

INSTITUTE OF DEBT RECOVERY PRACTITIONERS OF NIGERIA

(ESTABLISHMENT) BILL, 2016

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# A BILL

## FOR

AN ACT TO ESTABLISH THE INSTITUTE OF DEBT RECOVERY PRACTITIONERS OF NIGERIA, TO TRAIN REGULATE, LICENSE AND EXERCISE CONTROL OVER THE OCCUPATION OF COLLECTION AND RECOVERY OF DEBT OF, LEVIES FEES OR REMUNERATION BY REGISTERED DEBT COLLECTORS AND FOR RELATED MATTERS

*Sponsored by Hon. Emmanuel Oghene Eghor*

[ ] 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 institute of  
2 Debt recovery Practitioners of Nigeria (in this bill referred to as "the  
3 institute"). Establishment of the Institute

4           (2) The Institute:

5           (a) Shall be a body corporate with perpetual succession and a  
6 common seal and may sue and be sued in its corporate name; and

7           (b) Acquire, hold, mortgage, purchase and deal howsoever with  
8 property, whether movable or immovable, real or personal.

9           2.-(1) There is establishment for the management of the affairs of  
10 the institute a Governing Council (in this Bill referred to as "the council"). Establishment and Constitution of Governing the Institute

11           (2) The Chairman shall be a:

12           (a) fellow of the institute for the past ten years

13           (b) Debt recovery practitioner for not less than ten years; and

14           (c) Person of unquestionable character and proven integrity.

15           (3) The members of the Governing Council shall be nominated by  
16 the members of the institute.

17           (4) The council shall from time to time elect from among its  
18 members a vice chairman, who shall in the absence of the chairman have all

1 the powers and duties of the chairman and in the absence of the chairman or  
2 vice chairman the chairman or the vice chairman, present shall appoint a  
3 chairman from their own ranks to preside at that meeting.

4 (5) A member of the governing council shall:

5 (a) Be a person of proven integrity; and

6 (b) Have 10 years cognate experience in the practice of Debt recovery.

Schedule

7 (6) The supplementary provision set out in the schedule to this Bill  
8 shall have effect with respect to the proceeding of the council and other related  
9 matters.

Tenure of office  
of members of  
council

10 3.-(1) A member of the Council holds office for a term of 4 (four  
11 years).

12 (2) A member of the council may be reappointed at the expiration of  
13 the term of office for the second time and no more.

14 (3) A person shall not be appointed as a member of the council if he:

15 (a) Is an undischarged bankrupt;

16 (b) Fails to comply or is not capable of fully complying with a  
17 judgment or order, including an order for costs, given against the person by a  
18 court of law in a civil case;

19 (c) In the preceding 10 years, has been convicted of an offence of  
20 violence, dishonesty, extortion or intimidation; or

21 (d) Is not permanently resident in the Federal Republic of Nigeria.

Cessation of  
Membership

22 4.-(1) a member of the Council shall vacate office if the member:

23 (a) Becomes subject to a disqualification contemplated in section 3(3)  
24 of this bill;

25 (b) Becomes of unsound mind;

26 (c) Is appointed under section 2(2) (iv), ceases to be a member of the  
27 Institute of Debt Recovery Practitioner of Nigeria;

28 (d) Is absent without the leave of the registrar for more than two  
29 consecutive meetings of the council; or

1 (e) Is a Debt recovery Practitioner, has been found guilty of  
2 improper conduct.

3 5. There shall be paid to every member of the Council such Allowances of  
4 allowances as the Institute may from time to time determine. Council

5 PART II - FUNCTIONS OF THE INSTITUTE

6 6. The Institute shall: Functions of the  
7 Institute

8 (a) Train persons in character and learning seeking to become  
9 members of the 'institute;

10 (b) Determine what standards of knowledge and skills are to be  
11 attained by persons seeking to become members of debt recovery profession  
12 in Nigeria and raising those standards from time to time based on prevailing  
13 circumstances;

14 (c) Conduct training on debt management and recovery through  
15 collaboration with relevant national and international financial institutions  
16 and bodies;

