

CHAPTER 15 - BAISSA TIMBER DEVELOPMENT CORPORATION

A LAW TO PROVIDE FOR A CORPORATION TO MANAGE SAW MILLS AT BAISSA

[26 January

1978]

PART I—PRELIMINARY

1.—(1) This Law may be cited as the "Baissa Timber Development Corporation" Law.

(2) This Law shall apply to the present sawmill complex located at the Baissa Forest Reserve in the Sardauna Local Government Area.

(3) In this Law, unless the context otherwise requires:-

"appointed day" means that date on which this Law shall come into operation;

"The Corporation" means the Baissa Timber Development Corporation established under section 3 of this Law;

"The Board" means the Board of Directors of the Corporation;

"The Chairman" means the Chairman appointed under subsection (1) of section 4; of this Law;

"The Commissioner" means the Commissioner responsible for Natural Resources;

"The General Manager" means the General Manager of the Baissa Timber Development Corporation;

"Financial" means the twelve months ending on the 31st day of March in any year;

"Governor" means the Governor of the State;

"Forest Reserve" means any area constituted a forest reserve under the Forestry Law;

"Government" means the Gongola State Government;

"Member" means member of the Corporation and includes the Chairman;

"The State" means the Gongola State of Nigeria;

The interpretation under section 2 of the Forestry Law shall have effect under this Law.

PART II—ESTABLISHMENT, CONSTITUTION AND PROCEDURE

2. As from the appointed day there shall be established a body called the Baissa Timber Development Corporation which shall be a body corporate with perpetual succession and a common seal and which shall have power to sue and be sued in its corporate name.

3. The Corporation shall have a Board of Directors the membership of which shall consist of a Chairman and six other members including the Chief Conservator of Forests and one representative each of the Ministries of Finance and Economic Development and Trade, Industry and Co-operatives.

4.—(1) There shall be paid out of the funds of the Corporation to each member, not being an officer in the public Service of the State, such remuneration whether by way of salary, fees or allowances as the Governor may determine.

(2) A member shall not be personally liable for any act or any default on his part so long as such act, or default is in the course of the operations of the Corporation and done in good faith.

5. The Governor may revoke the appointment of a member if he is satisfied that such a member:-

(a) has been absent from three consecutive meetings of the Corporation without the permission of the Commissioner in the case of any other member;

- (b) has become bankrupt or made arrangement with his creditors;
- (c) has been convicted of an offence involving or necessarily implying fraud or dishonesty or has undergone a sentence of imprisonment;
- (d) is incapacitated by physical or mental illness from performing his functions as a member;
- (e) has such financial or other interest in the operations of the Corporation or otherwise as in the opinion of the Governor is likely to effect prejudicially the discharge by him of his functions as a member; or
- (f) is otherwise unable or unfit to discharge the functions of a member.

6. The Governor may at any time remove any member from office for any reasonable cause and in the public interest.

7. Notwithstanding anything contained in the instrument by which a member is appointed, a member may resign his appointment by notice in writing to the Governor and upon receipt of such notice by the Governor the appointment of such member shall be determined.

8. No act or proceeding of the Corporation shall be rendered invalid by reason of any vacancy among its members or by reason of any defect in the appointment of any member.

9. Where any member of the Corporation is temporarily incapacitated by illness from performing the functions of his office or is temporarily absent from Nigeria, the Governor may appoint any person to hold temporarily the office held by such incapacitated or absent member during the period of such incapacity or absence and all the functions of such member under this Law shall devolve upon the person so temporarily appointed.

10. Where upon any special occasion the Corporation desires to obtain the advice of any person on any particular matter the Corporation may co-opt such person to be a member for such meeting or meetings as may be required and such person so co-opted shall have all the rights and privileges of a member save that he shall not be entitled to vote on any question.

11.—(1) The Corporation shall hold such and as many meetings as may be necessary for the fulfilment of its functions so, however, that it shall hold at least two meetings in every year.

(2) At a meeting of the Corporation:-

- (a) the Chairman of the Corporation shall, if present, be Chairman of the meeting;
- (b) if and so long as the Chairman of the Corporation is not present or if the office of Chairman is vacant the members of the Corporation who are present shall choose one of their number to be chairman of the meeting.

(3) Every question at a meeting of the Corporation shall be determined by a majority of the votes of the members present and voting on the question, and in the case of any equal division of votes, the Chairman of the meeting shall have a second or casting vote.

(4) Any three members of the Corporation may by notice in writing signed by them request the Chairman to call a special meeting of the Corporation for the purposes set out in such notice and the Chairman shall thereupon call a special meeting.

