

# NATIONAL STEEL RAW MATERIALS EXPLORATION AGENCY ACT

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## NATIONAL STEEL RAW MATERIALS EXPLORATION AGENCY ACT

An Act to provide for the establishment of the National Steel Raw Materials Exploration Agency and for matters connected therewith.

[1992 No. 49.]

*[14th September, 1992]*

[Commencement.]

## PART I

*Establishment of the National Steel Raw Materials Exploration Agency and its Governing Board*

### 1. Establishment of the National Steel Raw Materials Exploration Agency

(1) There is hereby established a body to be known as the National Steel Raw Materials Exploration Agency (in this Act referred to as "the Agency") which shall have the functions assigned to it under this Act.

(2) The Agency shall be a body corporate with perpetual succession and a common seal and may-

- (a) sue and be sued in its corporate name; and
- (b) acquire, hold and dispose of property, both movable and immovable.

### 2. Membership of the Board of the Agency

(1) There is hereby established for the Agency a governing board which shall comprise-

(a) a chairman to be appointed by the President on the recommendation of the Minister;

(b) one person each to represent the following Departments of the Ministry-

(i) Geological Survey;

(ii) Metallurgical;

(iii) Steel; and

(iv) Personnel Management;

(c) one person to represent the National Planning Commission;

(d) the Director of the Agency;

(e) one person to represent Federal Government steel companies; and

(f) two other persons to be appointed by the President on the recommendation of the Minister, being persons of integrity who by reason-

(i) of their ability and experience possess specialised knowledge of steel material exploration as it relates to searching for the iron and steel industry; or

(ii) of their professional or business attainment, are in the opinion of the Minister capable of making useful contributions to the work of the Agency.

(2) The supplementary provisions contained in the Schedule to this Act shall have effect with respect to the tenure of office of members and proceedings at meetings of the Board and the other matters therein contained.

[Schedule.]

## PART II

### *Functions and powers*

#### **3. Functions of the Agency**

The functions of the Agency shall be to--

(a) carry out the exploration of steel raw materials in all parts of Nigeria and elsewhere for the iron and steel industry;

(b) establish and execute a steel raw material base including mineral resources management, monitoring, resources utilisation studies and inventory in relation to the iron and steel industry;

(c) carry out detailed geological, geophysical and geochemical investigations, including analytical and laboratory works, cadastral surveys, photo geological and other interpretations, core drilling and well logging, geostatistics and mineral calculations, estimations and valuations as may be required for exploration of steel raw materials;

(d) carry out geological laboratory investigations of host rocks and overburdens, including geochemical, stratigraphic, mineralogic and petrographic studies and field spot tests of rock and mineral samples for pilot and industrial scales studies in relation to the iron and steel industry;

(e) carry out geotechnical studies of deposits under investigation, slope and rock stability studies, rock mechanics and soil tests as parameters requisite for mining of steel raw materials;

(f) ascertain the quality and quantity of steel raw materials and their suitability for their respective industrial use in the iron and steel industry;

(g) carry out hydrogeological investigations, including geophysical studies for water well drilling and development, bailing and pumping tests determination of aquifer characteristics, investigation of underground water supply for domestic and industrial purposes as may be required for the iron and steel industry;

(h) carry out such ground and underground exploratory working as may be necessary for detailed evaluation of mineral raw materials for the iron and steel industry;

(i) undertake detailed and test programmes on steel raw materials including metallurgical grade cooking coal (in seam exploration) aimed at identifying the characteristics and advising on the current knowledge of their mineral contents and their most economic and viable exploration modes;

(j) liaise, collaborate and enter into joint ventures with other institutions whose functions are related to those of the Agency, whether in Nigeria or elsewhere in relation to the exploration and evaluation of steel raw materials for the iron and steel industry;

(k) carry out any other services with respect to matters relating to mineral exploration for the iron and steel industry;

(l) establish, organise, run, operate, conduct and participate in such training courses, lectures, seminars, conferences, symposia and similar study groups as may enhance the activities of the Agency or the efficiency of any of its officers and employees; and

(m) do such other acts and things as the Agency may consider necessary to enable it to discharge its functions under this Act.

