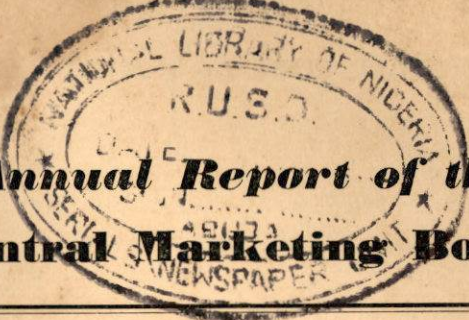


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# **Fourth Annual Report of the Nigeria Central Marketing Board**

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## **1. Introduction**

This Report is the Fourth Annual Report of the Nigeria Central Marketing Board and reviews the Board's operations during the period from 1st January 1958, to 30th September, 1958, on which date the Board was abolished.

During this period of nine months, the Board continued to organise the shipment and overseas sale of produce marketed for export by the Regional Marketing Boards. It thus handled all Nigerian exports of cocoa, ground-nuts, palm oil, palm kernels, cotton lint and seed, benniseed and soya beans. On 30th September, 1958, the Board was abolished under the Export of Nigerian Produce Ordinance 1958, in accordance with decisions reached at the *Ad Hoc* Meeting of the Nigeria Constitutional Conference held in Lagos in February, 1958. A copy of the Report of this *Ad Hoc* Meeting on the subject of the Future of the Central Marketing Board is given as Appendix II to this Report. Also given as Appendix III, is the text of the Export of Nigerian Produce Ordinance, 1958.

Under this legislation, the Board's responsibilities for arranging the shipment and overseas sale of produce marketed for export by the Regional Boards were transferred to a newly constituted Nigerian Company owned by the Regional Marketing Boards and named the Nigerian Produce Marketing Company Limited. The Board's former power to prescribe grades and standards of quality for produce purchased by the Regional Marketing Boards for export was vested in the Federal Minister of Commerce and Industry.

## **2. Arrangement of the Report**

The Report is divided into Sections under the following headings:—

- I. Membership, Meetings and Executive Arrangements.
- II. The Board's Overseas Selling Organisation.
- III. Selling Arrangements and Selling Operations to 30th September, 1958.
- IV. Evacuation, Port Storage and Shipments.
- V. The Board's Accounts for the period 1st January to 30th September, 1958.
- VI. Acknowledgments.
- VII. Appendices.

## I. MEMBERSHIP, MEETINGS AND EXECUTIVE ARRANGEMENTS

The membership of the Board at the opening of the period under review was as follows:—

Mr. A. H. Young, C.B.E. ... .. Chairman.

The Director of Marketing and Exports

Mr. S. L. Durosaro ... .. { Representing the Western  
Vacant ... .. { Region Marketing Board.

Alhaji M. Sanusi, M.H.A. ... .. {  
Sarkin Yaki, Zaria ... .. { Representing the Northern  
Mallam M. Sulaimanu, M.H.A. ... .. { Regional Marketing Board.  
Sarkin Kudu, Gusau ... .. }

Mr. L. P. Ojukwu, O.B.E. ... .. { Representing the Eastern  
Mr. J. C. Anyansi ... .. { Regional Marketing Board.

Mr. J. K. Dibonge ... .. { Representing the Southern  
Cameroons  
Marketing Board.

The vacancy in the Western Region Marketing Board representation resulted from the resignation of Mr. O. Allen-Taylor on 27th November, 1957. His place was later taken by Mr. J. A. Akinyemi who was appointed by the Federal Minister of Commerce and Industry on 13th February, 1958.

The terms of office of Alhaji Sanusi, M.H.A., and Mallam Sulaimanu, M.H.A., as members representing the Northern Regional Marketing Board, expired on 18th February, 1958 and 16th April, 1958, respectively and, because of their membership of the Northern House of Assembly, they were legally ineligible for re-appointment. In their places, the Federal Minister of Commerce and Industry, on the recommendation of the Government of the Northern Region, appointed Mr. R. E. Greswell, M.B.E. and Mr. J. Taylor as members of the Central Marketing Board with effect from the 1st May, 1958.

### 3. Meetings of the Board

During the period under review, the Board held four meetings in Lagos:—

|                           |                      |
|---------------------------|----------------------|
| Tenth Meeting ... ..      | 14th February, 1958. |
| Eleventh Meeting ... ..   | 29th July, 1958.     |
| Twelfth Meeting ... ..    | 8th September, 1958. |
| Thirteenth Meeting ... .. | 8th September, 1958. |

### 4. The Board's Executive Organisation

The Federal Department of Marketing and Exports continued to act as the executive organisation of the Board.

5. Board Representation at the Third Meeting of the F.A.O. Cocoa Study Group

The Cocoa Study Group of the United Nations Food and Agriculture Organisation held its Third Meeting in Hamburg from 16th to 23rd May 1958. Mr. A. H. Young, C.B.E., Sir Eric Tansley, C.M.G., Mr. S. L. Durosaro and Mr. J. K. Dibonge attended the meeting as representatives of the Board.

II. THE BOARD'S OVERSEAS SELLING ORGANISATION

The overseas selling organisation of the Nigeria Central Marketing Board was the Nigerian Produce Marketing Company Limited of 5, Buckingham Gate, London, S.W.1. This Company handled the export sales of all Marketing Board produce shipped from Nigeria, organising sales under the general policies laid down by the Board. The share capital of the Company was owned by the Regional Marketing Boards and held in trust for those Boards by the Central Marketing Board.

6. Directors of the Company

The Board of Directors of the Company during the period under review was as follows:—

**Chairman:**

Mr. A. H. Young, C.B.E. ... .. Chairman of the Nigeria Central Marketing Board.

**Directors:**

|                                                         |     |     |                                                                                                  |
|---------------------------------------------------------|-----|-----|--------------------------------------------------------------------------------------------------|
| Sir Eric Tansley, C.M.G. (to 31st August, 1958) .....   | ... | ... | } Joint Managing Directors,                                                                      |
| Mr. W. L. Bloomfield, A.C.A. ....                       | ... | ... |                                                                                                  |
| Mr. J. C. Anyansi ... ..                                | ... | ... | } Representatives of the Regional Marketing Boards being members of the Central Marketing Board. |
| Mr. L. P. Ojukwu, O.B.E. ... ..                         | ... | ... |                                                                                                  |
| Alhaji Muhammadu Sanusi (to 18th February, 1958) ... .. | ... | ... |                                                                                                  |
| Mallam Sulaimanu (to 16th April, 1958) ... ..           | ... | ... |                                                                                                  |
| Mr. R. E. Greswell, M.B.E. (from 1st May, 1958) ... ..  | ... | ... |                                                                                                  |
| Mr. J. Taylor (from 1st May, 1958) ... ..               | ... | ... |                                                                                                  |
| Mr. S. L. Durosaro ... ..                               | ... | ... |                                                                                                  |
| Mr. J. A. Akinyemi (from 13th February, 1958) ... ..    | ... | ... |                                                                                                  |
| Mr. J. K. Dibonge ... ..                                | ... | ... |                                                                                                  |

Alhaji Sanusi and Mallam Sulaimanu resigned their directorships as a matter of course when their appointments as members of the Central Marketing Board expired. For the remainder of the period under review, they served as advisers to the Northern Regional Marketing Board representatives who were appointed in their places.

## 7. Meetings of the Company

The following meetings of the Directors of the Company were held during the period 1st January to 30th September, 1958:—

|                      |     |     |     |                                |
|----------------------|-----|-----|-----|--------------------------------|
| Eighteenth Meeting   | ... | ... | ... | 14th February, 1958, in Lagos. |
| Nineteenth Meeting   | ... | ... | ... | 27th May, 1958, in London.     |
| Twentieth Meeting    | ... | ... | ... | 30th July, 1958, in Lagos.     |
| Twenty-first Meeting | ... | ... | ... | 8th September, 1958, in Lagos. |

The Tenth Annual General Meeting of the Company was held in London on 29th May, 1958.