17 (d) Secure in accordance with the provisions of this Bill the  
18 establishment and maintenance of registers of fellows, associates and  
19 registered Debt recovery Practitioners entitled to practice as such;

20 (e) Ensure the publication from time to time of list profession in  
21 Nigeria on account of gross misconduct or any act or omission inimical to  
22 the Debt recovery Profession in Nigeria;

23 (f) Delist any member of the Debt recovery profession in Nigeria  
24 on account of gross misconduct or any act or omission inimical to the Debt  
25 Recovery Profession in Nigeria;

26 (g) Ensure an ethical and orderly Debt recovery Practice in Nigeria  
27 consistent with International best practices;

28 (h) Provide technical services to the Government of the Federation,  
29 State or Local Government on debt recovery pursuant to the provisions of  
30 this Bill; and

(i) Perform such other functions as may be permitted by the

1 Council pursuant to the provisions of this Bill.

Powers of the  
Council

2 7. The Council shall have powers to:

3 (a) Formulate policy governing the affairs of the Institute;

4 (b) Subject to the provisions of this Bill, make; alter, and revoke rules  
5 and regulations for carrying out the functions of the Institute;

6 (c) Regulate the issuance of license and control the professional of  
7 Debt Recovery Practitioners; and

8 (d) Do such other thing which in the opinion of the Council is  
9 necessary and expedient to ensure the efficient functions of the Institute.

10 PART III - STRUCTURE, STAFF AND REGISTRATION OF MEMBERS

11 OF THE INSTITUTE

Structure of the  
Institute

12 8.-(1) for the purposes of effective administration, the Institute shall  
13 be structured into three operational departments as follows:

14 (a) Research and training;

15 (b) Administration and operations; and

16 (c) Corporate and Membership Services.

17 (2) The Council may create additional departments and committees  
18 based on the management recommendation and prevailing circumstances,

19 (3) Each department shall be managed by a Director who is charged  
20 with the responsibility of coordinating the functions of such department as  
21 spelt out in the administrative manual of the Institute.

Staff of the  
Institute

22 9.-(1) There shall be a Registrar who is the Chief Executive Officer of  
23 the institute.

24 (2) The Registrar shall be responsible for the general administration  
25 of the institute.

26 (3) The Registrar shall be a:

27 (a) Fellow of the Institute in the past ten years;

28 (b) Debt recovery Practitioner in Nigeria with not less than (10) ten  
29 years experience with proven integrity;

30 (c) Trainer in Debt recovery in Nigeria for not less than ten years; and

1 (d) Fit and proper person, with suitable degree of skill and  
2 experience in the administration of commercial law and insolvency law.

3 (4) The Registrar shall keep the records of proceedings and  
4 decisions of the council and such other functions as the council may from  
5 time to time direct.

6 **10.**-(1) The, council shall have power to appoint either on transfer,  
7 secondment or leave of absence from any public service of the federation or  
8 private sector, such number of employees as may, in the opinion of the  
9 Council be required to assist the Institute in the discharge of any of its  
10 functions under this Bill, and shall have power to pay such employees  
11 remunerations including allowances as the Council may from time to time  
12 determine.

Additional  
powers, etc of  
Council

13 (2) The terms and conditions of service including remunerations of  
14 employees shall be as determined by the Council.

15 (3) The Council may, subject to the provisions of this Bill, make  
16 staff regulations relating generally to the conditions of service of employees  
17 of the Institute and without prejudice to the generality of the foregoing, such  
18 regulations may provide for:

19 (a) The appointment, promotion and disciplinary control including  
20 dismissal of employee of the Institute; and

21 (b) procedure for appeals by such employees against dismissal or  
22 other disciplinary measures.

23 **11.**-(1) An application for registration and licensing as a Debt  
24 recovery Practitioner shall be lodged with the Institute prescribed  
25 application fee.

Registration and  
licensing as  
debt recovery  
practitioner

26 (2) A person who applied for registration as a Debt Recovery  
27 Practitioner under subsection (1) shall furnish such additional particulars in  
28 respect of his or her application as may be determined by the Council.