#### **4. Power to enter land and payment of compensation**

(1) Subject to subsections (2) and (3) of this section, the Agency shall have power, by its officers, employees, workmen, workmen or agents, from time to time, to enter upon any land for the purposes of the discharge of the Agency's functions under this Act and, in particular, may enter upon the land for the purpose of--

(a) surveying the land or taking levels in connection with any steel raw materials exploration;

(b) carrying on drilling and excavation activities thereon;

(c) constructing any structure or placing, maintaining, examining, repairing, altering or removing of any installation or beacon for the purpose of steel raw materials exploration as aforementioned;

(d) cutting down or removing a tree or underwood that may interfere with any raw material exploration or other activities as aforementioned.

(2) The Agency shall when practicable serve on the occupier of any land upon which it intends to enter pursuant to subsection (1) of this section a notice in writing specifying the nature of the works intended to be executed on the land.

(3) In discharging the functions of the Agency under subsection (1) of this section, the officers, employees, workmen or agents of the Agency referred to in that subsection may remain on the land for such reasonable time as may enable them to execute and do all such work and things as may be necessary.

(4) The Agency shall not construct, place, maintain, examine, repair, alter or remove any beacon in or upon any land under the control of a department of Government or other public authority without the prior approval of the head of department or public authority concerned.

(5) In the exercise of the powers conferred under this section, the members of the Board and the officers, employees, workmen or agents of the Agency shall ensure that as little damage as may be reasonable in the circumstance is done and the Agency shall pay adequate compensation for a damage done to any buildings, installations, crops or economic trees.

(6) Where there is a dispute as to the amount of compensation payable, the procedure for the computation of such compensation shall be as prescribed in section 29 of the Land Use Act or in accordance with any regulations or instrument made in that behalf by the Government of the State in which the land is situated.

[Cap. L5.]

#### 5. Power to acquire land

(1) The Agency may, subject to the Land Use Act, acquire any land for the purpose of discharging its functions under this Act.

[Cap. L5.]

(2) If there is any hindrance to the acquisition of any land by the Agency under this Act, (including any failure by the Agency to reach an agreement as to the amount to be paid in respect of the acquisition), the Agency may apply to the Minister for a declaration under subsection (3) of this section.

(3) The Minister may, on receiving an application from the Agency and after such enquiry as he may think fit, request the Governor of the State in which the land is situated to declare that the land is required for the service of the Agency and accordingly for an over-riding public purpose.

(4) Where a declaration is made under subsection (2) of this section, the land to which the declaration relates shall be deemed to be land required for the public purpose of the Federal Government within the meaning of the Land Use Act and the Agency shall acquire the land accordingly.

[Cap. L5.]

(5) Where a declaration has been made under subsection (3) of this section in respect of any land, and-

(a) the land has been acquired pursuant to subsection (4) of this section; or

(b) the Governor of the State concerned is satisfied that there is no right subsisting in respect of the land, the Governor may vest the land in the Agency by issuing a certificate of occupancy in respect of the land in favour of and in the name of the Agency.

(6) The compensation, if any, payable under the Land Use Act for the acquisition of any land under this section or for the revocation of any rights relating to the land, where applicable, shall in the first instance be paid for by the Federal Government, but the Agency shall refund to the Government any compensation so paid and all incidental expenses incurred by that Government.

[Cap. L5.]

(7) A plan of any land referred to in subsection (2) 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 Director, shall be sufficient description of the land for purposes of an application under that subsection.

(8) The Agency shall not, without the approval in writing of the Governor of the State in which the land is situated, alienate, mortgage, charge or demise any immovable property which has vested in the Agency under this section or in respect of which a right of occupancy has been so granted to the Agency.

## **6. Power of Minister to give directions**

(1) Subject to this Act, the Minister may give to the Agency directions of a general character or relating generally to a particular matter (but not to any individual person or case) with regard to the exercise by the Agency of its functions and powers under this Act.

(2) It shall be the duty of the Agency to comply with a direction given by the Minister under subsection (1) of this section.

## **PART III**

### *Establishment of zones*

## **7. Establishment of zonal offices**

(1) For the purpose of effectively discharging its functions under this Act, the Agency shall divide the Federation into such number of operational zones as it may deem necessary.

(2) Each zone shall have a zonal office which shall be headed by an officer of sufficient seniority and competence and shall have such other officers and employees as may be necessary to enable the Agency to discharge its functions in the zone.

