

CHAPTER 163

GOLD TRADING ACT

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**CHAPTER 163**  
**GOLD TRADING ACT**

18 of 1935  
7 of 1944  
L.N. 47 of  
1955.

**An Act to regulate the traffic in gold.**

[6th June, 1935]

Short title  
and  
application.

1. (1) This Act may be cited as the Gold Trading Act.  
(2) This Act or any provisions thereof shall apply to the whole or to such parts of Nigeria as the President may by Order direct.\*

(3) An Order in Council made under subsection (2) of this section may apply different provisions of this Act to different parts of Nigeria.

Interpreta-  
tion.

Cap. 226.

L.N. 47 of  
1955.

Cap. 77  
of 1958  
Edition.

2. In this Act, unless the context otherwise requires—  
“authorised gold miner” means any person to whom any right, licence, permission or lease has been granted under the Minerals Act authorising such person to prospect or mine for gold, or any person authorised in writing by the grantee of such right, licence, permission or lease to act on his behalf for the purposes of this Act, provided that such authorisation has been previously communicated to the Minister of Mines, Power and Steel (hereafter referred to as “the Minister”);  
“buy” and “sell” includes barter; “buy” includes “receive as a pledge or security”, and “sell” includes “deposit as a pledge or security”;  
“court” means a High Court;  
“licensed gold dealer” means the holder of a gold dealer’s licence issued under this Act;  
“licensed goldsmith” means the holder of a goldsmith’s licence issued under the Goldsmiths Act;  
“Minister” includes any person authorised by the Minister to act on his behalf;

\* Applied to the whole of Nigeria, including the Cameroons under United Kingdom Trusteeship, on the 1st day of April, 1937, by Order in Council 5 of 1937.

“raw gold” means gold in the raw state, and includes unrefined gold, amalgam, slimes, and scrapings, and smelted gold which is not manufactured into any article of commerce.

3. No person shall pay or satisfy any debt by means of raw gold: Payment of debts in raw gold.

Provided that an authorised gold miner may satisfy a debt due from him to a licensed gold dealer by means of raw gold.

4. (1) No person, other than an authorised gold miner or a licensed gold dealer, shall sell any raw gold. Restrictions on selling raw gold.

(2) No authorised gold miner shall sell any raw gold which is not lawfully won by him or by some other authorised gold miner for whom he is authorised in writing to act.

(3) No licensed gold dealer shall sell any raw gold except on behalf of an authorised gold miner or another licensed gold dealer or unless the gold is obtained from an authorised gold miner or another licensed gold dealer.

(4) No authorised gold miner shall sell any raw gold to any person residing in Nigeria other than a licensed gold dealer.

(5) No licensed gold dealer shall sell any raw gold to any person residing in Nigeria other than a licensed gold dealer or a licensed goldsmith.

5. (1) No person, other than a licensed gold dealer or a licensed goldsmith, shall buy any raw gold. Restrictions on buying raw gold.

(2) No licensed gold dealer shall buy any raw gold except from an authorised gold miner or another licensed gold dealer.

(3) No licensed goldsmith shall buy any raw gold except from a licensed gold dealer.

6. Sections 3, 4 and 5 of this Act shall not apply to transactions which shall have been previously approved in writing by the Minister provided that all conditions attached to such approval are observed. Exception of transactions approved by the Minister.

Restrictions  
on export  
and import  
of raw gold.

7. (1) No person shall export any raw gold from Nigeria, whether by land, sea or air, unless he holds a Treasury receipt for the royalty payable thereon or until such receipt has been endorsed by a collector of customs with the amount of the raw gold to be exported.

(2) No raw gold shall be carried coastwise in Nigeria unless particulars thereof have been previously declared to a collector of customs.

Form B.

(3) No person shall import any raw gold into Nigeria, whether by land, sea or air, unless he makes the prescribed declaration as in Form B set out in the Schedule to this Act before a collector of customs and obtains the prescribed certificate as in Form C set out in the Schedule to this Act.

Form C.

(4) Before any such gold is re-exported from Nigeria, the certificate shall be surrendered to a customs officer who shall send it to the Minister.