## III. SELLING ARRANGEMENTS AND SELLING OPERATIONS TO 30th SEPTEMBER, 1958

### 8. (A) The Board's Selling Arrangements

In previous years, a substantial part of the Board's total shipments had been sold under the terms of bulk contracts with the major United Kingdom users of oils and oilseeds. The buyers did not wish these bulk selling arrangements to continue beyond 31st December, 1957 and so, after that date, all Nigerian produce exported by the Board was sold on the open world market. This did not seriously affect selling results because the buyers concerned in the former bulk contracts continued to buy roughly the same tonnages from the Board as previously.

The Board's general sales policy was directed by normal commercial considerations, and its selling organisation sought the most favourable markets for Nigerian produce in any part of the world. The United Kingdom, Western Europe, the United States and Canada are naturally the main markets but trade with Central and South America and the Far East is increasing and Venezuela and Japan in particular have become important buyers.

### 9. (B) Selling Operations from January to September, 1958

#### (a) COCOA

Following the drastic fall in the world value of cocoa in 1955, the market remained in a depressed condition for two years. Supplies persistently exceeded demand even though world consumption during the period increased considerably. Then, from mid-1957, there was another characteristic display of the instability of the market and, by February, 1958, the overseas selling price of Nigerian cocoa was approximately twice as high as it had been twelve months previously. The principal reason for this change was the uncommonly low level of production in West Africa in 1957/58 season. The Nigerian crop of 80,694 tons was the smallest for ten years and total world production was approximately 154,000 metric tons less than in the previous season.

Under these circumstances, competition for the limited supplies available caused the f.o.b. price of Nigerian cocoa to rise above £300 per ton in January, 1958, and to reach a peak value of £384 per ton in late May and early June. After this point, the prospect of much larger crops in 1958/59 season initiated a downward trend in prices and encouraged manufacturers to eke out their existing stocks until the new crop arrived. Throughout this period the reserved selling policy of the Brazilian authorities was a complicating factor in the market. Brazil was carrying large stocks and would only make sales above a stipulated minimum price which was usually higher than the prevailing world market price.

By the end of July, almost the whole of the 1957/58 Nigerian main crop had been sold at an average f.o.b. price of £290 9s. per ton. The trend of world prices was now definitely downward again and buyers were anticipating more plentiful supplies when the 1958/59 crop began to come on to the market. The world market price at the end of September was approximately £260 per ton f.o.b. At that date 19,525 tons had been sold of the 1958/59 Main Crop, at an average price of £305 15s. per ton f.o.b.

#### (b) GROUNDNUTS

After a period of attractive prices, the later months of 1957 saw a decisive fall in the world market value of groundnuts and in December, 1957, the average f.o.b. price was £58 5s. 2d. per ton. In the following month, the value slumped to £53 9s. 2d. per ton and there has been no recovery since that time. In May the average price was £51 0s. 4d. per ton which meant that Nigerian groundnuts were cheaper in overseas markets than at any other time since the world war. Even this was not the end of the downward trend and in September the average f.o.b. price of sales was £48 12s. 4d. per ton.

The most obvious cause of this very severe fall in prices was the great increase in world exports of raw groundnuts in 1958. In Nigeria alone, Marketing Board purchases in 1957/58 season were 714,802 tons or almost exactly double the previous season's total. French West Africa also produced a bumper crop and abnormal offers, and rumours of offers, of Senegal groundnuts from time to time depressed the world market value.

The record production of American soya beans and the resultant large stocks held by the United States Administration had an overall depressing effect on the soft oil market, which was further accentuated by supplies of Chinese soya beans and other liquid oils offered from origin in appreciable tonnages for the first time since the second World War.

By the end of September, 1958, the Board had sold a total of 563,890 tons of the 1957/58 season crop at an average f.o.b. price of £53 1s. 9d. per ton.

#### (c) PALM KERNELS

In marked contrast to groundnuts, palm kernels have enjoyed an unusually good market this year. The market for palm kernels is related to the market for copra because the two commodities are close substitutes and consequently special factors which have curtailed supplies of Far Eastern

copra since last year have given a valuable boost to the value of palm kernels exports. The Philippines and Indonesia provide the bulk of the world's exports of copra; a serious drought in the Philippines curtailed exports by more than 20 per cent. compared with previous years, and civil war in Indonesia reduced supplies from that country to negligible proportions, thereby causing a shortage in the combined copra and palm kernel supplies. These factors have so far outweighed the general influences that were depressing the markets for other oils and oilseeds that palm kernel prices have been better than at any other time within the Board's experience.

At the beginning of the year, the f.o.b. price was approximately £46 10s. per ton and, after falling a little lower in February and March, it began to rise again month by month until it reached £49 17s. 2d. per ton in September. At that time the average price of all palm kernels sales in 1958 was almost £46 per ton compared with an average price of £44 3s. 9d. per ton recorded for 1957.

#### (d) PALM OIL

Nigerian edible palm oil was sold at an average f.o.b. price of £78 6s. 8d. in the first two months of 1958 but demand was very limited. Subsequently, political troubles in Indonesia gave a fillip to demand for a time, but on the whole the trend of edible palm oil prices was downwards. This was a part of the general weakness in the oils and oilseeds market. In July the Board's selling prices became steady around £71 5s. and remained approximately at that level for the next two months.

The market for technical palm oil was also rather inactive in the first quarter of 1958. A period of firm prices followed and sales were made at f.o.b. prices around £69 per ton. After July, supplies of cheap English tallow caused a moderate fall in technical palm oil prices but values were still well maintained in relation to other vegetable oils. The summary of all palm oil sales made by the Board in 1958 up to the end of September is as follows:—

|                                                                          | <i>Total<br/>Tonnage</i> | <i>Average<br/>f.o.b. price<br/>per ton</i> |    |    |
|--------------------------------------------------------------------------|--------------------------|---------------------------------------------|----|----|
|                                                                          |                          | £                                           | s. | d. |
| Edible Palm Oil in bulk (basis 5 per cent<br>free fatty acid) ... ..     | 90,295                   | 74                                          | 19 | 2  |
| Technical Palm Oil in bulk (basis 12 per<br>cent free fatty acid) ... .. | 20,435                   | 68                                          | 9  | 2  |
| Plantation Palm Oil in drums ... ..                                      | 2,350                    | 81                                          | 18 | 7  |

#### (e) COTTON LINT

At the beginning of 1958, the market price of Nigerian N.A. 1 cotton lint was about 27.75d. per pound f.o.b. But there was already a tendency for demand to weaken and, in the following months, selling conditions became increasingly difficult. As so often before, there was uncertainty in the market about the future cotton policy of the United States Administration and this

tended to prevent steady and confident dealing. Apart from this factor, there was growing anxiety in March and April over the general condition of the cotton trade and cotton manufacturers were facing a serious lack of demand for their products.

Under these conditions, market prices for N.A. cotton lint fell below 25d. per pound in April and touched a low point of 23.25d. per pound in August. During this time, it was proving unusually difficult to maintain a good rate of sales for the record Nigerian crop and some shipments had to be landed unsold in Liverpool. Meanwhile every effort was made to interest new buyers and successful sales were made in such new markets as Japan, Portugal and Belgium.

