

**A LAW TO PROVIDE FOR THE ESTABLISHMENT OF THE
KADUNA STATE TRANSPORT REGULATORY AUTHORITY, 2017**



Kaduna State of Nigeria

Law No.8..... 2017

(15th June 2017)

Date of Commencement

**PART I
PRELIMINARY**

BE IT ENACTED by the House of Assembly of Kaduna State as follows: Enactment

1. This Law may be cited as the Kaduna State Transport Regulatory Authority (KADSTRA) Law, 2017. Short Title
2. This Law shall come into operation on the15th..... day of June 2017. Commencement
3. In this Law unless the context otherwise requires: Interpretation

"Authority" means the Kaduna State Transport Regulatory Authority (KADSTRA);

"Board" means the Governing Board established under Section 7 of this Law;

"Bus Mass Transit" means public transport system in which high-capacity buses are used to carry large number of passengers based on regular operation of transit buses along a designated route calling at designated bus stops according to a published schedule;

"Commercial vehicle" means a hackney carriage, a stage carriage, a tractor, a breakdown lorry, a motor cycle or any motor vehicle primarily designed for the carriage of goods and passengers;

"Commissioner" means the Commissioner responsible for Transport;

"Declared road" means a road that by this Law or Regulations has been brought under the supervision of the Authority;

"Government" means the Kaduna State Government;

"Governor" means the Governor of Kaduna State

"License" means legal authorization or permission from the Authority for the provision of road and rail passenger transport services in the State;

"Member" means a member of the Board and includes the Chairman;

"Rail Mass Transit" means a railway system operating within the State catering for short trips and which stops at frequent intervals;

"Route" means the sequence of streets and roads plied by a bus service while travelling from its origin terminus to its destination terminus, and vice versa;

"Scheduled Bus Service" means a service of buses with a capacity of at least 35 passengers operating on a fixed route according to a pre-determined timetable;

"Stage carriage" means any motor vehicle, with official paintings or sticker approved by the Authority, used or intended to be used for carrying passengers for hire or reward other than a vehicle constructed or adapted to carry less than eight persons, the passengers paying separate or distinct fares for their respective places, and shall be deemed to include the expression "minibus";

"State" means Kaduna State of Nigeria;

"Sticker" means an approved label or poster having the name of the Authority on it;

"Traffic Management Officer" includes the Kaduna State Traffic Law Enforcement Agency Officers or any other Officer acting under the authority of or as defined in any Regulations issued under this Law;

"Trailer" means a vehicle drawn by any motor vehicle but does not include a side car attached to a motor-cycle;

"Vehicle" includes in addition to any other vehicle defined in this section, any cart, bicycle, handcart, perambulator, rickshaw, tricycle, van or any other vehicle used or intended to be used for the conveyance of persons or goods.

PART II ESTABLISHMENT, FUNCTIONS AND POWERS OF THE AUTHORITY

4. (1) There is established in the State the Kaduna State Transport Regulatory Authority (KADSTRA).

Establishment of the
Authority

- (2) The Authority shall be a body corporate with perpetual succession and a Common seal, capable of suing and being sued in its corporate name, and shall have the power to:

- (a) enter into contracts;
- (b) acquire, hold, mortgage, purchase and deal with property, whether movable or immovable, real or personal; and
- (c) do all such things as are necessary for, or incidental to the carrying out of its functions and powers under this Law.

5. The Authority shall:

Functions of the
Authority

- (a) create a regulatory framework and facilitate the provision of transport services and facilities in the State with a view

to promote and safeguard competition, fair and efficient market conducts;

