

PUBLIC ENTERPRISES (PRIVATISATION AND
COMMERCIALISATION) ACT

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PUBLIC ENTERPRISES (PRIVATISATION AND
COMMERCIALISATION) ACT

An Act to provide for privatisation and commercialisation of certain public enterprises and to establish the National Council on Privatisation and the Bureau of Public Enterprises; and for matters relating thereto.

[1999 No. 28.]

[31 *st* December, 1998]

[Commencement.]

PART I

Privatisation and commercialisation of public enterprises

Privatisation

1. Enterprises to be privatised

(1) The enterprises listed in Part **I** of the First Schedule to this Act shall be partially privatised in accordance with the provisions of this Act.

[First Schedule.]

(2) The enterprises listed in Part **II** of the First Schedule to this Act shall be fully privatised in accordance with the provisions of this Act.

(3) The National Council on Privatisation (in this Act referred to as "the Council") established under section 8 of this Act may, from time to time, by order published in the *Gazette* alter, add, delete, or amend the provisions of the First Schedule to this Act.

2. Mode of privatisation

(1) Subject to the provisions of section 11 (f) of this Act, an offer for the sale of the shares of a public enterprise shall be by public issue or private placement, as the case may be.

(2) An offer for the sale of shares by public issue to Nigerians may be made at the capital market.

(3) Where the shares of an enterprise are not to be offered for sale by public issue of shares or private placement, the Council may approve that the shares be offered for sale through a willing seller and willing buyer basis or through any other means.

3. Further divestment of Federal Government's shares

Without prejudice to the provisions of this Act, the Government of the Federation may further divest of its shareholding in the privatised enterprises in accordance with the policy guidelines and decisions issued, from time to time, by the Council, so however that the Council may dispose of the shares or a part thereof to interested investors through any local or international capital market.

4. Management of privatised enterprises

A privatised enterprise which requires participation by strategic investors may be managed by the strategic investors as from the effective date of the privatisation on such terms and conditions as may be agreed upon.

5. Allotment of shares of privatised enterprises

(1) Subject to any direction of the Council and without prejudice to the provisions of section 2 of this Act, the shares of the enterprises to be allotted to Nigerians under this Act by public offer shall be in accordance with the provisions of subsections (2), (3) and (4) of this section.

(2) The shares on offer to Nigerians shall be sold on the basis of equality of States of the Federation and of the residents of the Federal Capital Territory, Abuja.

(3) Not less than 1 % of the shares to be offered for sale to Nigerians shall be reserved for the staff of the public enterprises to be privatised and the shares shall be held in trust by the public enterprise for its employees.

(4) Where there is an over-subscription for the purchase of the shares of a privatised public enterprise no individual subscriber shall be entitled to hold more than 0.1 % equity shares in the privatised public enterprise.

6. Partial and full commercialisation

(1) The enterprises listed in Part **I** of the Second Schedule to this Act shall be partially commercialised in accordance with the provisions of this Act.

[Second Schedule.]

(2) The enterprises listed in Part **II** of the Second Schedule to this Act shall be fully commercialised in accordance with the provisions of this Act.

(3) The Council may, from time to time, by order published in the *Gazette* amend the Second Schedule to this Act so as to alter the category to which any enterprise listed in that Schedule shall be classified.

7. Annual report on privatisation and commercialisation of public enterprises

The Council shall prepare and submit to the President not later than 30 June in each year, a report in such form as the President may direct on the privatisation and commercialisation of public enterprises during the immediately preceding year.

8. Special provisions relating to commercialised enterprises

Notwithstanding the provisions of any other enactment and without prejudice to the

- | | |
|---|--|
| (a) the Vice-President, as chairman; | generality of section 6 of this Act, a commercialised enterprise shall operate as a purely commercial enterprise and may, subject to the general regulatory power of the Government of the Federation- |
| (b) the Minister of Finance, as vice-chairman; | |
| (c) the Attorney-General of the Federation and Minister of Justice; | (a) fix the rates, prices and charges for goods and services it provides; |
| (d) the Minister of Industry; | |
| (e) deputy chairman, National Planning Commission; | |
| (f) the Secretary to the Government of the Federation; | |
| (g) the Governor of the Central Bank of Nigeria; | |
| (h) the Special Adviser to the President on Economic Affairs; | |
| (i) four other members to be appointed by the President; | |
| (j) the Director-General of the Bureau of Public Enterprises. | |
- (b) capitalise its assets;
- (c) borrow money and issue debenture stocks; and
- (d) sue and be sued in its corporate name.

PART II

National Council on Privatisation

Establishment and composition, etc.

9. Establishment and membership of the National Council on Privatisation

(1) There is hereby established the National Council on Privatisation (in this Act referred to as "the Council").

