

# NATIONAL SCIENCE AND TECHNOLOGY DEVELOPMENT AGENCY DECREE 1977



## Decree No. 5

[20th January 1977]

Commence-  
ment.

THE FEDERAL MILITARY GOVERNMENT hereby decrees as follows :—

1. There is hereby established a body to be known as the National Science and Technology Development Agency (hereafter in this Decree referred to as "the Agency") which under that name shall be a body corporate with perpetual succession and a common seal, and may sue and be sued in its corporate name.

Establish-  
ment of the  
National  
Science and  
Technology  
Develop-  
ment Agency.

2. The Agency shall, subject to this Decree, have executive responsibility for the promotion and development of science and technology, including initiation of policy in relation to scientific research and technology ; and, without prejudice to the generality of the foregoing, it shall be the duty of the Agency —

Functions of  
the agency.

(a) to advise the Federal Military Government on national science policies and priorities and on scientific and technological activities generally ;

(b) to prepare periodic master plans for the development of science and technology and advise the Federal Military Government on the financial requirements for the implementation of such plans ;

(c) to prepare annual budgets for scientific research development and receive grants for allocation to research institutions and special research projects conducted by universities under the aegis of the Agency ;

(d) to advise the Federal Military Government on the creation of new research institutes and centres and the reorganisation of existing ones to meet national needs ;

(e) to supervise and co-ordinate the activities of research institutes and centres established under this Decree ;

(f) to allocate special research projects to the universities after consultation with the National Universities Commission ;

(g) to take such steps as it may deem necessary to facilitate the application of the results of scientific and technological research by Federal and State ministries and their agencies ;

(h) to advise on scientific and technical manpower requirements of Nigeria and to promote manpower training for research ;

(i) to advise on science education not only at the advanced level in respect of scientific manpower training, but also at lower levels in respect of science education in schools and general science education for the public ;

(j) to establish and maintain a National Science and Technology Library, Documentation and Conference Centre ;

(k) to publish or sponsor the publication of scientific research journals as it may consider desirable ;

(l) to channel external aid meant for the development of science and technology to Government research establishments ;

(m) to promote co-operation in science and technology with similar bodies in other countries and with international bodies connected with science and technology ; and

(n) to carry out such other activities as are necessary or expedient for the full discharge of any of the functions of the Agency under this Decree.

Power of  
Com-  
missioner to  
establish  
research  
institutes.

3.—(1) The Commissioner may, with the approval of the Federal Executive Council, by order published in the *Gazette* establish research institutes ; and the provisions of Schedule 1 to this Decree shall apply in relation to any institute so established.

(2) An order establishing a research institute under this Decree may contain supplementary or incidental provisions, including provisions for—

(a) the designation of the institute ;

(b) the matter or matters on which the institute is to conduct research, including training where appropriate ;

(c) the transfer to the institute of the assets and liabilities of any existing Federal or State research establishments ;

(d) the establishment, constitution and proceedings of a governing board to manage the affairs of the institute ;

(e) a suitable association or other forms of relationship of the institute with any university or institution of higher learning in Nigeria.

Member-  
ship, etc.

4.—(1) The Agency shall consist of the following members—

(a) the Commissioner who shall be the Chairman ;

(b) seven distinguished scientists to be appointed by the Federal Executive Council to represent the following scientific fields—

(i) agricultural sciences ;

(ii) biological sciences ;

(iii) engineering and technology ;

(iv) medical sciences ;

(v) physical sciences ;

(vi) social sciences ; and

(vii) military science and technology ;

(c) six other persons to be appointed by the Federal Executive Council to represent interests not otherwise represented ;

(d) the Executive Secretary of the Agency who shall be an ex-officio member with no voting rights.

(2) Subject to section 5 of this Decree, a member (other than the Chairman) who is not a public officer—

(a) shall hold office for a period of three years from the date of his appointment and shall be eligible for reappointment for one further term of three years only;

(b) shall be paid such remuneration and allowances as the Federal Executive Council may determine.

5. The office of a member who is not a public officer shall become vacant if he resigns his office by a letter addressed by him to the Commissioner, or the Commissioner is satisfied that it is not in the interest of the Agency for the person appointed to continue in office as member and with the approval of the Federal Executive Council, the Commissioner shall notify the member in writing to that effect.

Removal  
from office of  
member of  
the Agency.

6.—(1) There shall be established by the Agency a fund to be known as the National Science and Technology Development Fund.

Funds.

(2) There shall be paid into the fund such sums as may be made available to the Agency by the Federal Military Government for allocation for research in pursuance of paragraph (c) of section 2 of this Decree.

(3) The Agency shall establish and maintain a separate fund from which shall be defrayed all expenditure incurred by the Agency otherwise than in pursuance of subsection (2) above.

(4) There shall be paid into the fund established in pursuance of subsection (3) above—

(a) such sums as may be made available by the Federal Military Government for the running expenses of the Agency; and

(b) such other sums as may accrue to the Agency from any other source.

7.—(1) There shall be appointed by the Federal Executive Council an Executive Secretary to the Agency, who shall be an eminent scientist with wide experience in the field of science administration.

Executive  
Secretary  
and other  
staff of the  
Agency.

(2) The Executive Secretary who shall be the chief executive officer of the Agency shall hold office on such terms and conditions as may be specified in his letter of appointment or on such other terms and conditions as may be determined from time to time.

(3) The Agency may appoint such other persons to be employees of the Agency as it may deem fit.

(4) The remuneration and tenure of office of employees (other than the Executive Secretary) of the Agency shall be determined by the Agency after consultation with the Federal Commissioner for Establishments.

(5) The Agency shall have the power to make, with the approval of the Federal Executive Council, regulations governing conditions of service of its employees.

(6) The Agency may grant loans to its employees for purposes approved by the Federal Military Government.

