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A BILL FOR AN ACT TO AMEND THE RAW MATERIALS RESEARCH AND DEVELOPMENT COUNCIL ACT, NO. 28, 2022 TO PROVIDE FOR THE PROTECTION AND DEVELOPMENT OF NIGERIA'S LOCAL MANUFACTURING AND PROCESSING INDUSTRIES; AND FOR RELATED MATTERS (SB. 606).

PROVISIONS OF THE PRINCIPAL ACT	PROVISIONS OF THE BILL	COMMITTEE OF THE WHOLE RECOMMENDATIONS
	ENACTED by the National Assembly of the Federal Republic of Nigeria-	
	Amendment of Act No. 28, 2022 **1.** The Raw Materials Research and Development Council Act, No. 28, 2022 (in this Bill referred to as "the Principal Act.") is amended as set out in this Act.	**Retained**
Objectives of the Council. **2.** The objectives of the Council is to develop local raw materials and coordinate research efforts in relation to raw materials acquisition, exploitation, conservation and development.	**Substitution for section 2** **2.** Substitute for section 2 of the Principal Act, a new section "2" – "2. The objectives of this Act are to provide a legal and institutional framework for the – (a) development and protection of Nigeria's raw materials, local manufacturing and processing industries; (b) exploitation and utilisation of Nigeria's raw material resources;	**Retained**

	(c) regulation of local processing of raw materials prior to export through value addition; and (d) promotion of Nigeria's competitiveness in raw materials and products development."	
Functions of the Council. 3. The functions of the Council are to— (a) undertake measures to ensure the systematic exploitation, development and utilisation of Nigeria's raw material resources; (b) draw up policy guidelines and action programmes on raw materials acquisition, exploitation and development; (c) review raw material resources availability and utilisation with a view to advising the Federal Government on the strategic implication of depletion, conservation or stock-piling of such resources; (d) advise on adoption of machinery and processes for raw material utilisation; (e) encourage publicity of research findings and other information relevant to local sourcing of industries; (f) encourage growth of in-plant research and development capabilities;	**Insertion of new sections 3A – 3G** **3.** Insert after section 3 of the Principal Act, new sections "3A" – "3G" – *Processing requirement* 3A (1) Exporters of raw materials from the country shall ensure that such materials undergo a minimum of 30% processing before exportation, and the percentage of processing attained shall be determined based on the nature and stage of processing activities performed, the end market as well as the technology adopted. (2) The Council shall establish and publish clear guidelines, outlining the acceptable forms and stages that meet the 30% threshold, including standards for quality, safety and environmental impact, ensuring that processed materials are suitable for export markets. (3) An Exporter who is also a processor shall – (a) maintain comprehensive records of processing activities, detailing the type of processing	**Retained**

(g) advise on and devise awards or systems for industries that achieve any break-through or make innovations and inventions; (h) organise workshops, symposia and seminars designed to enlighten people on new developments and solutions discovered; (i) consider and advise on special research grants for specific objectives; (j) undertake research and development on local raw materials for utilisation by industries; (k) liaise with relevant regulatory agencies for the standardisation of raw materials to meet industrial specification; (l) promote Nigeria's competitiveness in raw materials and products development; (m) establish raw materials analysis and certification laboratories for use by industries; and (n) consider and advise on any other issue capable of enhancing the objectives of the Council.	performed, the type and quantity of raw materials processed, and the type of processing facilities utilised; and (b) submit periodic reports to the Council, detailing compliance with the processing requirements. (4) An exporter who sources from a processor or supplier shall provide details of the processor or supplier. (5) The Council shall conduct inspections of processing facilities to ensure compliance with the provisions of this Bill. *Certification for export* 3B. (1) The Council shall develop a certification process for all raw materials intended for export, which shall confirm that raw materials have undergone the required 30% value addition as stipulated in section 3A of this Bill. (2) An exporter who is also processor shall submit an application for certification to the Council, which shall include – (a) documentation of the processing activities undertaken; and (b) details of the type of raw materials used, processing methods used, and the evidence of compliance with quality standards.	**Retained**

	(3) An exporter who sources from a processor or supplier shall provide details of the processor or supplier. (4) On completion of verification of the processing activities, the Council shall issue a certification, authorising the export of the processed raw materials and the certificate shall be required at all export points and shall be accompanied with the raw materials during shipping. (5) In situations where the end market of the Exporter, Processor or Supplier do not require attainment of the 30% threshold, consideration shall be given by the Council on a case-by-case basis. *Revocation of certification* 3C. (1) The Council may revoke certification given to any exporter if it is established that exportable raw materials do not meet the processing requirements or if fraudulent practices are detected. (2) On revocation of certification by the Council, an erring exporter shall be subject to penalties in accordance with the provisions of this Bill.	**Retained**

