

**PRODUCTIVITY, PRICES AND INCOMES BOARD
DECREE 1977**



Decree No. 30

[20th April 1977]

Commence-
ment.

THE FEDERAL MILITARY GOVERNMENT hereby decrees as follows :—

1.—(1) There is hereby established a body to be known as the Productivity, Prices and Incomes Board (in this Decree hereafter referred to as "the Board") which shall have and may exercise such functions as may be conferred on it by or under this Decree.

Establish-
ment and
composition
of the
Produc-
tivity, Prices
and Incomes
Board.

(2) The Chairman and other members of the Board shall be appointed by the Federal Executive Council and shall comprise—

(a) one representative of the Economic Department of the Cabinet Office and of each of the following Federal Ministries, that is—

- (i) Agriculture and Rural Development,
- (ii) Co-operatives and Supply,
- (iii) Economic Development,
- (iv) Establishments,
- (v) Finance,
- (vi) Labour, and
- (vii) Trade ;

(b) one representative of the Central Bank of Nigeria ;

(c) one representative of the Nigerian Employers' Consultative Association ;

(d) one representative of the Nigerian Chamber of Commerce, Industry, Mines and Agriculture ;

(e) one representative of the Manufacturers' Association of Nigeria ;

(f) four representatives of organised labour of which one shall be a representative of the Civil Service Association ;

(g) one representative of the Bankers' Committee ;

(h) one representative of the Consumers' Association ; and

(i) two economists who shall not be public officers.

(3) The Chairman of the Board shall be a public officer of the rank of Permanent Secretary or its equivalent.

Functions
of the
Board.

(4) There shall be a Secretary to the Board who shall be a public officer.

2. The functions of the Board shall be—

(a) to advise the Federal and State Governments on national incomes policy ;

(b) to calculate growth dividends available for general wage increases ;

(c) to inform the Federal and State Governments of current and incipient trends in wages and advise on guidelines within which increases in wages should be confined ;

(d) to keep the Federal Military Government informed on a continuing basis on movements of all forms of income and propose guidelines relating to profits, dividends and all other incomes not being wages ;

(e) to encourage research on wages structure (including industrial, occupational and regional and any other similar factor), income distribution and house-hold consumption patterns ;

(f) to keep prices under continuous surveillance, interpret price movements and relate them to other developments in the national economy ;

(g) to propose measures for the regulation of prices in the various sectors of the economy and for the control of hoarding ;

(h) to encourage and promote schemes for raising productivity in all sectors of the economy ;

(i) to establish and run a data bank or other information centre relating to data on wages and prices or any other variable and for that purpose to collaborate with data collection agencies to design and develop an adequate information system ;

(j) to inform and educate the public on prices, wages and productivity, their relationships with one another and their inter-play in determining standards of living and real economic growth ;

(k) to examine and advise on any matter referred to it by the Federal and State Governments concerning any of the functions conferred on it by or pursuant to this Decree ; and

(l) to undertake any other activity likely to assist in the performance of the functions conferred on it by or pursuant to this Decree.

Operational
arms of the
Board and
their duties.

3.—(1) The Board shall have as its operational arms three units and an agency to be designated as follows, that is—

(a) the Public Service Pay Research Unit ;

(b) the Incomes Analysis Unit ;

(c) the Wages and Productivity Unit ; and

(d) the Price Intelligence Agency.

(2) The Public Service Pay Research Unit located in Federal Ministry of Establishments shall be responsible to the Board for—

(a) collecting and analysing data on the cost of living, productivity, levels of pay in the private sector and such other data as would enable it determine the extent of adjustments (if any) to be made in wages structure in the public service ; and

(b) carrying out such other duties as may be assigned thereto from time to time by the Board.

(3) The Incomes Analysis Unit located in the Federal Ministry of Economic Development shall be responsible to the Board for—

(a) making inquiries into the various aspects of income distribution as well as changes in the pattern of distribution of income in the form of wages, profits, rents, dividends and collecting data relative thereto ;

(b) conducting investigations relating to inter-personal and regional distribution of income and collecting data relative thereto ;

(c) analysing profits, rents, dividends and other non-wage incomes in order to enable the Board determine appropriate guidelines relative thereto ; and

(d) carrying out such other duties as may be assigned to it from time to time by the Board.

(4) The Wages and Productivity Unit located in the Federal Ministry of Labour shall be responsible to the Board for—

(a) evaluating, on a continuing basis, trends in wages, productivity and economic growth with a view to providing the Board with such information as would enable the Board determine permissible increases in wages in the private sector ;

(b) where so directed by the Board, promoting and assisting to implement schemes for raising productivity in public and private enterprises ; and

(c) carrying out such other duties as may be assigned to it from time to time by the Board.

(5) The Price Intelligence Agency located in the Federal Ministry of Trade shall be responsible to the Board for—

(a) studying and interpreting price movements (including resale price maintenance) on a continuing basis ; and

(b) carrying out such other duties of a similar nature to the foregoing as may be assigned to it from time to time by the Board.

