# A BILL

## FOR

AN ACT TO AMEND THE NIGERIA SOVEREIGN INVESTMENT AUTHORITY (ESTABLISHMENT, ETC) ACT, 2011 TO ALIGN IT WITH THE 1999 CONSTITUTION OF THE FEDERAL REPUBLIC OF NIGERIA, RESTORE THE SOVEREIGNTY OF THE NAIRA AS THE NATIONAL CURRENCY, ENSURE TRANSPARENCY OF ITS FUNDING AND ENTRENCH PARLIAMENTARY ACCOUNTABILITY AND FOR OTHER MATTERS CONNECTED THEREWITH.

*Sponsored by Senator Rose OKo*

[ ] Commencement

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

**1.** The Nigeria Sovereign Investment Authority Act (hereinafter referred to as the "Principal Act") is amended as set out in this Bill.

**2.** Section 1 subsection (1) of the principal Act) is hereby expunged and a new section 1(1) inserted as follows:

"(1) there is hereby established the Nigeria Sovereign Wealth Authority."

**3.** Section 7 Subsections (2) and (3) of the Principal Act are expunged, as a new subsection (2) is inserted as follows:

"(2) The Council shall be the highest policy making organ of the Authority and shall have the responsibility of presenting the Annual Budget of the Authority to the National Assembly".

Subsection (4) of section 7 now becomes new subsection (3)

**4.** Section 12 of the Principal Act is amended by inserting subsections (1) and (2) as follows: Amendment of Section 12

(a) the Authority shall provide written quarterly reports on its operations to the relevant Committees of both Houses of the National Assembly and specifically with respect to its assets, liabilities, redemptions,

realizations, sales and the extent to which it has met its set investment objectives."

"(2) provided that the relevant Committee of both Houses of the National Assembly shall make half-yearly reports of matter contained in section 12(1) to be sent to the Senate and House of Representatives, respectively."

**6.** Section 13 subsection (1) is expunged and a new subsection (1) is inserted as follows:

"(1) the Council shall hold meetings such that would enable it discharge the duties imposed on it under this Act".

Subsection (3) is also expunged.

Amendment of Section 14

**7.** Section 14 of the Principal Act is amended by expunging subsection (1), thus having no subsection; and provides as follows:

"The Council may constitute a sub-committee comprising members of the Council with demonstrable experience in the international investment industry to assist in the discharge of its functions under this Act."

Amendment of Section 25

**8.** Section 25 of the Principal Act is amended by expunging subsections (1) and (2), thus having no subsections, and provides as follows:

"The Board shall exercise due diligence in the conduct of its affairs and in the discharge of its responsibilities under this Act:

Provided that its annual budget shall be subject to the approval of the National Assembly."

Amendment of Section 29

**9.** Section 29 subsections (1) and (2) of the Principal Act is amended by the deletion of the subsections, and inserting new subsections (1) and (2) as follows:

"(1) The Authority shall be established by a Seed Fund which shall be, One Billion Dollar Nigeria Naira equivalent."

"(2) The Seed Fund shall be directly charged on the Consolidated Revenue fund of the Federation at the commencement of operations by the Authority.

**10.** Section 30 subsection (2) is hereby expunged, thus having no subsection, and a new section 30 is inserted and now reads as follows:

30. Funding shall be by an annual pre-determined amount by which the actual oil price is higher than the budgeted oil benchmark price, or an amount specified in the Appropriation Act, whichever is higher."

Amendment of Section 32 (2)

**11.** Section 32 (2) of the Principal Act is amended by inserting a "full stop" immediately after the word Councils and deleting the phrase "of their respective contributions" appearing thereafter.

**12.** Section 37 subsection (1) of the Principal Act is amended to read as follows:

(1) Not later than 3 months after the end of each financial year, which shall be 1st January to 31st December annually, the Authority shall submit a report (the "Annual Report") to the President, the Minister, the Central Bank of Nigeria, the National Economic Council, the National Assembly and each State House of Assembly of its activities during the financial year under consideration."

Citation

**13.** This Act may be cited as the Nigeria Sovereign Investment Authority (Establishment, etc.) Act Amendment Bill, 2015.

EXPLANATORY MEMORANDUM

This Bill seeks to amend the Nigeria Sovereign Investment Authority (Establishment, Etc) Act, 2011, to align it with the 1999 Constitution of the Federal Republic of Nigeria (as amended), to restore the sovereignty of the Naira as the national currency, ensure transparency of its funding and entrench parliamentary accountability.