(2) The Council shall consist of-

(3) Notwithstanding the provisions of subsection (2) of this section, the Council may co-opt the supervising Minister of an affected public enterprise to attend relevant meetings of the Council.

(4) The supplementary provisions contained in the Third Schedule to this Act shall have effect with respect to the proceedings of the Council and other matters contained in the Schedule.

[Third Schedule.]

10. Tenure of office of members of the Council

Subject to the provisions of this Act, a member of the Council, other than an *ex-officio* member-

- (a) shall hold office for a term of four years in the first instance and may be re-appointed for a further term of four years and no more; and

- (b) on such terms and conditions as may be specified in his letter of appointment.

11. Functions and powers of the Council

The functions and powers of the Council are to-

- (a) determine the political, economic and social objectives of privatisation and commercialisation of public enterprises;
- (b) approve policies on privatisation and commercialisation;
- (c) approve guidelines and criteria for valuation of public enterprises for privatisation and choice of strategic investors;
- (d) approve public enterprises to be privatised or commercialised;
- (e) approve the legal and regulatory framework for the public enterprises to be privatised;
- (f) determine whether the shares of a listed public enterprise should be by public or private issue or otherwise and advise the Government of the Federation accordingly;
- (g) determine the time and when a public enterprise is to be privatised;
- (h) approve the prices for shares or assets of the public enterprise to be offered for sale;
- (i) review, from time to time, the socio-economic effects of the programme of privatisation and commercialisation and decide on appropriate remedies;
- (j) approve the appointment of the privatisation advisers and consultants and their remuneration;
- (k) appoint as and when necessary committees comprising persons from private and public sectors with requisite technical competence to advise on the privatisation or commercialisation of specific public enterprises;
- (l) approve the budget of the Council;
- (m) approve the budget of the Bureau;
- (n) supervise the activities of the Bureau and issue directions on the implementation of the privatisation and commercialisation programme;
- (o) receive and consider, for approval, the audited accounts of the Bureau;
- (p) submit to the President in each year a report on the activities of the Council and the Bureau;
- (q) receive regular and periodic reports from the Bureau on programme implementation and give appropriate directions; and
- (r) perform such other functions as may, from time to time, be necessary to achieve its objectives.

PART III

Bureau of Public Enterprises establishment, etc.

12. Establishment of the Bureau of Public Enterprises

(1) There is hereby established a body to be known as the Bureau of Public Enterprises (in this Act referred to as "the Bureau").

(2) The Bureau shall be a body corporate with perpetual succession and a common seal and may sue and be sued in its corporate name.

Functions of the Bureau

13. Functions: privatisation

The functions of the Bureau with respect to privatisation are to-

- (a) implement the Council's policy on privatisation;
- (b) prepare public enterprises approved by the Council for privatisation;
- (c) advise the Council on further public enterprises that may be privatised;

- (d) advise the Council on the capital restructuring needs of the public enterprises to be privatised;
- (e) carry out all activities required for the successful issue of shares and sale of assets of the public enterprises to be privatised;
- (f) make recommendations to the Council on the appointment of consultants, advisers, investment bankers, issuing houses, stock brokers, solicitors, trustees, accountants and other professionals required for the purposes of privatisation;
- (g) advise the Council on the allotment pattern for the sale of the shares of the public enterprises set out for privatisation;
- (h) oversee the actual sale of shares of the public enterprises to be privatised, by the issuing houses, in accordance with the guidelines approved, from time to time, by the Council;
- (i) ensure the success of the privatisation exercise taking into account the need for balance and meaningful participation by Nigerians and foreigners in accordance with the relevant laws of Nigeria; and
- (j) perform such functions with respect to privatisation as the Council may, from time to time, assign to it.

14. Functions: commercialisation

The functions of the Bureau in respect of commercialisation are to-

- (a) implement the Council's policy on commercialisation;
- (b) prepare public enterprises approved by the Council for commercialisation;
- (c) advise the Council on further public enterprises that may be commercialised;
- (d) ensure the updating of the accounts of all commercialised enterprises to ensure financial discipline;
- (e) ensure the success of the commercialisation exercise and monitor, on a continuous basis for such period as may be considered necessary, the operations of the public enterprises after commercialisation;
- (f) review the objectives for which public enterprises were established in order to ensure that they adapt to the changing needs of the economy;
- (g) ensure that public enterprises are managed in accordance with sound commercial principles and prudent financial practices;
- (h) interface with the public enterprises, together with the supervising Ministries, in order to ensure effective monitoring and safeguard of the public enterprises managerial practices;
- (i) ensure that the Board and Management of each commercialised enterprise and the Government of the Federation keep to the terms and conditions of the Performance Agreements, if any, between the public enterprise concerned and the Government of the Federation;
- (j) maintain and review on a continuous basis, any Performance Agreement between a public enterprise and the Government of the Federation;
- (k) evaluate and recommend to the Council whether or not a public enterprise is eligible for funding through grants, loans, subventions or equity; and
- (l) perform such functions with respect to commercialisation as the Council may, from time to time, assign to it.