4.—(1) The Board may from time to time, and shall when so directed by the Federal Executive Council, prepare guidelines on any question relating to wages or other forms of income or to prices, charges or other sums payable under transactions of any description relating to any form of property or rights or to services of any description or to returns on capital invested in any form of property, including dividends or in relation to any of its functions under or pursuant to this Decree.

Guidelines
and
enforce-
ment
thereof.

(2) Guidelines prepared pursuant to this section shall be submitted to the Federal Executive Council which may direct such action thereon as it may consider fit in the circumstances.

(3) The Federal Executive Council may at any time by a further direction vary or withdraw any direction previously given.

(4) Where the Federal Executive Council directs the enforcement of any restraint or any other matter, then it shall be the duty of the Board to implement any such direction and, if it thinks fit, through any of its operational arms.

(5) It shall be the duty of the Board to give public notice, in any manner as it may determine, of any restraint or any other matter requiring to be enforced pursuant to this section.

(6) For the avoidance of doubt, subsection (4) of this section shall not apply with respect to the pricing of any commodity in so far as such pricing is or could be regulated under or pursuant to the Price Control Decree 1977.

1977 No. 1.

Penalty for
contraven-
tion of
guidelines.

5.—(1) Any person who transacts any business otherwise than in compliance with the provisions of section 4 of this Decree shall be guilty of an offence.

(2) A person guilty of an offence under this section shall be liable on conviction to a fine of ₦5,000 or imprisonment for two years, or to both such fine and imprisonment.

Power to
obtain
information.

6.—(1) For the purpose of the efficient dispatch of the functions of the Board under this Decree, the Secretary or any other officer of the Board may by notice in writing served on any person in charge of any undertaking require that person to furnish in such form as he may direct information on such matter as may be specified by him.

(2) A person required to furnish returns pursuant to subsection (1) above shall within 30 days from the notice comply with the notice.

Offences.

7.—(1) If any person required to furnish returns pursuant to section 6 of this Decree fails to furnish those returns as required under that section, he shall be guilty of an offence and liable on conviction to a fine of ₦1,000 or imprisonment for a period not exceeding six months or to both such fine and imprisonment.

(2) If a person in purported compliance with a requirement to furnish returns as aforesaid knowingly or recklessly makes any statement therein which is false in a material particular, he shall be guilty of an offence and liable on conviction to a fine of ₦1,000 or imprisonment of a period not exceeding 3 months or to both such fine and imprisonment.

(3) Any person who wilfully obstructs, interferes with, assaults or resists any officer of the Board in the execution of his duties under this Decree or who aids, invites, induces or abets any other person to obstruct, interfere with, assault or resist any such officer shall be guilty of an offence and liable on conviction to a fine of ₦1,000 or imprisonment for a period not exceeding six months or to both such fine and imprisonment.

8.—(1) Where an offence under this Decree is committed by a body corporate or firm or other association of individuals—

Offences by
bodies
corporate,
etc.

(a) every director, manager, secretary or other similar officer of the body corporate ;

(b) every partner or officer of the firm ;

(c) every trustee of the body concerned ;

(d) every person concerned in the management of the affairs of the association ; and

(e) every person who was purporting to act in any such capacity as aforesaid,

shall severally be guilty of that offence and liable to be proceeded against and punished for the offence in like manner as if he had himself committed the offence unless he proves that the act or omission constituting the offence took place without his knowledge, consent or connivance.

(2) For the purposes of this section, "director" in relation to a body corporate established by or under any enactment or Law for the purpose of carrying on under national ownership an industry or undertaking or part of an industry or undertaking, being a body corporate whose affairs are managed by its members, means a member of that body corporate.

9. The Federal Executive Council may make regulations generally for the purposes of this Decree and, without prejudice to the generality of the power hereby conferred, regulations may—

Regulations.

(a) prescribe the forms to be used for the purposes of this Decree ;

(b) prescribe or contain such administrative or procedural provisions as appear to the Federal Executive Council expedient in order to facilitate the operation of this Decree.

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

"the Board" means the Productivity, Prices and Incomes Board established under section 1 of this Decree and includes the bodies mentioned in section 3 of this Decree ;

Interpreta-
tion.

"business" includes any trade, profession or vocation ;

"price" includes a charge of any description ;

"wages" includes salaries and other personal emoluments.

11. This Decree may be cited as the Productivity, Prices and Incomes Board Decree 1977.

Citation.

MADE at Lagos this 20th day of April 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 purport)*

The Decree sets up a Productivity, Prices and Incomes Board to advise the Federal Government on ways and means of enhancing productivity in both the public and private sectors of the economy and as to the determination of optimum prices and incomes and to prepare guidelines relative to the latter.

Provision is made for the enforcement of guidelines by the appropriate arms of the Board or other Government agencies with penalties stipulated for breaches thereof.

**RIVER BASINS DEVELOPMENT AUTHORITIES
(AMENDMENT) DECREE 1977**



Decree No. 31

[20th April 1977]

Commence-
ment.

THE FEDERAL MILITARY GOVERNMENT hereby decrees as follows :—

1. Section 2 (1) of the River Basins Development Authorities Decree 1976 is hereby amended as follows, that is—

Amendment
of 1976 No.
25.