Total exports of 1957/58 crop production from Nigeria are expected to be approximately 224,000 bales and, up to the end of September, 1958, the sales position was as follows:—

| <i>Grade</i> |     |     |     |     |     | <i>Total<br/>bales sold</i> | <i>Average<br/>f.o.b. price<br/>per pound</i> |
|--------------|-----|-----|-----|-----|-----|-----------------------------|-----------------------------------------------|
| N.A. ...     | ... | ... | ... | ... | ... | 134,993                     | 25.16d.                                       |
| Benue ...    | ... | ... | ... | ... | ... | 4,311                       | 19.71d.                                       |
| I.N. 3 ...   | ... | ... | ... | ... | ... | 2,557                       | 19.30d.                                       |

#### (f) COTTON SEED

The market for white cottonseed shared in the general depression of the oilseeds markets during 1958. Compared with an average f.o.b. price of £24 16s. 11d. per ton for sales in 1957, the first shipments of production from the 1957/58 season crop were sold in February, 1958, at £19 8s. 3d. per ton. In the following months, prices were generally a little lower and by September the bulk of the 1957/58 season production had been cleared at an average f.o.b. price of £18 2s. 1d. per ton. A feature of this year's marketing was that for the first time nearly two-thirds of the crop was sold to countries other than the United Kingdom.

#### (g) BENNISEED

In marked contrast to other soft oilseeds, benniseed has commanded a considerably higher price in 1958 than in 1957. Although the market for this crop has not been immune from the general influences on oilseeds markets, world supplies have been restricted and buyers have been prepared to pay attractive prices.

Sales of the 1957/58 season Nigerian crop were virtually completed in January, 1958, before any serious decline occurred in the soft oil markets and the average f.o.b. price for the whole crop was £72 per ton compared with an average of £66 4s. 5d. for the previous crop. Sales of the 1958/59 season crop up to the end of September, 1958, had fetched an average f.o.b. price of £75 10s. 3d. mainly comprising early sales to Venezuela. For the past two seasons, Venezuela has been the Board's most important buyer of benniseed.

**(h) SOYA BEANS**

The export value of the relatively small tonnage of Nigerian soya beans has in the past depended mainly on the current value of United States and Canadian crops, and this was again the case early in 1958, the market price at that time being depressed by the large stocks held in America, and subsequently by Chinese beans offered at cheap prices.

Fortunately Japan, for the first time, then became interested in Nigerian soya beans and all later sales amounting to two-thirds of the crop were sold to that market at higher prices than could be obtained elsewhere.

**(i) FRESH FRUIT**

For the second year, the Board exported small quantities of grapefruit and lemons on behalf of the Western Region Marketing Board and selling results were satisfactory.

**IV. EVACUATION, PORT STORAGE AND SHIPMENTS**

As explained in previous Annual Reports, the Board was responsible for 'calling forward' produce from up-country and arranging delivery to the various ocean ports for shipment in accordance with sales contracts. Shipments of Marketing Board produce proceed at the rate of over 100,000 tons per month and every shipment must be made according to schedule with the correct commodity, tonnage and grade as specified in the sales contract. Since port storage facilities are limited and lines of transport and communication are usually long and sometimes difficult, it will be appreciated that the planning and management of export shipments on the required scale calls for careful planning and organisation.

As in previous years, there was close collaboration between the Board's executive, the licensed buying agents of the Regional Boards, the Nigerian Railway Corporation, the river fleet operators, the Nigerian Ports Authority and the shipping companies. Adequate stocks of produce were maintained at the ports and shipments proceeded smoothly according to programme.

**10. Operation of the Bulk Oil Plants**

Bulk Oil Plants of Nigeria Limited continued to own and operate the Bulk Oil Plants at Port Harcourt, Calabar, Opobo, Abonnema, Koko and Burutu as the palm oil bulking agents of the Board. Mr. L. P. Ojukwu, O.B.E., Mr. S. L. Durosaro and the Director of Marketing and Exports continued to serve as the Board's representatives on the Board of Directors of the Company.

The United Africa Company of Nigeria Limited and the Cameroons Development Corporation operated as the Board's bulking agents at Apapa and Bota respectively.

## **V. THE BOARD'S ACCOUNTS**

The Board's Accounts at Appendix 1 consist of:—

1. Balance Sheet as at 30th September, 1958.
2. Profit and Loss Account.
3. Produce Trading Summaries.

### **11. Produce Trading Summaries**

The Summaries cover the period from 1st January to 30th September, 1958, upon which date the Board was abolished.

### **12. Profit and Loss Account**

The total of Administrative and Executive expenses up to 30th September, 1958, are shown in this account. The agency charge has been maintained at 6s. 3d. per ton for the period under review.

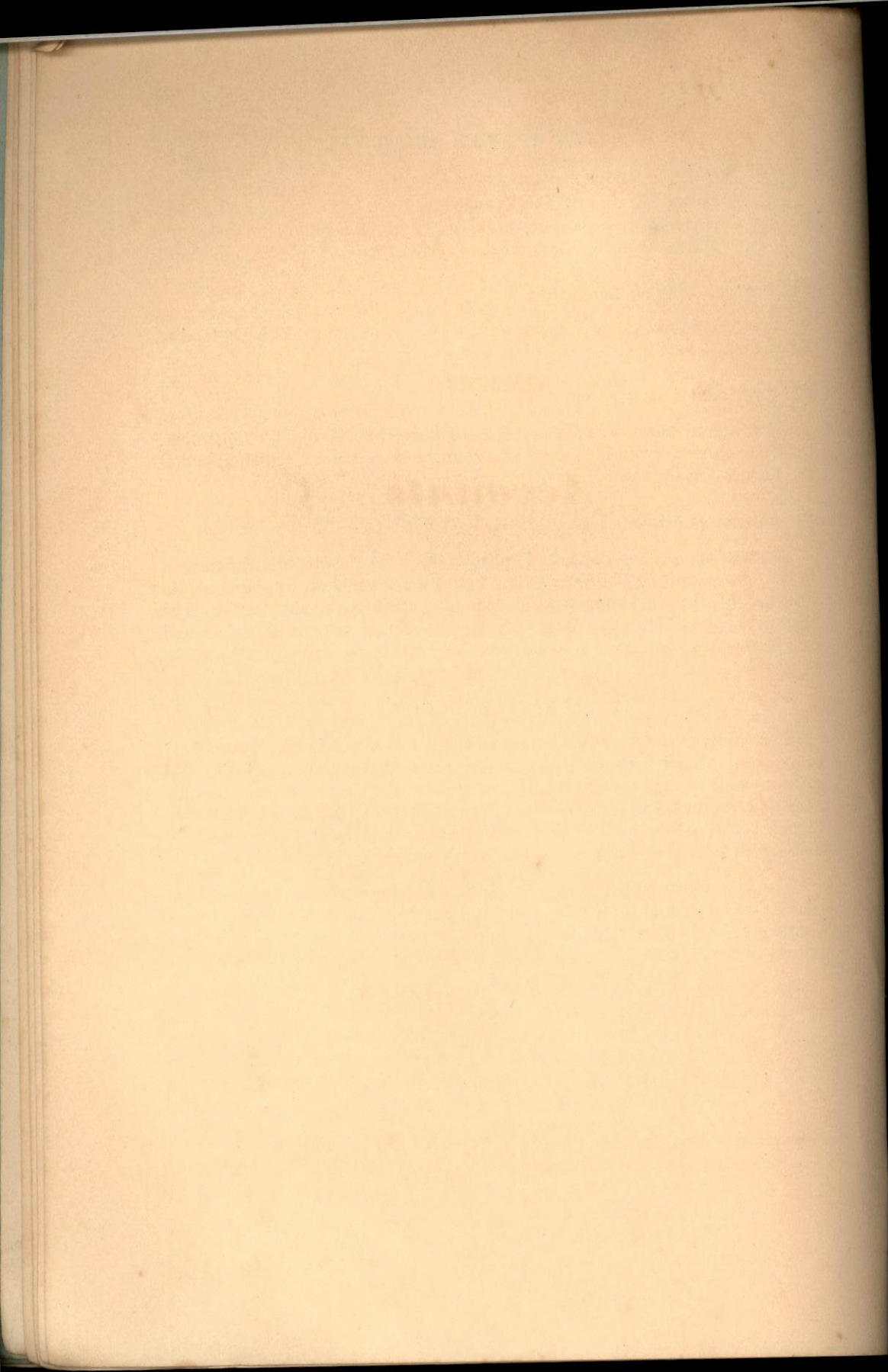
### **13. Balance Sheet**

Under Section 9(1) of the "Export of Nigerian Produce Ordinance of 1958" the assets and liabilities of the Board are taken over by the Nigerian Produce Marketing Company Limited as at 30th September, 1958. The Nigeria Central Marketing Board ceased to function as from that date and any further transactions will be dealt with by the new Company.