8.—(1) The Agency shall keep proper accounts and proper records in relation thereto and shall prepare in respect of each financial year a statement of accounts in such form as it may direct.

Accounts  
and audit.

(2) The Agency shall as soon as may be after the end of the financial year to which the accounts relate cause its accounts to be audited by auditors approved by the Federal Commissioner for Finance.

(3) The auditors shall on completion of the audit of the accounts of the Agency for each financial year prepare and submit to the Agency the following two reports, that is to say—

(a) a general report setting out the observations and recommendations of the auditors on the financial affairs of the Agency generally for that year and on any important matters which the auditors may consider necessary to bring to the notice of the Agency ; and

(b) a detailed report containing the observations and recommendations of the auditors in detail on all aspects of the operation of the Agency for that year.

Annual  
report.

9. The Agency shall prepare and submit to the Federal Executive Council through the Commissioner a report on the activities of the Agency during the preceeding financial year and a projection for the following year, and shall include in such report a copy of the audited accounts of the Agency.

Proceedings  
of the  
Agency.

10.—(1) The quorum for meetings of the Agency shall be six of whom at least two shall be persons appointed under section 4 (1) (b) above.

(2) The Agency shall meet not less than three times in each year and on such other occasions as may be necessary.

(3) If the Agency desires to obtain the advice of any person on any particular matter, the Agency may co-opt that person to be a member for as many meetings as may be necessary, but he shall not be entitled to vote.

(4) The validity of any proceedings of the Agency shall not be affected by any vacancy in the membership of the Agency, or by any defect in the appointment of a member of the Agency or by reason that any person not entitled to do so took part in the proceedings.

Repeal,  
savings and  
transfer of  
assets and  
liabilities.

11.—(1) The enactments specified in Schedule 3 to this Decree are hereby repealed to the extent specified in the third column of that Schedule.

(2) The transitional and saving provisions in Schedule 2 to this Decree shall have effect in relation to assets and liabilities of the Councils specified therein.

L.N. 107  
of 1975.

(3) Notwithstanding subsection (1) above, the research institutes established by the Research Institutes (Establishment, etc.) Order 1975 shall be deemed to have been established under this Decree and references in that Order to "Council" shall be construed as references to the Agency established under this Decree, and references to the Commissioner shall be construed as references to the Commissioner as defined by section 13 of this Decree.

Committees.

12.—(1) The Agency may appoint Research Committees in any field of science and technology as the Agency may consider appropriate to assist the Agency in its activities.

(2) The Agency may appoint such other standing and ad hoc committees as the Agency thinks fit to consider and report on any matter with which the Agency is concerned.

(3) Every committee appointed under the foregoing provisions shall be presided over by such person as the Agency may appoint and shall be made up of such number of persons, all of whom need not be members of the Agency, as the Agency may determine in each case.

13. In this Decree, unless the context otherwise requires—

Interpretation.

“the Agency” means the National Science and Technology Development Agency established under section 1 of this Decree ;

“the Chairman” means the person appointed as Chairman pursuant to section 4 of this Decree ;

“the Commissioner” means the Federal Commissioner charged with responsibility for science and technology ;

“Executive Secretary” means the Executive Secretary appointed pursuant to section 7 of this Decree.

14. This Decree may be cited as the National Science and Technology Development Agency Decree 1977. Citation.

## SCHEDULES

### SCHEDULE 1

#### Section 3 (1)

### ESTABLISHMENT OF RESEARCH INSTITUTES

1. Any research institute established under this Decree shall have a governing board and shall be a body corporate with perpetual succession and a common seal and may sue and be sued in its corporate name and it shall have power—

(a) to prepare a programme of research within the field for which the institute is responsible, for such periods, not less than three years, as the board, with the approval of the Agency, may determine, together with detailed estimates of the expenditure which will be required for carrying out the programme ;

(b) to review, and if necessary revise, each year the programme approved under paragraph (a) above for the following year, together with the estimated budget for that year ;

(c) to carry out the programme of research approved by the Agency ; and

(d) to make suitable arrangements for the application of the results of the work of the institute by Federal and State Ministries and their agencies to development activities.

2. The members of the governing board of each institute shall be appointed by the Commissioner with the approval of the Federal Executive Council.

3. Subject to the provisions of this Decree, each institute shall have power to do anything and to enter into any transaction which in its opinion ought to be done in the proper discharge of its functions.

4. Each institute shall, in particular, and without prejudice to the generality of the foregoing power, have power to acquire and hold land and property.

5. For the purpose of the Public Lands Acquisition Act the purposes of an institute shall be public purposes of the Federation within the meaning of that Act.



6. The board of each institute may appoint such number of standing and ad hoc committees as it thinks fit to consider and report on any matter with which the board is concerned.

7. There shall be a Director for each institute appointed by the Commissioner on the advice of the board of the institute concerned, who shall be a person with wide experience of the matters with which the relevant institute is concerned ; and the Director shall—

(a) be charged with the day to day management of the affairs of the institute in accordance with such instructions as may from time to time be given to him by the Board of the institute ; and

(b) be appointed in accordance with the regulations and conditions of service approved by the Agency.

8. The board of each institute may appoint such employees as are deemed necessary for the proper discharge of the functions of the institute under this Decree and pay such employees such remuneration and allowances as are payable to persons of equivalent grades in the public service of the Federation.

9. The board of each institute shall prepare and submit to the Agency an annual report on the activities of the institute.

#### *Financial Provisions*

10. Each institute shall establish and maintain a fund from which shall be defrayed all expenditure incurred by the institute.

11. There shall be paid into the fund such sums as may be made available to the institute by the Agency, and such other assets as may accrue to the institute from time to time.