(a) immediately after paragraph (e) there shall be inserted the following new paragraphs—

“(f) to develop fisheries and improve navigation on the rivers, lakes, reservoirs and lagoons in the Authority's area ;

(g) to process crops and livestock produced under paragraph (d) above ;” and

(b) the existing paragraphs (f) and (g) shall be re-numbered as paragraphs (h) and (i) respectively.

2. This Decree may be cited as the River Basins Development Authorities (Amendment) Decree 1977.

Citation.

MADE at Lagos this 20th day of April 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 amends the River Basins Development Authorities Decree 1976 to empower each Authority to process crops and livestock produced under its aegis and to develop fisheries and improve navigation on rivers, lakes and lagoons in its area.

**NIGER DELTA BASIN DEVELOPMENT AUTHORITY
(AMENDMENT) DECREE 1977**



Decree No. 32

[20th April 1977]

Commence-
ment.

THE FEDERAL MILITARY GOVERNMENT hereby decrees as follows :—

1. The Schedule to the Niger Delta Basin Development Authority Decree 1976 is hereby amended as follows—

Amendment
of the
Schedule to
1976 No. 37.

(a) in sub-paragraph 1 (1) (a) for the word "six" there shall be substituted the word "four"; and

(b) in sub-paragraph 1 (1) (c), for the word "two" there shall be substituted the word "four".

2. This Decree may be cited as the Niger Delta Basin Development Authority (Amendment) Decree 1977.

Citation.

MADE at Lagos this 20th day of April 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 amends the Schedule to the Niger Delta Basin Development Authority Decree 1976 to reduce from six to four the number of persons to be appointed as members of the Board by the Commissioner and increase from two to four the number of persons to be appointed by the Government of the Rivers State.

NIGERIAN NATIONAL PETROLEUM CORPORATION DECREE 1977



ARRANGEMENT OF SECTIONS

Section

PART I—ESTABLISHMENT OF THE CORPORATION

1. Establishment of the Nigerian National Petroleum Corporation.
2. Managing Director and Secretary.
3. Staff generally.
4. General duties of the Corporation.
5. Powers of the Corporation.
6. Financial provisions.
7. Borrowing powers.
8. Disposal of surplus funds.

PART II—PETROLEUM INSPECTORATE

9. Petroleum Inspectorate.
10. Head of Inspectorate to be appointed by the Commissioner, etc.

PART III—LEGAL PROCEEDINGS

11. Limitation of suits against the Corporation, etc.
12. Service of documents.
13. Restriction on execution against the property of the Corporation.
14. Indemnity of members of the Board and employees of the Corporation.

PART IV—MISCELLANEOUS AND SUPPLEMENTARY

15. Certain exemptions from rates, etc.
16. Regulation of public access to Corporation's premises.
17. Protection of certain rights.
18. Annual reports.
19. Application of certain enactments.
20. Protection of Corporation's land.
21. Dissolution of certain bodies and transfer of assets and liabilities thereof to the Corporation, and repeal.
22. Interpretation.
23. Citation and commencement.

SCHEDULES

Schedule 1—Supplementary Provisions relating to Tenure of Office, etc. of members of the Board

Schedule 2—Transitional Provisions.

Decree No. 33

[1st April 1977]

Commence-
ment.

THE FEDERAL MILITARY GOVERNMENT hereby decrees as follows :—

PART I.—ESTABLISHMENT OF THE CORPORATION

1.—(1) There shall be established a corporation by the name of the Nigerian National Petroleum Corporation (hereinafter in this Decree referred to as "the Corporation") which shall be a body corporate with perpetual succession and a common seal and may sue or be sued in its corporate name.

Establish-
ment of the
Nigerian
National
Petroleum
Corporation.

(2) The affairs of the Corporation shall, subject to Part II of this Decree, be conducted by a Board of Directors of the Corporation which shall consist of a Chairman and the following other members, that is—

- (a) the Permanent Secretary, Federal Ministry of Finance ;
- (b) the Permanent Secretary, Federal Ministry of Economic Development ;
- (c) the Managing Director of the Corporation ; and
- (d) three persons to be appointed by the Federal Executive Council, being persons who by reason of their ability, experience or specialised knowledge of the oil industry or of business or professional attainments are capable of making useful contributions to the work of the Corporation.

(3) The Chairman shall be a Commissioner in the Government of the Federation who shall be known and styled as the Federal Commissioner for Petroleum.

(4) The supplementary provisions set out in Schedule 1 to this Decree shall have effect with respect to the tenure of office of the members of the Board (other than the Chairman), proceedings of the Board, certain duties of the members thereof and the other matters mentioned therein.

2.—(1) There shall be appointed by the Federal Executive Council a Managing Director of the Corporation who shall be the chief executive officer of the Corporation and shall, subject to Part II of this Decree, be responsible for the execution of the policy of the Corporation and the day to day running of the Corporation's activities and its associated services.

Managing
Director and
Secretary.

(2) There shall be appointed by the Corporation a Secretary to the Corporation who shall not be a member of the Board and who shall keep the records and conduct the correspondence of the Board and perform such other duties as the Chairman or Managing Director may from time to time direct.