## **PART IV**

### *Staff of the Agency*

## 8. Appointment of the Director and principal officers of the Agency

(1) There shall be for the Agency, a Director, who shall be appointed by the President, on the recommendation of the Minister.

(2) A person shall not be eligible to be appointed as the Director unless he-

(a) is a geoscientist of not less than fifteen years post-qualification experience; and

(b) has been actively employed or engaged in the mineral exploration industry in a managerial capacity for a continuous period of not less than seven years.

(3) The Director shall be the chief executive of the Agency and shall be responsible for the execution of the policies and the day-to-day running and management of the affairs of the Agency.

(4) The Board shall within the recommendation of the Minister, appoint for the Agency such number of Deputy Directors, Assistant Directors as it may deem expedient, to assist the Director in the performance of his functions under this Act.

(5) A person shall not be eligible to be appointed as a Director unless he possesses the qualification and experience prescribed in respect of the office of the Director under subsection (2) of this section.

(6) The qualification and experience required for eligibility for appointment as an Assistant Director shall be as may be determined by the Board.

## 9. Appointment of other employees of the Agency

(1) The Board may appoint such other persons as employees of the Agency as it may consider necessary.

(2) Where the Board thinks it expedient that a staff vacancy in the Agency should be filled by a person holding an office in any of the public services in the Federation, the Board may appoint that person by way of transfer or secondment from the service concerned.

(3) Where a person is seconded pursuant to 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 right 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 Agency in which case any previous service in the public service shall count as service for the purposes of the pension subsequently payable to the person under the Agency.

(5) Where a person is transferred from a public service to the Agency-

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

(b) the Pensions Act shall have effect as if that person's service with the Agency were service in the relevant public service.

## 10. Application of the Pensions Act

(1) It is hereby declared that service in the Agency shall be approved service for the purpose of the Pensions Act and officers and other persons employed in the Agency shall be entitled to such pensions, gratuities and other retirement benefits as are prescribed thereunder.

(2) Nothing in this Act shall prevent the appointment of a person to any office on the terms which preclude the grant of a pension and gratuity in respect of that office.

(3) For the purposes of the application of the provisions of the Pensions Act, any power exercisable under the Act by a Minister or other authority of the Federal Government, except the power to make regulations under section 23 is hereby vested in and shall be exercisable by the Agency and not by any other person or authority.

## 11. Conditions of service of officers and staff

Without prejudice to the provisions of section 8 of this Act, the terms and conditions of service including terms and conditions as to remuneration, allowances, retirement and other benefits of the officers and other employees the Agency shall be such as may be determined by the Board with the approval of the Minister.

## PART V

### *Funds of the Agency and other financial provisions*

## 12. Fund of the Agency

(1) The Board shall establish a fund which shall consist of-

(a) such sums as may be provided for it by the Government of the Federation for running the affairs of the Agency;

(b) such sums as may be collected or received by the Agency for services rendered by the Agency;

(c) such sums as may, from time to time, be borrowed by the Agency under this Act; and

(d) such other sums as may be received by the Agency from any other source.

(2) The other resources of the Agency shall consist of all other assets which may, from time to time, be vested in or accrue to the Agency in the course of discharging its functions under or pursuant to this Act.



(3) The Agency may, from time to time, apply the proceeds of the funds established in pursuance of subsection ( I) of this section for the following purposes, that is to say-

(a) to the cost of administration of the Agency and any mineral exploration and research work thereof carried on by or on behalf of the Agency;

(b) to the provision of such training for employees of the Agency as the Board may deem necessary;

(c) to reimburse members of the Board and the committees of the Agency for such expenses as may be expressly authorised by the Board; and

(d) in connection with all or any of its functions under this Act or under any other enactment.

### 13. General reserve

(1) Without prejudice to the power of the Agency to set aside from its revenue appropriate amounts for replacement, contingencies or other purposes, the Agency may establish and maintain a general reserve.

(2) The management of the general reserve, the sum to be carried, from time to time, to the credit of the general reserve, the charges to be made against the general reserve and any other application of the moneys comprised therein shall be as the Board may, with the approval of the Minister, determine.

(3) No part of the money comprised in the general reserve shall be applied otherwise than for the purpose of the Agency.

### 14. Power to borrow and invest

(1) The Agency may, with the consent of or in accordance with any general authority given by the Minister, borrow by way of loan from the Federal Government or by way of temporary overdraft approved by the Minister, sums required by the Agency for meeting its obligations and discharging its functions under this Act.