15. Other functions of the Bureau

The Bureau shall-

- (a) provide secretarial support to the Council; and
- (b) carry out such other duties and responsibilities as may be assigned to it from time to time by the Council.

16. Powers of the Bureau

The Bureau shall, subject to the overall supervision of the Council, have power to-

- (a) acquire, hold and manage movable and immovable property;
- (b) enter into contracts or partnerships with any company, firm or person which in

its opinion will facilitate the discharge of its functions;

- (c) request for and obtain from any public enterprise statistical and other information including reports, memoranda and audited accounts and other information relevant to its functions under this Act; and
- (d) liaise with relevant bodies or institutions locally or overseas for effective performance of its functions under this Act.

Staff of the Bureau

17. Appointment of the Director-General and other staff

(1) There shall be appointed for the Bureau, a Director-General who shall-

- (a) be appointed by the President on the recommendation of the chairman of the Council; and
- (b) not be below the rank of a Permanent Secretary in the civil service of the Federation.

(2) The Director-General shall be the chief executive of the Bureau and the secretary to the Council and shall hold office

(for a period of four years in the first instance and may be re-appointed for a further period of four years; and

(b) on such terms and conditions as may be specified in his letter of appointment.

(3) There shall be for the Bureau a management committee comprising the Director-General and departmental heads who shall be responsible for the implementation of the policies of the Council and day-to-day administration of the Bureau.

(4) The Bureau may appoint such number of other persons to be employees of the Bureau in the performance of its functions under this Act.

(5) Notwithstanding the provisions of subsection (4) of this section, employees of the Bureau may be appointed by way of transfer or secondment from any of the public services of the Federation.

18. Service in the Bureau to be pensionable

(1) It is hereby declared that service in the Bureau shall be approved service for purposes of the Pensions Act and accordingly employees of the Bureau shall, in respect of their services, be entitled to pensions, gratuities and other retirement benefits as are enjoyed by persons holding equivalent grades in the civil service of the Federation.

[Cap. P4.]

(2) Notwithstanding the provisions of subsection (1) of this section nothing in this Act shall prevent the appointment of a person to any office on 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 thereunder by the Minister or other authority of the Government of the Federation, other than the power to make regulations under section 23 thereof, is hereby vested in and shall be exercisable by the Council and not by any other authority.

Financial provisions

19. Establishment of Privatisation Proceeds Account

(1) There is hereby established in the Central Bank of Nigeria an account to be known as the Privatisation Proceeds Account into which shall be paid all proceeds received from the privatisation of public enterprises before and after the commencement of this Act.

(2) The funds in the account established under subsection (1) of this section shall be utilised for such purposes as may be determined by the Government of the Federation from time to time.

20. Fund of the Bureau

(1) The Bureau shall establish and maintain a fund, to be approved by the Council, from which shall be defrayed all expenditures incurred by it.

(2) There shall be paid and credited to the fund established pursuant to subsection (1) of this section-

(a) the annual subvention received from the Government of the Federation;

- (b) such money as may, from time to time, be lent, deposited with or granted to the Bureau by the Government of the Federation, or of a State, or a local government;
- (c) all subventions, fees, and charges for services rendered or publications made by the Bureau; and
- (d) all other assets which may, from time to time, accrue to the Bureau.

(3) The fund shall be managed in accordance with rules made by the Council and without prejudice to the generality of the power to make rules under this subsection, the rules shall in particular contain provisions-

- (a) specifying the manner in which the assets or the fund of the Bureau are to be held and regulating the making of payments into and out of the fund; and
- (b) requiring the keeping of proper accounts and records for the purposes of the fund in such form as may be specified in the rules.

(4) The Bureau may, from time to time, apply the proceeds of the fund established in pursuance of subsection (2) of this section for the following purposes-

- (a) the cost of administration of the Bureau;
- (b) the reimbursement of members of the Council or any committee set up by the Council for such expenses as may be authorised by the Council, and where they exist, in accordance with the rates approved by the Government of the Federation;
- (c) the payments of salaries, fees and other remuneration, allowances, pensions and gratuities payable to members of the Council, employees of the Bureau or experts or professionals appointed by the Bureau;
- (d) the maintenance of any property acquired or vested in the Bureau; and
- (e) any matter connected with all or any of the functions of the Bureau under this Act.

21. Estimates of expenditure and income

(1) The Bureau shall, not later than 31 of October in each year, submit to the Council an estimate of its expenditure and income during the next succeeding year.

(2) The Bureau shall cause the net surplus of receipts and payments made to it in every year to be paid to the Government of the Federation.