29 (3) if the Council is of the opinion that the provisions of this Bill  
30 have not been complied with in respect of an application referred to in

1 subsection (1), it shall subject to the provisions of section 7(c), grant the  
2 application and register the applicant as a Debt Recovery Practitioner and issue  
3 a license to practice as same.

4 PART IV - FINANCIAL PROVISIONS

Financial  
Provisions

5 12.-(1) there shall be paid and credited to the Fund established by this  
6 Bill:

7 (a) Subscription fee by people seeking to become members of the  
8 Institute;

9 (b) Annual practicing fees and levies by members of the Institute and  
10 all registered and accredited Debt recovery Practitioner in Nigeria;

11 (c) Funds accrued from periodic training programmes conducted by  
12 the institute;

13 (d) Corporate fees from banks and corporate organizations with Debt  
14 recovery mandate and department;

15 (e) Annual corporate membership fees from organizations with  
16 existing debt recovery departments in Nigeria;

17 (f) Intervention funds from annual subscription from foreign  
18 organizations with a Debt Recovery mandate in Nigeria;

19 (g) Fees from licensing of professional members;

20 (h) Annual fees from renewal of licenses;

21 (i) All monies received by the Fund as gifts or donations; and

22 (j) All other assets which may accrue to the Fund from time to time.

23 (2) The Fund shall be managed in accordance with rules made by the  
24 Council and without prejudice to the generality of the power to make rules  
25 under this subsection; the rules shall in particular contain provisions:

26 (a) Specifying the manner in which the assets of the Fund are to be  
27 held and regulating the making of payments into and out of the Fund; and

28 (b) Requiring the keeping of proper accounts and records for the  
29 purposes of the Fund in such form as may be specified in the rules.

30 (3) Annual renewal fees paid by the practitioners shall be remitted to



1 the Government through the Office of the Minister of finance.

2 **13.** The institute shall apply the proceeds of the fund established Expenditure of  
3 pursuant to Section 12 of this Bill: the Institute

4 (a) To the cost of administration of the Institute;

5 (b) To the payment of salaries, fees, remuneration, bills rent;

6 (c) Allowances, pensions and gratuities payable to the members of  
7 the Council specified in section 5 of this Bill or any Committee of the  
8 Council and the employees of the Institute, so however that no payment of  
9 any kind under this paragraph (except such as may be expressly authorized  
10 by the Council) shall be made to any person who is in receipt of emolument  
11 from the government of the Federation, State or Local Government;

12 (d) To the payment for all purchases; and

13 (e) To undertaking such other activities as are connected with all or  
14 any of the functions of the Institute under this Bill.

15 **14.-(1)** The Institute may accept gifts of land, money or other Gifts to the  
16 property on such terms and conditions; considered lawful. Institute

17 (2) The institute shall not accept any gift if the conditions attached  
18 by the person or organization making the gift are inconsistent with the  
19 functions of the Institute under this Bill.

20 **15.** The Institute may, with the consent of the Council, borrow Power to borrow  
21 money, on such terms and conditions as the Institute may require in the  
22 exercise of its functions under this Bill.

23 **16.-(1)** the management shall, not later than 30th September in Annual Estimates  
24 each year, submit to the Council an estimate of the expenditure and income and Expenditure  
25 (including payments to the Institutes Fund) for the next succeeding year.

26 (2) the Council shall cause to be kept proper accounts of the  
27 Institute in respect of each year and proper records in relation thereto and  
28 shall cause the accounts to be audited appointed from the list in accordance  
29 with the guidelines supplied by the Auditor-General of the Federation.

1 the seal of the institute shall be received in evidence and shall, unless and  
2 until the contrary is proved, be presumed to be so executed.

3 This Bill or such law or enactment, duty or authority, shall lie or be Instituted  
4 in any court unless:

5 (a) It is commenced within three months after the act, neglect or  
6 default complained of; or

7 (b) In the case of a continuation of damage or injury, within six  
8 months next after leasing thereof.

#### EXPLANATORY MEMORANDUM

This Bill seeks to provide for the establishment of institute of Debt recovery Practitioners of Nigeria to train, regulate, license and exercise control over the occupation of collection and recovery of Debt, levies, fees or remuneration by registered Debt collectors in Nigeria.