12. At any meeting of the Corporation the Chairman and any three members of the Corporation shall constitute a quorum.

13.—(1) The Corporation shall have a common seal.

(2) The common seal of the Corporation shall be authenticated by the signature of the Chairman of the Corporation or some other member thereof authorised by the Corporation to act in that behalf and the signature of the Secretary of the Corporation.

14. Subject to the provisions of this Law, the Corporation may make standing orders for the purposes of regulating its own proceedings.

PART III—FUNCTIONS OF THE CORPORATION

15. It shall be the duty of the Corporation subject to the provisions of this Law:-

(a) to control and manage the Sawmill complex and any additions thereto vested or to be vested, in the Corporation under the provisions of this Edict;

(b) to establish, control, manage, extend and develop such new sawmills and to extend and develop the existing one as the Corporation may consider necessary for exploiting any timber licence or concession obtained and approved by the Government under any working plan authorised for the area;

(c) to pay, such fees and royalties as laid down in any licence or concession to the forest owners and to deposit such sums with a Government Treasury as security as the Chief Conservator of the Forest may decide.

16.—(1) Subject to the provisions of this Law the Corporation shall, for the purpose of carrying out its functions under this Law, have power to carry on all activities which are necessary, advantageous or convenient.

(2) Without prejudice to the generality of the provisions of subsection (1) of this section, the powers of the Corporation shall include powers:-

(a) to enter into such contracts as may be necessary, or expedient for the performance of its functions under this Law;

(b) to acquire, purchase, lease, mortgage, hold, construct, manufacture or maintain any property whatsoever whether movable or immovable required for or in connection with the performance of its functions and to sell, dispose of or otherwise deal with such property or any part thereof;

(c) To enter into any agreement with any person for the supply, survey, construction, manufacture, maintenance or repair, by that person, of any property whether movable or immovable which is necessary or appropriate for the purposes of the Corporation;

(d) to do anything for the purpose of advancing the skill of persons employed by the Corporation or the efficiency of the equipment of the Corporation or the manner in which the equipment is operated, including the provision of the facilities for training, education and research;

(e) to accept or acquire and hold any security of any kind in any form whatsoever;

(f) to surrender, re-transfer or reassign any security held by the Corporation whether upon exchange for another security or upon discharge;

(g) in relation to any security held by the Corporation to any security held by the Corporation to exercise any power, right or privilege in respect thereof which a private individual would be capable of exercising in like circumstances;

(h) to make, draw, accept or endorse negotiable instruments;

(i) to invest money standing to its credit and not for the time being required for its purpose under this Law, in stocks, shares, debentures or other securities and approved by the Commissioner, and with the approval of the Governor to sell such stocks, shares, debenture or other securities;

(j) to acquire, purchase, lease, mortgage, hold any land required for, or in connection with the performance of its functions and to sell, dispose of or otherwise deal with such land or any part thereof;

(k) to insure its property against all forms of risks; with the approval of the Government to write off bad debts.

17.—(1) The Governor may, after consultation with the Corporation, give to the Corporation such general direction as to the discharge by the Corporation of its functions under this Law as appear to the Governor to be necessary to ensure conformity by the Corporation with the policy of the Government for the time being and the Corporation shall give effect to any such direction.

(2) The Governor may, after consultation with the Corporation give to the Corporation specific

directions for the purpose of remedying any defect which may be disclosed in the arrangements of the Corporation for the discharge of its functions under this Law and the Corporation shall give effect to any such directions.

(3) The power conferred by subsection (2) on the Governor shall include power to give directions prohibiting or limiting any expenditure proposed to be incurred by the Corporation which appear to the Governor to be excessive or unnecessary.

(4) The Corporation shall afford to the Commissioner facilities for obtaining information relating to the assets and liabilities and functions of the Corporation and shall furnish him with returns, accounts, minutes of meetings and other information relating thereto; and shall afford to him facilities for the verification of information furnished, in such manner and at such time as he may require.

PART IV—FINANCIAL PROVISIONS, ASSETS AND LIABILITIES

18. —(1) All parts of the Baissa Sawmill which are used or have been constructed by or on behalf of the Government and are the property thereof immediately before the appointed day shall as from the appointed day vest in the Corporation by virtue of this Law and without further assurance, and such vesting shall extend to the whole of the sawmill including all works and other property, assets, powers, rights and privileges appertaining thereto or held or enjoyed in connection therewith.

(2) All liabilities and obligations of the Government in respect of any transferred assets falling due to be discharged on or after the appointed day shall as from that date become liabilities and obligations of the Corporation.