- (b) implement the State's transport policies and programmes, and coordinate the activities of all transport related Agencies in the State;
- (c) ensure the physical traffic serviceability of declared roads;
- (d) make recommendations for the classification of a road or portion of same as a declared road;
- (e) plan, regulate and co-ordinate the supply of adequate and effective public transport and supporting infrastructure within the State;
- (f) regulate and supervise the introduction and operation of Rail Mass Transit services in the State subject to the necessary approvals of the relevant authorities;
- (g) Supervise the rail operator and monitor compliance with the provisions of the Mass Transit Agreement entered into with the Authority;
- (h) issue a license authorizing the undertaking of transport services for Bus and Rail Mass Transit;
- (i) recommend locations for bus shelters, pedestrian walkways and bridges on a declared road;
- (j) regulate transport fares/tariffs set by public and private transport service providers and operators in the State;
- (k) issue safety license to the rail operator subject to the submission by the operator, of a safety plan approved by the Authority;
- (l) develop and monitor safety and quality standards for both road and rail transport;
- (m) impose fees or charges for the services rendered by the Authority;

- (n) conduct research for the purposes of carrying out its functions;
- (o) develop and monitor performance standards, Health and Safety Regulations and indices relating to the quality of transport services and facilities provided to users and consumers in the State;
- (p) monitor and facilitate the incentives for efficient long term investments in the State for the provision of transport services and facilities;
- (r) make transport policy recommendations to the Governor including mechanisms for their implementation.

6. (1) The Authority shall have power to:

Powers of the
Authority

- (a) prepare plans for the management and development of transportation in Kaduna metropolis and any other city or town in the State;
- (b) construct, re-construct, maintain and manage transport infrastructure and facilities and all other buildings and works necessary for the discharge of the functions of the Authority under this Law;
- (c) protect, maintain and improve all transport ways;
- (d) carry out any transport works through, across, or under any declared road or any place laid out or intended as a declared road;
- (e) regulate all forms of transportation in the State;
- (f) levy user charges in connection with its regulatory services including road taxes as may be authorised by the Governor;
- (g) prepare and review as appropriate, performance related terms and conditions of service for its employees;
- (h) acquire, purchase, lease, hold, construct, manufacture or maintain any property whatsoever

whether movable or immovable required for or in connection with the performance of its functions;

- (i) do anything for the purpose of advancing the skills of persons employed by the Authority or the efficiency of the equipment of the Authority or the manner in which the equipment is operated including the provision of facilities of training, education and research;
- (j) establish subsidiary bodies with the prior approval of the Governor to be used as special purpose vehicles for purposes of carrying out its functions and powers under this Law;
- (k) enter into any relationship, agreement or partnership with any other body whether governmental or otherwise for the purpose of providing transportation service, equipment or infrastructure and to make regulations for carrying out such obligations as may be necessary, upon such terms as may be agreed with such other body;
- (l) issue and administer licenses for the operation of all public transportation services;
- (m) impose and collect fares for the issuance and administration of licenses;
- (n) suspend or withdraw the license of an operator for violating the conditions attached to the "license; insure its properties against all forms of risk;
- (o) write off bad debts with the approval of the House of Assembly;
- (p) insure its properties against all forms of risk and
- (q) authorize or delegate any officer, employee or servant of the Authority to act as an agent of the Authority for any function, services or facilities which may be exercised, performed or provided by the Authority under this Law.

- (2) The Authority:
- (a) may grant franchises for the operation of scheduled bus services and other modes of transportation within the State;
 - (b) shall impose and collect fees for the a franchise granted under this Law;
 - (c) shall make Regulations and impose conditions as it may consider necessary for the grant of a franchise under this Law.
- (3) No person shall operate a:
- (a) scheduled bus service except under the terms of a franchise granted by the Authority;
 - (b) transportation service in contravention of or in competition with a franchise granted by the Authority under this Law.
- (4) The Authority may by Regulation, prescribe penalty for the contravention of a franchise or any provision of this Law or any order, notice or instruction of the Authority properly given under this Law.
- (5) The Authority may declare that the route or routes to be served by the franchises are made exclusive.
- (6) Nothing in this section shall absolve the owner or driver of a bus operating under a franchise granted in accordance with this Law from complying with the requirements of an existing law in relation to licensing and registration including the requirement to hold a stage carriage permit.
- (7) The Authority shall have power, for the purpose of carrying out its functions, to do all such acts as may appear to it to be necessary, either acting alone or in association with any other person or body.