3.—(1) Subject to this Decree, the Corporation may appoint such persons as members of staff of the Corporation as it considers necessary and may approve conditions of service, including provision for the payment of pensions.

Staff
generally.

(2) If the Corporation thinks it expedient that any vacancy in the staff of the Corporation should be filled by a person holding office in any of the public services in the Federation, it shall inform the appropriate Public Service Commission to that effect and thereafter the Corporation may cause such vacancy to be filled by way of secondment or transfer.

(3) Where a member of any of the public services in the Federation is seconded under subsection (2) above, he shall be notified of the terms and conditions of the secondment ; and the secondment shall be without prejudice to any pension rights which, but for the secondment, would still accrue to him.

(4) A person seconded under subsection (2) above may elect to be transferred to the staff of the Corporation, in which case any previous service in the public service concerned shall count as service for the purposes of pensions subsequently payable by the Corporation.

**General
duties of the
Corporation.**

4.—(1) Subject to the provisions of this Decree, the Corporation shall be charged with the duty of—

(a) exploring and prospecting for, working, winning or otherwise acquiring, possessing and disposing of petroleum ;

(b) refining, treating, processing and generally engaging in the handling of petroleum for the manufacture and production of petroleum products and its derivatives ;

(c) purchasing and marketing petroleum, its products and by-products ;

(d) providing and operating pipelines, tanker-ships or other facilities for the carriage or conveyance of crude oil, natural gas and their products and derivatives, water and any other liquids or other commodities related to the Corporation's operations ;

(e) constructing, equipping and maintaining tank farms and other facilities for the handling and treatment of petroleum and its products and derivatives ;

(f) carrying out research in connection with petroleum or anything derived from it and promoting activities for the purpose of turning to account the results of such research ;

(g) doing anything required for the purpose of giving effect to agreements entered into by the Federal Military Government with a view to securing participation by the Government or the Corporation in activities connected with petroleum ;

(h) generally engaging in activities that would enhance the petroleum industry in the overall interest of Nigeria ; and

(i) undertaking such other activities as are necessary or expedient for giving full effect to the provisions of this Decree.

(2) It shall be the duty of the Corporation, from time to time, when the Federal Executive Council so requires or the Corporation considers it appropriate to undertake a general review of the affairs of the Corporation and of any subsidiaries thereof for the purpose of determining how the

management of the activities of the Corporation or any subsidiary thereof can most efficiently be organised and, where appropriate, to make a report to the Federal Executive Council upon the Corporation's conclusions arising from the review.

5.—(1) The Corporation shall have powers to do anything which in its opinion is calculated to facilitate the carrying out of its duties under this Decree including, without limiting the generality of the following, the power—

Powers of the Corporation.

(a) to hold, manage and alienate movable and immovable property ;

(b) to purchase or otherwise acquire or take over all or any of the assets, businesses, properties, privileges, contracts, rights, obligations and liabilities of any other company, firm or person in furtherance of any business engaged in by the Corporation ;

(c) to enter into contracts or partnerships with any company, firm or person which in the opinion of the Corporation will facilitate the discharge of the said duties under this Decree ;

(d) to establish and maintain subsidiaries for the discharge of such functions as the Corporation may determine ; and

(e) to train managerial, technical and such other staff for the purpose of the running of its operations and for the petroleum industry in general.

(2) Notwithstanding subsection (1) above, any contract relating to any project of a value of more than ₦5,000,000 (or such higher limit as may be directed from time to time by the Federal Executive Council) shall be referred by the Corporation to the Federal Executive Council for approval before the award of any such contract is made by the Corporation.

6.—(1) The Corporation shall keep proper accounts and proper records in relation thereto in a form which shall conform with the best commercial standards.

Financial provisions.

(2) The Corporation 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 appointed by the Corporation with the approval of the Federal Executive Council.

(3) The auditors shall, on the completion of the audit of the accounts of the Corporation for each financial year, prepare and submit to the Corporation reports setting out—

(a) general observations and recommendations of the auditors on the financial affairs of the Corporation for the year and on any important matters which the auditors desire to bring to the notice of the Corporation ; and

(b) detailed observations and recommendations of the auditors on all aspects of the operations of the Corporation for that year.

(4) The Corporation shall maintain a fund which shall consist of—

(a) such moneys as may from time to time be provided by the Federal Military Government for the purposes of this Decree by way of grants or loans or otherwise howsoever ; and

(b) such moneys as may be received by the Corporation in the course of its operations or in relation to the exercise by the Corporation of any of its functions under this Decree, and from such fund there shall be defrayed all expenses incurred by the Corporation.

(5) The Corporation shall submit to the Federal Executive Council not later than three months before the end of each financial year estimates of its expenditure and income relating to the next following financial year.

Borrowing
powers.

7.—(1) Subject to the other provisions of this section, the Corporation may from time to time borrow by overdraft or otherwise howsoever such sums as it may require in the exercise of its functions under this Decree.

(2) The Corporation 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 loans at any time exceeds such amount as is for the time being specified by the Federal Executive Council.