22. Accounts and audit

(1) The Bureau shall keep proper accounts and records of its receipts, payments, assets and liabilities and shall in respect of each year prepare a statement of account in such form as the Council may direct.

(2) The Bureau shall, within six months after the end of the financial year to which the accounts relate, cause the accounts to be audited by auditors appointed from the list and in accordance with guidelines supplied by the Auditor-General for the Federation.

PART IV

Legal proceedings

23. Limitation of suits against the Bureau, etc.

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

[Cap. P41.]

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

- (a) it is commenced within three months next after the act, neglect or default com-

plained of; or

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

(3) . . .

[Subsection (3) deleted by S.1. 19 of 2001.]

(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.

[*Subsection (3) however, has been deleted.]

24. Service of documents

A notice, summons or other document required or authorised to be served upon the Bureau under the provisions of this Act or any other law or enactment may be served by delivering it to the Director-General or by sending it by registered post and addressed to the Director-General at the principal office of the Bureau.

25. Restriction on execution against property of the Bureau

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

(2) Any sum of money which may by the judgment of any court be awarded against the Bureau shall, subject to any direction given by court where notice of appeal of the said judgment has been given, be paid from the general reserve fund of the Bureau.

26. Indemnity of officers

A member of the Council, the Director-General, any officer or employee of the Bureau shall be indemnified out of the assets of the Bureau against any proceeding, whether civil or criminal, in which judgment 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 of the Council, the Director-General, officer or employee of the Bureau.

PART V

Public Enterprises Arbitration Panel, etc.

27. Establishment and membership of the Public Enterprises Arbitration Panel

(1) There is hereby established under this Act an *ad hoc* body to be known as the Public Enterprises Arbitration Panel (in this Act referred to as "the Panel") which shall be responsible for effecting prompt settlement of any dispute arising between an enterprise and the Council or the Bureau.

(2) The Panel shall consist of five persons who shall be persons of proven integrity one of whom shall be the chairman.

(3) The members of the Panel shall be paid such remuneration and allowances as may be determined by the Government of the Federation.

(4) The Council shall appoint the members of the Panel on such terms and conditions as it may deem fit.

28. Powers of the Panel

(1) The Panel shall have power to arbitrate-

- (a) in any dispute raising questions as to the interpretation of any of the provisions of a Performance Agreement; or
- (b) in any dispute on the performance or non-performance by any enterprise of its undertakings under a Performance Agreement.

(2) A dispute on the performance or non-performance by any of the parties to the Performance Agreement shall, in the case of a commercialised enterprise, lie to that Panel provided that such reference may be made after all reasonable efforts to resolve the dispute have been made and have not been proved.

(3)

[Subsection (3) deleted by S.I. 19 of 2001.]

29. Proceedings of the Panel

(1) Subject to this section and section 27 of the Interpretation Act, the Panel may make standing orders regulating its proceedings.

[Cap. 123.]

(2) The chairman of the Panel shall preside at every session of the Panel.

(3) The quorum at any session of the Panel shall be the chairman and two other members.

30. Other arbitration laws not applicable

The provisions of the Arbitration and Conciliation Act or any other enactment or law relating to arbitration shall not be applicable to any matter which is the subject of arbitration under this Act.

[Cap. A18.]

PART VI

Miscellaneous

31. Regulations

The Council may make regulations generally for the purpose of giving effect to the provisions of this Act.

32. Savings, etc.

(1) The statutory functions, rights, interests, obligations and liabilities of the Bureau, existing before the commencement of this Act under any contract or instrument, or in law or in equity shall, by virtue of this Act, be deemed to have been assigned to and vested in the Bureau established by this Act.

(2) Any such contract or instrument as is mentioned in subsection (1) of this section, shall be of the same force and effect against or in favour of the Bureau established by this Act and shall be enforceable as fully and effectively as if instead of the Bureau existing before the commencement of this Act, the Bureau established by this Act has been named therein or had been a party thereto.

(3) The Bureau established by this Act shall be subject to all the obligations and liabilities to which the Bureau existing before the commencement of this Act was subject immediately before the commencement of this Act and all other persons shall have the same rights, powers and remedies against the Bureau established by this Act as they had against the Bureau existing before the commencement of this Act.

(4) Any proceeding or cause of action pending or existing immediately before the commencement of this Act, by or against the Bureau existing before the commencement of this Act in respect of any right, interest, obligation or liability or the Bureau existing before the commencement of this Act may be continued or, as the case may be, commenced and any determination of a court of law, tribunal or other authority or person may be enforced by or against the Bureau established by this Act to the same extent that such proceeding or cause of action or determination might have been continued, commenced or enforced by or against the Bureau existing before the commencement of this Act.

