

PRESIDENT GOODLUCK EBELE JONATHAN *GCON, GCFR* REPEALS THE NIGERIAN ACCOUNTING STANDARDS BOARD ACT NO. 22, 2003 AND ENACT THE FINANCIAL REPORTING COUNCIL OF NIGERIA ACT, 2011.

HEREUNDER ARE THE BENEFITS OF THE FINANCIAL REPORTING COUNCIL ACT, 2011 AS EXPLAINED BY THE HONOURABLE MINISTER, Federal Ministry of Trade & Investment, DR. OLUSEGUN AGANGA, at a Workshop on Attracting Investments into Nigeria” held at Transcorp Hilton Hotel, Abuja, July 20th 2011.

It is with all sense of commitment and duty that I welcome you all to this seminar put together as part of efforts aimed at aligning the objectives of my ministry and parastatals with the agenda of this administration. It is also aimed at preparing relevant stakeholders on the wider implications of the focus of the newly created Ministry of Trade and Investment.

It is worthy to note that the present administration is determined to restructure and reform the economy of Nigeria, create necessary macroeconomic and regulatory environment, as a way of attracting Foreign Direct Investment, and encourage ideas that can lead to the realisation of the full potentials of our national resources. I must say that Mr. President has already started taking steps to ensure that these objectives are realised.

You will recall that the Federal Executive Council, on 28th July, 2010, unveiled the Road Map for Nigeria’s adoption of International Financial Reporting Standards (IFRS) effective January 1, 2012 in order to enhance our national dedication to reliable financial information and audit quality assurance.

On assumption of office, as the Minister of Trade and Investment, I discovered that Mr. President has began to demonstrate his avowed move to promote cross border listing, harmonisation of regulatory capacities and consolidation of economic reforms by signing the Financial Reporting Council (FRC) Bill into law.

This legislation is meant not only to create the enabling environment for the implementation of the IFRS and to guarantee credible financial reporting regime in both public and private sector entities in Nigeria but also wealth creation and economic transformation.

Other benefits that will accrue from the application of the provisions of the Financial Reporting Council Act include:

- **Increase in Foreign Direct Investment and assurance of easier access to external capital.** The platform for economic integration,

harmonization and internationalization are legal reforms that are capable of re-assuring the markets and the public at large that corporate reporting and governance frameworks are sufficiently robust.

- **Enhancement of Local and Foreign Investors' confidence in the quality assurance systems of financial reporting** in public and private sector entities in Nigeria.
- **More meaningful and decision enhancing information can now be arrived at from financial statements issued in Nigeria** because Accounting, Actuarial, Valuation and Auditing Standards, used in the preparation of these statements, shall be issued and regulated by this Financial Reporting Council.
- **The FRC is a unified independent regulatory body** for Accounting, Auditing, Actuarial, Valuation and Corporate Governance. **As such, compliance monitoring in these areas will hence be addressed from the platform of professionalism and legislation.**
- **Job creation;** as graduates of accounting and related fields, from Nigeria' tertiary institutions, shall become **internationally acceptable and employable.**
- **The Public Sector Financial management reform is hinged on the development of Public Sector Accounting Standards** which shall be issued by the Financial Reporting Council.

This law shall put Nigeria on the path to adopting the best organized approach to regulation of financial reporting as it is currently practiced in the United Kingdom, Australia, Malaysia and the United States of America.

The Chief Executive Officer of the Financial Reporting Council, Mr. Jim Obazee, shall be exposing the details of the law to the general public hereafter.