(5) Every certificate granted under subsection (3) of this section, shall be liable to a stamp duty of 50 kobo to be paid by the importer.

Issue of gold  
dealer's  
licence.  
Form A.

8. (1) A gold dealer's licence may be issued by the Minister as in Form A set out in the Schedule to this Act and shall expire on the following 31st day of December.

(2) The fee for a licence shall be ₦10, or, if issued after the end of June, ₦6.

(3) The Minister, without assigning a reason, may refuse to issue a licence or may revoke a licence:

Provided that on revocation the Minister shall refund such part of the fee as he thinks just.

(4) A licensed gold dealer shall not buy, sell, or store any raw gold except on the premises specified in his licence.

Books to be  
kept by  
licensed  
gold dealers.

1958, No. 49.

9. (1) Every licensed gold dealer shall enter in a book to be kept for the purpose accurate particulars of—

(a) all raw gold bought, sold, received (other than by way of importation) or exported by him, showing the date of the transaction, the weight and price or value of the gold, the name and address of the vendor, deposi-

tor, purchaser or consignee and the registered number of any mining right or lease or group of leases for which a grouping certificate has been issued by the Minister from or under the area of which the gold is alleged to have been won; and

- (b) all raw gold and all gold bar, sheet, wire, grain and bullion imported by him, showing the date of import, the number of the import licence, the weight and price or value of the gold, and the name and address of any person to whom such gold is delivered;

and shall at all reasonable times on request produce the books for inspection by an inspector of mines.

(2) Every licensed gold dealer shall in the months of April, July, October and January deliver to the inspector of mines in charge of the inspectorate in which the licensed premises of the gold dealer are situate a return in duplicate showing the specified particulars of all raw gold bought, sold, received (other than by way of importation) or exported by him during the preceding three months and of all raw gold and all gold bar, sheet, wire, grain and bullion imported by him during the preceding three months.

10. Subject to any agreement to the contrary, a licensed gold dealer who exports any raw gold on behalf of any other person and pays any royalty thereon may recover from such person the amount of the royalty.

Right of licensed gold dealer exporting as agent to recover royalty paid.

11. (1) A magistrate or justice of the peace, if satisfied by information upon oath that there is reasonable ground for believing that there is in any building, premises, ship, place, carriage, box or receptacle within any State or part of the Federation in which he has jurisdiction—

Powers of search.  
L.N. 47 of 1955.

- (a) anything upon or in respect of which an offence against the provisions of this Act has been or is suspected of having been committed; or
- (b) anything which there is reasonable ground for believing will afford evidence as to the commission of any such offence; or

(c) anything which there is reasonable ground for believing is intended to be used for the purpose of committing any such offence,

may at any time issue a warrant under his hand authorising any police officer named therein or the Minister together with their assistants at any time or times within one month from the date of the warrant to enter or open, and if needs be by force, the building, premises, ship, place, carriage, box or receptacle named in the warrant and to examine the same and search for any such thing and to seize it, together with any vessel or receptacle containing the same.

(2) Any article or thing seized under the authority of such warrant shall as soon as possible be brought before a court to be dealt with according to law.

(3) In addition to the powers conferred by subsection (1) of this section any police officer, inspector of mines or customs officer may search the person and property of any person where the officer in question has cause to believe that the person who or whose property is to be searched is in the unlawful possession of raw gold.

Unlawful possession of raw gold.

12. If any raw gold is found in the possession, power, or control of any person, that person shall, unless he proves that he obtained it lawfully, be guilty of an offence against this Act.

Forfeiture of raw gold without an apparent owner.

13. Any raw gold found without an apparent owner may be seized by any police officer, or officer of the Ministry responsible for mines and shall as soon as possible be taken before the court, which, if satisfied that the owner cannot be found, shall declare it to be forfeited to the Government.

Who may institute proceedings.

14. Proceedings in respect of any offence under this Act may be instituted and prosecuted by any police officer, administrative officer or officer of the Federal Ministry of Mines, Power and Steel.

Penalties. 7 of 1944.