12. The fund shall be managed in accordance with rules made by the Federal Commissioner for Finance ; and without prejudice to the generality of the power to make rules conferred by this section, the rules shall, in particular, include provisions—

(a) specifying the manner in which the assets and the fund are to be held and regulating the making of payments to and from the fund ;

(b) requiring the keeping of proper accounts and records for the purpose of the fund in such form as may be specified by the rules ;

(c) for securing that the accounts are audited annually by an auditor approved by the Agency ;

(d) requiring copies of the accounts and of the audit report on them to be forwarded to the Agency not later than three months following the end of the period to which the accounts relate.

13. Each institute may borrow or lend money only with the approval of the Agency.

14. Each institute may grant loans to its employees for purposes approved by the Agency.

15. Each institute shall prepare and submit its programme and estimated budget and any annual revision for approval by the Agency.

## SCHEDULE 2

## Section 11 (2)

TRANSITIONAL PROVISIONS RELATING TO TAKE-OVER  
OF ASSETS AND LIABILITIES OF COUNCILS PREVIOUSLY  
RESPONSIBLE FOR SCIENCE AND TECHNOLOGY

1. The functions, and assets and liabilities of any of the Councils specified hereunder (hereinafter referred to as the "affected council") shall as from the commencement of this Decree be disposed of in accordance with the following provisions of this Schedule.

2. Upon the commencement of this Decree—

(a) the rights, interests and obligations in respect of assets and liabilities of any affected council subsisting immediately before the commencement of this Decree, under any contract or instrument shall by virtue of this Decree be assigned to and vested in the Agency ;

(b) any such contract or instrument as is mentioned in paragraph (a) above shall be of the same force and effect against or in favour of the Agency and shall be enforceable as fully and effectively as if instead of the affected council the Agency had been a party thereto ; and

(c) the Agency shall be subject to all the obligations and liabilities to which the affected council was subject immediately before the commencement of this Decree and all other persons shall as from the said commencement have the same rights, powers and remedies against the Agency as they had against the relevant affected council.

3. Any proceeding or cause of action pending or existing immediately before the commencement of this Decree by or against an affected council in respect of any right, interest, obligation or liability of such affected council may be commenced, continued or enforced by or against the Agency as it might have been by or against an affected council if this Decree had not been made.

4. In this Schedule, "affected council" means any of the following Councils, that is—

- |  |              |
|--|--------------|
| (a) the Nigerian Council for Science and Technology established under the Nigerian Council for Science and Technology Decree 1970 ;  | 1970 No. 6.  |
| (b) the Agricultural Research Council of Nigeria established under the Agricultural Research Council of Nigeria Decree 1971, ;       | 1971 No. 25. |
| (c) the Industrial Research Council of Nigeria established under the Industrial Research Council of Nigeria Decree 1971 ;            | 1971 No. 33. |
| (d) the Medical Research Council of Nigeria established under the Medical Research Council of Nigeria Decree 1972 ;                  | 1972 No. 1.  |
| (e) the Natural Sciences Research Council of Nigeria established under the Natural Sciences Research Council of Nigeria Decree 1973. | 1973 No. 9.  |

## SCHEDULE 3

Section 11 (1)

## REPEALS

<i>Number</i>	<i>Title</i>	<i>Extent of Repeal</i>
1970 No. 6	Nigerian Council for Science and Technology Decree 1970 .. .. .	The whole Decree
1971 No. 25	Agricultural Research Council of Nigeria Decree 1971 .. .. .	The whole Decree
1971 No. 33	Industrial Research Council of Nigeria Decree 1971 .. .. .	The whole Decree
1972 No. 1	Medical Research Council of Nigeria Decree 1972 .. .. .	The whole Decree
1973 No. 9	Natural Sciences Research Council of Nigeria Decree 1973 .. .. .	The whole Decree
1973 No. 35	Agricultural Research Institutes Decree 1973 .. .. .	The whole Decree

MADE at Lagos this 20th day of January 1977

LT.-GENERAL O. OBASANJO,  
*Head of the Federal Military Government,  
 Commander-in-Chief of the Armed Forces,  
 Federal Republic of Nigeria*

## EXPLANATORY NOTE

*(This note does not form part of the above Decree  
 but is intended to explain its purpose)*

The Decree establishes the National Science and Technology Development Agency as a body corporate and confers on it, among other things, executive responsibility for the promotion and development of science and technology, including initiation of policy relating to scientific research and technology. The Agency takes over the functions of the various existing statutorily established research councils which are now dissolved.



## GAMING MACHINES (PROHIBITION) DECREE 1977



## Decree No. 6

[1st January 1977]

Commence-  
ment.

THE FEDERAL MILITARY GOVERNMENT hereby decrees as follows :—

1.—(1) Notwithstanding the provisions of any enactment, the importation into Nigeria and operation of any gaming machine, and subject to section 2 of this Decree the ownership thereof, by any person in any part of Nigeria (whether or not in a gaming house) is hereby declared unlawful and, accordingly—

Ownership  
and opera-  
tion of  
gaming  
machines  
declared  
illegal.

(a) any licence issued to any person under or pursuant to any enactment for the operation of any such machine in Nigeria shall be deemed to have expired immediately before the commencement of this Decree ;

(b) no licence shall, as from the commencement of this Decree, be issued to any person in Nigeria pursuant to any enactment for the importation or operation of any such machine ; and

(c) the Customs and Excise Management Act 1958 and every other enactment relating to the importation or licensing of gaming machines in Nigeria shall be construed with such modifications, amendments and omissions as would bring them into line with the general intentment of this Decree.

1958 No. 55.

(2) Any person who operates or causes to be operated in any part of Nigeria any gaming machine on or after the day of commencement of this Decree shall be guilty of an offence and liable on conviction to imprisonment for one year without the option of a fine ; and in addition, every such gaming machine and the proceeds of the operation of any such machine shall be forfeited to the Federal Military Government.

2.—(1) Every person licensed under or pursuant to any enactment to operate a gaming machine shall, not later than 31st March 1977, dispose of every such machine whether by exportation of the machine or otherwise, howsoever.