(3) Every deed, bond, agreement, instrument and working arrangements to which the Government was a party for the construction or otherwise in respect of the Baissa Sawmill shall subject to the provision of this section and, unless the circumstances otherwise require, have effect as from the appointed day as if:-

(a) the Corporation had been a party thereto;

(b) for any reference to the Government therein there were substituted in respect of anything falling to be done on or after the appointed day a reference to the Corporation.

19. —(1) The funds and resources of the Corporation shall include:-

(a) all sums, investments or other property whatsoever vested in the Corporation by the provision of section 18 of this Law;

(b) such sums or other property as may be advanced by way of loan or grant to the Corporation by the Government;

(c) any investments of other property acquired by, or vested in, the Corporation;

(d) such sums or other property whatsoever as may be advanced by way of loan or grant to the Corporation by any local government or statutory corporation in the State;

(e) money earned or arising from any investments or other property whatsoever acquired by or vested in the Corporation;

(f) all sums or other property which may in any manner become payable to or vested in the Corporation in respect of its powers and duties or of any matter incidental thereto under this Law or by virtue of the provision of any other Law.

(2) The following charges shall be defrayed out of the revenue of the Corporation for any financial year:-

(a) the salaries, fees, allowances of the members;

(b) the salaries, remuneration, fees, allowances, pensions, gratuities and other retirement benefits of the officers, servants, other employees and agents, technical or other advisers of, or

consultants to, the Corporation;

(c) all management and operational expenses of the Corporation including proper provision for depreciation or renewal of assets;

(d) such minor works of a capital nature as the Corporation may deem necessary;

(e) such sums including compensation which may be payable by the Corporation to any person or authority under the provision of this Law or any other Law;

(f) taxes, rates and other levies payable by the Corporation under any Law;

(g) interest on any loan raised by the Corporation;

(h) sums required to be transferred to any sinking fund or otherwise set aside for the purposes of making provisions for the redemption of debentures, stock, or other securities or the repayment of other loans;

(i) such other sums as the Board may approve for payment out of the revenue amount of the Corporation in respect of any financial year;

(j) such other sums as the Board may approve for payment out of the revenue account of the Corporation in respect of any financial year.

(3) The balance of the revenue of the Corporation for any financial year shall be applied:-

(a) to the creation of a general reserve or such other reserves as the Board may approve both in regard to their maximum amounts and in other respect;

(b) to the payments of such interest or part thereof on the advance account referred to in subsection (3) of section 20 as, in the opinion of the Corporation and with the approval of the Governor is warranted by the state of the Corporation's affairs.

20. —(1) It shall be lawful for the Government to give to the Corporation:-

(a) grants of any sums or property as the Government may deem fit;

(b) loan upon such terms as the repayment of interest or otherwise as the Government may determine.

(2) The Governor may, if he deems it expedient waive in favour of the Corporation any right of liability to the Government in respect of any property vested in the Corporation by or under the provisions of section 18.

(3) So soon as may be after the appointed day, the Corporation shall in respect of any moneys other than grants advanced by the Government to provide working capital for the Corporation create an advance account in favour of the Government of an amount equal to the total sum of moneys so advanced.

(4) The advance account referred to in subsection (3) shall be subject to such conditions as to interest and repayment as the Governor may determine.

21. —(1) Subject to the provisions of this section the Corporation may, by issuing debentures, stocks or other securities, or in any other manner, borrow sums required by it for meeting any of its obligations or discharging any of its functions under this Law.

(2) The power of the Corporation to borrow shall be exercisable only with the approval of the Governor as to the amount of the loan, the sources of the borrowing and the approval given for the purposes of this subsection may be either general or limited to a particular borrowing.

(3) Approval of the Governor for the purposes of this subsection may be subject to such conditions, other than conditions that may be imposed under subsection (2) of this section.

(4) A person lending money to the Corporation shall not be bound to enquire whether the borrowing of the money is within the power of the Corporation.

22. If the Government gives any loan to the Corporation at any time in accordance with the provision of this Law, the Corporation shall, if so required by the Governor, issue to the

Government a debenture or debentures of a nominal value equivalent to the sum loaned.

PART V—ADMINISTRATIVE ORGANISATION

23.—(1) The Chief Executive of the Corporation shall be its General Manager who shall have ultimate responsibility for the carrying out of policies and decisions of the Corporation in accordance with the provisions of this Law.

