

**LEAD DEBATE ON AUCTIONEERS REGISTRATION COUNCIL OF NIGERIA  
(ESTABLISHMENT) BILL, 2018**

**BY**

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**Protocol**

Mr. President, very distinguished Colleagues, I wish express my sincere appreciation for the opportunity to lead debate on a Bill for an Act to establish Auctioneers Registration Council to discharge regulatory role in the conduct of auction business in Nigeria. The opportunity is laudable in view of the significance of the bill which is both aimed at professionalising auction business and ensuring effective returns of its proceeds to appropriate government coopers to boost the nation's internal revenue generation for developmental services to our people.

**Background**

Auctions have existed for more than 2,000 years and continue to grow in popularity every year. An auction occurs when consumers gather physically or online to buy an item by bidding against each other until the highest offered price is reached.

Records handed down from ancient Greeks document auctions occurring as far back as 500 B.C. At this time, women were auctioned off as wives. In Rome, around the time of Christ, auctions were popular for family estates and the selling of war plunder. One of the most significant historical auctions occurred in 193 A.D. when the Praetorian Guard put the entire Roman Empire on the auction block.

American auctions date back to the arrival of the Pilgrims on America's eastern shores in the 1600s and continued in popularity during colonization with the sale of crops, imports, livestock, tools, slaves and entire farms. Colonels during the American Civil War were the only people allowed to auction war plunder and today many auctioneers carry the title of "Colonel." Auction schools came to the United States in the early 1900s. The Great Depression created many

opportunities for auctioneers, as their services were needed to liquidate the assets of individuals and businesses hurt by the economy.

As time has gone by, auctions have become more and more popular as a means to sell goods and assets. Technology has changed the face of auctions from the days where auctioneers would stand before an audience and call an auction, to today's auctions where computers and smartphones are utilized daily.

In Nigeria, auction business could be located in few government policies, and statutory laws. There is no single legal framework that contains the bundle of guidelines and rules that regulate auction both as a business and as a profession. This bill is therefore proposed to fill this wide gap to provide the law that establish an institutional framework responsible for regulating the conduct of auction in all its ramifications in Nigeria.

### **Objectives of the Bill**

The bill seeks to:

- Establish the Auctioneers Registration Council as national auction regulatory body to monitor compliance with relevant laws and policies for the conduct of auction business in Nigeria.
- Empower the Council to register auctioneers, grant licenses to auctioneers or revoke or suspend licenses of members upon violation of rules, codes, ethnics or policies for the conduct of auction.
- Establish standards for the conduct of auction business consistent with international best practices.
- Empower the Council to treat complaints from members of the general public on auction sales and take appropriate disciplinary action to remedy bad situations in the conduct of auction business.
- Facilitate effective harmonization of auction business in all its ramifications to create a sense of order, direction and certainty.
- Ensure transparency, probity, integrity and accountability in the Auctioneering Profession.
- Prescribe the mode of application for registration, enrolment and grant of license to auctioneers.
- Create and maintain a database for licensed auctioneers in Nigeria.

## **Content Structure of the Bill**

- The bill has 51 clauses divided into 7 parts.
- Part I deals with general provisions including establishment, objects, powers and functions of the Council.
- Part II contains Auctioneers professional practice provisions which include but not limited to registration, licensing, auction sales, duties/liabilities of auctioneers and disciplinary matters.
- Part III contains financial provisions of the Council.
- Part IV contains provisions for the establishment of the Nigeria Association of Auctioneers and Auctioneers Review Board.
- Part V makes provisions for professional training of auctioneers.
- Part VI makes supplementary provisions relating to the Council for conduct of its proceedings.
- Part VII deals with miscellaneous provisions.

## **Cross Country Experience**

- The initiative to establish the Auctioneers Registration Council in Nigeria is to bring the country in tune with current practices in other jurisdictions in relation to auction matters.
- In Ghana, the Auction Sales Act of 1989 established the Auctioneers Registration Board which regulates the entire auction business in Ghana.
- In Kenya, the Auctioneers Registration Board was established by Auctioneers Act, 2012. The board serves as apex regulatory body for the conduct of auction business in Kenya.
- In South Africa, the experience differs slightly from what obtains in Ghana, Kenya and many other continental jurisdictions. The South African Institute of Auctioneers was established in 1989 to regulate auction business and provide training for members of the general public aspiring to become members of the Institute.

In the light of the foregoing, it is apt to state that the legislative proposal under consideration will go a long way in helping Nigeria with a legal framework that regulates auction business in the country as it obtains in other jurisdictions within Africa and the rest of the world.

### **Cost Implication for Establishing the Auctioneers Registration Council**

Mr. President, Distinguished Colleagues, it may interest you to note that the proposed Auctioneers Registration Council will not rely on government funding through annual budgetary allocations for its establishment and operations. It shall be self-funded through practising fees paid by registered and licensed auctioneers, charges and dues prescribed and recoverable by the Council. Other major sources of income include revenues collected by task force charged with monitoring the disposal of goods by auction among others.

The establishment of the Auctioneers Registration will therefore be at no cost on the Federal or any state government in Nigeria. On the contrary, it will boost revenue profile of governments at all levels. It will also provide a sustainable framework that guarantees probity, integrity and accountability in disposal of public assets in Nigeria.

It will also facilitate the realisation of the 8<sup>th</sup> Senate's Legislative Agenda of ensuring effective institutional reforms that guarantees judicious public expenditure management.

### **Conclusion**

Mr. President, Distinguished Colleagues, I solicit your usual support in the consideration of this bill and its expeditious passage into law.