(3) Notwithstanding subsection (2) above, a person lending to the Corporation shall not be bound to enquire whether the borrowing is within the power of the Corporation or not.

(4) Where any sum required aforesaid—

(a) is to be in currency other than naira ; and

(b) is to be borrowed by the Corporation otherwise than temporarily, the Corporation shall not borrow the sum without the prior approval of the Federal Executive Council.

(5) For the purposes of this section, any money borrowed by the Corporation from a subsidiary thereof or by any such subsidiary from the Corporation or any other subsidiary thereof shall be disregarded.

Disposal of
surplus
funds.

8. The Federal Executive Council may issue to the Corporation such directions as it may think necessary as to the disposal of any surplus funds of the Corporation, and subject to any such directions, the Corporation may invest its funds and maintain a general reserve.

PART II.—PETROLEUM INSPECTORATE

Petroleum
Inspectorate.

9.—(1) There shall be established a department to be known as the Petroleum Inspectorate which shall, subject to the other provisions of this Part, be an integral part of the Corporation.

(2) The Commissioner may delegate to the chief executive of the Inspectorate such of the powers conferred upon him under the Oil Pipelines Act, the Petroleum Decree 1969 or any other enactment as he may deem necessary and in particular, but without prejudice to the generality of the foregoing, responsibility for the following matters, that is—

Cap. 145.
1969
No. 51.

(a) issuing permits and licences for all activities connected with petroleum exploration and exploitation and the refining, storage, marketing, transportation and distribution thereof ; and

(b) acting as the agency for the enforcement of the provisions of the said Act or Decree and any relevant regulations made thereunder by the Commissioner ;

(c) carrying out such other functions as the Commissioner may direct from time to time ;

and notwithstanding the foregoing, any regulatory function conferred on the Director of Petroleum Resources pursuant to the said Act or Decree or any other enactment shall, as from the appointed day, be deemed to have been conferred upon and may be discharged by the chief executive of the Inspectorate.

(3) In the exercise of the powers conferred upon the chief executive of the Inspectorate under this Decree, he shall not be subject to the direction or control of any other person or authority in the Corporation except the Commissioner.

(4) For the avoidance of doubt, the Inspectorate shall not exercise any commercial functions in respect of any activities of the Government of the Federation relating to the petroleum industry.

10.—(1) There shall be appointed by the Commissioner, with the approval of the Federal Executive Council, a person to be the chief executive officer of the Inspectorate to be known by such designation as the Commissioner may determine.

Head of Inspectorate to be appointed by the Commissioner, etc.

(2) There shall be appointed by the Corporation such other employees as may be necessary to assist the chief executive officer in the efficient discharge of the functions conferred on him under or pursuant to this Decree.

PART III.—LEGAL PROCEEDINGS

11.—(1) Notwithstanding anything in any other enactment, no suit against the Corporation, a member of the Board or any employee of the Corporation for any act done in pursuance or execution of any enactment or law, or of any public duties or authority, or in respect of any alleged neglect or default in the execution of such enactment or law, duties or authority, shall lie or be instituted in any court unless it is commenced within twelve months next after the act, neglect or default complained of or, in the case of a continuance of damage or injury, within twelve months next after the ceasing thereof.

Limitation of suits against the Corporation, etc.

(2) No suit shall be commenced against the Corporation before the expiration of a period of one month after written notice of intention to commence the suit shall have been served upon the Corporation by the intending plaintiff or his agent ; and the notice shall clearly and explicitly state the cause of action, the particulars of the claim, the name and place of abode of the intending plaintiff and the relief which he claims.

12. The notice referred to in section 11 (2) above and any summons, notice or other document required or authorised to be served upon the Corporation under the provisions of this Decree or any other enactment or law may be served by delivering the same to the Chairman or the Managing Director of the Corporation, or by sending it by registered post addressed to the Managing Director at the principal office of the Corporation.

Service of documents.

Restriction on execution against the property of the Corporation.

13. In any action or suit against the Corporation no execution or attachment or process in the nature thereof shall be issued against the Corporation but any sums of money which may, by the judgment of the court, be awarded against the Corporation shall, subject to any directions given by the court where notice of appeal has been given, by the Corporation, be paid from the general reserve fund of the Corporation.

Indemnity of members of the Board and employees of the Corporation.

14. Every member of the Board, agent, auditor or employee for the time being of the Corporation shall be indemnified out of the assets of the Corporation against any liability incurred by him in defending any proceedings whether civil or criminal, if any such proceeding is brought against him in his capacity as such member, agent, auditor or employee as aforesaid.

PART IV.—MISCELLANEOUS AND SUPPLEMENTARY

Certain exemptions from rates; etc.

15.—(1) Oil pipelines and other installations belonging to the Corporation shall not be regarded as hereditaments or tenements to be valued for rating purposes; and for the purposes of this subsection, the expression "oil pipelines and other installations" includes oil rigs, refineries, power generating plants, pumping stations, tank farms and similar installations but does not include office or residential buildings.

