



# SENATE OF THE FEDERAL REPUBLIC OF NIGERIA

## VOTES AND PROCEEDINGS

Tuesday, 24<sup>th</sup> January, 2023

1. The Senate met at 11:03 a.m. The President of the Senate read prayers.
2. **Votes and Proceedings:**  
The Senate examined the Votes and Proceedings of Wednesday, 18<sup>th</sup> January, 2023.  
*Question was put and the Votes and Proceedings were approved.*
3. **Messages from Mr. President:**  
The President of the Senate announced that he had received three (3) letters from Mr. President, Commander-in-Chief of the Armed Forces of the Federation, which he read as follows:

(a) **Confirmation of Appointment:**



**PRESIDENT**  
FEDERAL REPUBLIC OF NIGERIA

January 20, 2023

*Distinguished Senator Ahmad Ibrahim Lawan, GCON  
President of the Senate,  
Senate Chamber,  
National Assembly Complex,  
Three Arms Zone,  
Abuja.*

*Dear Distinguished Senate President,*

**CONFIRMATION OF APPOINTMENT OF CHAIRMAN**  
**POLICE SERVICE COMMISSION**

*In accordance with the provision of Section 154(1) of 1999 Constitution of the Federal Republic of Nigeria (as amended), I write to forward, for confirmation by the Senate, the appointment of Solomon Arase, (Rtd. IGP) as Chairman, Police Service Commission. The nominee's CV is hereby attached.*

*It is my hope that the Senate will consider and confirm the appointment in the usual expeditious manner.*

*Please accept, Distinguished Senate President the assurances of my highest consideration.*

*Yours Sincerely,*  
(Signed)  
**Muhammadu Buhari**

(b) *Confirmation of Appointment:*



**PRESIDENT**  
FEDERAL REPUBLIC OF NIGERIA

January 20, 2023

*Distinguished Senator Ahmad Ibrahim Lawan, GCON*  
*President of the Senate,*  
*Senate Chamber,*  
*National Assembly Complex,*  
*Three Arms Zone,*  
*Abuja.*

*Dear Distinguished Senate President,*

**CONFIRMATION OF APPOINTMENT OF RESIDENT ELECTORAL**  
**COMMISSIONERS (RECS)**

*In accordance with the provision of Section 14(3)(a) Third Schedule, Part I(f) of the 1999 Constitution of the Federal Republic of Nigeria (as amended), I write to forward, for confirmation by the Senate, the underlisted names of Two (2) persons for appointment as Resident Electoral Commissioners, for Independent National Electoral Commission (INEC). Their CVs are hereby attached.*

S/N.	Name	State	Appointment	Position
1.	Dr. Mahmuda Isah	Kebbi	Renewal	REC
2.	Dr. Mann Omobayi Alli	Ondo	New Appointment	REC

*It is my hope that the Senate will consider and confirm the appointment in the usual expeditious manner.*

*Please accept, Distinguished Senate President the assurances of my highest consideration.*

*Yours Sincerely,*  
(Signed)  
**Muhammadu Buhari**

(c) *Confirmation of Appointment:*



**PRESIDENT**  
FEDERAL REPUBLIC OF NIGERIA

January 20, 2023

*Distinguished Senator Ahmad Ibrahim Lawan, GCON*  
*President of the Senate,*  
*Senate Chamber,*  
*National Assembly Complex,*  
*Three Arms Zone,*  
*Abuja.*

*Dear Distinguished Senate President,*

**CONFIRMATION OF APPOINTMENT OF MEMBERS OF  
CODE OF CONDUCT BUREAU**

*In accordance with the provision of Section 154(1) of the 1999 Constitution of the Federal Republic of Nigeria (as amended), I write to inform you, for confirmation by the Senate, the underlisted names of five (5) persons, for appointment as members of Code of Conduct Bureau (CCB). Their CVs are hereby attached.*

S/N.	Name	Qualification	State/Geo-Political Zone	Position
1.	Murtala A. Kankia	MBCL, PGD, PPA, LLB	Katsina, North-West	Member
2.	Zephaniah Ishaku Bulus	MSC. Public Admin, Bsc. Political Science	Nasarawa, (North Central)	Member
3.	Farouq Umar	MPPA, Bsc. Political Science	Yobe (North East)	Member
4.	Abdulsalam Taofiq Olowale	LLM, MPA, LLB	Ondo (South West)	Member
5.	Prof. Juwayriya Badamasiuy	PhD, LLM LLB, BL	Kogi (North Central)	member

*It is my hope that the Senate will consider and confirm the appointment in the usual expeditious manner.*

*Please accept, Distinguished Senate President the assurances of my highest.*

*Yours Sincerely,  
(Signed)*

**Muhammadu Buhari**

**4. Petitions:**

(a) Rising on Order 40, Senator Kola A. Balogun (Oyo South) drew the attention of the Senate to a petition from his constituent, Dr. Babatunde Agbi against National Open University of Nigeria over alleged non payment of his entitlements. He urged the Senate to look into the matters.