15. (1) Any person who contravenes any provision of this Act shall be liable on conviction to a fine not exceeding ₦2,000 or to imprisonment for two years or to both such fine

*Gold Trading Act*

and imprisonment and on a second or any subsequent conviction to a fine not exceeding ₦4,000 or to imprisonment for five years or to both such fine and imprisonment and in addition the court may, on any conviction, declare that all or any part of any raw gold with respect to which the offence was committed shall be forfeited to Government.

(2) The jurisdiction conferred upon the court by subsection (1) of this section may be exercised by a magistrate: 7 of 1944.

Provided that the magistrate shall not—

- (a) impose any penalties in excess of the maximum penalties which he is empowered to impose generally in criminal cases; or
- (b) declare to be forfeited raw gold of a value in excess of his maximum jurisdiction in criminal matters.

16. (1) A court which under this Act declares any raw gold to be forfeited, shall advertise the forfeiture in the prescribed form set out in the Schedule to this Act in one issue of the *Federal Gazette*. Claims to forfeited gold. Form D.

(2) If within three months from the date of the *Federal Gazette* in which the advertisement appears any person proves to the satisfaction of the court a title to the forfeited gold or any part thereof and that he was not concerned in any offence for which the gold was forfeited, the court shall order that the gold or such part as the court considers just be delivered to that person.

17. Any police officer, officer of the Federal Ministry of Mines, Power and Steel or any collector or supervisor of customs may without a warrant arrest any person who commits an offence against the provisions of this Act or the regulations made thereunder or whom he has reasonable grounds for believing has committed such an offence. Arrest.

18. (1) The President may, from time to time, make regulations altering the forms contained in the Schedule to this Act, and generally for carrying this Act into effect, and prescribing the fees to be paid in respect of any matter dealt with by such regulations. Power to make regulations.

(2) Any fees so prescribed may vary in respect of the same matter in different parts of Nigeria.

Forms,  
Schedule.

19. The forms contained in the Schedule to this Act shall be used with such variations as circumstances may require.

Section 19.

Section 8.

SCHEDULE  
FORM A  
GOLD TRADING ACT  
GOLD DEALER'S LICENCE

A gold dealer's licence is hereby granted to [name and address of licensee] [describe premises].

This licence commences on [date] and expires on the following thirty-first day of December.

Fee paid:

Dated this                      day of                      , 19

.....  
Minister of Mines, Power and Steel.



SCHEDULE—continued

FORM B

Section 7.

GOLD TRADING ACT

DECLARATION FOR PURPOSE OF IMPORTATION

I [name and address] hereby solemnly and sincerely declare as follows—

1. I am in possession of and desire to import [weight and description] of raw gold and no more.
2. The said gold is my own property [or as may be].
3. I obtained the said gold from [state place, person, and date].

And I make this declaration conscientiously believing the same to be true and by virtue of the Oaths Act (Cap. 333).

.....  
[Signature of declarant.]

Declared at [place] this            day of            , 19  
before me

.....  
Collector of Customs.

FORM C

Section 7.

GOLD TRADING ACT

IMPORTATION CERTIFICATE

Place

No.

It is hereby certified that [name and address of importer] has imported [weight] of raw gold in the form of [e.g., "dust" or as the case may be]; the said [name] having declared that the said gold is his own property [or as may be] and that he obtained the said gold [as in declaration].

Dated this            day of            , 19

.....  
Collector of Customs.

Section 16.

SCHEDULE—continued

FORM D

GOLD TRADING ACT

ADVERTISEMENT OF FORFEITURE

In the [name] Court [area].

Notice is hereby given that [weight and description of gold] was on the [date] seized at [place] and has since been declared to be forfeited by reason of [state grounds, e.g., "it having been unlawfully sold by," etc.]. Any person claiming any title to the said gold must prove his title to the satisfaction of the court within three months from the date of the Federal Gazette in which this notice appears. If no such claim is proved the said gold will become the absolute property of the Government and be disposed of accordingly.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 19

.....  
Registrar.

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**GOLD TRADING ACT**

**CHAPTER 163**

**SUBSIDIARY LEGISLATION**

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*No Subsidiary Legislation*