(5) All assets, funds, resources and other movable or immovable property which immediately before the commencement of this Act were vested in the Bureau existing before the commencement of this Act shall by virtue of this Act and without further assurance, be vested in the Bureau established by this Act.

(6) Any person who immediately before the coming into force of this Act is the holder of any office in the Bureau existing before the commencement of this Act shall, on the commencement of this Act, continue in office and be deemed to have been appointed to his office by the Bureau established by this Act unless the authority by which the person was appointed terminates the appointment.

33. Interpretation

In this Act, unless the context otherwise provides-

"Bureau" means the Bureau of Public Enterprises established by section 11 of this Act;

"Council" means the National Council on Privatisation established under section 8 of this Act;

"Nigerians" for the purpose of this Act means citizens of Nigeria and companies incorporated in Nigeria whose shares are wholly owned by citizens of Nigeria;

"Panel" means the Public Enterprises Arbitration Panel established by section 26 of this Act;

"public enterprise" means any corporation, board, company or parastatal established by or under any enactment in which the Government of the Federation, a Ministry, or

Extra-Ministerial Department, or agency has ownership, or equity interest and includes a partnership, joint venture or any other form of business arrangement or organisation;

"**strategic investor**" means a reputable core investor or group of investors having the requisite technical expertise, the managerial experience and the financial capacity to effectively contribute to the management of the enterprises to be privatised.

34. Short title

This Act may be cited as the Public Enterprises (Privatisation and Commercialisation) Act.

SCHEDULES

FIRST SCHEDULE [Section 1 (1).]

PART I [Amended by S.I. 4 of 2001.]

Enterprises in which equity held shall be partially privatised

| <i>Enterprises</i> | <i>Maximum strategic investor participation as percentage after</i> | <i>Maximum Federal Government parastatals as percentage after</i> | <i>Nigerian Individuals participation as percentage after</i> |
|---|---|---|---|
| TELECOMMUNICATIONS SECTOR | | | |
| 1. Nigerian Telecommunications PLC | | | |
| 2. Nigeria Mobile Telecommunications Ltd. | 40% | 40% | 20% |
| | 40% | 40% | 40% |

| <i>Enterprises</i> | <i>Maximum strategic investor participation as percentage after privatisation</i> | <i>Maximum Federal Government parastatals as percentage after privatisation</i> | <i>Nigerian Individuals participation as percentage after privatisation</i> |
|--|---|---|---|
| ELECTRICITY SECTOR | | | |
| 1. National Electric Power Authority | 40% | 40% | 20% |
| PETROLEUM/OIL SECTOR | | | |
| 1. Port Harcourt Refinery | (i) 40% | 40% | 20% |
| Port Harcourt Refinery | (ii) 40% | 40% | 20% |
| 2. Kaduna Refinery and Petro-Chemicals | | | |
| 3. Warri Refinery and Petro-Chemicals | 40% | 40% | 20% |
| 4. Eleme Petrochemicals Company Lid | 40% | 40% | 20% |
| 5. Pipelines Product and Marketing Company Ltd | 40% | 40% | 20% |
| 6. Nigerian Petroleum Development Company Lid | 40% | 40% | 20% |
| FERTILIZER COMPANIES | | | |
| 1. Federal Superphosphate Fertilizer Company Limited | 40% | 40% | 20% |
| 2. National Fertilizer Company Nigeria Limited | 40% | 40% | 20% |
| MACHINE TOOLS | | | |
| I. Nigerian Machine Tools Company Limited | 40% | 40% | 20% |
| GAS | | | |
| 1. Nigeria Gas Company Limited | 40% | 40% | 20% |
| STEEL AND ALUMINIUM SECTOR | | | |
| 1. Jos Steel Rolling Mill Limited | 40% | 40% | 20% |
| 2. Katsina Steel Rolling Mill Company Limited | 40% | 40% | 20% |
| 3. Oshogbo Steel Rolling Company Limited | 40% | 40% | 20% |
| 4. Ajaokuta Steel Company Limited | 40% | 40% | 20% |
| 5. Delta Steel Company Limited | 40% | 40% | 20% |
| 6. Aluminium Smelter Company Limited | 40% | 40% | 20% |
| MINING AND SOLID MINERALS SECTOR | | | |
| 1. Nigerian Coal Corporation and subsidiaries | 40% | 40% | 20% |
| 2. Nigerian Mining Corporation and subsidiaries | 40% | 40% | 20% |
| 3. Nigerian Uranium Company Limited | 40% | 40% | 20% |