PART III
THE GOVERNING BOARD OF THE AUTHORITY

7. (1) There shall be appointed by the Governor, a Governing Board for the Authority which shall consist of:
- (a) a Part-time Chairman;
 - (b) the Director-General who shall be a full-time member of the Board;
 - (c) two (2) representatives of transport operators;
 - (d) one (1) representative each from the Ministry responsible for:
 - (i) Transport;
 - (ii) Finance;
 - (iii) Justice;
 - (e) a representative of Budget and Planning Commission not below the rank of a Director.
 - (f) representative of the Kaduna State Investment Promotion Agency;
 - (g) three (3) members representing all the Local Government Areas in the State one each from the three Senatorial Districts of the State, one of whom must be woman;
 - (h) two (2) other members of the public who have experience of management in the transport sector.
- (2) The Members of the Board shall be appointed on a part-time basis with the exception of the Director-General.
8. (1) The Members of the Board, with the exception of the ex-officio members, shall hold office for a period of four years and may be re-appointed for a further four year term only.

Establishment and
Composition of the
Governing Board

Tenure of Office of
members

- (2) Notwithstanding anything contained in his letter of appointment, a member of the Board may resign his appointment in writing under his hand and addressed to the Governor, and upon receipt of the letter of resignation the appointment of the member shall cease.

9. The Governor may remove any member of the Board if he/she is: Removal From Office

- (a) found liable of misconduct in relation to his duties;
- (b) becomes mentally and physically incapacitated;
- (c) adjudged Bankrupt;
- (d) convicted of a felony or any offence involving dishonesty or fraud;
- (e) been absent for five (5) consecutive meetings of the Board without any reasonable excuse;
- (f) is disqualified from practicing his profession by the relevant competent authority; or

10. There shall be paid to the members of the Board such remuneration as may be determined from time to time by the Governor. Remuneration of Members

11. (1) The Board shall ordinarily meet for the discharge of its functions at such times and places as the Chairman may appoint, but not less than four (4) times in any calendar year. Meeting of the Board

(2) The Chairman shall preside over meetings, and when absent any other member present may be appointed to preside.

(3) Where a simple majority of members of the Board request the Chairman, by notice in writing signed by them, to convene an extraordinary meeting of the Board for the purposes specified in the notice, the Chairman shall, upon receipt of such notice, convene an extraordinary meeting of the Board for those purposes at the earliest convenient date.

12. The quorum for a meeting of the Board shall be a simple majority of members. Quorum
13. (1) All questions at a meeting of the Board shall be determined by a majority of votes of the members present and voting. Voting
- (2) At any meeting of the Board each member shall have a vote, and if there is equality of votes, the presiding chairman shall have a second or casting vote.
14. Where the Board desires to obtain the advice of any person(s) upon any matter, the Board may co-opt such person to be a member for the meeting or meetings as may be required, and the person shall whilst so co-opted, have all the rights and privileges of a member of the Board save that he shall not be entitled to vote on any question or count towards a quorum. Power to Co-opt
15. (1) A member of the Board who is in any way directly or indirectly interested in a transaction or project of the Authority shall disclose the nature of his interest at a meeting of the Board, and such disclosure shall be recorded in the minutes book of the Authority, and the member shall not take part in any deliberation or decision of the Board with respect to that transaction or project. Disclosure of Interest by
Members of the Board
- (2) For the purpose of subsection (1) of this Section, a general notice given at a meeting of the Board by a member to the effect that he is associated with any trade or business or he is a member of a specified company or firm and is to be regarded as interested in any transaction or project of the Authority concerning that trade, business, company or firm shall be regarded as sufficient disclosure of his interest in relation to that transaction or project.
- (3) A member of the Board may not attend in person a meeting of the Board in order to make a disclosure which he is required to make under this Section if he takes reasonable steps to ensure that the disclosure is made by a notice which is brought up and read at the meeting.