Time  
allowed for  
disposal of  
existing  
machines.

(2) Any gaming machine found in any place in Nigeria after 31st March 1977 shall be forfeited to the Federal Military Government.

3. The question whether any provision of Chapter III of the Constitution of the Federation has been, is being or would be contravened by anything done or proposed to be done in pursuance of this Decree shall not be enquired into in any court of law and, accordingly, sections 31, 32 and 117 (2) (b) of the Constitution shall not apply in relation to any such question.

Exclusion  
of rights.  
1963 No. 20

Interpreta-  
tion.

4. In this Decree, unless the context otherwise requires—

“enactment” means any Act or Law, Decree or Edict and includes any subsidiary legislation made under any of the foregoing ;

“gaming house” means premises or part thereof licensed under any enactment for the playing of games of chance (including the operation of gaming machines) and, for the avoidance of doubt, includes a casino ;

“gaming machine” includes any gaming or gambling machine or other mechanical device capable of being operated automatically or by means of a lever or other device whatsoever by any person after insertion of a coin or token and with a view to obtaining pecuniary reward ;

“operation”, in relation to a gaming machine, means operation thereof in any manner whatsoever for pecuniary reward and, subject to section 2, includes installation thereof in any premises of whatever description in any place in Nigeria.

Citation and  
commence-  
ment.

5. This Decree may be cited as the Gaming Machines (Prohibition) Decree 1977 and shall be deemed to have come into force on 1st January 1977.

MADE at Lagos this 20th day of January 1977.

LT.-GENERAL O. OBASANJO,  
*Head of the Federal Military Government,  
Commander-in-Chief of the Armed Forces,  
Federal Republic of Nigeria*

#### EXPLANATORY NOTE

*(This note does not form part of the above Decree  
but is intended to explain its effect)*

The Decree bans the importation into Nigeria and the operation of any gaming machine (popularly known as *kalokalo*) and ownership thereof in Nigeria with effect from 1st January 1977. Owners of such machines are however allowed up to 31st March 1977 to dispose of such machines, after which date the machines would be liable to forfeiture.

Any person who contravenes the provisions of the Decree shall be liable to imprisonment for one year without the option of a fine.

# FEDERAL MORTGAGE BANK OF NIGERIA

## DECREE 1977



### ARRANGEMENT OF SECTIONS

#### Section

1. Establishment of the Federal Mortgage Bank of Nigeria.
2. Functions of the Mortgage Bank.
3. Board of Directors.
4. Managing Director and other employees of the Mortgage Bank.
5. Capital.
6. General reserve fund.
7. Borrowing powers.
8. Funds of the Mortgage Bank.
9. Accounts and audit.
10. Annual report.
11. Delegation of Mortgage Bank's powers to a director, etc.

12. Offices and branches.
13. Exemptions.
14. Rules and publication thereof.
15. Transitional provisions with respect to the Nigerian Building Society.
16. Interpretation.
17. Citation.

#### SCHEDULES

Schedule 1—Provisions with respect to procedure at meetings, etc. of the Board.

Schedule 2—Assets and Liabilities of the Nigerian Building Society.

## Decree No. 7

[20th January 1977]

Commence-  
ment.

THE FEDERAL MILITARY GOVERNMENT hereby decrees as follows :—

1.—(1) There is hereby established a Mortgage Bank to be known as the Federal Mortgage Bank of Nigeria (hereinafter referred to as "the Mortgage Bank") which shall be a body corporate with perpetual succession.

Establish-  
ment of the  
Federal  
Mortgage  
Bank of  
Nigeria.

(2) The Mortgage Bank shall have power to sue and be sued in its own name and may, for the purpose of its functions, acquire, hold or dispose of property (whether movable or immovable) and shall have a common seal.

2.—(1) The principal functions of the Mortgage Bank shall be—

(a) the provision of long-term credit facilities to mortgage institutions in the country at such rates and upon such terms as may be determined by the Board in accordance with the policy directed by the Federal Executive Council being rates and terms designed to enable the mortgage institutions to grant comparable facilities to Nigerian individuals desiring to acquire houses of their own ;

Functions  
of the  
Mortgage  
Bank.

(b) the encouragement and promotion of the development of mortgage institutions at state and national levels ;

(c) the supervision and control of the activities of mortgage institutions in Nigeria in accordance with such direction as may be given in that behalf by the Federal Executive Council ;

(d) the provision of long-term credit facilities directly to Nigerian individuals at such rates and upon such terms as may be determined by the Board in accordance with the policy directed By the Federal Executive Council ;

(e) the provision, with the approval of the Commissioner, at competitive commercial rates of interest, of credit facilities to commercial property developers, estate developers and developers of offices and other specialised types of buildings.

(2) Without prejudice to the generality of subsection (1) above, the Mortgage Bank shall have power—

(a) to accept term deposits and savings from mortgage institutions, trust funds, the post office and private individuals as the Board may determine;

(b) to promote the mobilisation of savings from the public ;

(c) to invest in companies engaged in the manufacture or production of building materials in the country with a view to stabilizing the cost of such materials;

(d) to furnish financial advice and provide or assist in the provision of managerial, technical and administrative services for companies engaged in the building materials industry or in building construction and development in the country;

(e) to guarantee loans made from private investment sources for building developments;

(f) to provide guarantees including guarantees in respect of promissory notes and other bills of exchange issued by licensed banks in the country and to discount such notes or bills;

(g) to issue its own securities including debentures and bonds under Federal Government guarantees and issue promissory notes and other bills of exchange for the purpose of raising funds from financial institutions;

(h) to establish a sinking fund for the redemption of securities issued by it and provide for contributions by it to the sinking fund ;

(i) to carry out research aimed at improving housing patterns and standards in both urban and rural areas of the country;

(j) to carry out research on mortgage finance activities and the building construction industry in the country;

(k) in collaboration with reputable insurance companies, to organize and operate a mortgage protection system designed to guarantee liquidity to mortgagors as well as afford them the opportunity of having liberal premium terms;

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

(3) Any liabilities of the Mortgage Bank which may be incurred in connection with the exercise of the Mortgage Bank's powers under subsection (2) above shall be re-discountable with the Central Bank.