FIRST SCHEDULE-(continued)

| <i>Enterprises</i> | <i>Maximum strategic investor participation as percentage after privatisation</i> | <i>Maximum Federal Government parastatals as percentage after privatisation</i> | <i>Nigerian Individuals participation as percentage after privatisation</i> |
|--|---|---|---|
| 4. Nigerian Iron-ore Mining Company Limited | 40% | 20% | 20% |
| MEDIA COMPANIES | | | |
| 1. Daily Times of Nigeria PLC and subsidiaries | 40% | 40% | 20% |
| 2. New Nigerian Newspapers Limited | 40% | 40% | 20% |
| INSURANCE COMPANIES | | | |
| 1. NICON Insurance Company PLC | 40% | 40% | 20% |
| 2. Nigerian Reinsurance PLC | 40% | 40% | 20% |
| TRANSPORT AND AVIATION COMPANIES | | | |
| 1. Federal Airports Authority of Nigeria | 40% | 40% | 20% |
| 2. Nigerdock Limited | 40% | 40% | 20% |
| 3. Nigeria Airways Limited | 40% | 40% | 20% |
| PAPER COMPANIES | | | |
| 1. Nigerian National Paper Manufacturing Company Limited, Iwopin | 40% | 40% | 20% |
| 2. Nigerian Newsprint Manufacturing Company Limited, Oku Ibokun | 40% | 40% | 20% |
| 3. Nigeria Paper Mills | 40% | 40% | 20% |
| SUGAR COMPANIES | | | |
| 1. Sunti Sugar Companies Limited | 40% | 40% | 20% |
| 2. Lafiaji Sugar Company | 40% | 40% | 20% |
| 3. Nigeria Sugar Company, Bacita | 40% | 40% | 20% |
| MISCELLANEOUS | | | |
| 1. Nigeria Postal Service | 40% | 40% | 20% |
| 2. Nigeria Railway Corporation | 40% | 40% | 20% |
| 3. Nigerian Industrial Development Bank | 40% | 40% | 20% |
| 4. Nigerian Agricultural and Co-operative Bank | 40% | 40% | 20% |
| 5. Nigerian Bank for Commerce and Industries Limited | 40% | 40% | 20% |
| 6. Nigerian Aviation Handling Company Limited | 40% | 10% | 10% |

| <i>Enterprises</i> | <i>Maximum strategic investor participation as percentage after privatisation</i> | <i>Maximum Federal Government parastatals as percentage after privatisation</i> | <i>Nigerian individuals participation as percentage after privatisation</i> |
|--|---|---|---|
| 7. Nigeria Unity Line | 40% | 40% | 20% |
| 8. National Inland Waterways Authority | 40% | 40% | 20% |
| 9. Carlson/Bermuda Limited | 40% | 40% | 20% |
| 10. Hyson (Nig) Limited | 40% | 40% | 20% |
| 11. Abuja Environmental Protection Board | 40% | 40% | 20% |
| 12. Abuja Water Board | 40% | 40% | 20% |
| 13. National Emergency Reconstruction Fund | 40% | 40% | 20% |
| 14. Nigeria Ports Authority | 40% | 40% | 20% |
| 15. Electricity Meter Co. Limited (EM COL) | 40% | 10% | 10% |
| 16. International Trade Fair-Complex, Lagos | 60% | 20% | 20% |
| 17. Nigerdock Limited | 60% | 20% | 20% |
| 18. Kaduna Refinery and Petrochemicals Company Limited | 40% | 40% | 20% |

FIRST SCHEDULE
[Section 1 (2).]

PART II
[Amended by S.I. 4 of 200 I and S.I. 24 of 2001.]

Enterprises in which equity held shall be fully privatised

| <i>Infrastructure Utility Companies</i> | <i>Federal</i> | <i>Post Privatisation Federal</i> |
|--|-------------------|-----------------------------------|
| I. Unipetrol PLC | <i>Government</i> | <i>Government</i> |
| 2. National Oil and Chemical Company Limited | <i>Ownership</i> | <i>Ownership</i> |
| 3. African Petroleum PLC | 40% | Nil |
| CEMENT COMPANIES | 40% | Nil |
| I. Ashaka Cement Company PLC | 40% | Nil |
| | 30% | Nil |

FIRST SCHEDULE-
(continued)

