A BILL

FOR

AN ACT TO AMEND THE CENTRAL BANK OF NIGERIA ACT, CAP. C4 LFN, 2007 TO ENHANCE THE POWERS OF THE BANK TO PROHIBIT TRANSACTIONS WITH FOREIGN CURRENCIES IN NIGERIA; ENSURE TRANSPARENCY AND ACCOUNTABILITY IN THE OPERATIONS OF THE BANK, AND SUBJECT THE BANK'S BUDGET AND INTERVENTION ADVANCES TO THE APPROVAL OF THE NATIONAL ASSEMBLY AND FOR OTHER MATTERS CONNECTED THEREWITH

Sponsored by Sen. Rose Oko

[ ] Commencement

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

1. The Central Bank of Nigeria Act, Cap. C4, Laws of the Federation of Nigeria, 2007 (hereinafter referred to as the principal Act) is amended as set out in this Act.

2. Section 26 of the Principal Act is amended by inserting a new section 26A as follows:

26A.(1) The Bank shall prohibit the use of any foreign currency as a means of exchange for goods, services and other transactions in market overt, super markets, hotels, restaurants, airports and other places of business in Nigeria except by a Bank, Bureau De Change and other Institutions duly licensed by the Central Bank of Nigeria to trade, deal and use such foreign currency and no individual or business entity in Nigeria shall advertise, denominate or price its goods or services in any currency other than the Nigerian Naira.

(2) Subject anybody who contravenes subsection (1) above to prosecution by a competent court and on conviction shall be liable to a term of imprisonment not exceeding three months or to a fine of 50,000.00.

(3) And by defining a Court under section 60 of the Principal Act to mean the "Federal High Court."

3. Section 38 of the Principal Act is amended by inserting a new section 38A immediately thereafter as follows:

38A (1) Notwithstanding the provisions of the generality of sections 29 and 38 of this Act, no grant or advances of any form shall be granted to the federal government, states, federal government ministries, agencies, parastatals or whatsoever name called, for whatever purposes, except as approved by the National Assembly in the Annual Appropriation Act, Supplementary Appropriation Act or any other appropriation or approval however.

(2) Subject to the provisions of the Fiscal Responsibility Commission Act and any other relevant legislation on that behalf, the Bank shall submit its annual budget and any other documents required by other laws to the National Assembly for consideration and approval at the time of consideration of the Appropriation Bill.

(3) All proposals for grant or advances whether from federal government, states or any ministry, agency or parastatal of the federal government or state, shall upon receipt by the Bank be forwarded to the National Assembly for approval.

(4) On receipt of the proposal, the National Assembly shall, within 30 days from the date of receipt of that proposal, consider the proprietary or otherwise, of granting the said advances, having considered-

(a) the total sum proposed for disbursement

(b) the purpose of the proposed advances, and

(c) the amortization or repayment period.

(5) The resolution of the National Assembly with regard to sub-section (4) above, shall be forwarded to the Bank within 5 days from the day it was passed, provided however, that the National Assembly shall not approve any advances, where there is outstanding sum yet unpaid, by the proposed

beneficiary as provided under section 38 of the Principal Act.

4. This Bill may be cited as the Central Bank of Nigeria Act (Amendment) Bill 2015. Citation

EXPLANATORY MEMORANDUM

This Bill seeks to amend the Central Bank of Nigeria Act, Cap. C4 LFN, 2007 to prohibit transactions in Nigerian markets and other places of business with any foreign currency to consolidate the Naira, and raise its status as dominant currency authorized for transactions in Nigeria, and means of exchange in international currency exchange bureau; while ensuring transparency and accountability in the operations of the Bank. The Bill also seeks to ensure that the Bank's Budget and Intervention Advances are approved by the National Assembly.