

The following Bill, which will in due course be presented to the House of Representatives for enactment, is published for general information.

A BILL

FOR

AN ORDINANCE TO PROVIDE FOR THE RAISING OF A LOAN, FROM THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT, BY THE GOVERNMENT OF THE FEDERATION FOR THE BENEFIT OF THE NIGERIAN RAILWAY CORPORATION AND FOR MATTERS INCIDENTAL THERETO.

Title.

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BE IT ENACTED by the Legislature of the Federation of Nigeria as follows—

Commence-
ment.
Enactment.

1. This Ordinance may be cited as the Railway Loan (International Bank) Ordinance, 1958.

Short title.

Interpre-
tation.

2. In this Ordinance, unless inconsistent with the context—

“International Bank” means the International Bank for Reconstruction and Development.

Borrowing
from Inter-
national
Bank.

3. (1) Subject to the provisions of this Ordinance, the Governor-General may, in such manner and on such terms and subject to such conditions as he thinks fit, and in the name of the Government of the Federation, borrow from the International Bank a sum not exceeding £15m. sterling or its equivalent in other currencies.

Schedule.

(2) The money raised under the authority of this Ordinance shall be appropriated and applied to the purposes specified in the Schedule: Provided that where in the opinion of the Governor-General it is not possible in respect of any part of such money to apply it for the purposes so specified, such part may be applied to such other purposes as may be approved by him and agreed by the Secretary of State and the International Bank.

(3) Any allocation of this loan to the Nigerian Railway Corporation shall be paid by the Treasury to the Nigerian Railway Corporation out of the general revenues and assets of the Federation, which are hereby appropriated to the purpose.

(4) The power to borrow conferred by subsection (1) shall be in addition to the power to borrow conferred by any other Ordinance.

(5) A copy of any agreement concluded with the International Bank in respect of any sums borrowed under the provisions of subsection (1) shall be laid before the House of Representatives within thirty days of the conclusion thereof or, if the House of Representatives is not sitting at a time when such may be done, then within fifteen days after the commencement of its next sitting.

Payment of
subsequent
expenses,
etc.

4. The Nigerian Railway Corporation shall pay to the Government of the Federation management expenses of the loan, the interest payable thereon, and the amortization charges and any other charges payable in respect thereof.

Sums
borrowed
and interest
and other
charges to
be a charge
on general
revenues.

5. (1) All sums borrowed under the powers conferred by subsection (1) of section 3, and all interest and other charges payable thereon respectively, shall be a charge on and shall be payable out of the general revenue and assets of the Federation, which are hereby appropriated to the purpose.

(2) The Treasury shall—

(a) repay out of the general revenues and assets of the Federation such sum or sums as may be necessary for securing repayment of any sum so borrowed in accordance with the amortization charges thereon; and

(b) pay out of the general revenues and assets of the Federation such sum or sums as may be necessary for securing payment of interest on any sum so borrowed and of all other charges payable in respect thereof, and any such sums shall be a charge on the general revenues and assets of the Federation.

Repayment
of sums
paid under
guarantee.

6. Any sum paid out of the Consolidated Fund of the United Kingdom on account of any guarantee given in respect of any sum borrowed under the powers conferred by subsection (1) of section 3 shall be repaid, in such manner and over such period as may be appointed by Her Majesty's

Treasury in the United Kingdom after consultation with the Governor-General, together with interest at such rate as may be fixed by Her Majesty's Treasury in the United Kingdom after such consultation, and shall be a charge jointly and severally on the general revenues and assets of the Federation and of the Nigerian Railway Corporation.

7. Notwithstanding anything contained in any Ordinance or Law, the Governor-General may issue such instruments, including bonds, as may be necessary for the purpose of any agreement which may be entered into with the International Bank in respect of the borrowing authorised by subsection (1) of section 3.

Power to issue instruments including bonds.

8. Notwithstanding anything contained in any Ordinance or Law, the Governor-General may exercise all such powers and authorities and do or cause to be done all such things as appear to him to be necessary for giving full and complete effect to any agreement which may be entered into with the International Bank in respect of the borrowing authorised by subsection (1) of section 3.

Implementation of obligations under agreement.

SCHEDULE

(Section 3)

AUTHORISED PURPOSES

To provide finance for the extension of the railway system to the province of Bornu and for other capital development of the Nigerian Railway Corporation in accordance with any agreement concluded with the International Bank as such agreement may be amended from time to time.

Objects and Reasons

The object of this Bill is to authorise the Federal Government to borrow money from the International Bank and to re-lend that money to the Nigerian Railway Corporation. The Bill complies with the requirements of the United Kingdom Colonial Loans Act, 1949, under which any guarantee by the United Kingdom Government will be given, and also with the normal requirements of the International Bank.

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Federation of Nigeria