## **VI. ACKNOWLEDGMENTS**

The nature of the Board's work and responsibilities has inevitably involved close co-operation with the Regional Marketing Boards and with all other authorities concerned in the transport, port handling and shipment of Nigerian produce. In this, its final Annual Report, the Board wishes to record its appreciation of the collaboration and help it has continually enjoyed from all these authorities and their personnel.

The Board also wishes to express its thanks to the staff of the Department of Marketing and Exports in Nigeria and the Nigerian Produce Marketing Company Limited in London for their executive services throughout the period of the Board's existence.



APPENDIX I

***Accounts***

**NIGERIA CENTRAL MARKETING BOARD**  
**BALANCE SHEET AS AT 30th SEPTEMBER, 1958**

| 1957<br>£         |                                                                        | £                 | £         | 1957<br>£         |                                                      | Cost<br>£       | Depreciation<br>Reserve<br>£ | Net<br>Book Value<br>£ |
|-------------------|------------------------------------------------------------------------|-------------------|-----------|-------------------|------------------------------------------------------|-----------------|------------------------------|------------------------|
|                   | <b>General Reserve:</b>                                                |                   |           |                   |                                                      |                 |                              |                        |
| 150,000           | As at 1st January, 1958 ... ..                                         | 125,232           |           |                   |                                                      |                 |                              |                        |
| (24,768)          | Add Surplus on Profit and Loss<br>Account ... ..                       | 6,552             |           |                   |                                                      |                 |                              |                        |
|                   |                                                                        |                   | 131,784   |                   |                                                      |                 |                              |                        |
|                   | <b>Deposits for Working Capital:</b>                                   |                   |           |                   | <b>Fixed Assets:</b>                                 |                 |                              |                        |
| —                 | Eastern Regional Marketing Board ...                                   | 480,000           |           | 268,738           | Land and Buildings ...                               | 319,812         | 43,477                       | 276,335                |
| —                 | Northern Regional Marketing Board ...                                  | 480,000           |           | 13,382            | Plant and Machinery ...                              | 20,043          | 6,653                        | 13,390                 |
| —                 | Western Region Marketing Board ...                                     | 480,000           |           | 27,203            | Launches and Dinghies ...                            | 42,114          | 15,881                       | 26,233                 |
| —                 | Southern Cameroons Marketing Board ...                                 | 60,000            |           | 5,607             | Motor Vehicles ...                                   | 12,444          | 6,911                        | 5,533                  |
|                   |                                                                        |                   | 1,500,000 | 16,117            | Furniture and Fittings ...                           | 25,898          | 7,896                        | 18,002                 |
|                   |                                                                        |                   |           | 6,480             | Office Equipment ...                                 | 11,531          | 5,741                        | 5,790                  |
|                   | <b>Current Liabilities and Provisions:</b>                             |                   |           | 337,527           |                                                      | <u>£431,842</u> | <u>£86,559</u>               | <u>345,283</u>         |
|                   | Northern Regional Marketing Board—                                     |                   |           |                   |                                                      |                 |                              |                        |
|                   | Cotton Lint Stocks—per contra ...                                      | 1,614,334         |           |                   | <b>Investment—Unquoted:</b>                          |                 |                              |                        |
|                   | Less Export Duty and Shipping<br>Charges ... ..                        | 205,148           |           |                   | Bulk Oil Plants of Nigeria Limited                   |                 |                              |                        |
|                   |                                                                        |                   |           |                   | 216,666 Shares of £1 each fully                      |                 |                              |                        |
| 6,090,987         | Marketing Boards—Current Accounts                                      | 1,409,186         |           | 216,666           | paid ... ..                                          |                 |                              | 216,666                |
| 216,666           | Nigerian Produce Marketing Company                                     | 4,072,676         |           | 554,193           |                                                      |                 |                              | 561,949                |
| 821,618           | Limited—Loan Account ... ..                                            | 216,666           |           |                   |                                                      |                 |                              |                        |
|                   | Sundry Creditors ... ..                                                | 1,009,018         | 6,707,546 |                   | <b>Current Assets:</b>                               |                 |                              |                        |
|                   | (Provision for Hire Charge of Bulk Oil<br>Plants) ... ..               |                   |           |                   | Nigerian Produce Marketing Company                   |                 |                              |                        |
| 164,000           |                                                                        |                   |           | 5,494,007         | Limited—Produce afloat and expenses                  | 4,566,767       |                              |                        |
|                   | A. H. YOUNG, Esq., C.B.E.,<br>Chairman.                                |                   |           | 165,609           | Cotton Lint Stocks—per contra ...                    | 1,614,334       |                              |                        |
|                   | H. P. ELDER, Esq.,<br>Director of Marketing and Exports.               |                   |           | 570,877           | Sundry Debtors and Prepayments ...                   | 43,933          |                              |                        |
|                   | J. B. FLEMING, Esq., A.I.B.,<br>(Acting) Assistant Director (Finance). |                   |           | 25,078            | Stocks in Hand—at cost, at Bulk Oil<br>Plants ... .. | 885,284         |                              |                        |
|                   |                                                                        |                   |           | 500,000           | Sundry Stocks ... ..                                 | 32,038          |                              |                        |
|                   |                                                                        |                   |           | 108,739           | H.M. Customs and Excise Deposit ...                  | 500,000         |                              |                        |
|                   |                                                                        |                   |           |                   | Cash at Banks and in Hand ... ..                     | 135,025         |                              |                        |
|                   |                                                                        |                   |           |                   |                                                      |                 |                              | 7,777,381              |
| <u>£7,418,503</u> |                                                                        | <u>£8,339,330</u> |           | <u>£7,418,503</u> |                                                      |                 |                              | <u>£8,339,330</u>      |

**AUDITORS' REPORT**

We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit. In our opinion proper books of account have been kept by the Board.

We have examined the above Balance Sheet and annexed Profit and Loss Account which are in agreement with the books of account. In our opinion and to the best of our information and the explanations given to us the said Balance Sheet and Profit and Loss Account give a true and fair view of the state of the Board's affairs as at 30th September, 1958.

LAGOS, Nigeria.  
9th March, 1959.

CASSLETON ELLIOTT & CO.