3.—(1) There shall be a Board of Directors of the Mortgage Bank (hereinafter referred to as "the Board") which shall, subject to the general direction of the Commissioner, be responsible for the overall policy and general management of the Mortgage Bank.

Board of  
Directors.

(2) The Board shall comprise the following, that is to say—

- (a) a Chairman ;
- (b) the Managing Director of the Mortgage Bank ;
- (c) the Permanent Secretary, Federal Ministry of Finance, or his representative ;
- (d) the Permanent Secretary, Federal Ministry of Housing, Urban Development and Environment, or his representative ;
- (e) the Chief Federal Lands Officer ;
- (f) a representative of the Central Bank of Nigeria ;
- (g) a number of directors, not being more than 4, being persons who by reason of their character and their experience in matters relating to housing, accountancy, law, finance or economics are, in the opinion of the Commissioner, suitable for appointment as members of the Board.

(3) The Chairman and the members of the Board under paragraph (g) of subsection (1) above shall be appointed by the Federal Executive Council on the recommendation of the Commissioner and shall, subject to this section, hold office on such terms and conditions as the Federal Executive Council may determine.

(4) The Chairman and members of the Board under paragraph (g) of subsection (1) above shall hold office for three years and shall be eligible for reappointment.

(5) The Chairman or any member of the Board under paragraph (g) of subsection (1) above may resign his appointment by a letter addressed to the Commissioner and the resignation shall take effect from the date on which the letter is received by the Commissioner.

(6) Notwithstanding the foregoing provisions of this section, a person shall cease to hold office as a member of the Board if—

- (a) he becomes bankrupt, suspends payment of his debts or compounds with his creditors ; or
- (b) he is convicted of an offence involving dishonesty or fraud ; or
- (c) he becomes of unsound mind ; or
- (d) he becomes a director or an officer of a mortgage institution.

(7) The provisions of Schedule 1 to this Decree shall have effect in relation to the procedure at meetings of the Board and such other matters as are specified thereunder.

(8) The reference in subsection (2) of this section to the representative of a Permanent Secretary is a reference to such officer of the Ministry of which that Permanent Secretary has responsibility as may be appointed by the Permanent Secretary to represent him on the Board.

4.—(1) There shall be an employee of the Mortgage Bank who shall be called the Managing Director and who shall be the chief executive officer of the Mortgage Bank and shall be responsible for the day-to-day management of the affairs of the Mortgage Bank.

Managing  
Director  
and other  
employees  
of the  
Mortgage  
Bank.

(2) The Managing Director shall, subject to subsection (3) below, be appointed by the Board with the approval of the Commissioner on such terms and conditions as the Commissioner may approve.



(3) Any person appointed as the Managing Director shall not, while he is the holder of that office, be the holder of the office of a director in any bank, corporation, company or any other concern except with the approval of the Commissioner.

(4) The Board may appoint such other persons as employees of the Mortgage Bank as may appear to it to be expedient and necessary for the efficient management of the business of the Mortgage Bank.

(5) The employees of the Mortgage bank shall hold office on such terms and conditions, including salaries and other allowances, as the Board may determine.

#### Capital.

5.—(1) The capital of the Mortgage Bank shall consist of equity and loan capital.

(2) The authorized capital of the Mortgage Bank shall be twenty million naira which shall be divided into 200,000 shares of 100 naira each out of which there shall be issued such portion as may be resolved by the Board and approved by the Commissioner and all the issued share capital shall be subscribed by and paid up at par by the Federal Government upon the establishment of the Mortgage Bank.

(3) Any further portion of the authorised capital of the Mortgage Bank may be called up as the Board may, with the approval of the Commissioner, from time to time resolve and the Federal Government shall subscribe and pay up at par the amount so called up.

(4) The loan capital of the Mortgage Bank shall be provided by the Federal Government in such amount and upon such terms as may be determined by the Commissioner.

#### General reserve fund.

6.—(1) The Mortgage Bank shall establish a general reserve fund to which shall be allocated from the net profits of the Mortgage Bank at the end of each financial year of the Mortgage Bank—

(a) 50 *per cent.* of the net profits of the Mortgage Bank for the year, when at the end of the year the fund is less than the authorised capital of the Mortgage Bank ;

(b) 25 *per cent.* of the net profits of the Mortgage Bank for the year, when the fund is equal to or exceeds the authorized capital of the Mortgage Bank.

(2) After any allocation has been made in terms of subsection (1) above the balance of the net profits shall be applied to the retirement of any loan granted to the Mortgage Bank by the Federal Government.

(3) The remainder of the net profits, if any, shall be paid to the Federal Government.

#### Borrowing powers.

7.—(1) Without prejudice to section 2 (2) above, the Mortgage Bank may, with the approval of the Commissioner, borrow from any source any money required for meeting its obligations and discharging its functions under this Decree.

(2) The Mortgage Bank shall have power to secure the repayment of any money borrowed by the Mortgage Bank in such manner as the Mortgage Bank may think fit and, in particular, by the issue of debentures charged upon all or any of the Mortgage Bank's properties ; and shall also have power to purchase, redeem and pay up any such securities.

(3) The Mortgage Bank shall have power to receive grants, loans and advances and other moneys on deposit from the Federal Government, the Central Bank and any licensed bank and also the public in general under such conditions as may be approved by the Commissioner.

(4) The Federal Government may guarantee in such manner and upon such terms as it may deem fit the redemption and the repayment of any interest on any debenture stocks raised by the Mortgage Bank.

