

# NIGERIAN STEEL DEVELOPMENT AUTHORITY ACT

## ARRANGEMENT OF SECTIONS

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### SCHEDULE

*Supplementary provisions relating to the Authority*

## NIGERIAN STEEL DEVELOPMENT AUTHORITY ACT

**An Act to establish the Nigerian Steel Development Authority as a statutory corporation to be responsible for establishing, developing and operating a Nigerian iron and steel industry, and other matters ancillary thereto.**

[1971 No. 19.]

[14th April, 1971]

[Commencement.]

### **1. Establishment of the Authority**

(1) There shall be established a body by the name of the Nigerian Steel Development Authority, which shall be a body corporate with perpetual succession and a common seal.

(2) The Schedule to this Act shall have effect with respect to the membership and procedure of the Authority and the other matters there mentioned.

[Schedule.]

### **2. Responsibilities and functions of the Authority**

(1) Subject to and in accordance with this Act, the Authority shall be charged with the responsibility for-

(a) the construction, operation and maintenance of a national iron and steel plant or national iron and steel plants in such a place or such places in Nigeria as the Federal Government may require;

(b) the procurement of materials for the construction, operation and maintenance of the plant or plants in question; and

(c) the development of the application and use of iron and steel generally.

(2) In connection with the discharge of its responsibilities under subsection (1) of this section, the functions of the Authority shall be to-

(a) examine from the technical and economic point of view in all its aspects the feasibility of establishing in Nigeria a national iron and steel plant or national iron and steel plants on the basis of locally available raw materials, imported raw materials or both, to consider suitable processes, possible sites and other factors relating to the establishment of the said plant or plants and to make recommendations as to the viable economic conditions for the establishment thereof;

(b) conduct, manage and co-ordinate (in collaboration with the Federal Ministry of Power and Steel and its departments) surveys, mining operations and other necessary activities for obtaining in Nigeria materials of the kind needed for iron and steel production;

(c) establish facilities and conduct tests and operations for ascertaining and improving the qualities and performance of the materials and processes for iron and steel production, and of iron and steel products;

(d) design, erect and construct in Nigeria a national iron and steel plant or national iron and steel plants and provide and carry out incidental services and works;

(e) to train managerial and technical staff for the running of the said plant or plants and for the carrying on of the various surveys, services and other activities incidental or related to the plant or plants and its or their establishment;

(f) conduct research and development in the technology and other aspects of iron and steel production and in the application of iron and steel products;

(g) operate and manage the said plant or plants and incidental services and sell iron and steel products;

(h) utilise the by-products of the said plant or plants;

(i) develop and manufacture iron and steel products and equipment to be used for the purposes of and in relation to basic engineering;

(j) collect information on the supply and demand and prices of iron and steel products in Nigeria and elsewhere in order to determine how the development of industries in Nigeria is hereby affected;

(k) effect the standardisation of iron and steel products for economic production and utilisation and for the purpose of facilitating the co-ordination of specifications;

(l) make recommendations to the Minister on the formulation of policies relating to the development of the iron and steel industry and related industries in Nigeria; and

(m) carry on all such other activities as are necessary or expedient for the discharge of its responsibilities under subsection (1) of this section.

### **3. Powers of the Authority**

(1) Subject to subsection (2) of this section, the Authority shall have power to do anything which in its opinion is calculated to facilitate the carrying on of its activities, including and without prejudice to the generality of the foregoing the power to-

(a) sue and be sued in its corporate name;

(b) hold and manage movable and immovable property; and

(c) enter into contracts.

(2) Except with the general or special approval of the Minister, the Authority shall not have power to borrow money or dispose of any property (including land vested in the Authority pursuant to section 9 of this Act).

### **4. The chief executive and the secretary**

(1) There shall be a general manager of the Authority who shall be the chief executive and shall be responsible for the day-to-day running of the Authority's iron and steel plants and their associated services and the day-to-day conduct of the Authority's activities.

(2) Notwithstanding subsection (1) of this section-

(a) the general manager shall not be appointed until the Minister and the Authority have agreed that production of iron and steel by the Authority is about to commence and that the appropriate time has arrived for the appointment to be made; and

(b) until the appointment is made, there shall be a project manager who shall be the chief executive officer and shall be responsible for managing and carrying on all activities necessary or incidental to the commencement of the production of iron and steel by the Authority and in particular, without prejudice to the generality of the foregoing, for the proper carrying out of the Authority's functions under paragraphs (f) and (i) to (l) of section 2 (2) of this Act.

(3) There shall be a secretary to the Authority who shall be an officer but not a member of the Authority and shall keep the Authority's records and conduct its correspondence and perform such other duties of a clerical and secretarial nature as the Authority may, from time to time, direct and require.