16. The Authority shall:

Preparation of Corporate
Investment Plan

- (1) within one (1) year of its establishment, prepare a five (5) year Corporate Investment Plan separated into annual action plans.
- (2) keep its Corporate Investment Plan under review and update it annually within a three (3) year rolling plan cycle.

17. Transfer of Personnel on the commencement of this Law, such personnel of the Ministry or Department, or Agency that meet the professional criteria of the Authority, may be transferred to the Authority, and, where this occurs, such transfer shall be subject to the same conditions of service of the Authority regarding salary, remunerations and seniority.

Transfer of Existing
Transport Works to the
Authority

PART IV FINANCIAL PROVISIONS

18. (1) The Authority shall establish and maintain a fund which shall consist of:

Funds the Authority

- (a) all such monies as may be appropriated to the Authority by the State House of Assembly.
- (b) all monies accruing to the Authority from the Transport Trust Fund set up under the provisions of Section 20 of this Law;
- (c) such other monies accruing to the Authority by way of Loans or Grants from the State or Local Government, Donor Partners, Statutory Corporations or International Organizations;
- (d) any investment or other property acquired by or vested in the Authority;
- (e) charges, levies and fees collected by the Authority under this Law;

- (f) all other assets that may from time to time be vested in or accrue to the Authority in the course of performing its functions under this Law.
- (2) The Authority shall ensure that its funds are utilized strictly to defray its operating expenses for the purpose of discharging its functions under this Law.
- 19. (1) There is established a Transport Trust Fund (referred to in this Law as "the Fund") to be managed by a reputable fund manager appointed by the Governor on the recommendation of the Board for the purpose of ensuring the Authority's sustainable performance. Establishment of the Transport Trust Fund
 - (2) The Trust Fund shall receive funds by way of grants or donations from the Federal Government, private organizations, philanthropists, international donor organizations and Non-Governmental Organisations.
 - (3) Five percent of all monies accruing to the Trust Fund shall be paid into the account of the Authority, subject to submission of the Authority's annual Budget for incorporation into the budget of the State for appropriation by the State House of Assembly.
- 20. (1) The Authority may with the approval of the Governor borrow money by issuing debentures, stocks, or other securities or in any other manner for and in connection with the exercise of its functions under this Law. Power to Borrow Money
 - (2) An approval given for the purpose of this section may be either general or limited to a particular borrowing or otherwise and may be subject to conditions.
- 21. (1) The Authority shall keep proper records of account of all its transactions in such form as the Board may direct to conform with standard commercial practice. Accounts of the Authority
 - (2) The form of accounts shall be such as to secure the provision of separate information in respect of each of the main activities and divisions of the Authority.
 - (3) The Authority shall cause to be prepared and submitted to the State Executive Council not later than 30th

September of each year a statement of its income and expenditure estimates for the succeeding year.

22. (1) The accounts of the Authority shall be audited annually by external auditors appointed by the Board from a list of approved auditors provided by the Auditor-General of the State. Audit of Accounts
- (2) The accounts of the Transport Fund shall be audited annually by external auditors appointed from a list of approved auditors provided by the Auditor-General of the State within six (6) months of the end of each financial year.
- (3) The Authority shall, within six (6) months after the end of each financial year, furnish the Governor with:
- (i) a copy of the audited account of the Authority;
 - (ii) a copy of the general report and full report of the external auditor; and
 - (iii) a detailed report of the state of affairs of the Authority for the financial year.
- (4) The Authority shall cause the audited account and the Annual Report of the Authority to be published in the State Official Gazette after complying with subsection (1) of this Section and to be made available on demand to the public.

PART V

MANAGEMENT AND STAFF OF THE AUTHORITY

23. (1) There shall be appointed for the Authority, a Director-General who shall be the Chief Executive Officer of the Authority. The Director-General
- (2) The Director-General shall be appointed by the Governor.
- (3) The Director-General shall hold office for a term of five (5) years and may be re-appointed for a further term of five (5) years only.