8.—(1) Without prejudice to section 7 of this Decree, the Mortgage Bank shall maintain a fund which shall consist of—

Funds of  
the  
Mortgage  
Bank.

(a) such sums as may from time to time be provided by the Government for the purpose of this section by way of grant or loan or otherwise ; and

(b) such sums as may be paid to the Mortgage Bank in the course of its operations,

and from such fund there shall be defrayed all general expenses incurred by the Mortgage Bank.

(2) The Mortgage Bank shall not later than two months before the end of the financial year submit to the Commissioner estimates of its income and expenditure (which shall exclude payments to the Mortgage Bank out of moneys provided by the Federal Government) relating to the next following financial year.

9.—(1) The Mortgage Bank shall keep proper accounts and proper records in relation thereto and shall prepare annually a statement of accounts in a form conforming with established accounting principles.

Accounts  
and audit.

(2) For the purpose of subsection (1) above the financial year of the Mortgage Bank shall be from 1st January to 31st December of every year or such other period as may be determined by the Mortgage Bank, with the approval of the Commissioner.

(3) The accounts of the Mortgage Bank shall be audited by an auditor appointed annually by the Board on such terms as the Board may, with the approval of the Commissioner, determine.

(4) No auditor shall be appointed for the purpose of this section unless—

(a) he is resident in Nigeria ; and

(b) he is carrying on in Nigeria full time practice as a chartered accountant and auditor.

10.—(1) It shall be the duty of the Mortgage Bank to prepare and submit to the Commissioner, not later than three months after the end of each financial year, a report which shall be in such form as the Commissioner may direct and shall relate to the activities of the Mortgage Bank during the immediately preceding financial year.

Annual  
report.

(2) The report shall include the audited accounts of the Mortgage Bank in respect of the period in question together with the auditor's report on the accounts and shall be presented by the Commissioner to the Federal Executive Council so soon after receipt thereof as may be convenient.

11.—(1) Subject to this Decree, the Mortgage Bank may delegate to any director, employee or agent of the Mortgage Bank the power to carry out on behalf of the Mortgage Bank such of the Mortgage Bank's functions as it may determine.

Delegation  
of Mortgage  
Bank's powers  
to a director,  
etc.

(2) Every delegation under this section shall be revocable by the Mortgage Bank and no delegation shall prevent the exercise by the Mortgage Bank of any function delegated.

Offices and  
branches.

12. The Mortgage Bank shall have its Head Office in Lagos and may, subject to the approval of the Commissioner, open branches in other parts of Nigeria and appoint agents and correspondents in accordance with the decision of the Board.

Exemptions.

13.—(1) The Mortgage Bank shall be exempt from the payment of income tax and the provisions of any enactment relating to taxation of companies shall not apply to the Mortgage Bank.

1969 No. 1.

(2) The provisions of the Banking Decree 1969 shall not apply to the Mortgage Bank, and section 38 thereof shall be construed accordingly.

Rules and  
publication  
thereof.

14.—(1) The Board may, with the approval of the Commissioner, make rules with respect to any of the following matters, that is to say—

(a) the granting of loans, advances and the making of deposits ;

(b) the relationship between the Mortgage Bank and other mortgage institutions ;

(c) the terms, conditions, rates of interest, fees or administrative charges in respect of advances, credits, guarantees and any other transaction which the Mortgage Bank may undertake from time to time ;

(d) form of application, agreements and other materials necessary for the control of the grant of advances, credits, guarantees and other transactions which the bank may undertake from time to time ;

(e) the securities that may be required for loans to be granted by the Mortgage Bank ;

(f) any other matter that may be incidental or supplemental to the functions of the Mortgage Bank under this Decree.

(2) It shall not be necessary for any rules made by the Board under this section to be published in the *Gazette* but where the provisions of any rules may affect the interest of any person the Board shall bring any information contained thereunder to the notice of the persons affected in such manner (including publication thereof in the *Gazette*) as the Board may deem necessary.

15. The transitional provisions in Schedule 2 to this Decree shall have effect with respect to the dissolution of the Nigerian Building Society and the transfer of its assets and liabilities to the Mortgage Bank.

Transitional  
provisions  
with respect  
to the  
Nigerian  
Building  
Society.

Interpreta-  
tion.

16. In this Decree, unless the context otherwise requires—

“the Board” means the Board of Directors of the Mortgage Bank constituted under section 3 of this Decree ;

“Central Bank” means the Central Bank of Nigeria established under the Central Bank of Nigeria Act ;

“Chairman” means the Chairman of the Board ;

“Commissioner” means the Federal Commissioner charged with responsibility for housing ;

Cap. 19.

"director" means any director appointed under section 3 of this Decree and includes the persons appointed under paragraphs (b) to (e) of subsection (2) of that section ;

"financial institutions" and "licensed bank" have the same meanings as in section 41 of the Banking Decree 1969 ;

"Managing Director" means the employee of the Mortgage Bank appointed as such under section 4 of this Decree ;

"Mortgage Bank" means the Federal Mortgage Bank of Nigeria established by section 1 of this Decree ;

"mortgage institution" means any person whose principal business is the advancing of money on the security of a mortgage.

17. This Decree may be cited as the Federal Mortgage Bank of Nigeria Decree 1977.

1969 No. 1.

Citation.

## SCHEDULES

### SCHEDULE 1

### Section 3 (7)

#### PROVISIONS WITH RESPECT TO PROCEDURE AT MEETINGS, ETC. OF THE BOARD

1. Subject to this Decree and section 26 of the Interpretation Act 1964 (which provides for decisions of a statutory body to be taken by a majority of its members and for the chairman to have a second or casting vote) the Board may make standing orders regulating the proceedings of the Board or any committee thereof, in particular, as respects—

1964 No. 1.

- (a) the holding of meetings ;
- (b) notices to be given of such meetings and proceedings thereat ;
- (c) the keeping of minutes, and the custody, production and inspection of such minutes ; and
- (d) the opening, keeping, closing and auditing of accounts.