### **5. Staff generally**

(1) Subject to this Act, the Authority may appoint such persons as members of its staff as it considers necessary and may approve conditions of service, including provision for the payment of pension: Provided that no pensions scheme shall be put into operation without the prior approval in writing of the Minister responsible for pensions.

(2) If the Minister thinks it expedient that any vacancy in the staff of the Authority should be filled by a person holding office in the civil service of the Federation, he shall inform the Minister responsible for establishments to that effect, and thereafter the Federal

Civil Service Commission may fill the vacancy by way of secondment or transfer.

(3) Where a member of the civil service of the Federation is seconded under subsection (2) of this section, 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) of this section may elect to be transferred to the staff of the Authority, in which case any previous service in the civil service of the Federation shall count as service for the purposes of any pension subsequently payable by the Authority.

(5) Where a person who is a member of the civil service of the Federation is transferred to the service of the Authority, then, if the Federal Civil Service Commission so directs-

(a) that person's former service in the civil service of the Federation shall be taken into account in applying the provisions of the Pensions Act; and

[Cap. P4.]

(b) that Act shall have effect as if that person's subsequent service with the Authority were service in the civil service of the Federation.

## **6. Application of section 2 of Cap. S12**

Section 2 of the Statutory Corporations, etc. (Special Provisions) Act shall apply in relation to the Authority as if the Authority were a corporation affected by that Act so, however, that in the application of that section-

[Cap. S11.]

(a) references to the board of an affected corporation shall be construed as references to the Authority; and

(b) references to appointments shall be construed as excluding references to the appointment of *ex-officio* members of the Authority or their deputies.

## **7. Financial provisions**

(1) There may be made to the Authority out of moneys provided by the Federal Government payments for the purposes of this Act, either by way of grant or by way of loan

or both, of such amounts and on such terms as may be approved by the Minister; and the funds of the Authority shall consist of any payments so made and of all other moneys received by the Authority in the course of its activities under this Act.

(2) The Authority shall submit to the Minister not later than 31 December in each financial year an estimate of its expenditure and income (excluding payments to the

Authority out of moneys provided by the Federal Government) during the next succeeding financial year.

(3) The Authority shall keep proper accounts in respect of each financial year (and proper records in relation to those accounts) and shall cause its accounts to be audited as soon as may be after the end of each financial year by auditors appointed, with the approval of the Minister of Finance, from the list of auditors and in accordance with guide-lines supplied by the Auditor-General for the Federation.

(4) The Minister, if he thinks fit, may modify the requirements of subsections (2) and (3) of this section, in their application to the financial year during which the Authority is established.

(5) With the approval of the President, the Minister may issue to the Authority directives as to the disposal of surplus funds, and subject to any such directives the Authority may invest its funds and maintain a general financial reserve.

## **8. Annual report**

(1) The Authority shall prepare and submit to the Minister not later than 30 June in each financial year a report in such form as the Minister may direct on the activities of the Authority during the immediately preceding financial year, and shall include in the report a copy of the audited accounts of the Authority for that year and of the auditor's report on the accounts.

(2) The Minister shall cause a copy of each report made to him under this section to be submitted to the President.

(3) The Minister, if he thinks fit, may modify the requirements of subsections (1) and (2) of this section in respect of the financial year during which the Authority is established and the immediately preceding financial year.

## **9. Compulsory acquisition of land**

(1) Whenever there is any hindrance to the acquisition by the Authority of any land required for any purpose of the Authority under this Act (including any failure by the Authority to reach agreement as to the amount to be paid in respect of the acquisition), the Minister, on the application of the Authority and after such enquiry as he may think fit, may declare that the land is required for the service of the Authority.

(2) Where a declaration is made under subsection (1) of this section, the land to which the declaration relates shall be deemed to be land required for a public purpose of the Federation within the meaning of the Land Use Act, and the President may cause action to be taken under that Act for acquiring the land for the Federal Government.

[Cap. L5. 1992 No.7.]

(3) Where a declaration has been made under subsection (1) of this section-

- (a) the land has been acquired pursuant to subsection (2) of this section; or
  - (b) the President is satisfied that there are no rights subsisting in respect of the land,
- the President may vest the land in the Authority by means of a certificate

under the hand  
and seal of the Registrar of Deeds.

(4) The compensation, if any, payable under the Land Use Act for the acquisition of any land under this section or payable under the appropriate law for the revocation of any rights relating to the land, as the case may be, shall in the first instance be paid by the Federal Government, but the Authority shall refund to that government any compensation so paid and all incidental expenses incurred by that government.