- (4) The Director-General shall possess a minimum qualification of a first degree and not less than 10 years experience in the transport sector.
24. (1) The Director-General shall be responsible for the implementation of decisions of the Board and the day-to-day running of the Authority and shall perform the following functions:
- Functions of the Director-General
- (a) annually prepare the draft business plan of the Authority for the ensuing financial year and submit the plan to the Board for approval;
 - (b) submit within three (3) months of his appointment the Authority's draft organizational plan, inclusive of key performance indicators for each division, to the Board for approval;
 - (c) recommend to the Board a scheme containing the proposed remuneration of the Authority's personnel and their conditions of service based on the approved business plan;
 - (d) recruit and appoint the personnel needed in accordance with the terms of the scheme submitted and approved by the Board;
 - (e) attend meetings of the Board and keep the Board informed on a regular basis of the Authority's performance.
- (2) In designing the organizational structure of the Authority, the Director-General shall, subject to the approval of the Governor, ensure that the Authority is structured into departments, divisions or sections to comprehensively cover all its functions.
- (3) The organizational structure shall ensure that the Authority employs staff who have acquired experience in areas such as transport planning, engineering, transport safety and environmental regulation, tariff and competition regulations, law and finance.

25. (1) There shall be appointed for the Authority, a Secretary/Legal Adviser to the Board who shall be a legal practitioner with not less than 10 years post qualification experience.
- (2) The Secretary/Legal Adviser shall be responsible for:
- (i) the administration of the secretariat and legal unit of the Authority;
 - (ii) keeping the books and proper records of the proceedings of the Board;
 - (iii) conveying decisions of the Board to its members;
 - (iv) generally performing all other duties affecting the Authority as may be specifically assigned to him by the Board or the Director-General.
26. The Authority may, subject to the Governor's approval, appoint such number of persons as it may consider necessary as employees, either from the public or private sector, upon such terms as it may determine from time to time.
27. Service in the Authority shall be approved service for the purpose of payment of pension in accordance with the Pension Law, and therefore staff of the Authority shall be entitled to the payment of pension and other retirement benefits. However, nothing in this Law shall prevent the appointment of a person to an office on terms, which preclude the grant of pension in respect of that office.

PART VI GENERAL PROVISIONS

28. (1) The Authority shall submit an Annual Report of its activities to the Governor in accordance with the provisions of this Law.
- (2) The Annual Report shall amongst other information, contain audited financial report and a detailed presentation of the performance of the Authority during the reporting year stated against set targets in the approved Corporate Investment Plan and it shall also

contain an analysis of the opportunities and challenges faced by the Authority and the actions proposed for addressing them.

29. (1) No proceedings may be commenced against the Authority, before the expiration of one month after written notice of intention to commence the suit, shall have been served on the Authority. Pre-action Notice
- (2) The notice referred to in subsection 1 of this section shall clearly and explicitly state the cause(s) of action, the particulars of the claim, the name and place of abode of the intending plaintiff and the relief(s) which he claims.
30. The provisions of the Public Officers Protection Law, Laws of Kaduna State 1991 shall apply in relation to any suit instituted against the Authority or its employees. Limitation of suits against the Authority
31. The validity of any proceedings of the Board shall not be affected by any vacancy in the membership of the Board or any defect in the appointment of a member to the Board, or by reason that a person not entitled to do so took part in the proceedings. Validity of Proceedings
32. (1) The Authority shall have its principal office in Kaduna or such other place in the State as may be designated for the efficient discharge of its functions and, may open branch offices in other divisions of the State in accordance with the decision of the Board. Offices and Agencies
- (2) The Board may, with the approval of the Governor, open branch offices, or establish Agencies of the Authority outside Kaduna State.
33. (1) The Common Seal of the Authority shall be such as may be determined by the Board, and the affixing of the common seal shall be authenticated by the signatures of the Director-General and the Secretary, or of some other members authorised generally or specifically by the Board to act for that purpose. Common Seal
- (2) Any document purporting to be a document duly executed under the common seal of the Authority shall

be received in any Court and shall, unless the contrary is proved, be deemed to be so executed.