(2) The Agency may invest all or any of its funds in such manner as may be approved by the Minister.

(3) Subject to section 6 of this Act, the Minister may with the approval of the President issue to the Agency directions as to the disposal of surplus funds.

### 15. Annual estimates, accounts and audit

(1) The Board shall prepare and submit to the Minister not later than the 30th day of September of the year in which this subsection comes into force, (so however that the Minister may, if he considers it necessary, extend the period) and of each subsequent year, an estimate of its income and expenditure during the next succeeding year.

(2) The Board shall keep proper accounts in respect of each year and proper records in relation to those accounts and shall cause its accounts to be audited within six months after the end of each year to which the accounts relate by auditors appointed from the list and in accordance with the guidelines supplied by the Auditor-General for the Federation.

#### 16. Annual reports

(1) The Agency shall prepare and submit to the Minister not later than eighteen clear months after its establishment, and once every year thereafter, a report in such form as the Minister may direct on the activities of the Agency during the last preceding year, and shall include in the report a copy of the audited accounts of the Agency 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 laid before the President so soon after the receipt thereof as may be convenient.

(3) For the purposes of the Agency's first report under this section, the last preceding year shall be deemed to include so much of any period before the beginning of that year as begins with the date of the first meeting of the Board.

### PART VI

#### *Miscellaneous*

#### 17. Prospecting right, etc., under the Minerals and Mining Act

For the avoidance of doubt and notwithstanding the provisions of this Act, the Minister may grant any of the rights, licences and leases under the Minerals and Mining Act to any person, other than the Agency, for the prospecting and mining of the steel raw materials referred to in this Act.

[1998 No 27.]

#### 18. Limitation of suits against the Agency, etc.

(1) Subject to the provisions of this Act, the Public Officers Protection Act shall apply in relation to any suit instituted against any officer or employee of the Agency.

[Cap. P41.]

(2) Notwithstanding anything in any other enactment, no suit against a member of Board, the Director or any other officer or employee of the Agency for any act done in pursuance or execution of this Act or any other enactment or law, or of any public duty or authority or in respect of any alleged neglect or default in the execution of this Act or such enactment or law, duty or authority, shall lie or be instituted in any court unless-

(a) it is commenced within six months next after the act, neglect or default complained of; or

(b) in the case of a continuation of damage or injury, within six months next after the ceasing thereof.;

(3) No suit shall be commenced against a member of the Board, the Director, officer or employee of the Agency before the expiration of a period of one month after written

notice of intention to commence the suit shall have been served upon the Agency by the intending plaintiff or his agent.

(4) The notice referred to in subsection (3) of this section 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.

#### 19. Service of documents

A notice, summons or other document required or authorised to be served upon the Agency under the provisions of this Act or any other enactment or law may be served by delivering it to the chairman or the Director or by sending it by registered post and addressed

to the Director at the principal office of the Agency.

#### 20. Restriction on execution against property of the Agency

(1) In any action or suit against the Agency, no execution or attachment of process in the nature thereof shall be issued against the Agency.

(2) Any sums of moneys, which may by the judgment of the court be awarded against the Agency shall, subject to any directions given by Court where notice of appeal of the said judgement has been given, be paid by the Agency from the general reserve fund of the Agency.

#### 21. Indemnity of officers

A member of the Board, the Director, any officer or employee of the Agency shall be indemnified out of the assets of the Agency against any liability incurred by him in defending

any proceeding, whether civil or criminal, in which judgement is given in his favour, or in which he is acquitted, if any such proceeding is brought against him in his capacity as a member, Director, officer or employee of the Agency.

#### 22. Dissolution of existing Agency

(1) The Steel Raw Materials Exploration Agency hitherto operating under the National Steel Council

established under the National Steel Council Act is hereby dissolved.

[Cap. N76.]

(2) A person who immediately before the commencement of this Act was a member of staff or an employee of the dissolved Agency shall as from the commencement of this Act become the holder of an appointment in the Agency with the status, rank, designation and functions which correspond as far as possible to those which appertained to him as a member of that staff or as an employee.

(3) All assets, rights, liabilities and obligations which immediately before the commencement of this Act were assets, rights, liabilities and obligations of the dissolved Agency shall, by virtue of this Act and without further assurance vest in or be taken over by the Agency.