(2) In the discharge of these functions, the General Manager shall be assisted by the Production Manager of the Corporation who shall be responsible to the General Manager for the maintenance and general supervision of all the machinery and plant of the Corporation subject to the ultimate administrative direction and control of the General Manager.

(3) There shall be a Secretary to the Corporation who shall, subject to the provisions of this Law, have such functions of an administrative nature as the Corporation may assign to him.

(4) Power to appoint and exercise disciplinary control over the General Manager, the Production Manager and the Secretary, and to determine their terms and conditions of service as to remuneration or otherwise, shall be vested in the Governor, and shall also be subject to the provisions of any regulations or rules that may be made under sections 26 and 27 of this Law.

24. —(1) Subject to the provisions of this section, the Corporation shall have power to appoint and exercise disciplinary control over such other officers, servants and agents as it may think necessary for the discharge of its functions under this Law and to determine their terms and conditions of service as to remuneration or otherwise.

(2) The exercise of the powers vested in the Corporation by subsection (1) shall be subject to the provisions of any regulations or rules that may be made under section 26 and 27 of this Law.

(3) There shall be an Establishment Committee which shall comprise the General Manager, Production Manager and Secretary and shall be charged with the responsibility of making recommendations to the Corporation in respect of the appointment, promotions and disciplinary control of all officers of the Corporation earning a salary of Grade Level 07 and above, not being such officers comprising the Committee.

(4) The General Manager shall be the Chairman of the Establishment Committee and shall have power to make known to the Corporation his views in any case where he disagrees with the views of the other members of the Committee.

(5) The General Manager shall have power to appoint, promote and exercise disciplinary control in respect of established and unestablished employees of the Corporation on a salary of Grade Level 01-06 and shall be assisted in exercising these powers by a Committee comprising such officers of the Corporation as the Corporation may direct:

Provided that the General Manager may delegate his powers of appointment, promotion and disciplinary control in respect of established and unestablished employees on Grade Level 06 and below to such divisional or sectional heads or field or other officers of the Corporation as he may consider fit.

25. The Corporation may employ on secondment such officers of the public service of the State or the service of any other State or Local Government as may, with the agreement of such officers, be seconded to the service of the Corporation in accordance with the procedure applicable to the secondment of such officers.

26. The Corporation may with the approval of the Governor, and subject to the provisions of this Law make regulations with respect to the appointment, promotion, transfer and dismissal of, and exercise of disciplinary control over its employees and without prejudice to the generality of the foregoing provisions, make regulations for any of the following matters:-

- (a) the qualifications to be required for appointment;
 - (b) the method of appointment (including probation and confirmation);
 - (c) the form of any agreement to be entered into between the Corporation and its employees;
 - (d) the terms and conditions of service (including, without prejudice to the generality of the expression, the salaries and allowances, the grant of advances, the provision of quarters, leave, and medical and dental treatment);
 - (e) the procedure and requirements for promotion;
 - (f) the maintenance of discipline (including dismissal and the termination of appointment);
 - (g) the transfer of employees between the Corporation and the Government of the State, any other State, township authority or local government, or any statutory corporation;
 - (h) such other matters relating to departmental procedures and duties and responsibilities of employees as the Corporation considers can be best provided for by regulations.
27. The Corporation may, with the approval of the Governor make rules, with respect to its employees for:-

- (a) the pension, gratuities and retirement allowance to be granted to pensionable employees of the Corporation and their dependants;
- (b) the gratuities and retirement allowances to be granted to non-pensionable employees of the Corporation and their dependants;
- (c) all matters ancillary to the matters mentioned in paragraphs (a) and (b) of this section.

PART VI—POWERS AND PROCEDURES OF FIXING PRICES

- 28.—(1) The scale of charges for timber, timber products and timber conversion wastes shall be such as the Corporation may from time to time determine.
- (2) The scale of charges for minor forest produce contained within the concession area and any collection and sale approved under the exploitation licence shall be such as the Corporation may from time to time determine.

PART VII—ACCOUNTS AND AUDIT REPORTS

- 29.—(1) The Corporation shall:-
- (a) cause to be kept proper accounts in respect of its functions estimates, under this Law and other records in relation thereto; and
 - (b) prepare, in respect of each financial year, a statement of accounts in such form as may be approved by the Commissioner.
- (2) The annual statement of accounts shall be a fair and accurate statement of the financial position and of the results of the operation, of the Corporation for the financial year to which it relates.
- (3) The annual statement of accounts shall be audited by an auditor or auditors to be appointed annually by the Commissioner after consultation with the Director of Audit of the State, and the remuneration to be paid by the Corporation to the auditor or auditors so appointed shall be approved by the Commissioner.
- (4) As soon as the annual statement of accounts has been audited the Corporation shall forward to the Commissioner a copy of the said statement of accounts together with a copy of the report made by the auditors.
- (5) Before the commencement of each financial year the Corporation shall prepare an estimate of its revenue and expenditure for that financial year and submit the same to the Commissioner for his approval, and the Commissioner shall have power to disallow or reduce the provision under any item in the estimate as he may consider necessary.