| <i>Infrastructure Utility Companies</i> | <i>Federal Government Ownership</i> | <i>Post Privatisa- tion Federal Government Ownership</i> |
|---|--|---|
| 2. Benue Cement Company PLC | 30% | Nil |
| 3. Northern Nigeria Cement Company PLC | 30% | Nil |
| 4. Nigeria Cement Company Limited, Nkalagu | 10% | Nil |
| 5. Calabar Cement Company Limited | 40% | Nil |
| 6. West African Portland Cement PLC | 27% | Nil |
| COMMERCIAL AND MERCHANT BANKS | | |
| 1. Afribank Nigeria PLC | | Nil |
| 2. Assurance Bank PLC | | Nil |
| 3. FSB International Bank PLC (Shares owned by Parastatals) | | Nil |
| 4. International Merchant Bank PLC | | Nil |
| 5. NAL Merchant Bank PLC | | Nil |
| AGRO-ALLIED | | |
| 1. Ayip-Eku Oil Palm Company PLC | | Nil |
| 2. Opobo Boat Yard | 25% | Nil |
| 3. Nigerian Romania Wood Industries Limited | 25% | Nil |
| MOTOR VEHICLES AND TRUCK ASSEMBLY COMPANIES | | |
| 1. Anambra Motor Manufacturing Company Limited | 35% | Nil |
| 2. Leyland Nigeria Limited | 35% | Nil |
| 3. Nigeria Truck Manufacturing Company | 35% | Nil |
| 4. Peugeot Automobile of Nigeria Limited | 35% | Nil |
| 5. Volkswagen of Nigeria Limited | 35% | Nil |
| 6. Steyr Nigeria Limited | 35% | Nil |
| HOTELS | | |
| 1. Nigeria Hotels Limited | 35% | Nil |
| 2. Festac 77 PLC | 47% | Nil |
| MISCELLANEOUS | | |
| 1. Savannah Sugar Company, Numan | 100% | Nil |
| 2. Central Packages Company, Ilupeju, Lagos | 100% | Nil |
| 3. Chemical Company of Senegal, Dakar | 100% | Nil |
| 4. | 40% | Nil |
| | 10% | Nil |

FIRST SCHEDULE-(continued)

| <i>Infrastructure Utility Companies</i> | | <i>Federal</i> | <i>Post Privatisa-</i> |
|---|---|-------------------|------------------------|
| | | <i>Government</i> | <i>tion Federal</i> |
| | | <i>Ownership</i> | <i>Government</i> |
| | | | <i>Ownership</i> |
| 5. | Ahmadu Bello Stadium, Kaduna | 100% | Nil |
| 6. | Liberty Stadium, Ibadan | 100% | Nil |
| 7. | Nnamdi Azikiwe Stadium, Enugu | 100% | Nil |
| 8. | National Arts Theatre, Iganmu | 100% | Nil |
| 9. | NICON - Hilton Hotel | 100% | Nil |
| 10. | Abuja International Hotel | 100% | Nil |
| 11. | Sheraton Hotel, Abuja | 100% | Nil |
| 12. | Dresser Nigeria Limited | 36% | Nil |
| 13. | Solus Scholl Nigeria Limited | 36% | Nil |
| 14. | A.C.M. Nigeria Limited | 36% | Nil |
| 15. | Baker Nigeria Limited | 36% | Nil |
| 16. | Sedco Forex Nigeria Limited | 36% | Nil |
| 17. | Schlumberger Testing and Product Services Nigeria Limited | 36% | Nil |
| 18. | Schlumberger Wire Line Company | 36% | Nil |
| 19. | Dowell Schlumberger Nigeria Limited | 36% | Nil |
| 20. | Key Dril Nigeria Limited | 36% | Nil |
| 21. | Baroid Nigeria Limited | 36% | Nil |
| 22. | D.C.P. Limited | 36% | Nil |
| 23. | Save Sugar Company, Benin Republic | 46% | Nil |
| 24. | Onigbolo Cement, Benin Republic | 43% | Nil |
| 25. | Ihechiowa Oil Palm Limited | 60% | Nil |
| 26. | Ore-Irele Oil Palm Limited | 60% | Nil |
| 27. | Durbar Hotel, Kaduna | 100% | Nil |
| 28. | West African Refinery Company Limited | 40% | Nil |
| 29. | Nigerian Security Printing and Minting Company Limited | 75% | Nil |
| 30. | International Conference Centre, Abuja | 100% | 100% * |
| 31. | Abuja Stock Exchange PLC. | 100% | Nil |
| 32. | Stallion Properties Development Company Limited | 51% | Nil |
| 33. | National Assembly Building, Lagos | 100% | 100% * |
| 34. | International Trade Fair Complex, Lagos | 100% | 100% * |
| 35. | National Clearing and Forwarding Company Limited | 100% | Nil |

* Privatisation by concession shall not entail a divestiture of shares.

SECOND SCHEDULE

[Section 6 (1).]

PART I

[Amended by S.1. 24 of 2001.]