(2) Save as provided in subsection (1) above, nothing in this Decree shall be deemed to exempt the Corporation from liability for any tax, duty, rate, levy or other charge whatsoever, whether general or local:

1959 No. 15.

Provided that the Corporation shall not be liable to pay any such tax, duty, rate, levy or charge unless every company liable to tax under the Petroleum Profits Tax Act 1959 is also liable for such payment.

Regulation of public access to Corporation's premises.
1975 No. 30.

16.—(1) Subject to the provisions of this Decree, the Criminal Justice (Miscellaneous Provisions) Decree 1975 or any other enactment, the Corporation may make by-laws—

(a) prohibiting or restricting the access of members of the public or of any class of members of the public to any premises vested in, occupied by or under the control of the Corporation;

(b) regulating the hours during which, the means whereby, the purposes for which and the conditions subject to which members of the public or any class of members of the public may have access to or egress from any such premises or portion thereof;

(c) for ensuring the maintenance of good order and discipline amongst members of the public at any time when upon any such premises;

(d) prohibiting or restricting the use of land over, underneath or near which the Corporation has any installation and for preventing the unauthorised or improper use of or wilful or negligent acts occasioning injury to any property owned, vested in, occupied by or under the control of the Corporation.

(2) By-laws made under the provisions of this section shall not come into force until they have been approved by the Commissioner and published in such manner as he shall direct or until such later date as may be specified in the by-laws.

(3) By-laws made under this section may provide that for the contravention of such by-laws there may be imposed on the conviction of any person for any such contravention a fine not exceeding ₦500 or, in default of payment thereof, imprisonment for a term not exceeding twelve months.

(4) For the purposes of this section, members and employees of the Corporation shall not be deemed to be members of the public.

(5) In this section "premises" includes lands, plants and ancillary works.

17. Where in the exercise of any function under this Decree certain rights are affected, the provisions of this Decree shall not be construed so as to exclude—

Protection of certain rights.

(a) the payment of compensation in respect of any loss or damage that may have been suffered in consequence of the operation of the provisions of this Decree ; and

(b) the determination of any right or interest in any property acquired or possessed by the Corporation, and the amount of compensation payable as prescribed under the Public Lands Acquisition (Miscellaneous Provisions) Decree 1976.

1976 No. 33.

18. The Corporation shall prepare and submit to the Federal Executive Council, through the Commissioner, not later than 30th June in each financial year a report on the activities of the Corporation during the immediately preceding financial year, and shall include in such report a copy of the audited accounts of the Corporation for that year and the auditors' report thereon.

Annual reports.

19. For the purposes of this Decree, the Corporation shall be subject to all rights, powers, obligations, and duties to which a licensee or lessee by virtue of the Petroleum Decree 1969 and a licensee and the holder of a permit by virtue of the Oil Pipelines Act are subject, so however that in the application thereof—

Application of certain enactments. 1969 No. 51. Cap. 145.

(a) paragraph 12 of Schedule 1 to the Petroleum Decree 1969 (which provides for the relinquishment of one-half of the leased area after ten years of an oil mining lease) ; and

(b) paragraphs 3 and 6 of the said Schedule (which relate to the duration of an oil exploration licence and oil prospecting licence, respectively) ; and

(c) such other provisions of those enactments as the Commissioner may from time to time specify by public notice, shall be excluded.

20.—(1) Land vested in the Corporation shall not be liable to be acquired compulsorily under any enactment or law ; and notwithstanding anything in any other enactment or law, no mining operations shall be carried on, in or under any land vested in the Corporation or any land over which the Corporation is entitled to rights of support for the benefit of lands so vested except with the prior consent in writing of the Commissioner.

Protection of Corporation's land.

(2) For the purposes of this section, "land" includes any land under water beyond the territorial waters of Nigeria to which Nigeria is for the time being entitled to any exclusive rights.

21.—(1) As from the date of commencement of this Decree, the department of the Government of the Federation known and styled as the Federal Ministry of Petroleum Resources shall cease to exist and the provisions of Part A of Schedule 2 to this Decree shall apply in relation to the public officers in the dissolved Ministry, the assets and liabilities held by or on behalf of the Federal Military Government for any purpose in respect of which the said Ministry had responsibility and the other matters mentioned in the said Part of that Schedule.

Dissolution of certain bodies and transfer of assets and liabilities thereof to the Corporation, and repeal.

1971 No. 18. (2) As from the date of commencement of this Decree, the Nigerian National Oil Corporation Decree 1971 shall stand repealed and, accordingly, the Nigerian National Oil Corporation established under that Decree shall be dissolved and the transitional and saving provisions of Part B of Schedule 2 to this Decree shall have effect notwithstanding anything contained herein or in any other provision of this Decree.

Interpretation.