# **NIGERIA CENTRAL MARKETING BOARD**

## **PROFIT AND LOSS ACCOUNT from 1st January, 1958 to 30th September, 1958**

| Year<br>1957 |                                        | £      | £        | Year<br>1957 |                                       | £       | £        |
|--------------|----------------------------------------|--------|----------|--------------|---------------------------------------|---------|----------|
| 193,651      | Executive Organisation Costs ... ..    |        | 148,918  | 964          | Hire Charges ... ..                   |         | 842      |
|              | Administrative Expenses:               |        |          | 29,624       | Interest ... ..                       |         | 1,258    |
|              | Salaries and Allowances:               |        |          |              | Agency Charges to Regional Boards:    |         |          |
| 3,696        | Board Members ... ..                   | 4,281  |          | 109,318      | Eastern Regional Marketing Board ...  | 92,654  |          |
| 1,500        | Retainer ... ..                        | 1,125  |          | 129,933      | Northern Regional Marketing Board ... | 140,382 |          |
| 8,906        | Travelling and Subsistence Allowances  | 7,688  |          | 102,181      | Western Region Marketing Board ...    | 78,072  |          |
| 20,266       | Rent and Rates (nett) ... ..           | 15,267 |          | 4,881        | Southern Cameroons Marketing Board    | 3,743   |          |
| 1,761        | Insurance ... ..                       | 1,580  |          |              |                                       |         | 314,851  |
| 8,405        | Repairs and Maintenance ... ..         | 7,613  |          |              | (Export Duty Suspense Account written |         |          |
| 6,350        | Printing and Stationery ... ..         | 8,099  |          | 246          | back) ... ..                          |         |          |
| 240          | Books and Periodicals ... ..           | 403    |          |              |                                       |         |          |
| 935          | Office and General ... ..              | 1,816  |          |              |                                       |         |          |
| 692          | Entertainment and Hospitality ...      | 295    |          |              |                                       |         |          |
|              | Bank Charges, Commission, Cables       |        |          |              |                                       |         |          |
| 37,567       | and Telegrams ... ..                   | 26,405 |          |              |                                       |         |          |
| 630          | Audit Fee ... ..                       | 525    |          |              |                                       |         |          |
| 8,977        | Wages and Salaries ... ..              | 7,929  |          |              |                                       |         |          |
| 2,674        | (Consultant Accountants' Fees) ...     | —      |          |              |                                       |         |          |
|              |                                        |        | 83,026   |              |                                       |         |          |
|              | Produce Handling Expenses:             |        |          |              |                                       |         |          |
| 42,591       | Federal Produce Inspection Service ... | 30,794 |          |              |                                       |         |          |
|              | Wages and Salaries, including cost of  |        |          |              |                                       |         |          |
| 8,593        | Cargo Superintendent ... ..            | 12,774 |          |              |                                       |         |          |
| 10,558       | Insurance ... ..                       | 4,661  |          |              |                                       |         |          |
| 16,357       | Repairs and Maintenance ... ..         | 4,600  |          |              |                                       |         |          |
| 626          | Samples and Miscellaneous Expenses...  | 10     |          |              |                                       |         |          |
|              |                                        |        | 52,839   |              |                                       |         |          |
| 2,623        | Staff Training Scheme ... ..           |        | 2,019    |              |                                       |         |          |
|              | Depreciation and Losses on Disposal of |        |          |              |                                       |         |          |
| 30,540       | Fixed Assets ... ..                    |        | 23,597   |              |                                       |         |          |
| (30,991)     | Surplus Carried to General Reserve ... |        | 6,552    |              |                                       |         |          |
| £377,147     |                                        |        | £316,951 | £377,147     |                                       |         | £316,951 |

# NIGERIA CENTRAL MARKETING BOARD

PRODUCE TRADING SUMMARY from 1st January, 1958 to 30th September, 1958

|                                              | Total     |             | Oil Palm Produce Division |             | Groundnuts Division |             | Cocoa Division |             | Cotton Division |            |
|----------------------------------------------|-----------|-------------|---------------------------|-------------|---------------------|-------------|----------------|-------------|-----------------|------------|
|                                              | Tons      | £           | Tons                      | £           | Tons                | £           | Tons           | £           | Tons            | £          |
| Sales at F.O.B. Prices ...                   | 1,000,752 | 67,757,514  | 513,558                   | 27,647,547  | 377,123             | 19,885,945  | 48,018         | 15,213,195  | 62,053          | 5,010,827  |
| Less Export Duty ...                         |           | 8,192,626   |                           | 2,760,491   |                     | 1,949,055   |                | 2,981,613   |                 | 501,467    |
| Shipping and Handling Charges ...            |           | 1,539,156   |                           | 912,471     |                     | 442,787     |                | 107,510     |                 | 76,388     |
| Purchases from Regional Marketing Boards ... | 1,000,752 | 58,025,732  | 513,558                   | 23,974,585  | 377,123             | 17,494,103  | 48,018         | 12,124,072  | 62,053          | 4,432,972  |
| Eastern Region ...                           | 296,492   | 15,288,169  | 294,728                   | 14,973,301  | 591                 | 22,536      | 1,173          | 292,332     | —               | —          |
| Northern Region ...                          | 449,222   | 22,396,567  | 11,439                    | 489,010     | 376,532             | 17,471,567  | 290            | 68,318      | 60,961          | 4,367,672  |
| Western Region ...                           | 249,632   | 19,423,004  | 205,015                   | 8,337,533   | —                   | —           | 43,525         | 11,020,171  | 1,092           | 65,300     |
| Southern Cameroons ...                       | 11,978    | 1,232,399   | 8,948                     | 489,148     | —                   | —           | 3,030          | 743,251     | —               | —          |
| Less Processing Losses/Gains ...             | 1,007,324 | 58,340,139  | 520,130                   | 24,288,992  | 377,123             | 17,494,103  | 48,018         | 12,124,072  | 62,053          | 4,432,972  |
| Closing less Opening Stocks ...              | 156       | —           | 156                       | —           | —                   | —           | —              | —           | —               | —          |
|                                              | 6,416     | 314,407     | 6,416                     | 314,407     | —                   | —           | —              | —           | —               | —          |
|                                              | 1,000,752 | £58,025,732 | 513,558                   | £23,974,585 | 377,123             | £17,494,103 | 48,018         | £12,124,072 | 62,053          | £4,432,972 |

# NIGERIA CENTRAL MARKETING BOARD

COCOA DIVISION TRADING SUMMARY from 1st January, 1958 to 30th September, 1958

|                                          | Total<br>Tons |             | Main Crop<br>Tons |             | Light Crop<br>Tons |            |
|------------------------------------------|---------------|-------------|-------------------|-------------|--------------------|------------|
| Tonnage Sold                             | ...           | ...         | 43,674            | ...         | 4,344              | ...        |
| Sales at F.O.B. Prices                   | ...           | ...         | £                 | 13,813,669  | £                  | 1,399,526  |
| Less Export Duty                         | ...           | ...         | 2,981,613         | 2,707,228   | 274,385            | ...        |
|                                          |               | 12,231,582  |                   | 11,106,441  |                    | 1,125,141  |
| Shipping and Handling Charges:           |               |             |                   |             |                    |            |
| Harbour Dues                             | ...           | £           | £                 | £           | £                  | £          |
| Lighterage                               | ...           | 13,798      | 12,417            | 1,381       | 1,381              | ...        |
| Wharfage                                 | ...           | 5,782       | 5,601             | 181         | 181                | ...        |
| Shallow/Deep Surcharge                   | ...           | 16          | 12                | 4           | 164                | ...        |
| Handling                                 | ...           | 5,253       | 5,089             | 3,245       | 3,245              | ...        |
| Warrt Port Charge                        | ...           | 49,579      | 46,334            | 9           | —                  | ...        |
| Rental                                   | ...           | 9           | 33,073            | —           | —                  | ...        |
|                                          |               | 33,073      |                   | 102,535     |                    | 4,975      |
|                                          |               | 107,510     |                   |             |                    |            |
| Purchases from Regional Marketing Boards | ...           | £12,124,072 | £11,003,906       | £1,120,166  | £1,120,166         | ...        |
| Western Region                           | ...           | Tons        | Tons              | Tons        | Tons               | ...        |
| Southern Cameroons                       | ...           | 43,525      | 39,479            | 9,987,184   | 4,046              | 1,032,987  |
| Eastern Region                           | ...           | 3,030       | 3,030             | 742,157     | —                  | 1,094      |
| Northern Region                          | ...           | 1,173       | 897               | 211,686     | 276                | 80,646     |
|                                          | ...           | 290         | 268               | 62,879      | 22                 | 5,439      |
|                                          |               | 48,018      | 43,674            | £11,003,906 | 4,344              | £1,120,166 |
|                                          |               | £12,124,072 |                   |             |                    |            |

