>Board</b> may prescribe.</p>			<i>Senate Version adopted</i>
7.	<p><b>Amendment of Section 8.</b></p> <p>Section 8 of the Principal Act is amended by substituting for the existing section a new section as follows -</p> <p>8. Every agreement for a loan in respect of which a guarantee is to be given under this Act shall be in such form and upon such terms and conditions as the <b>Board</b> may approve.</p>			<i>Senate Version adopted</i>
8.	<p><b>Amendment of Section 9.</b></p> <p>Section 9 of the Principal Act is amended by substituting for the existing section a new section as follows-</p> <p>9. The rate of interest payable on a loan granted pursuant to the Act shall be as</p>			<i>Senate Version adopted</i>



	may be directed by the <b>Board</b> .”			
9.	<p><b>Amendment of Section 10.</b></p> <p>Section 10 of the Principal Act is amended in subsection (2) by substituting for the expression, "<del>N</del>5,000" in line 2, the expression, "<del>N</del><b>250,000</b>"</p>	6.	<p><b>Amendment of Section 10.</b></p> <p>Section 10(2) of the Principal Act is amended by substituting for the expression, "N5,000" in line 2, the expression, "N<b>100,000</b>"</p>	<i>House Version adopted</i>
		7.	<p><b>Amendment of Section 13</b></p> <p>Section 13 of the Principal Act is amended:-</p> <p>(a) in subsection (2), by:</p> <p style="padding-left: 40px;">i. deleting the words, "not less than" in line 4, and</p> <p style="padding-left: 40px;">ii. substituting for the words "five years" in line 4, the words, " any official"</p> <p>(b) in subsection (3), by substituting for the words, "any person" in line 4, the words, "<b>seven years</b>"</p>	<i>House Version adopted</i>
10.	<p><b>Amendment of Section 14.</b></p> <p>Section 14 of the Principal Act is amended by substituting for the word '<i>Minister</i>' in line 1 with the word '<b>Board</b>' as follows –</p>			<i>Senate Version adopted</i>

	<p>“14 (1) The <b>Board</b> may make rules with respect to any of the following matters, that is to say –”</p>			
11.	<p><b>Amendment of Section 16.</b></p> <p>Section 16 of the Principal Act is amended by substituting for the existing subsection (1) a new subsection as follows–  “(1) A lending bank shall prepare and submit to the Fund, in such form and within such period as the <b>Board</b> may determine a return on its activities with regard to loans granted by the Bank for the purposes of this Bill.”</p>			<i>Senate Version adopted</i>
12.	<p><b>Amendment of Section 19.</b></p> <p>Section 19 of the Principal Act is amended by substituting for the existing subsection (1) a new subsection as follows -  “(1) The managing agent shall keep separate accounts in respect of monies forming part of the Fund and proper records in relation thereto and shall prepare annually a statement of account in such form as the <b>Board</b> may direct.”</p>			<i>Senate Version adopted</i>
13.	<p><b>Amendment of the Schedule.</b></p> <p>Section 1 of the Schedule to the Principal</p>			<i>Senate Version adopted</i>

<p>Act (A11-9) is amended by amending subsection (d), and inserting new subsections (e) and (f)-</p> <p>1. Any purpose connected with:</p> <p>(a) the establishment or management of plantations for the production of rubber, oil palm, cocoa, coffee, tea and similar crops;</p> <p>(b) the cultivation or production of cereal crops, tubers, fruits of all kinds, cotton, beans, groundnuts, sheanuts, benniseed, vegetables, pineapples, bananas and plantain;</p> <p>(c) livestock production including cattle ranching, piggery, poultry, and fish culture, fish captures and storage;</p> <p>(d) farm machinery purchase and hire service;</p> <p>(e) production of farm machinery, implements and equipment for production, processing, storage and transportation; and</p> <p>(f) any purpose connected with activities</p>			
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	within the agricultural value chain;			
14.	<p><b>Short Title</b></p> <p>This Bill may be cited as the Agricultural Credit Guarantee Scheme Fund (Amendment) Bill, 2017.</p>	8.	<p><b>Short Title</b></p> <p>This Bill may be cited as the Agricultural Credit Guarantee Scheme Fund Act (Amendment) Bill, 2017.</p>	<i>Senate Version adopted</i>
15.	<p><b>EXPLANATORY MEMORANDUM</b></p> <p>This Bill seeks to amend the Agricultural Credit Guarantee Scheme Fund Act to establish an Agricultural Credit Guarantee Scheme fund into which shall be subscribed a certain sum to provide guarantees for loans granted for agricultural purposes by any bank; encourage development of agribusinesses such as processing, storage and marketing; attract more banks to participate under the Scheme by granting credit to finance other forms of agribusinesses and spread the risk of lending in the sector.</p>	9.	<p><b>EXPLANATORY MEMORANDUM</b></p> <p>This Bill seeks to amend the Agricultural Credit Guarantee Scheme Fund Act, Cap A11, Laws of the Federal Republic of Nigeria, 2004 to expand the membership of the Board of the fund to cover the interest of farmers, increase the amount to be paid in to the fund, raise the commitment of the Federal Government and Central Bank of Nigeria and increase the maximum amount to attract a waiver of security requirement for a credit granted.</p>	<i>Senate Version adopted</i>