22.—(1) In this Decree, unless the context otherwise requires—

“the Board” means the Board of Directors of the Corporation appointed pursuant to section 1 of this Decree ;

“the Chairman” means the Chairman of the Corporation ;

“the Commissioner” means the Federal Commissioner for Petroleum ;

“the Corporation” means the Nigerian National Petroleum Corporation established pursuant to section 1 of this Decree and includes any wholly owned subsidiary thereof and, subject to the provisions of this Decree, includes the Inspectorate ;

1969 No. 51. “crude oil” has the meaning assigned thereto by section 14 (1) of the Petroleum Decree 1969 ;

“financial year” means the period of twelve months beginning on 1st January and ending on 31st December ;

“the Inspectorate” means the Petroleum Inspectorate established pursuant to Part II of this Decree ;

“member” means a member of the Board and includes the Chairman ;

“mining operations” includes prospecting for and getting of minerals or petroleum and any activities preparatory or incidental thereto ;

“petroleum” has the meaning assigned thereto by section 14 (1) of the Petroleum Decree 1969 ;

“plant” includes machinery, structures, installations, fixtures and other equipment and buildings or other structures housing any of the foregoing.

1976 No. 23.

(2) For the avoidance of doubt, it is hereby declared that service in the Corporation shall, for the purposes of the Trade Disputes (Essential Services) Decree 1976, be deemed to be essential service.

Citation and commencement.

23. This Decree may be cited as the Nigerian National Petroleum Corporation Decree 1977 and shall be deemed to have come into operation on 1st April 1977.

SCHEDULES

SCHEDULE 1

(Section 1)

SUPPLEMENTARY PROVISIONS RELATING TO TENURE OF OFFICE,
ETC. OF MEMBERS OF THE BOARD

Tenure of Office

1.—(1) Subject to paragraph 3 below and the other provisions of this Decree, a member of the Board who is not an *ex-officio* member shall, unless he previously relinquishes his membership on the Board—

(a) hold office for three years on such terms as may be specified in his letter of appointment ; and

(b) be eligible for re-appointment for a further term of three years, but shall vacate his office at the expiration of a period of six years.

(2) No member of the Board shall be entitled to appoint an alternate or deputy to represent him at a meeting.

2. Subject to paragraph 3 below, members of the Board, other than *ex-officio* members, shall be paid out of moneys at the disposal of the Board such remuneration and allowances as the Commissioner may, with the approval of the Federal Executive Council, determine.

3. The provisions of paragraphs 1 and 2 above shall not apply to the Chairman.

Proceedings

4. 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. 1964 No. 1

5. The Board shall meet not less than four times in each year and on such other occasions as the Board may consider necessary.

6. Every meeting of the Board shall be presided over by the Chairman and if the Chairman is unable to attend any particular meeting, a member may be appointed by the members present to act as chairman for that particular meeting.

7. A quorum at a meeting of the Board shall consist of four members of whom at least one shall be a member appointed under paragraph (d) of section 1 (2).

8. Where standing orders made under paragraph 4 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.

Salaries, etc.

9.—(1) The salaries of the Managing Director of the Corporation and of his immediate subordinates shall be such as may be determined from time to time by the Federal Executive Council.

(2) The salaries of the other employees of the Corporation shall be determined by the Corporation.

(3) Subject to any regulations made under paragraph 10 below, the Corporation shall pay to any of its employees such pensions and gratuities as it may determine.

10. The Board may make regulations providing for—

(a) the conditions of service of its employees ;

(b) the grant of pensions, gratuities and other retiring benefits to its employees and their dependants, and the grant of gratuities to the estates or dependants of its deceased employees ; and

(c) the establishment and maintenance of medical benefit funds, superannuation funds and provident funds and the contributions (if any) payable thereto and the benefits receivable therefrom.

Miscellaneous

11. The fixing of the seal of the Corporation shall be authenticated by the signature of the Chairman and any other person authorised in that behalf by the Board.

12. 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 Corporation by any person generally or specially authorised to act for that purpose by the Board.

13. Any document purporting to be a contract, instrument or other document duly signed or sealed on behalf of the Corporation shall be received in evidence and, unless the contrary is proved, be presumed without further proof to have been so signed and sealed.

14. 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.

Duty of Members—Disclosure of Interest

15. A member of the Board who has any interest in any company or other concern with which the Corporation proposes to make any contract or arrangement or any interest in such contract or arrangement shall disclose to the Board the fact of such interest and the nature thereof, and such disclosure shall be recorded in the minutes of the Board, and such member shall take no part in any deliberation or decision of the Board relating to such contract or arrangement.

SCHEDULE 2

TRANSITIONAL PROVISIONS

(Section 21)

PART A—SUPPLEMENTARY PROVISIONS RELATING TO THE EMPLOYEES,
ASSETS AND LIABILITIES, ETC. OF THE DISSOLVED FEDERAL
MINISTRY OF PETROLEUM RESOURCES

Staff

1. The Corporation shall, subject to the provisions of this Schedule, employ such persons being persons on the established staff of the Federal Ministry of Petroleum Resources dissolved by this Decree (referred to in this Part of this Schedule as "the dissolved Ministry") and serving in the said Ministry immediately before the appointed day as may be seconded by the Federal Public Service Commission from the service of the said Ministry to the service of the Corporation on the appointed day.

2. The Federal Public Service Commission may, at any time, with the consent of the Corporation or at the request of the person concerned, determine the secondment of such person.

3. At any time before the expiration of the period of three months next following the appointed day, the Corporation shall by notice in writing offer to every person remaining seconded to the service of the Corporation at that time employment by the Corporation upon such terms and conditions as may be agreed between the person concerned and the Corporation.