10— (1) The Corporation shall, within six months after the end of each financial year, make to the Commissioner a report in such form and containing such particulars as he may direct, dealing with the activities of the Corporation during that financial year.

(2) Every annual report made by the Corporation under subsection (1) shall contain particulars of all directions given under this Law by the Governor to the Corporation during each financial year.

PART VIII—MISCELLANEOUS AND GENERAL

31.—(1) Where, upon considering any audit report on the accounts or in any other case, relating to the functions of the Corporation under this Law, the Commissioner is satisfied that:-

(a) any sum due to the Corporation has not been duly brought to account by any person by who such sum ought to have been brought into account; or

(b) losses or shortages in moneys, or loss or destruction of any property of the Corporation has occurred by reason of the negligence, breach of official duty or other misconduct of any person, the Commissioner may surcharge the amount of such loss or deficiency, or of the value of the property lost or destroyed, upon that person whether he be a member of the Corporation, an officer or other employee or agent of the Corporation.

(2) Before exercising any of his powers under subsection (1) the Commissioner may by writing under his hand authorise a fit and proper person to conduct any inquiry for the purposes of this section and to take evidence and examine witnesses upon each or affirmation (which oath or affirmation that person is hereby empowered to administer) and that person may, by summons under his hand, required all such persons as he may deem fit to appear before him at a time and place to be stated in such summons and to produce all such books, records, accounts, and other documents and materials as he may consider necessary for the purposes of the inquiry.

(3) If the Commissioner decides to surcharge any amount upon any person under subsection (1) he shall cause a notice to be served upon him or on his legal representatives in the event of his death, requiring him or such representatives to pay the amount surcharged within such period from the date of the service of the notice as may be specified.

(4) Notwithstanding any of the provisions of subsection (3) no liability to surcharge shall be incurred by any officer, other employees or agent of the Corporation, who can prove to the satisfaction of the Commissioner that he acted in pursuance of, and in accordance with, the terms of a resolution of the Corporation or of any Committee duly appointed under this Law, or, on the written instructions of any officer, other employee or agent of the Corporation to whose orders, in relation to the matter in question, he was subject, provided that nothing in this subsection shall exempt any person from liability to surcharge in accordance with the provisions of this section where that person knew or ought reasonably to have known that the terms of any resolution or any written instructions were not in accordance with the provisions of this Law or any regulations or rules made or directions given under this Law.

32. Any amount notified as a surcharge in accordance with the provision of subsection (3) of section 31 shall be a debt due to the Corporation and may be sued for and recovered in any court of competent jurisdiction at the suit of the Commissioner.

33. Any person who is aggrieved by any decision of the Commissioner to surcharge any amount upon him may appeal to the High Court.

34. —(1) Whenever it appears to the Corporation that any land in the State is likely to be needed for the purposes of any timber development, the Corporation may, by its servants and agents together with all necessary workmen, enter upon any such land and:-

(a) survey and take levels of the land; and

(b) do all other acts necessary to ascertain whether the land is adapted for such purposes:

Provided that no such agent, servant or workmen shall enter any building or upon any enclosed court or garden attached to a dwelling house (except with the consent of the occupier thereof) unless at least seven days notice of the intended entry has been given to such occupier.

(2) As soon as convenient after any entry made under subsection (1) the Corporation shall pay compensation for all damage arising out of the exercise of any power conferred by that subsection.

(3) In the case of dispute as to the amount of any compensation payable under this section the case may in the first instance be referred to the Commissioner for determination so however that, if the dispute remains unsettled, it may be referred to a Court of competent jurisdiction for adjudication.

35.—(1) Any contract or instrument which, if entered into or executed by a person not being a body corporate would not require to be under seal, may be entered into or executed on behalf of the Corporation for that purpose.

(2) Any document purporting to be executed or issued under the seal of the Corporation or on behalf of the Corporation shall, unless the contrary is proved, be deemed to be a document so executed or issued, as the case may be.

36. Service upon the Corporation of any notice, order or other document may be effected by delivering the same to or by sending it by registered post addressed to the Secretary of the Corporation.