# NIGERIA CENTRAL MARKETING BOARD

## COTTON DIVISION TRADING SUMMARY from 1st January, 1958 to 30th September, 1958

|                                          | Total      |            | Cotton Seed |          | Cotton Lint N.A. |            | Cotton Lint I.N. |         |
|------------------------------------------|------------|------------|-------------|----------|------------------|------------|------------------|---------|
|                                          | Tons       | £          | Tons        | £        | Tons             | £          | Tons             | £       |
| Tonnage Sold                             | 62,053     |            | 44,341      |          | 17,389           |            | 323              |         |
| Sales at F.O.B. Prices                   | 5,010,827  |            | 801,727     |          | 4,150,208        |            | 58,892           |         |
| Less Export Duty                         | 501,467    |            | 80,191      |          | 415,409          |            | 5,867            |         |
|                                          | 4,509,360  |            | 721,536     |          | 3,734,799        |            | 53,025           |         |
| 16 Shipping and Handling Charges:        |            |            |             |          |                  |            |                  |         |
| Harbour Dues                             | 20,695     |            | 14,476      |          | 6,140            |            | 79               |         |
| Wharfage                                 | 50,581     |            | 36,122      |          | 14,392           |            | 67               |         |
| Shallow/Deep Surcharge                   | 2,142      |            | 1,464       |          | 678              |            | —                |         |
| Storage                                  | 2,956      |            | 1,052       |          | 1,904            |            | —                |         |
| Haulage                                  | 14         |            | 14          |          | —                |            | —                |         |
|                                          | 76,388     |            | 53,128      |          | 23,114           |            | 146              |         |
| Purchases from Regional Marketing Boards | £4,432,972 |            | £668,408    |          | £3,711,685       |            | £52,879          |         |
| Northern Region                          | 60,961     | £4,367,672 | 43,572      | £655,987 | 17,389           | 3,711,685  | —                | —       |
| Western Region                           | 1,092      | 65,300     | 769         | 12,421   | —                | —          | 323              | 52,879  |
|                                          | 62,053     | £4,432,972 | 44,341      | £668,408 | 17,389           | £3,711,685 | 323              | £52,879 |

NIGERIA CENTRAL MARKETING BOARD  
OIL PALM DIVISION TRADING SUMMARY from 1st January, 1958 to 30th September, 1958

|                                          | Total           | Palm<br>Oil<br>Kernels | Palm<br>Oil<br>Plantation | Palm Oil<br>Special<br>Grade | Palm Oil<br>Technical<br>Grade |
|------------------------------------------|-----------------|------------------------|---------------------------|------------------------------|--------------------------------|
| Tonnage Sold ... ..                      | Tons<br>513,558 | Tons<br>360,016        | Tons<br>9,795             | Tons<br>113,637              | Tons<br>30,110                 |
| Sales at F.O.B. Prices                   | £<br>27,647,547 | £<br>16,317,065        | £<br>779,206              | £<br>8,524,533               | £<br>2,026,743                 |
| Less Export Duty ... ..                  | 2,760,491       | 1,634,098              | 82,070                    | 874,592                      | 169,731                        |
|                                          | 24,887,056      | 14,682,967             | 697,136                   | 7,649,941                    | 1,857,012                      |
| Shipping and Handling Charges:           |                 |                        |                           |                              |                                |
| Harbour Dues ... ..                      | £<br>134,942    | £<br>95,809            | £<br>1,106                | £<br>33,042                  | £<br>4,985                     |
| Lightage ... ..                          | 142,772         | 142,643                | 129                       | —                            | —                              |
| Wharfage ... ..                          | 4,595           | 4,595                  | 2,303                     | 1,030                        | 2,991                          |
| Shallow/Deep Surcharge ... ..            | 58,769          | 52,445                 | —                         | (293)                        | 5,705                          |
| Freight ... ..                           | 5,412           | —                      | —                         | —                            | —                              |
| Diversions Charges ... ..                | 6,455           | 6,455                  | —                         | —                            | —                              |
| Warri Port Charge ... ..                 | 12,504          | 12,504                 | 479                       | 1,936                        | 102                            |
| Handling ... ..                          | 128,529         | 126,012                | 31                        | 15                           | 161                            |
| Storage ... ..                           | 5,276           | —                      | —                         | —                            | —                              |
| Survey Charges ... ..                    | 207             | —                      | 565                       | —                            | —                              |
| Agency and Drumming off Charges          | 565             | —                      | 16,673                    | —                            | —                              |
| Bulking Charges ... ..                   | 412,445         | —                      | —                         | —                            | 96,563                         |
|                                          | 912,471         | 445,739                | 21,286                    | 299,209                      | 110,507                        |
| Purchases from Regional Marketing Boards | £23,974,585     | £14,237,228            | £675,850                  | £7,315,002                   | £1,746,505                     |
| Eastern Region... ..                     | 14,973,301      | 6,170,557              | 174,655                   | 7,239,106                    | 1,388,983                      |
| Northern Region ... ..                   | 489,010         | 389,720                | —                         | 12,713                       | 86,577                         |
| Western Region ... ..                    | 8,337,533       | 7,514,413              | 177,701                   | 25,446                       | 619,973                        |
| Southern Cameroons ... ..                | 489,148         | 162,538                | 326,610                   | —                            | —                              |
|                                          | 24,288,992      | 14,237,228             | 678,966                   | 7,277,265                    | 2,095,533                      |
| Less Closing Stocks ... ..               | 885,284         | —                      | 3,116                     | (37,737)                     | 349,028                        |
| Add Opening Stocks                       | 570,877         | —                      | —                         | £7,315,002                   | £1,746,505                     |
|                                          | £23,974,585     | £14,237,228            | £675,850                  | £7,315,002                   | £1,746,505                     |
| Eastern Region... ..                     | Tons<br>294,728 | Tons<br>155,207        | Tons<br>2,615             | Tons<br>113,728              | Tons<br>23,178                 |
| Northern Region ... ..                   | 11,439          | 8,791                  | —                         | 200                          | 1,448                          |
| Western Region ... ..                    | 205,015         | 190,976                | 2,436                     | 4,906                        | 11,203                         |
| Southern Cameroons ... ..                | 8,948           | 4,042                  | 4,906                     | —                            | —                              |
|                                          | 520,130         | 360,016                | 9,957                     | 114,328                      | 35,829                         |
|                                          | 156             | —                      | 48                        | 543                          | (435)                          |
| Less Processing Losses/Gains             | 14,559          | —                      | 114                       | 148                          | 6,154                          |
| Less Closing Stocks ... ..               | 8,143           | —                      | —                         | —                            | —                              |
| Add Opening Stocks ... ..                | —               | 360,016                | 9,795                     | 113,637                      | 30,110                         |
|                                          | 513,558         | 360,016                | 9,795                     | 113,637                      | 30,110                         |

# NIGERIA CENTRAL MARKETING BOARD

GROUNDNUTS DIVISION TRADING SUMMARY from 1st January, 1958 to 30th September, 1958