Partial commercialisation

1. Nigerian Railway Corporation.
2. Cross River Basin Development Authority.
3. Hadejia-Jama'are River Basin Development Authority.
4. Lower Benue River Basin Development Authority.
5. Niger River Basin Development Authority.
6. Ogun-Osun River Basin Development Authority.
7. Upper Benue River Basin Development Authority.
8. Sokoto-Rima River Basin Development Authority.
9. Anambra-Imo River Basin Development Authority.
10. Benin Owena River Basin Development Authority.
11. Chad River Basin Development Authority.
12. Kainji Lake National Park.
13. Federal Radio Corporation of Nigeria.
14. Nigerian Television Authority.
15. News Agency of Nigeria.
16. Nigerian Film Corporation.
17. Nigerian Postal Services (NIPOST).
18. Old Oyo National Park.
19. Gashaka Gumi National Park.
20. Chad Basin National Park.
21. Yankari National Park.
22. Cross River National Park.
23. Niger Delta Basin Authority.
24. Niger Delta Development Authority.
25. Federal Medical Centre, Gombe.
26. National Hospital, Abuja.

PART II

[Section 6 (2).]

Full commercialisation

- I. Nigerian National Petroleum Corporation.
2. Tafawa Balewa Square Management Committee.

SECOND SCHEDULE-continued

3. Nigerian Ports Authority.
4. Federal Mortgage Bank of Nigeria.
5. Nigerian Industrial Development Bank Limited.
6. Nigerian Bank for Commerce and Industry Limited.
7. Federal Mortgage Finance Co. Limited.
8. Federal Housing Authority.
9. Nigerian Social Insurance Trust Fund.

THIRD SCHEDULE

[Section 9 (4).]

SUPPLEMENTARY PROVISIONS RELATING TO THE COUNCIL

Proceedings of the Council

1. (1) Subject to this Act and section 27 of the Interpretation Act, the Council may make standing orders regulating its proceedings or those of any of its committees.

[Cap. 123.]

(2) The quorum of the Council shall be five members and the quorum of any committee of the Council shall be determined by the Council.

2. (1) The Council shall meet not less than four times in each year and subject thereto, the Council shall meet whenever it is summoned by the chairman; and if the chairman is required to do so by notice given to him by not less than three other members, he shall summon a meeting of the Council to be held within fourteen days from the date on which the notice is given.

(2) At any meeting of the Council, the chairman shall preside but if he is absent, the vice-chairman shall preside at that meeting.

(3) If the vice-chairman is absent, the members present at the meeting shall appoint one of their number to preside at that meeting.

(4) Where the Council desires to obtain the advice of any person on a particular matter, the Council may co-opt him to the Council for such period as it thinks fit; but a person who is in attendance by virtue of this sub-paragraph shall not be entitled to vote at any meeting of the Council and shall not count towards a quorum.

Committees

3. (1) The Council may appoint one or more committees to carry out, on behalf of the Council, such of its functions as the Council may determine.

(2) A committee appointed under this paragraph shall consist of such number of persons (not necessarily members of the Council) as may be determined by the Council; and a person other than a member of the Council shall hold office on the committee in accordance with the terms of his appointment.

(3) A decision of a committee of the Council shall be of no effect until it is confirmed by the Council.

THIRD SCHEDULE-continued

Miscellaneous

4. (1) The fixing of the seal of the Bureau shall be authenticated by the signature of the chairman, the Director-General or of any other person authorised generally or specially to act for that purpose by the Council.

(2) Any contract or instrument which, if made or executed by a person not being a body corporate, would not be required to be under seal may be made or executed on behalf of the Bureau by the chairman, Director-General or any person generally or specially authorised to act for that purpose by the Council.

(3) Any document purporting to be a document duly executed under the seal of the Bureau shall be received in evidence and shall, unless and until the contrary is proved, be presumed to be so executed.

5. The validity of any proceeding of the Council or of a committee thereof shall not be adversely affected by any vacancy in the membership of the Council or committee, or by any defect in the appointment of a member of the Council or of a committee, or by reason that a person not entitled to do so took part in the proceedings of the Council or committee.

SUBSIDIARY LEGISLATION

List of Subsidiary Legislation

1. Public Enterprises (Privatisation and Commercialisation) Order, 2004.
-

**PUBLIC ENTERPRISES (PRIVATISATION AND
COMMERCIALISATION) ORDER, 2004**

ARRANGEMENT OF SECTIONS

SECTION

1. Percentage or shares in enterprises to be privatised for core investors.
2. Percentage or shares in enterprises to be privatised for staff.
3. Citation.

Public Enterprises (Privatisation and Commercialisation) Act

PUBLIC ENTERPRISES (PR IVATISA TION AND
COMMERCIALISATION) ORDER, 2004
[S.1. 17 of2004.]

[2nd September, 1999]

[Commencement.]

1. Percentage of shares in enterprises to be privatised for core investors

From the commencement of this Order, 51 percent of Government shares in Enterprises to be privatised may be offered to Core Investors.

2. Percentage of shares in enterprises to be privatised for staff

The Staff of the Public Enterprises to be privatised may have up to 10 percent of the shares to be offered for sale to the Public reserved for them.

3. Citation

This Order may be cited as Public Enterprises (Privatisation and Commercialisation) Order, 2004.