

# A BILL

## FOR

AN ACT TO PROVIDE FOR THE ESTABLISHMENT OF THE NIGERIA INFORMAL SECTOR AFFAIRS COMMISSION TO COORDINATE, MONITOR AND MANAGE THE INFORMAL SECTOR OF NIGERIA; ADDRESS THE NEEDS OF INFORMAL SECTOR ACTORS IN NIGERIA AND FOR RELATED MATTERS

*Sponsored by Hon. Tajudeen Obasa*

[ ] Commencement

BE IT ENACTED by the National Assembly of the Federal Republic of Nigeria as follows:

1           1.-(1) There is established a body to be known as the Nigeria  
2 Informal Sector Affairs Commission (in this Act referred to as “the  
3 Commission”).

Establishment  
of the Nigeria  
Informal Sector  
Affairs  
Commission

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

7           (3) The Commission shall have an office in each State of the  
8 Federation.

9           2. The Commission shall consist of the following members, that  
10 is-

Membership of  
the Commission

11           (a) A Chairman who shall be appointed by the President on the  
12 recommendation of the Minister, being a person who by reason of his ability,  
13 experience or specialized knowledge of the operation of small and medium  
14 businesses would in his opinion be capable of making outstanding  
15 contributions to the work of the Commission;

16           (b) A representative of each of the following government bodies:

17           (i) Ministry of Commerce;

18           (ii) Ministry of Justice;

19           (iii) Corporate Affairs Commission;

- 1 (iv) Small and Medium Enterprises Development Agency of Nigeria.
- 2 (c) A representative of each of the following Organisations:
- 3 (i) Nigerian Association of Chambers of Commerce, Industries,
- 4 Mines and Agriculture;
- 5 (ii) Nigerian Bar Association;
- 6 (iii) Manufacturers Association of Nigeria.
- 7 (d) Six representatives, each from the six geo-political zones of
- 8 Nigeria;
- 9 (e) The Registrar-General of the Commission.

Tenure

- 10 3.-(1) The Chairman and other members of the Commission (not
- 11 being an ex-officio member) shall hold office for four years and shall be
- 12 eligible for re-appointment for one further term of four years and no more.
- 13 (2) The members of the Commission except the Registrar-General
- 14 shall be part-time members of the Commission.

Cessation of  
Membership

- 15 4. A member of the Commission shall cease to hold office if-
- 16 (a) He becomes of unsound mind or is incapable of carrying out his
- 17 duties;
- 18 (b) He becomes bankrupt or has made an arrangement with his
- 19 creditors;
- 20 (c) He is convicted of a felony or any offence involving dishonesty;
- 21 (d) He is guilty of serious misconduct relating to his duties; or
- 22 (e) In the case of a person possessed of professional qualifications, he
- 23 is disqualified or suspended (other than at his own request) from practising his
- 24 profession in any part of Nigeria by the order of any competent authority made
- 25 in respect of him personally.

Proceedings of  
the Commission

- 26 5.-(1) Subject to this section and section 27 of the Interpretation Act,
- 27 the Commission may make standing orders regulating its proceedings.
- 28 (2) The Chairman shall preside at every meeting of the Commission
- 29 but, in his absence, the members present shall elect one of their number present
- 30 to preside at the meeting.

1 (3) The quorum for meetings of the Commission shall be five.

2 (4) The Commission may appoint any of its officers to act as  
3 secretary at any of its meetings.

4 6.-(1) A member of the Commission who is directly interested in  
5 any business or enterprise, the affairs of which are being deliberated upon by  
6 the Commission, or is interested in any contract made or proposed to be  
7 made by the Commission shall, as soon as possible after the relevant facts  
8 have come to his knowledge, disclose the nature of his interest at a meeting  
9 of the Commission.

Disclosure of  
Interest

10 (2) A disclosure, under subsection (1) of this section, shall be  
11 recorded in the minutes of the Commission, and the member shall-

12 (a) Not take part after such disclosure in any deliberation or  
13 decision of the Commission with regard to the subject matter in respect of  
14 which his interest is thus disclosed; and

15 (b) Be excluded for the purpose of constituting a quorum of the  
16 Commission for any such deliberation or decision.