|                                          | Total |     | Groundnuts  |              | Soya Beans |              | Bemised  |           |
|------------------------------------------|-------|-----|-------------|--------------|------------|--------------|----------|-----------|
|                                          | Tons  | £   | Tons        | £            | Tons       | £            | Tons     | £         |
| Tonnage Sold                             | ...   | ... | 377,123     | £ 357,757    | 13,601     | £ 409,255    | 5,765    | £ 435,201 |
| Sales at F.O.B. Prices                   | ...   | ... | 19,885,945  | £ 19,041,489 | —          | —            | 43,517   | £ 43,517  |
| Less Export Duty                         | ...   | ... | 1,949,055   | £ 1,905,538  | —          | —            | 391,684  | £ 391,684 |
|                                          |       |     | 17,936,890  | £ 17,135,951 | 409,255    | £ 409,255    | 391,684  | £ 391,684 |
| Shipping and Handling Charges:           |       |     |             |              |            |              |          |           |
| Harbour Dues                             | ...   | ... | 114,994     | £ 108,938    | 4,572      | £ 4,572      | 1,484    | £ 1,484   |
| Lighthouse                               | ...   | ... | 199         | £ 44         | —          | —            | 155      | £ 155     |
| Wharfage                                 | ...   | ... | 255,308     | £ 239,471    | 10,014     | £ 10,014     | 5,823    | £ 5,823   |
| Storage                                  | ...   | ... | 18,996      | £ 16,812     | 994        | £ 994        | 1,190    | £ 1,190   |
| Shallow/Deep Surcharge                   | ...   | ... | 44,224      | £ 42,474     | —          | —            | 1,750    | £ 1,750   |
| Warri Port Charge                        | ...   | ... | 8,851       | £ 8,644      | —          | —            | 207      | £ 207     |
| Handling                                 | ...   | ... | (15)        | £ (15)       | —          | —            | —        | £ —       |
| Demurrage                                | ...   | ... | 230         | £ 230        | —          | —            | —        | £ —       |
|                                          |       |     | 442,787     | £ 416,598    | 15,580     | £ 15,580     | 10,609   | £ 10,609  |
| Purchases from Regional Marketing Boards | ...   | ... | £17,494,103 | £16,719,353  | £393,675   | £393,675     | £381,075 | £381,075  |
| Northern Region                          | ...   | ... | 376,532     | £ 17,471,567 | 357,746    | £ 16,718,917 | 5,591    | £ 370,801 |
| Eastern Region                           | ...   | ... | 591         | £ 22,536     | 10         | £ 436        | 174      | £ 10,274  |
|                                          |       |     | 377,123     | £17,494,103  | 357,756    | £16,719,353  | 5,765    | £381,075  |

**REPORT BY THE AD HOC MEETING OF THE NIGERIA  
CONSTITUTIONAL CONFERENCE ON THE FUTURE OF  
THE NIGERIA CENTRAL MARKETING BOARD**

7. The Conference considered the Report of the Committee on the Nigeria Central Marketing Board set up in accordance with the decision in paragraph 69 of the Report by the Nigeria Constitutional Conference and agreed to make the following recommendations:—

- (1) *Abolition of the Nigeria Central Marketing Board.*—The Nigeria Central Marketing Board established under the Nigeria Central Marketing Board Ordinance, 1955, should be abolished.
- (2) *New Arrangements for the Export of Nigerian Produce.*—The Nigerian Produce Marketing Company Limited, the overseas selling organisation of the Nigeria Central Marketing Board incorporated in the United Kingdom, should cease to exist. In view of the need for unitary control of Nigerian produce a new Company of the same name should be formed and incorporated in Nigeria to carry out the operational functions now performed by the Nigeria Central Marketing Board as well as those functions now performed by the Board's existing overseas selling organisation in the United Kingdom.
- (3) The new Company should be so constituted that:
  - (a) the Headquarters office of the new Company should be situated in Lagos and be responsible for making the necessary arrangements in respect of calling forward of produce for export, exporting, shipping and port storage of produce as well as accounting for sales proceeds.
  - (b) for the carrying out of these functions and for the conduct of such of the day-to-day business of the Company as falls to be carried on within Nigeria, the Company should appoint the Federal Department of Marketing and Exports (excluding the Federal Produce Inspection Service) as its executive agent.
  - (c) a branch of the new Company should be established in London to deal with the overseas sale and marketing of Nigerian produce.
- (4) The Board of Directors of the new Company should consist of the Managing Director of the Company and representatives of the shareholders of the Company, namely the Regional Marketing Boards and the Southern Cameroons Marketing Board, as follows:
 

One Managing Director,

Two Directors representing the Northern Regional Marketing Board,

Two Directors representing the Western Region Marketing Board,

Two Directors representing the Eastern Regional Marketing Board,

One Director representing the Southern Cameroons Marketing Board.

The Chairman of the new Company should be elected by the Directors of the Company from amongst their own members or from outside their number.

8. The Conference recognised that the proposed membership was based on the assumption that the Regions would remain as they were but that should the resumed Conference recommend the creation of any new Region as a result of the Report of the Minorities Commission it would be necessary to reconsider the membership of the Company and of its Board of Directors.

9. The Conference also agreed to recommend that:—

- (1) The Director of Marketing and Exports should attend the meetings of the Board of Directors in his capacity as head of the executive agency of the Company in Nigeria. He would, however, not be a member of the Board of Directors and would exercise no vote.
- (2) A Nigerian should be appointed to the post of Deputy Managing Director of the Nigerian Produce Marketing Company Limited and the process of Nigerianisation of the staff of the Company should be intensified.
- (3) The Deputy Managing Director so appointed should attend meetings of the Board of Directors but would have no vote. In the absence of the Managing Director, however, he would deputise for him and assume his powers.
- (4) Arrangements should be made for training of Nigerians on a Regional basis as Managers with a view to their undertaking the selling of Nigerian produce.

#### RE-ALLOCATION OF THE FUNCTIONS OF THE NIGERIA CENTRAL MARKETING BOARD

10. The Conference agreed to recommend that the functions presently performed by the Nigeria Central Marketing Board should be re-allocated among the Federal Minister of Commerce and Industries, the Regional Marketing Boards and the Nigerian Produce Marketing Company Limited as detailed below, or abrogated as the case may be.

(1) *Powers to be conferred on the Minister:*

- (a) The Federal Minister of Commerce and Industries should be vested with the power to prescribe grades and standards of quality for produce purchased by the Regional Marketing

Boards for export. In the exercise of this function the Minister should consult with and take into consideration the advice of the Nigerian Produce Marketing Company Limited, the Regional Marketing Boards and the Produce Inspection Board.

- (b) Once the new arrangements have come into operation, no produce subject to a Regional Marketing Board Law should be exported from Nigeria other than produce in respect of which a licence to export has been granted by the Minister. The Minister should be required to consult with the Region or Regions concerned as to the principles on which he should act in granting licences for the export of produce.
- (c) The Minister, after consultation with the Regions concerned, should be empowered to require the holder of a licence for the export of produce and any Regional Marketing Board or its servants or agents to furnish such statistics, estimates, returns and other information relating to produce as in the opinion of the Minister are necessary for the proper discharge of his functions.

(2) *Functions to be performed by the new Company:*

- (a) The new Company should acquire from the Regional Marketing Boards any kind of produce purchased by the Regional Marketing Boards and should export and sell the same.
- (b) The new Company, through its executive agent the Department of Marketing and Exports, should issue instructions to the Regional Marketing Boards or their servants and agents for the evacuation of produce to the ports, and should appoint agents for the storage in bulk of palm oil at the port of export.
- (c) The new Company, through its executive agent the Department of Marketing and Exports, should do all things necessary for the exporting, shipping and port storage of produce as well as accounting for sales proceeds.
- (d) The London Branch of the new Company should make arrangements for the overseas sale of Nigerian produce.
- (e) All Regional Marketing Board produce should continue as at present to be exported and sold overseas as Nigerian produce. The operation of the price averaging procedure should be continued by the new Company so as to ensure that the average of the prices obtained by all Regional Marketing Boards for the same kind of produce in any one season's operations is in line.
- (f) The new Company, through its executive agent the Department of Marketing and Exports, should tender advice to the Regional Marketing Boards on Research and Development

and also on the Control of Pests. The Company should also tender advice to a Regional Marketing Board on any matter which a Regional Marketing Board might refer to it.

- (3) *Consultation between Regional Marketing Boards in regard to Price Fixing.*—Recognising that any substantial disparity in Regional producer prices for the same kind of produce would lead to a serious danger of produce being diverted from one Region to another, the Conference recommended that there should be consultation between the Regional Marketing Boards with respect to the fixing, support and stabilisation of the prices paid by the Regional Marketing Boards for produce purchased by them, with particular reference to produce purchased by more than one Regional Marketing Board.