	Raw materials import protection measures 3D. (1) Importation of raw materials that can be produced locally in Nigeria shall be regulated, and this applies to all raw materials listed by the Council in conjunction with relevant stakeholders. (2) The Council shall collaborate with relevant stakeholders to compile and maintain an official list of raw materials available for local production. (3) The list referred to in subsection (2) shall be updated periodically to reflect changes in local production capacities and resource availability. (4) Importation of raw materials not available for local processing shall be permitted upon application to the Council, and this permission shall be granted under specific circumstances with cogent justification. *Compliance and enforcement* 3E. (1) The Council shall be responsible for monitoring compliance with the provisions of this Bill, and regular audits and inspections of processing facilities and export operations shall be conducted to ensure adherence to processing and certification requirements.	**Retained**

	(2) The Council shall work in collaboration with the Nigeria Customs Service and other border control authorities to – (a) enforce the provisions of this Act at export and import points; and (b) identify and report potential violations related to processing and certification. (3) Exportable raw materials which do not meet the 30% value addition requirement at the export point, shall be deemed smuggled materials. (4) Authorities collaborating with the Council to enforce the provisions of this Act shall be trained to identify violations related to processing and certification. (5) An exporter who violates processing requirements as stipulated in the provisions of this Act shall be liable to – (a) a levy of 15% of the export value of the unprocessed raw materials at the export point; and (b) suspension or revocation of the raw materials value addition certificate granted. (6) Two-fifths of the levy indicated in subsection (5) (a) shall be remitted to the Council as administrative charges.	**Retained**

	(7) The Council in conjunction with the Tariff Review Board shall ensure importers' compliance with the provisions of section 11D (1) of this Bill. (8) The Council shall impose more stringent penalties in cases of repeated non-compliance, which shall include suspension or revocation of certificate of raw materials value addition on future export. (9) A person or entity who is aware of any violation or contravention of the provisions of this Act shall report such violation to the Council. (10) The Council shall investigate all reported violations and take appropriate action in accordance with the provisions of this Bill. *Technical support and incentives for local processors* 3F. (1) The Council shall offer technical support and training programmes to local processors of raw materials to improve their processing methods and productive quality through partnership with relevant stakeholders and industry experts to facilitate knowledge transfer and skills development. (2) The Council shall collaborate with relevant ministries, departments and agencies, State and Local Governments to assist local processors in accessing	**Retained**

	domestic, regional, continental and international markets, through trade fairs, exhibitions and marketing initiatives to promote locally processed products to consumers and other relevant stakeholders within and outside Nigeria. *Sensitisation of stakeholders* 3G. For a moratorium duration of six months immediately after the commencement of this Act, the Council shall undertake a sensitisation drive to adequately orientate local raw materials exporters, processors, suppliers, dealers and other stakeholders of the provisions of this Act as well as encourage local processors to upgrade their processing facilities.''	**Retained**
Annual report. 16. The Council shall, not later than three months to the end of each financial year, submit to the Board or the Minister (in the absence of the Board), a report on activities of the Council and its administration during the immediately preceding financial year.	**Amendment of section 16** **4.** Section 16 of the Principal Act is amended by- (a) renumbering the existing provision as subsection (1); and (b) inserting after subsection (1), a new subsection "(2)'' – "(2) The Council shall publish an annual report to the National Assembly on the implementation of the provisions of this Act and the report shall include – (a) data on the volume of raw materials processed locally;	**Retained**

	(b) information on the level of compliance with the provisions of this Act by exporters and processors; and (c) recommendations for improvement to enhance effectiveness."	
Interpretation. 24. In this Act— **"Board"** means the Governing Board of the Council; **"Chairman"** means the Chairman of the Board; **"Council"** means the Raw Materials Research and Development Council; **"local raw material"** means any unprocessed or processed material indigenous to Nigeria that can be converted by manufacture, processing or combination into a new and useful product; **"Minister"** means the Minister charged with the responsibility for Science and Technology;	**Amendment of section 24** **5.** Section 24 of the Principal Act is amended by inserting in alphabetical order, the definitions of – **"certification"** means the official verification by the Council that raw materials have met the required processing standards prior to export in accordance with the provisions of this Act."; **"exporter"** means any legal person who exports raw materials to another country and is able to prove the origin of the raw materials whether or not the person is the manufacturer and whether or not the person carries out the export formalities; **"local production"** means the manufacturing of goods using raw materials sourced in-country"; **"processed raw material"** means product that is sufficiently worked or transformed into a new and useful product; **"processing"** means any operation that transforms raw materials into finished or semi-finished products;	**Retained**

"member" means any member of the Board including the Chairman; and **"President"** means the President of the Federal Republic of Nigeria.	**"processor"** means any individual or legal entity involved in transformation of raw materials into finished or semi-finished products; **"producer"** includes mining, manufacturing, agricultural enterprise or any other individual who supplies raw materials for export; **"raw material"** means any unprocessed or processed material that can be transformed into new and useful product; **"unprocessed raw material"** means product that is insufficiently worked or transformed to confer the status of value-added product; and **"value addition"** means the process of increasing the value of a product or service;	**Retained**
	Citation **6.** This Bill may be cited as the Raw Materials Research and Development Council (Amendment) Bill, 2026.	**Retained**
	EXPLANATORY MEMORADUM This Bill amends the Raw Materials Research and Development Council Act, No. 28, 2022 to provide for the protection and development of Nigeria's local manufacturing and processing industries.	**Retained**