17 7. The functions of the Commission shall be to:

Functions of the  
Commission

18 (a) Administer this Act including the regulation and supervision of  
19 the formation, registration and management of businesses pursuant to this  
20 Act;

21 (b) Establish and maintain a business registry and office in all the  
22 States of the Federation suitably and adequately equipped to discharge its  
23 functions under this Act;

24 (c) Make guidelines for the categories of businesses to be  
25 registered and regulated under the Act with the approval of the Minister  
26 published in the gazette;

27 (d) Make guidelines for the minimum requirements for the  
28 registration of businesses, manner of registration and the annual returns to  
29 be filed by businesses, with the approval of the Minister published in the  
30 gazette;

1 (e) Ensure an enabling environment for the operation of the informal  
2 business sector in Nigeria;

3 (f) Co-ordinate the activities of the informal sector as an organized  
4 entity eligible to benefit from government infrastructure and multilateral  
5 relations;

6 (g) Harness the opportunities and ensure that the informal sector  
7 becomes part of the mainstream economy and aids industrial development in  
8 Nigeria;

9 (h) Arrange or conduct an investigation into the affairs of any  
10 business where the interests of the public so demand; and

11 (i) Perform such other functions as may be specified by any Act or enactment.

Registration  
of Business

12 **8.-(1)** Every individual, firm or business having a place of business in  
13 Nigeria and carrying on business shall be registered in the manner provided by  
14 the Commission under this Act.

15 (2) On the registration of any firm, business or individual under this  
16 Act, the Registrar-General shall issue a certificate in the prescribed form as  
17 evidence of Registration.

Removal of  
Name from  
Register

18 **9.-(1)** Where the Registrar-General has reasonable cause to believe  
19 that any firm, business or individual registered under this Act is not carrying on  
20 business, he may send to the firm, business or individual a notice that, unless an  
21 answer is received to such notice within three months from the date thereof, the  
22 firm, business or individual may be removed from the register.

23 (2) If the Registrar either receives an answer from the firm, business  
24 or individual to the effect that the firm, business or individual is not carrying on  
25 business or does not within three months from the date of the notice receive an  
26 answer, he may remove the firm, business or individual from the register.

Appointment of  
Registrar-General

27 **10.-(1)** There shall be appointed by the Commission a Registrar-  
28 General who shall be qualified to practice as a legal practitioner in Nigeria and  
29 has been so qualified for not less than 10 years and in addition, has had  
30 experience in business law practice or administration for not less than 8 years.

1 (2) The Registrar-General shall be the chief executive of the  
2 Commission and shall be subject to the directives of the Commission and  
3 shall hold office on such terms and conditions as may be specified in his  
4 letter of appointment and on such other terms and conditions as may be  
5 determined, from time to time, by the Commission with the approval of the  
6 President.

7 (3) The Registrar-General shall be the accounting officer for the  
8 purpose of controlling and disbursing amounts from the Fund established  
9 under this Act.

10 **11.**-(1) The Commission may appoint such other staff as it may  
11 deem necessary for the efficient performance of the functions of the  
12 Commission under or pursuant to this Act.

Appointment  
of Staff

13 (2) Service in the Commission shall be approved service for the  
14 purpose of the Pensions Act and accordingly, officers and other persons  
15 employed in the Commission shall in respect of their service in the  
16 Commission be entitled to pensions, gratuities and other retirement benefits  
17 enjoyed by persons holding equivalent grades in the public service of the  
18 Federation.

19 **12.** The Commission shall establish a fund which shall consist of  
20 such sums as may be allocated to it by the Federal Government and such  
21 other funds as may accrue to it in the discharge of its functions.

Fund of the  
Commission

22 **13.** The Commission may, from time to time, apply the proceeds of  
23 its Fund established under this Act-

Application of  
the Fund

24 (a) To the cost of administration of the Commission;

25 (b) For re-imbursing members of the Commission or any  
26 Committee set up by the Commission for such expenses as may be  
27 authorised or approved by the Commission, in accordance with the rate  
28 approved in that behalf by the President;

29 (c) To the payment of salaries, fees or other remuneration or

1 allowances, pensions and gratuities payable to the employees of the  
2 Commission;

3 (d) For the maintenance of any property acquired or vested in the  
4 Commission; and

5 (e) for, and in connection with, all or any of the functions of the  
6 Commission under this Act.