11. *Produce Inspection Arrangements.*—The Conference agreed to recommend that section 54 of the Constitution Order in Council should be amended to provide for the establishment of grades and standards of quality for export produce by the Federal Government after consultation with the Regions; the enforcement of grades and standards in the Regions by Regional Produce Inspection Services; the enforcement of grades and standards in the Federal Territory and at ports of shipment by the Federal Produce Inspection Service. The existing arrangements for grading of produce marketed in Lagos by the Western Region Produce Inspection Service should continue.

12. *Future Legislative Action.*—The Conference recognised that the proposal to abolish the Nigeria Central Marketing Board would involve further amendment to section 54 of the Nigeria (Constitution) Orders in Council, 1954 to 1957, and recommended that the Secretary of State should be invited to consider a suggested re-draft of the section on the lines of Annex II to this Report.

13. The Conference also agreed to recommend that the Council of Ministers should be invited to consider a bill for an Ordinance on the lines of the draft bill attached at Annex III to this Report.

Assented to in Her Majesty's name this 18th day of September,  
1958.

J. W. ROBERTSON,  
*Governor-General.*

|                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Title                        | AN ORDINANCE TO REPEAL THE NIGERIA CENTRAL MARKETING BOARD ORDINANCE, 1955 (NO. 1 OF 1955), AND TO MAKE NEW PROVISION FOR THE EXPORT OF NIGERIAN PRODUCE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| Commencement                 | (By Notice, see section 1)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Enactment                    | BE IT ENACTED by the Legislature of the Federation of Nigeria as follows:—                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Short title and commencement | 1. This Ordinance may be cited as the Export of Nigerian Produce Ordinance, 1958, and shall come into operation on a date (hereinafter referred to as the appointed day) to be appointed by the Governor-General by notice in the Gazette.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Interpretation               | 2. In this Ordinance, unless the context otherwise requires:—                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| No. 1 of 1955                | “the Board ” means the Nigeria Central Marketing Board, constituted under the provisions of the Nigeria Central Marketing Board Ordinance, 1955;<br>“the Company ” means the Nigerian Produce Marketing Company Limited, a private company of that name registered or to be registered under the provisions of the Companies Ordinance;                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Cap. 38                      | “export ” with its grammatical variations and cognate expressions means to take or cause to be taken out of Nigeria;<br>“local processing ” means any process or operation which has the effect of altering the character, nature or composition of any produce subject to a Regional Marketing Law from the state in which such produce would customarily be offered for sale for export;<br>“the Minister ” means the Minister charged with responsibility for matters relating to external trade;<br>“produce ” includes produce subject to a Regional Marketing Law and any product derived from such produce by local processing;<br>“produce subject to a Regional Marketing Law ” means produce of a kind which any Regional Marketing Board is by a Regional Marketing Law empowered to purchase for export; |

“ product derived by local processing ” means any product derived by local processing of any produce subject to a Regional Marketing Board for processing in Nigeria;

“ purchase ” with its grammatical variations and cognate expressions includes exchange or barter and any agreement or contract to purchase, exchange or barter;

“ Regional Marketing Board ” means the Eastern Regional Marketing Board, the Northern Regional Marketing Board, the Southern Cameroons Marketing Board or the Western Region Marketing Board;

“ Regional Marketing Law ” means the Eastern Regional Marketing Board Law, 1954, the Northern Regional Marketing Board Law, 1954, the Southern Cameroons Marketing Board Law, 1954, or the Western Region Marketing Board Law, 1954.

E. R. No. 5  
of 1954  
N.R. No. 7  
of 1954  
S. Cam.  
No. 1 of  
1954  
W. R. No. 10  
of 1954  
Power of  
Minister

3. The Minister shall have power:—

(a) to prescribe grades and standards of quality for produce purchased by the Regional Marketing Boards for export;

(b) in his discretion, but after such consultation as is prescribed by subsection (2) of section 4, to grant, withhold or cancel licences:—

(i) to acquire, subject to the provisions of any Regional Marketing Law, any produce for export; and

(ii) to export any produce; and

(c) to require any holder of a licence for the export of produce and any Regional Marketing Board and the servants or agents of any such holder or Board to furnish him with such statistics, estimates, returns or other information relating to produce as in his opinion are necessary for the discharge of his functions under this Ordinance.

4. (1) Before exercising the powers conferred on him by paragraph (a) of section 3, the Minister shall consult with, and obtain the advice of, the Company, the Produce Inspection Board and the Regional Marketing Boards.

Duty of  
consultation

(2) Before first exercising any of the powers conferred on him by paragraphs (b) and (c) of section 3, and as often as he shall deem necessary thereafter, the Minister shall consult with the Government of any Region from which produce with respect to which the power is to be exercised is derived as to the general principles on which the Minister is to act in the exercise of the said powers.

Powers relating  
to grant of  
licences to  
export produce

5. It shall be lawful for the Minister:—

- (a) to grant to the Company an exclusive licence to acquire from a Regional Marketing Board for export and to export any kind of produce purchased by such Regional Marketing Board, other than produce derived by local processing;
- (b) to attach to a licence to export produce such conditions as he may think fit, and in particular to specify the territory or territories to which the licence shall authorise produce to be exported.

Prohibition  
of export  
of produce  
without licence

6. (1) From and after the appointed day no person shall export any produce except under and in accordance with the terms of a licence granted by the Minister.

(2) Any person who contravenes or attempts to contravene the provisions of subsection (1) shall be liable on conviction to a fine of five hundred pounds or to imprisonment for a term not exceeding two years or to both such fine and imprisonment.

(3) Where an offence mentioned in subsection (2) is committed by a body corporate and such offence has been committed on the direction or with the consent or approval of any director, manager, secretary or other officer of such body corporate, that individual, as well as such body corporate, shall be guilty of that offence and may be proceeded against and, if convicted, be punished accordingly.

Power of  
delegation

7. (1) The Minister may depute any of the following officers by name or office, subject to such conditions, exceptions and qualifications as the Minister may prescribe, to sign any licence or other document issued in exercise of the powers conferred upon the Minister by section 3:—

- (a) the Permanent Secretary having supervision over the departments of government which are under the control of the Minister;
- (b) any officer who comes directly under the authority of such Permanent Secretary;
- (c) any officer of any of such departments of Government.

(2) Any delegation made under the provisions of subsection (1) shall be revocable at will and no delegation shall prevent the exercise of any power by the Minister.

Power to make  
regulations

8. The Minister may make regulations prescribing:—

- (a) the form of application for a licence to acquire or export produce;
- (b) the form of a licence to acquire or export produce;

- (c) the statistics, estimates, returns or other information to be furnished to him in accordance with paragraph (c) of section 3; and
- (d) any other matter which is by this Ordinance required to be prescribed.

9. (1) Upon the appointed day all the assets and liabilities of the Board, wherever situate, other than the assets referred to in subsection (2), shall be transferred to and shall vest in the Company by virtue of this section and without further assurance.

Transfer of  
assets and  
liabilities of  
Board

(2) Any records or other assets maintained or acquired by the Board for purposes which will hereafter be the responsibility of the Minister under the provisions of this Ordinance shall be transferred to and vest in the Government of the Federation by virtue of this section and without further assurance.

(3) All deeds, bonds, instruments and contracts subsisting immediately before the appointed day to which the Board is a party shall be of as full force and effect against or in favour of the Company, and enforceable as fully and effectually as if, instead of the Board, the Company had been a party thereto.

10. (1) The Nigeria Central Marketing Board Ordinance, 1955, is repealed with effect from the appointed day, with the exception of Part VII thereof and the Fourth Schedule thereto (hereinafter referred to as the Winding-up Provisions).

Repeal No. 1  
of 1955

(2) When a notice has been published in the Gazette in accordance with section 16 of the said Fourth Schedule in respect of each of the old Boards therein referred to, the Winding-up Provisions shall be repealed.

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This printed impression has been carefully compared by me with the Bill which has passed the House of Representatives, and is found by me to be a true and correctly printed copy of the said Bill.

B. ADE. MANUWA,  
*Clerk of the House of Representatives*

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