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

3. The quorum for meetings of the Board shall be 4 and the quorum for meetings of any committee of the Board shall be determined by the Board.

4. Where standing orders made under paragraph 1 above provide for the Board to co-opt persons who are not members of the Board such persons may advise the Board on any matter referred to them by the Board but shall not be entitled to vote at a meeting of the Board.

5. The affixing of the seal of the Mortgage Bank shall be authenticated by the signatures of the Chairman and another member of the Board authorised either generally or specifically by the Board to act for the purpose, and of the Managing Director or some other employee of the Mortgage Bank authorised either generally or specifically to act for the purpose.



6. Every document purporting to be an instrument issued by the Mortgage Bank and to be sealed with the seal of the Mortgage Bank authenticated in the manner provided above, or to be signed by the Managing Director, shall be received in evidence and be deemed to be such instrument without further proof unless the contrary is shown.

7. Any contract or instrument which, if made or executed by any person not being a body corporate would not be required to be under seal, may be made or executed on behalf of the Mortgage Bank by any person generally or specially authorised to act for the purpose by the Mortgage Bank.

8. Any member of the Board who has a personal interest in any contract or arrangement entered into or proposed to be considered by the Board shall forthwith disclose his interest to the Board and shall not vote on any question relating to the contract or arrangement.

9. The validity of any proceedings of the Board shall not be affected—

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

## SCHEDULE 2

## Section 15

### ASSETS AND LIABILITIES OF THE NIGERIAN BUILDING SOCIETY

1. As soon as he is satisfied that it is expedient to do so, the Commissioner shall by order in the *Gazette* appoint a day (hereinafter referred to as "the vesting day") for the dissolution of the incorporated company known as the Nigerian Building Society (hereinafter referred to as "the Company").

1968 No. 51.

2. Part V of the Companies Decree 1968 (which relates to winding up) shall not apply in relation to the Company.

3. During the period from the commencement of this Decree until the vesting day the directors of the Company shall continue to carry on the business of the Company but in doing so shall comply with any direction given by the Commissioner or by any person appointed in writing by the Commissioner to exercise the functions of the Commissioner under this paragraph.

4. During the period mentioned in paragraph 3 above it shall be the duty of the directors of the Company, subject to directions given under that paragraph, to cause to be prepared such accounts relating to the Company's affairs as may be reasonably necessary for the proper implementation of this Schedule.

5. On the vesting day the Company shall stand dissolved and the Registrar of Companies shall remove the Company's name from the Register of Companies.

6. By virtue of this Decree there shall be vested in the Mortgage Bank on the vesting day without further assurance all assets, funds, resources and other movable or immovable property which immediately before the vesting day were vested in the Company.



7. As from the vesting day—

(a) the rights, interests, obligations and liabilities of the Company existing immediately before the vesting day under any contract or instrument, or at law or in equity apart from any contract or instrument shall by virtue of this Decree be assigned to and vested in the Mortgage Bank ;

(b) any such contract or instrument as is mentioned in sub-paragraph (a) above shall be of the same force and effect against or in favour of the Mortgage Bank and shall be enforceable as fully and effectively as if instead of the Company the Mortgage Bank had been named therein or had been a party thereto ; and

(c) the Mortgage Bank shall be subject to all the obligations and liabilities to which the Company was subject immediately before the vesting day, and all other persons shall as from the vesting day have the same rights, powers and remedies against the Mortgage Bank as they had against the Company immediately before the vesting day.

8. Any proceeding or cause of action pending or existing immediately before the vesting day by or against the Company in respect of any right, interest, obligation or liability of the Company may be commenced, continued or enforced by or against the Mortgage Bank as it might have been against the Company if this Decree had not been made.

9. Within the period of twelve months next following the commencement of this Decree the Commissioner, if he thinks fit, may by order in the *Gazette* make additional provisions in respect of the devolution on the Mortgage Bank of the assets and liabilities of the Company ; and without prejudice to the generality of the foregoing any such order may include provision with respect to the officers and servants of the Company and their pension rights, if any.

MADE at Lagos this 20th day of January 1977.

LT.-GENERAL O. OBASANJO,  
*Head of the Federal Military Government,  
Commander-in-Chief of the Armed Forces,  
Federal Republic of Nigeria*

#### EXPLANATORY NOTE

*(This note does not form part of the above Decree  
but is intended to explain its effect)*

The Decree provides for the establishment of a Federal Mortgage Bank the functions of which are to include the granting of long-term credit facilities to Nigerian individuals desiring to acquire houses of their own and the granting of long-term credit facilities to mortgage institutions with a view to enabling those institutions to grant comparable facilities to Nigerian individuals.

The Decree also provides for the dissolution of the Nigerian Building Society and for the transfer of its assets and liabilities to the Federal Mortgage Bank.

## NATIONAL FERTILIZER BOARD DECREE 1977



## Decree No. 8

[21st January 1977]

Commence-  
ment.

THE FEDERAL MILITARY GOVERNMENT hereby decrees as follows :—

1.—(1) There is hereby established a board to be known as the National Fertilizer Board and hereinafter in this Decree referred to as the "Board"

Establish-  
ment of the  
National  
Fertilizer  
Board.

(2) The Board shall be a body corporate with perpetual succession and a common seal.

(3) The Board shall have power to sue and be sued in its own name and for the purpose of its functions, acquire, hold or dispose of property (whether movable or immovable).

2.—(1) The functions of the Board shall be—

(a) to undertake the bulk purchase of fertilizer for distribution to State Governments at such subsidized prices as may be determined from time to time by the Federal Government ;

Functions  
of the Board  
and direc-  
tions by the  
Commis-  
sioner.

