

A BILL

FOR

AN ACT TO AMEND THE PORTS ORDINANCE, 1954 (CHAPTER 155)

Title.
Commence-
ment.
Enactment.

BE IT ENACTED by the Legislature of the Federation of Nigeria in this present Parliament assembled and by the authority of the same as follows—

1. This Act may be cited as the Ports (Amendment) Act, 1960, and shall be of Federal application.

Short title
and appli-
cation.
Amendment
of section 2
Cap. 155

2. Section 2 of the Ports Ordinance (hereinafter referred to as the principal Ordinance) is amended by the insertion after the definition of "goods" of the following definition—

“Government” means the Government of the Federation of Nigeria ;’.

Repeal and replacement of section 27.

3. Section 27 of the principal Ordinance is repealed and the following section is substituted therefor—

“Sums which are to be chargeable to revenue account. 27. The Authority shall charge to revenue account in every year all charges which are proper to be made to revenue account, and also—

(a) proper provision for the redemption of Port Stock issued under section 18 and of capital raised under section 29 or section 29A, and for the repayment of money comprised in the advance account created under section 16 or money borrowed under section 29, section 29A or section 30 ;

(b) allocations to the reserve funds established and maintained under section 28.”

Repeal and replacement of section 28.

4. Section 28 of the principal Ordinance is repealed and the following section is substituted therefor—

“Reserve funds. 28. (1) There shall be established and maintained a general reserve fund.

(2) The Authority may establish and maintain such other reserve funds as the Minister may approve.

(3) The maximum of any fund established and maintained under this section shall be such as the Minister may from time to time prescribe.

(4) The Authority may, with the approval of the Minister, carry to any fund established and maintained under this section such part of the receipts on revenue account as is available for the purpose :

Provided that the amount comprised at any one time in any such fund shall not exceed the maximum prescribed for that fund under subsection (3).

(5) The application of any fund established and maintained under this section shall be as the Authority may, with the approval of the Minister, determine :

Provided that no part of the moneys comprised in any such fund shall be applied otherwise than for the purposes of the Authority.”

Addition of new section 28A.

5. The principal Ordinance is amended by the addition after section 28 of the following new section—

“Applica- 28A. Any excess of the Authority’s revenues for any financial year over its outgoings and charges for that year chargeable under section 27 to revenue account shall be applied for such purposes as the Authority may determine :

Provided that no part of any such excess shall be applied otherwise than for the purposes of the Authority.”

Repeal and replacement of section 29.

6. Section 29 of the principal Ordinance is repealed and the following section is substituted therefor—

“Power to borrow money and raise capital from non-Government sources. 29. (1) The Authority may with the approval of the Minister and also of the Governor-General in Council borrow money or raise capital otherwise than from the Government by the issue in such form as may be approved of stock, bonds, promissory notes, loan certificates or other documents of title for all or any of the following purposes—

(a) the fulfilling of the functions of the Authority under this Ordinance;

(b) the provision of working capital;

(c) the redemption or repayment of any capital raised or money borrowed which the Authority is required or entitled to redeem or repay;

(d) the provision of money for meeting any expenditure which is properly chargeable to capital account.

(2) For the purposes of payment of interest, repayment or redemption, moneys borrowed or capital raised under this section shall rank equally with all other such moneys borrowed or capital raised under this section; and the payment of interest on and the repayment or redemption of money so borrowed or capital raised shall have priority over the payment of interest on and the repayment or redemption of money comprised in the advance account created under section 16, Port Stock issued under section 18 and any money borrowed or capital raised from the Government under section 29A.

(3) Money borrowed by the Government for the exclusive purpose of relending to the Authority and, accordingly, re-lent to the Authority, shall be deemed to be money borrowed otherwise than from the Government and, accordingly, to be money borrowed or capital raised, under this section.

(4) Money owed by the Authority under any arrangement by which such money is allowed to remain unpaid for a period greater than one year shall be deemed to be money borrowed under this section."

7. The principal Ordinance is amended by the addition after section 29 of the following new section—

29A. The Authority may borrow money (other than money borrowed by the Government for the exclusive purpose mentioned in subsection (3) of section 29) or raise capital from the Government in such manner and upon such terms and conditions as the Minister may approve for all or any of the purposes mentioned in subsection (1) of section 29."

Addition of new section 29A.

8. Section 30 of the principal Ordinance is amended by—

(a) the insertion after the word "borrow" of the following—

"temporarily";

(b) the insertion after the word "sums" of the following—

"repayable on demand or within one year after the date of borrowing";

(c) the insertion in the marginal note after the word "money" of the following—

"temporarily".

Amendment of section 30.

9. The Fourth Schedule to the principal Ordinance is amended by the addition after paragraph 14 of the following new paragraph—

14A. The Authority may have for use in any territory, district or place not situate in Nigeria, an official seal which shall be a facsimile of the Seal of the Authority, and such seal may be affixed manually or may be engraved, lithographed, printed or

Amendment of Fourth Schedule.

"Facsimile Seal.

mechanically reproduced upon any contract, instrument or other document requiring the same. The provisions of this Schedule shall apply in respect of such official seal as they apply in respect of the Seal of the Authority."

Saving. 10. Any money borrowed or capital raised in accordance with the provisions of the principal Ordinance before the coming into operation of this Act shall be deemed to have been borrowed or raised in accordance with the provisions of the principal Ordinance as amended by this Act.

Objects and Reasons

This Bill seeks to amend the borrowing provisions of the Ports Ordinance in order to facilitate possible borrowing by the Authority inside and outside Nigeria from sources other than the Federal Government. In particular, the relationship, for the purposes of the payment of interest and the repayment of capital, between sums borrowed from Government and from other sources is defined.

2. Section 30 of the Ordinance is amended to confine its operation to borrowing for temporary purposes.

3. The Fourth Schedule to the Ordinance is amended to provide for the use of a facsimile of the Authority's seal outside Nigeria. This provision will be of practical benefit if the Authority borrows in the United States of America.

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(Bills 674/1)

NOTE.—This Bill contains provisions with certain formal alterations of the Bill previously published on Page C.343 of the Supplement to Official Gazette No. 50, Volume 47, of the 25th of August, 1960, which will therefore not now be presented to Parliament for enactment.