

A BILL

FOR

AN ACT TO REPEAL THE LOCAL CONTENT ACT OF 2010 AND ENACT AN ACT TO MAKE IT MANDATORY FOR MINISTRIES, DEPARTMENTS AND AGENCIES TO GIVE PRIORITY TO LOCAL MANUFACTURERS AND INDIGENOUS COMPANIES IN THE PROCUREMENT OF GOODS AND SERVICES, AND TO PROHIBIT THE EXCLUSION OF LOCALLY PRODUCED GOODS IN THE PROCUREMENT PROCESS, AND FOR RELATED MATTERS

Sponsored by Hon. Jesse Okey-Joe Onuakalusi

[] Commencement

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

- 1 **1.-(1)** The objectives of this Bill is to- Objectives
- 2 (i) Allow for local goods and services to be given mandatory
- 3 priority, with no exceptions to any, either Leather and Skins, Textile
- 4 Materials, Furniture and Fixture, Motor Vehicle, Machine and Equipment,
- 5 Agricultural Implements, Oil and Gas, whether Manufactured, Assembled,
- 6 Coupled, Produced and Refined locally in Nigeria;
- 7 (ii) Promote made in Nigeria goods and services;
- 8 (iii) Invite and encourage more talented Nigerian Industrialists
- 9 who, for lack of patronage and conducive environment, have not come out to
- 10 showcase their talents;
- 11 (iv) Reduce overdependence of Nigerians on importation of
- 12 virtually all the Goods and Services that we consumed, when we can
- 13 qualitatively and quantitatively manufacture and produce by ourselves in
- 14 Nigeria;
- 15 (v) Bring about more researches and discoveries of new talents in
- 16 all indigenous Goods and Services;
- 17 (vi) Assist in improving on Made in Nigeria Good and Services to

1 an international standard and to compete favourably with Goods and Services
2 from Europe, America and Asia Countries.

3 (2) This Bill is also of great Economic Value as:

4 (i) It shall attract both Foreign and Local Investors to invest on Made
5 in Nigeria Goods and Services.

6 (ii) It shall strengthen our Currency (the Naira);

7 (iii) It shall move Nigeria to economic self reliance and more
8 Employments.

Priority to Local
Manufacturers

9 **2.** All procurement exercises conducted by any Ministry, Department,
10 Agencies and Parastatals in each fiscal year and in line with the provisions of
11 the Public Procurement Act in Nigeria shall give priority to Local
12 Manufacturers and Indigenous Companies (referred to, in this section as
13 "Entity") producing such goods and services as advertised by the Ministry,
14 Department, Agencies and Corporations, as in the budget for that fiscal year.

Standards

15 **3.** Notwithstanding the provisions of section (2), the Ministry,
16 Department, Agencies and Parastatals shall procure the goods and services of
17 such entity if:

18 (i) Such Entity's goods or services are certified to be of good quality
19 subject to consistency of supply, timeliness or ability to supply on time,
20 competitive in pricing and is registered with any of the following Government
21 regulatory agencies-

22 (a) The Standards Organisation of Nigeria (SON); or

23 (b) The National Food and Drug Administration and Control
24 (NAFDAC) and any other government recognized institution capable of
25 determining quality Standards.

26 (ii) That such entity took part in the tendering and bidding processes
27 during the procurement exercise as stipulated by the regulations as contained in
28 the Public Procurement Act;

Secret engagement
in procurement of
Goods and
Services

29 **4.** No Ministry, Department, Agency or Parastatal shall engage in
30 secret procurement of goods and services such that such procurement exercise

1	excludes the Local Manufacturers or providers of goods or services	
2	procured as a result of that exercise;	
3	5. No Ministry, Department, Agencies or Parastatal shall engage in	Priority to indigenous and Local Manufacturing Company
4	goods and services of any foreign company (in this section referred to as	
5	"foreign entity") or import into Nigeria through direct procurement, unless:	
6	(i) Such goods and services are not produced in Nigeria;	
7	(ii) Such goods and services are not readily available in the stock of	
8	the Local Manufacturers as a result of technical and social factors; or	
9	(iii) Where such goods are obtainable in Nigeria, same fall short of	
10	the approved Standard as stated by the Regulatory Agencies.	
11	6. The Bureau of Public Procurement shall have authority to	Enforcing Authority
12	enforce section 2,3,4 and 5 of this Bill.	
13	7. The Due Process Office and the Economic and Financial Crimes	Monitoring Authority
14	Commission (EFCC) in conjunction with relevant bodies such as MAN,	
15	NACCIMA, NASSI shall have the power to:	
16	(i) Monitor the compliance with this Act,	
17	(ii) Arrest and prosecute offenders of this Act.	
18	8. The Ministry of Information and the National Orientation	Enlightenment
19	Agency shall embark on the enlightenment and publicity of the provisions of	
20	this Act.	
21	9. -(1) Any officer involved in contravening this Act commits an act	Penalty
22	of economic sabotage and shall be liable on conviction to:	
23	(i) Compulsory retirement, where it involves a staff and dismissal	
24	for a political appointee; and	
25	(ii) A term of imprisonment not exceeding 3 months, or a fine not	
26	exceeding N300,000.00.	
27	(2) Where it is proven that such an officer contravenes in part or in	
28	whole the provisions of this Act in connivance with a foreign entity, such	
29	officer shall be liable on conviction to:	

	1	(i) A term of imprisonment not exceeding 6 months or a fine of
	2	N500,000.00.
Jurisdiction	3	10. The Federal High Court shall have jurisdiction to prosecute
	4	contraveners of this Act.
Regulations	5	11. The National Council on Public Procurement shall give
	6	regulations as may be necessary or expedient for giving effect to the provisions
	7	of this Act.
Interpretation	8	12. In this Bill-
	9	"Entity" means an indigenous or foreign company or firm;
	10	"Officer" means any staff of the Ministry or Department or Agencies or
	11	Parastatal or Corporation;
	12	"Goods" is any item or material listed for procurement by the Ministry or
	13	Department or Agencies or Parastatal or Corporation;
	14	"Services" means profession, trade or skill;
	15	"Foreign entity" means Companies that is indifferent to local content:
	16	A private company" means any company without a major government stake.
Short title	17	13. This Bill may be cited as the Local Industry Patronage Bill, 2024.

EXPLANATORY MEMORANDUM

This Bill seeks to make it mandatory for Ministries, Departments and Agencies to give mandatory priority to Local Manufacturers and Indigenous Companies in the Procurement of Good and Services, and to prohibit the exclusion of locally produced Goods in the Procurement Process.