(5) A plan of any land referred to in subsection (1) of this section-

(a) containing measurements of the boundaries of the land;

(b) showing the relationship of the land to any sufficient identifying mark; and

(c) signed by the chief executive of the Authority,  
shall be a sufficient description of the land for the purpose of an application under that subsection.

## **10. Protection of Authority's land**

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

(2) Any person who suffers loss by reason of the provisions of subsection (1) of this section, relating to mining operations shall-

(a) be paid adequate compensation by the Authority in respect of the loss; and

(b) be entitled to refer any question as to his interest in the subject matter of the loss and as to the amount of any compensation payable in pursuance of this subsection for determination by the High Court having jurisdiction in the area in which the subject matter is situated.

(3) This section binds the State for the purposes of section 9 of the Interpretation Act. [Cap. 123.]

## **11. Interpretation**

In this Act, unless the context otherwise requires-

**"Authority"** means the Nigerian Steel Development Authority established under section 1 (1) of this Act;

**"mining operations"** includes the prospecting for and getting of minerals and mineral oils and any activities preparatory or incidental thereto;

**"Minister"** means the Minister of Industry;

**"plants"** includes machinery, buildings, furniture, fixtures and other equipment.

## 12. Short title

This Act may be cited as the Nigerian Steel Development Authority Act

### SCHEDULE

[Section 1 (2).]

#### *Supplementary provisions relating to the Authority Members*

1. Subject to paragraph 3 of this Schedule, the Authority shall consist of the following members, that is-

[1974 No. 41.]

- (a) a chairman who shall be appointed by the Minister with the prior approval of the President;
- (b) the Permanent Secretary, Federal Ministry of Industry or his representative;
- (c) the Permanent Secretary, Federal Ministry of Finance or his representative;
- (d) the Permanent Secretary, Federal Ministry of Power and Steel or his representative;
- (e) the Permanent Secretary, Federal Ministry of Commerce or his representative;
- (f) the chief executive of the Authority; and
- (g) four persons appointed by the Minister, being persons who in the opinion of the Minister have, by reason of their business and professional attainments, a special contribution to make to the work of the Authority.

2. In paragraph 1 of this Schedule, "**representative**", in relation to the Permanent Secretary to a Ministry, means a public officer serving in the Ministry (not being an officer below the rank of Administrative Officer Grade 1 or its equivalent) who is authorised in writing by the Permanent Secretary to act either generally or on a particular occasion as the Permanent Secretary's representative for the purposes of the said paragraph 1.

3. When the Minister is of the opinion that production of iron and steel by the Authority is likely to start in about three months' time, he shall invite the President to review the membership of the Authority, and shall thereafter by order in the Federal *Gazette*-

- (a) specify such changes in the membership, if any, as the President may have directed to be made; and
- (b) make appropriate consequential amendments to this Schedule.

4. A member of the Authority who is not a public officer shall, subject to this Act-

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

(b) be eligible for reappointment; and

(c) be paid out of the moneys at the disposal of the Authority such remuneration and allowances as the Minister, with the approval of the President, may determine.

### *Proceedings*

**5.** Subject to this Act and section 27 of the Interpretation Act (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 Authority may make standing orders regulating the proceedings of the Authority or any committee thereof.

[Cap. 123.]

**6.** Every meeting of the Authority shall be presided over by the chairman or, if the chairman is unable to attend any particular meeting, by another member appointed in writing by the Minister to act as chairman for that particular meeting.

**7.** The quorum at a meeting of the Authority shall be the chairman (or, in an appropriate case, the person appointed to act as chairman under paragraph 6 of this Schedule) and four other members.

**8.** Except as provided by paragraph 1 (b) to (e) of this Schedule, no member of the Authority shall be entitled to appoint an alternate or a deputy to represent him at a meeting.

**9.** Where standing orders made under paragraph 5 of this Schedule provide for a committee of the Authority to consist of or co-opt persons who are not members of the Authority, the committee may advise the Authority on any matter referred to it by the Authority, but members of the committee who are not members of the Authority shall not be entitled to vote at a meeting of the committee.

### *Miscellaneous*

**10.** The fixing of the seal of the Authority shall be authenticated by the signature of the chairman or the chief executive.

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



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

**13.** The validity of any proceedings of the Authority or a committee thereof shall not be affected-

(a) by any vacancy in the membership of the Authority or a committee; or

(b) by any defect in the appointment of a member of the Authority or committee; or

(c) by reason that a person not entitled to do so took part in the proceedings.

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

## **SUBSIDIARY LEGISLATION**

*No Subsidiary Legislation*