34. The Authority may with the approval of the Governor make Regulations as may be necessary for the proper and effective performance of its functions under this Law. Power to Make Regulations

35. (1) Within thirty (30) days of being appointed to the Board, each member shall make a declaration of interest in a manner as may be prescribed under this Law. Declaration of Interest

(2) Without limiting the generality of subsection (1) of this section, an "interest" shall include:

(a) being a member of a body or being in a position of general control or management of a body which is involved by any business of the Authority;

(b) Being employed by any employer who is involved by any business of the Authority;

(c) Conducting any business for own account, which is affected by any business of the Authority;

(d) Any contract for goods, services or works between the Authority and a firm in which a member is a partner, or a company of which a member is a director; or

(e) Any decision of the Authority which might reasonably be regarded as affecting the well-being or financial position of a member or the well-being or financial position of a relevant person.

(3) For the purposes of subsection (2) (e) of this section, a relevant person is:

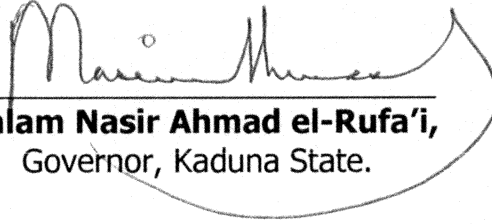
(a) a family member of a member or a person with whom a member has a close association; or

(b) Any person or body who employs a member or remunerates a member, or any firm of which a member is a partner, or any company of which a member is a director.

- (4) A member of the Board shall prior to the discussion of any matter in which such member has an interest, declare such interest to the Board and such declaration shall be recorded in a declaration of interests register.
 - (5) A member of the Board may not take part in any deliberation of the Board with regard to any matter in which such member has declared an interest.
36. (1) The Board shall, within six (6) months after the entry into force of this Law, adopt a Code of Ethics for its members and the employees of the Authority. Code of Ethics
- (2) The Code OF Ethics shall in respect of members of the Board and employees of the Authority:
- (a) Specify general rules of conduct;
 - (b) Specify a procedure for a declaration of interests;
 - (c) Impose a general duty on all members and employees to act impartially and in the best interests of the Authority;
 - (d) Specify procedures to be followed for a breach of the Code;
 - (e) Provide for protection of whistle blowers; and
 - (f) Regulate conduct with regard to the media and interest groups.
- (3) The Director-General shall ensure that the contents of the Code of Ethics are widely publicized within the Authority and shall be deemed to form part of any contract between the Authority and its employees.
37. (1) The rights, interests, obligations, assets and liabilities of the Kaduna State Transport Authority before the commencement of this Law under any contract or instrument are hereby vested in the Kaduna State Transport Company Limited or such other body as may be approved by the Governor. Savings and Repeals

- (2) The Kaduna State Transport Authority Law, Cap 156, Laws of Kaduna State 1991 is hereby repealed.

DATED AT KADUNA this 15th day of June 2017.

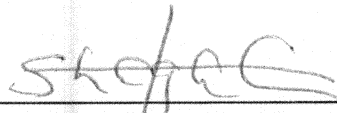

Malam Nasir Ahmad el-Rufa'i,
Governor, Kaduna State.

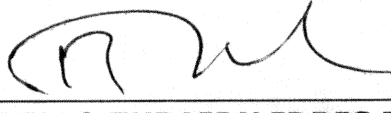
EXPLANATORY NOTE

(This note does not form part of this Law and has no legal effect.)

The purpose of this Law is to establish the Kaduna State Transport Regulatory Authority (KADSTRA) to provide a regulatory framework for the provision of services in the transport sector in the State.

This printed impression has been carefully compared with the Bill which has passed the Kaduna State House of Assembly and found to be true and correctly printed copy of the said Bill.


HON. AMINU ABDULLAHI SHAGALI
(Speaker)


BELLO ZUBAIRU IDRIS Esq.
(Clerk to the Legislature)