4.—(1) Notwithstanding paragraph 3 above, the Corporation shall not offer employment to any person except upon such terms and conditions as are not less favourable than those enjoyed by that person at the date of such offer.

(2) For the purposes of this paragraph and Part B, the terms and conditions comprised in any offer shall not be construed as being less favourable merely because they are not in all respects identical with or superior to the terms and conditions enjoyed by the person concerned at the date of such offer, if the first-mentioned terms and conditions taken as a whole offer substantially equivalent or greater benefits.

5.—(1) Any person to whom an offer of employment is made pursuant to the foregoing paragraphs and who fails within three months thereafter to give to the Corporation an acceptance in writing of the offer shall be deemed to have refused the offer.

(2) If a person refuses an offer of employment made to him pursuant to the foregoing paragraphs, the obligation imposed upon the Corporation by paragraph 1 above to employ that person shall thereupon determine.

6. When a person accepts an offer of employment made pursuant to the foregoing paragraphs, his service with the Corporation shall be deemed to have commenced, and his service with the Government of the Federation to have ceased, upon the expiration of the period of six months next following the appointed day.

7. Every person employed by the Government of the Federation and serving in the dissolved Ministry, other than a person on the established staff of that Government or a person employed under a contract whereby he receives an annual salary, shall cease to be in the employment of that Government on the day immediately preceding the appointed day and shall be deemed to be employed by the Corporation with effect from the appointed day.

Transfer of Contracts, etc.

8.—(1) The provisions of this paragraph shall apply to all contracts or other instruments subsisting immediately before the appointed day and entered into by or on behalf of the Federal Military Government for any purpose in respect of which the dissolved Ministry had responsibility and which are not excluded by that Government from the operation of the provisions of this paragraph.

(2) By virtue of this Decree, there shall be vested in the Corporation as from the appointed day and without any further assurance, all assets, funds, resources and other movable or immovable property which immediately before the appointed day were vested by the Government in the dissolved Ministry and held by it on behalf of the Government of the Federation and which are not excluded as aforesaid.

(3) As from the appointed day—

(a) the rights, interests, obligations and liabilities of the Government existing immediately before the appointed day under any afore-mentioned 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 Corporation ;

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

(c) any proceeding or cause of action pending or existing, or which could have been taken by or against the Government, immediately before the appointed day in respect of any right, interest, obligation or liability of the Government may be commenced, continued or enforced or taken by or against the Corporation as if this Decree had not been made.

(4) For the avoidance of doubt, it is hereby declared that the provisions of this paragraph or of any other provision of this Decree shall be without prejudice to the Petitions of Right Act.

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PART B—TRANSITIONAL PROVISIONS RELATING TO THE EMPLOYEES, ASSETS AND LIABILITIES OF THE DISSOLVED CORPORATION

9. By virtue of this Decree there shall be vested in the Corporation (referred to in this Part of this Schedule as “the new Corporation”) on the appointed day without any further assurance all assets, funds, resources and other movable or immovable property which immediately before the appointed day were vested in the Corporation dissolved by this Decree (referred to in this part of this Schedule as “the old Corporation”).

10. As from the appointed day—

(a) the rights, interests, obligations and liabilities of the old Corporation existing immediately before the appointed 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 new Corporation ;

(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 new Corporation and shall be enforceable as fully and effectively as if instead of the old Corporation, the new Corporation had been named therein or had been a party thereto ; and

(c) the new Corporation shall be subject to all the obligations and liabilities to which the old Corporation was subject immediately before the appointed day, and all other persons shall as from the appointed day have the same rights, powers and remedies against the new Corporation as they had against the old Corporation immediately before the appointed day.

11. Any proceeding or cause of action pending or existing immediately before the appointed day by or against the old Corporation in respect of any right, interest, obligation or liability of the old Corporation may be commenced, continued or enforced by or against the new Corporation as if this Decree had not been made.

12. Notwithstanding the dissolution of the old Corporation by section 21 of this Decree but subject to such directions as may be issued by the Board, any person who immediately before the appointed day held office under the old Corporation shall, on the appointed day, be deemed to have been transferred to the new Corporation on terms and conditions not less favourable than those obtaining immediately before the appointed day ; and service under the old Corporation shall be deemed to be service under the new Corporation for pensions purposes.

PART C—GENERAL

13. Within the twelve months next after the making of this Decree the Commissioner, if he thinks fit, may by order in the *Gazette* make additional transitional or saving provisions for the better carrying out of the objectives of this Schedule.

14. In this Schedule, the "appointed day" means the day of coming into operation of this Decree.

MADE at Lagos this 21st day of April 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 provides for the dissolution of both the Nigerian National Oil Corporation and the Federal Ministry of Petroleum Resources and their merger to form a new body to be known as the Nigerian National Petroleum Corporation.

The new Corporation is empowered to engage in all commercial activities relating to the petroleum industry while an independent department thereof, to be known as the Petroleum Inspectorate, will confine itself to the enforcement of regulatory measures relating to the general control of the petroleum sector.