

A BILL

FOR

AN ACT TO AMEND THE INVESTMENT AND SECURITIES ACT CAP 124 LAWS OF THE FEDERATION OF NIGERIA 2004, TO ENSURE GREATER TRANSPARENCY AND ACCOUNTABILITY IN THE FINANCES OF THE SECURITIES AND EXCHANGE COMMISSION AND MAKE PROVISION FOR GREATER EXERCISE OF OVERSIGHT FUNCTION ON THE COMMISSION AND FOR RELATED MATTERS

Sponsor: Hon. Emmanuel Ukpong-Udo

[] Commencement

ENACTED by the National Assembly of the Federal Republic of Nigeria:

- 1 **1.** The Investment and Securities Act Cap 124 Laws of the Investment and
2 Federation of Nigeria 2004, (in this Bill is referred to as "the Principal Act") Securities Act
3 is amended as set out under this Bill. Cap 124 LFN 2004
- 4 **2.** Section 20 of the Principal Act is amended by- Amendment of
5 (a) substituting the word "may" with "shall" and numbering it as Section 20 of the
6 section 20 subsection (1); Principal Act
- 7 (b) inserting subsection (2) "No money shall be withdrawn from
8 the fund of the Commission or the consolidated Revenue Fund of the
9 Federation that is, standing in the name of the Commission, unless the issue
10 of those moneys has been authorized by an Act of the National Assembly as
11 set out under section 26 of this Act."
- 12 **3.** Section 21 (2) of the Principal Act is amended by inserting after Amendment of
13 the word "Commission" the words "subject to the provisions of section 20 Section 21 of the
14 (2) of this section". Principal Act
- 15 **4.** Section 23 of the Principal Act is amended by substituting the Amendment of
16 words "charge, retain and utilize for its purposes" with the words "charge Section 23 of the
17 and transfer to the Consolidated Revenue Fund of the Federation in the name Principal Act

Amendment of
Section 26 of the
Principal Act

1 of the Commission".

2 **5.** Section 26 of the Principal Act is amended by

3 (a) inserting subsection (2), (3), (4), (5) and (6)

4 "(2) The heads of expenditure contained in the estimates shall be
5 included in a bill to be known as Securities and Exchange Commission
6 Appropriation Bill, providing for the issue from the fund of the Commission of
7 the sums necessary to meet that expenditure and the authorization of those
8 sums for the purposes specified therein.

9 (3) If in respect of any financial year it is found that-

10 (a) the amount authorized by the Appropriation Act specified in
11 subsection (2) of this section for any purpose is insufficient; or

12 (b) a need has arisen for expenditure for a purpose for which no
13 amount has been authorized by the Act, a supplementary estimate showing the
14 sums required shall be submitted to the National Assembly and the heads of
15 any such expenditure shall be included in a Supplementary Appropriation Act.

16 (4) The bill required pursuant to the provisions of subsection (2) of
17 this section shall stand in the name of the chairman and members of the
18 committee of each House of the National Assembly which exercises oversight
19 on the Commission.

20 (5) The provisions of section 59 of the Constitution shall apply to an
21 Appropriation Bill under this Act.

22 (6) If the Financial Authorization Bill in respect of any financial year
23 has not been passed into law by the 31st of March of the financial year, the
24 Commission may authorize the withdrawal of moneys from the fund for the
25 purpose of meeting expenditure necessary to carry on the services of such
26 statutory body for a period not exceeding six months or until the coming into
27 operation of the Appropriation Act, whichever is the earlier; Provided that the
28 withdrawal in respect of any such period shall not exceed the amount
29 authorized to be withdrawn from the fund of the Commission under the
30 provisions of the Appropriation Act passed by the National Assembly for the

1 corresponding period in the immediately preceding financial year, being an
2 amount proportionate to the total amount so authorized for the immediate
3 preceding financial year."

4 (b) re-numbering the existing subsection (2) as subsection (7)

5 **6.** This Bill may be cited as the Investment and Securities Act Citation
6 (Amendment) Bill, 2023.

EXPLANATORY MEMORANDUM

This Bill seeks to amend the Investment and Securities Act Cap 124 Laws of the Federation of Nigeria 2004, to ensure greater transparency and accountability in the finances of the Securities and Exchange Commission and make provision for greater exercise of oversight function on the Commission.