Annual Accounts,  
audit and Estimates

7 **14.**-(1) The Commission shall keep proper accounts and proper  
8 records in relation thereto and shall prepare in respect of each year a statement  
9 of accounts in such form as the President may direct.

10 (2) The accounts of the Commission shall be audited not later than six  
11 months after the end of the year by auditors appointed by the Commission from  
12 the list and in accordance with guidelines supplied by the Auditor-General for  
13 the Federation; and the fees of the auditors and the expenses of the audit  
14 generally shall be paid from the funds of the Commission.

15 (3) The Commission shall cause to be prepared, not later than 30  
16 September in each year, an estimate of the expenditure and income of the  
17 Commission during the next succeeding year and when prepared they shall be  
18 submitted through the Minister to the President.

Annual Report

19 **15.** The Commission shall, not later than 30 June in each year, submit  
20 to the President a report on the activities of the Commission during the  
21 immediate preceding year, and shall include in such report the audited accounts  
22 of the Commission.

Offences

23 **16.**-(1) If any firm, business or individual required under this Act to  
24 be registered-

25 (a) Fails to be registered;

26 (b) Fails to register changes in the business composition as required  
27 by the Commission; or

28 (c) Carries on business under a business name, registration of which  
29 has been refused or cancelled, every partner in the firm or business or the  
30 individual shall be guilty of an offence and liable on conviction to a fine of

1 N5,000 for every day during which the default continues, and the court shall  
2 order a statement of the required particulars to be furnished to the Registrar  
3 within such time as may be specified in the order.

4 (2) If any statement required to be furnished under this Act contains  
5 any matter which is false in any material particular to the knowledge of any  
6 person signing it, such person shall be guilty of an offence and liable on  
7 conviction to a fine of N250,000 or to imprisonment for six months or to  
8 both such fine and imprisonment.

9 (3) All offences under this Act shall be tried by a court of competent  
10 jurisdiction in the place where the offence is alleged to have been  
11 committed.

12 **17.** The Minister may with the approval of the President, make Regulations  
13 regulations-

14 (a) For the governance and guidance of the Registrar-General and  
15 of all persons acting under them;

16 (b) Prescribing the forms to be used for the purpose of this Act;

17 (c) Prescribing the fees to be taken by the officers by or before  
18 whom the acts for which the fees are payable are done under this Act;

19 (d) Generally for the conduct and regulation of registration under  
20 this Act and any matters incidental thereto.

21 **18.** Sections 569 - 589 of the Companies and Allied Matters Act Repeals  
22 CAPC20, LFN 2004 is repealed.

23 **19.**-(1) Any firm or business or individual who immediately before Savings  
24 the coming into operation of this Act was registered as a Business Name  
25 with the Corporate Affairs Commission under the Companies and Allied  
26 Matters Act, shall be deemed to be registered under and in accordance with  
27 this Act and the provisions of this Act shall apply in respect of such firm,  
28 business or individual accordingly.

29 (2) The Register of Business Names and every information and all  
30 structures relating to Business Names under the Corporate Affairs

1 Commission is preserved and transferred to the Nigeria Informal Sector Affairs  
2 Commission established under this Act.

Interpretation 3 **20.** In this Act:  
4 "business" includes any trade, industry and profession and any occupation  
5 carried on for profit;  
6 "business name", means the name or style under which any business is carried  
7 on whether in partnership or otherwise;  
8 "Commission" means the Nigeria Informal Sector Affairs Commission;  
9 "firm" means an unincorporated body of two or more individuals or one or  
10 more individual and one or more corporations, or two or more corporations,  
11 who or which have entered into partnership with one another with a view to  
12 carrying on business for profit;  
13 "gazette" means the official gazette of the Federation;  
14 "Minister" means the Minister charged with responsibility for matters relating  
15 to Commerce.

Short title 16 **21.** This Bill may be cited as the Nigeria Informal Sector Affairs  
17 Commission (Establishment, etc) Bill, 2018.

EXPLANATORY MEMORANDUM

This Bill seeks to provide for the establishment of the Nigeria Informal Sector Affairs Commission to coordinate, monitor and manage the Informal Sector of Nigeria; address the needs of Informal Sector Actors in Nigeria.