(4) Anything made or done or having effect as if made or done before the commencement of this Act by the dissolved Agency and having any resulting or continuing

effect shall be treated as from the commencement of this Act as if it were made or done by the Agency.

### 23. Regulations

The Agency may make regulations generally for carrying into effect the provisions of this Act.

### 24. Interpretation

In this Act, unless the context otherwise requires-

"Agency" means the National Steel Raw Materials Exploration Agency established under section 1 of this Act;

"chairman" means the chairman of the Board;

"Director" means the Director of the Agency appointed under section 8 of this Act;

"member" means a member of the Board and includes the chairman;

"mineral" means any steel raw material required for the iron and steel industry, excluding petroleum;

"Minister" means the Minister charged with responsibility for steel;

"steel raw materials" includes iron ore, manganese, tungsten, nickel, molybdenum, cobalt, chromium ores, dolomite, limestone, alumino-silicate clays, bauxitic clays, bentonitic clays, magnesite, quartzite, kyanite, zircon and silica sands, flourspar, graphite, coking coal, and any other mineral used as an alloying agent, a fluxing agent, a refractory material or a foundry material.

### 25. Short title

This Act may be cited as the National Steel Raw Materials Exploration Agency Act.

#### SCHEDULE

[Section 2 (2).]

*Supplementary provisions relating to the Board, etc.*

#### *Tenure of office of members of the Board*

1. Subject to paragraph 3 of this Schedule, a member who is not a public officer shall hold office on first appointment for a period of four years beginning with the date of his appointment and at the expiration of that period, for a further period of four years.

2. A member of the Board who is a public officer shall cease to be such a member upon his ceasing to hold the office entitling him to be appointed as a member of the Board.

3. Any member of the Board may at any time be removed from his office for inability to discharge the functions of his office or for misconduct or on his conviction for criminal offence involving dishonesty, fraud or moral turpitude.

4. A member of the Board shall be paid such reasonable allowance as may be determined by the Board with the approval of the Minister.

*Proceedings of the Board*

5. Subject to the provisions of this Schedule, and section 27 of the Interpretation Act, the Board may make standing orders for regulating its proceedings or the proceedings of any of its committees.

[Cap. 123.]

6. The quorum at any meeting of the Board shall be the chairman or one *ex officio* member and three other members and the quorum of any committee set up by the Board shall be as determined by the Board.

7. The chairman shall preside at every meeting at which he is present and, in his absence, the members may elect one of their number present at the meeting to preside at the meeting.

8. (1) The Board shall meet not less than once in every six months and subject to the provisions of any standing orders of the Board, it shall meet at such times as it may be summoned by the chairman.

(2) If the chairman is required to do so by notice in writing given to him by not less than three members, he shall summon a meeting of the Board to be held within fourteen days from the date on which the notice is given.

9. Where the Board desires to obtain the advice or services of any person on any particular matter, it may co-opt that person as a member for such period as it thinks it, provided that a person so co-opted shall not be entitled to vote and shall not count towards a quorum.

10. The first meeting of the Board shall, notwithstanding the other provisions of this Schedule, be summoned by the Minister and subject as herein before provided, any other meeting shall be convened by the chairman.

*Committees*

11. (1) The Board may appoint such number of committees, whether standing or *ad hoc* to perform such of its functions as the Board may direct.

(2) No decision of any committee of the Board shall take effect until it is confirmed by the Board.

(3) Every committee appointed by the Board under the foregoing provisions of this paragraph shall be presided over by a member of the Board and shall be made up of such number of persons, not necessarily all members of the Board, as the Board may determine

in  
each case.

*Miscellaneous*

12. The fixing of the seal of the Agency shall be authenticated by the signature of the chairman  
(or of some other member authorised either generally or specially by the Board to act in that behalf) and of the Director.

13. Any contract or instrument which, if made or executed by a person not being required to be under seal, may be made or executed on behalf of the Agency by any person generally or specially authorised by the Board to act for that purpose.

14. Any document purporting to be a document executed under the seal of the Agency and authenticated as aforesaid shall be received in evidence and shall, unless the contrary is proved, be presumed to be so executed.

15. 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.

SUBSIDIARY LEGISLATION

*No Subsidiary Legislation*