(b) to transport such fertilizer to central warehouses in the States as may be mutually agreed to between the Board and the State Governments concerned ;

(c) with the approval of the Federal Executive Council, to fix from time to time the retail price at which fertilizer is to be sold by State Governments to farmers or other consumers ; and

(d) to carry out such other activities as are necessary or expedient for the full discharge of the functions conferred on it under or pursuant to this Decree.

(2) Notwithstanding subsection (1) (a) of this section any contract for the purchase of fertilizer of a value of not less than ₦1,000,000 shall be referred to the Federal Executive Council for approval through the Commissioner before any award of such contract is made.

(3) The Commissioner may give to the Board directions of a general character or relating generally to particular matters with regard to the exercise by the Board of its functions under this Decree, and it shall be the duty of the Board to comply with such directions.

## Membership.

3. The Board shall consist of the following members —

- (a) a Chairman, to be appointed by the Federal Executive Council ;
- (b) the Director, Federal Department of Agriculture ;
- (c) two Chief Agricultural Officers to be appointed from the States for two years in rotation so however that no two such officers shall come from the same State ;
- (d) one representative of the Nigerian Ports Authority ;
- (e) one representative of the Federal Ministry of Co-operatives and Supply ;
- (f) one representative of the Nigerian Railway Corporation ;
- (g) one representative of the Federal Ministry of Industries ;
- (h) four representatives appointed by the Commissioner from the private sector connected with fertilizer manufacture or distribution ; and
- (i) the General Manager appointed under section 5 of this Decree.

Proceedings  
of the  
Board.

4.—(1) Subject to the provisions of this Decree, the Board may regulate its own proceedings and the Chairman may at any time, and shall at the request in writing of the Commissioner or of not less than five members, summon a meeting ; and if the Chairman fails to do so, the Commissioner may himself summon a meeting.

(2) The Board shall meet at least two times in every year for the due performance of its functions under this Decree.

(3) The Chairman shall preside over every meeting of the Board and in his absence, the members of the Board present at the meeting shall appoint one of them to preside.

(4) Four members shall form a quorum.

(5) Every question at a meeting of the Board shall be determined by a majority of the votes of the members present and voting, and in the case of an equality of votes the person presiding shall have a casting vote.

(6) Where upon any special occasion the Board desires to obtain the advice of any person on any particular matter, the Board may co-opt that person to be a member for as many meetings as may be necessary, and that person while so co-opted shall have the rights and privileges of a member except that he shall not be entitled to vote.

Appoint-  
ment of  
General  
Manager.

5.—(1) There shall be appointed by the Commissioner with the approval of the Federal Executive Council a General Manager of the Board.

(2) The General Manager shall be the chief executive officer of the Board and shall be responsible for the execution of policy of the Board and the day-to-day running of the affairs of the Board.

(3) The General Manager shall hold office on such terms as to tenure, emoluments and otherwise as may be specified in his letter of appointment.

6.—(1) The Board shall appoint a Secretary to the Board and such other officers and employees as it thinks fit.

Appointment of Secretary and other staff of the Board.

(2) The terms of employment of officers and employees of the Board shall be determined by the Board after consultation with the Federal Commissioner charged with responsibility for establishments.

7.—(1) Subject to subsection (2) below, the Board may from time to time borrow such sums as it may require in the exercise of its functions under this Decree.

Borrowing powers.

(2) Subject to the following provisions of this section, the Board shall not, without the approval of the Federal Executive Council, borrow any sum of money whereby the amount in aggregate outstanding on any loan or on all loans at any time exceeds ₦500,000 or such other limit as may be prescribed from time to time by the Federal Executive Council.

(3) A person lending to the Board shall not be bound to inquire whether the borrowing is within the power of the Board or not.

8.—(1) The funds of the Board shall consist of—

Funds of the Board, etc.

(a) such sums as may from time to time be provided by the Federal Government and the State Governments ;

(b) such sums as may from time to time be lent to the Board by any person ; and

(c) such other sums as may accrue to the Board in the execution of its functions under this Decree.

(2) The Board shall not later than 1st August in each year or so soon thereafter as the Commissioner may in a proper case allow, submit to the Commissioner for approval its estimates of revenue and expenditure in respect of the year beginning with the 1st April in the following year.

9. The Board shall keep proper accounts, in a form which conforms with accepted commercial standards, of its receipts, payments, assets and liabilities and shall submit the same from time to time but not less frequently than annually for auditing by a qualified auditor approved annually in that behalf by the Federal Commissioner for Finance.

Accounts and audit.

10.—(1) The Board shall on or before 1st October each year prepare and present to the Commissioner a report of its proceedings and operations during the period of twelve months ending 31st March in that year, and the report shall be accompanied by a copy of the audited accounts of the Board for that period.

Annual report.

(2) The Commissioner shall cause, as soon as may be after receipt thereof, a copy of every report together with the audited accounts to be laid before the Federal Executive Council.

11. In this Decree, unless the context otherwise requires—

Interpretation.

“the Chairman” means the Chairman of the Board appointed under section 3 of this Decree ;

“the Commissioner” means the Federal Commissioner charged with responsibility for matters relating to agriculture ;

“fertilizer” includes pesticides and insecticides ;

“functions” includes powers and duties.

Citation.

12. This Decree may be cited as the National Fertilizer Board Decree 1977.

MADE at Lagos this 21st day of January 1977.

LT.-GENERAL O. OBASANJO,  
*Head of the Federal Military Government,  
Commander-in-Chief of the Armed Forces,  
Federal Republic of Nigeria*

EXPLANATORY NOTE

*(This note does not form part of the above Decree  
but is intended to explain its purpose)*

The Decree establishes the National Fertilizer Board as a body corporate and charges it with responsibility for purchasing and distributing fertilizer to State Governments at such subsidized prices as may be determined by the Federal Government.