*Petitions laid and accordingly referred to the Committee on Ethics, Privileges and Public Petitions [Order 41(3)] to report within four (4) weeks.*

(b) Rising on Order 40, Senator Patrick A. Akinyelure (Ondo Central) drew the attention of the Senate to three (3) Petitions received from the Office of the President of the Senate as follows:

(i) Stanley Okonmah against Mrs. Nalon Blessing Okonofua, Director of Finance & Appropriations and Dr. Samuel Adewale Adegoke, the immediate past Director of Finance & Appropriations of Federal Medical Centre, Keffi over alleged abuse of office between 2017 and 2020;

(ii) Abayomi Asorobi Esq. on behalf of Ecobank Nigeria Plc and Matt-Emmans International Ventures Ltd. against Krogger Investment Ltd. and Nigerian Television Authority over alleged non payment of Eight Billion, Four Hundred and Eighty Three Million, Three Hundred and Thirty Four Thousand, Seven Hundred and Thirty One Naira, Forty Eight kobo only (₦8,483,334,731.48) as per indemnity in respect of Nigerian Television Authority's indebtedness; and

(iii) Tajudeen Ogunyemi and Co. on behalf of Lt. S.E. Dakare against the Nigerian Army Pursuant to Section 149 of the Armed Forces ACT CAP A20 for the review of general court marshal findings.

He urged the Senate to look into the matters.

*Petitions laid and accordingly referred to the Committee on Ethics, Privileges and Public Petitions [Order 41(3)] to report within four (4) weeks.*

**5. Matter of Urgent Public Importance:**

Rising on Orders 41 and 51, Senator Sadiq S. Umar (*Kogi North*) drew the attention of the Senate to the need for the extension of the use of old notes from January 31<sup>st</sup> to July 31<sup>st</sup> 2023. He sought and obtained the leave of the Senate to present the matter forthwith:

The Senate:

*recalls* that it had a resolution in this Chamber on 28<sup>th</sup> December, 2022 for the Central Bank of Nigeria (CBN) to extend the use of the old notes for six months as well as increase maximum withdrawal limits;

*aware* that the withdrawal limits has been increased to weekly 500 thousand for individual and 5 million for corporate, however, the CBN is insisting on terminating the use of the old note by the end of this month which is barely a week away;

*observes* that there is no enough new notes in circulation and in fact, the banks and the ATMs that should be dispense new notes are still dispensing only the old notes and citizens still have lot of old notes that they are unable to deposit with uncontrollable queues in several States in the country; and

*notes* that the experiences around the world has shown that such abrupt decisions with no control as being planned by CBN created chaos and plunged the economies into crisis, as seen in India for example, however in the United Kingdom (UK) a new currency is currently in circulation and it is running along side the old ones.

*The Senate accordingly resolves to:*

urge the Central Bank of Nigeria (CBN) to immediately extend the use of the old notes by six (6) months from 31<sup>st</sup> January to 31<sup>st</sup> July, 2023.

*Debate:*

***Proposed Resolution:***

*Question:* That the Senate do urge the Central Bank of Nigeria (CBN) to immediately extend the use of the old notes by six (6) months from 31<sup>st</sup> January to 31<sup>st</sup> July, 2023 — *Agreed to.*

***Additional Proposed Resolution:***

*Insert Additional Proposed Resolution as follows:*

“Urge Central Bank of Nigeria (CBN) to compel payment service banks and deposit money banks to open a window for people without bank accounts to exchange their old notes for new notes over the counter” (*Senator Hassan I. Hadejia — Jigawa North East*).

*Question that the amendment be made, put and agreed.*

*Resolved:*

That the Senate do:

- (i) urge the Central Bank of Nigeria (CBN) to immediately extend the use of the old notes by six (6) months from 31<sup>st</sup> January to 31<sup>st</sup> July, 2023; and
- (ii) urge Central Bank of Nigeria (CBN) to compel payment service banks and deposit money banks to open a window for people without bank accounts to exchange their old notes for new notes over the counter (*S/Res/060/04/23*).

6. **Matter of Urgent Public Importance:**

Rising on Orders 41 and 51, Senator Patrick A. Akinyelure (*Ondo Central*) drew the attention of the Senate to the need to halt the sale and disposing of Ondo State Chocolate Industry Idanre. He sought and obtained the leave of the Senate to present the matter forthwith:

The Senate:

*notes* that Ondo State is one of the leading Cocoa producing States in Nigeria with over 60% of the dried Cocoa bean being produced in Idanre, Idanre Local Government Area of Ondo State. Idanre is endowed with a very fertile soil, which is considered most suitable for the cultivation of cocoa. Indeed, with a large concentration of cocoa farms, it is clearly a major cocoa-producing area in Nigeria. Mr. President, the Cocoa from Ondo State Idanre in particular contributed over 60% of the Nigeria Agricultural Export produce in the 1970's. It was in realization of this enormous contribution that the Federal Government years back established a Cocoa Processing Factory in Idanre with the sole aim of adding value to the dried Cocoa beans before export; to create additional value to the product thereby creating employment opportunity to the citizenry and boost the state internally generated revenue estimated by about \$1 million annually thereby reducing the state over dependence on Federal allocation;

*further notes* that the Ondo State Government under the immediate past administration of Governor Olusegun Mimiko, established the Coca Processing Factory as part of his statewide industrialization drive, by taking over the moribund Federal Government Asset, and entering into Partnership with an American Chocolate Industrialist, Eric Reid of Spangvola Chocolatier United States of America with the aim of converting dried Cocoa bean from the state to Chocolate and cocoa butter, there by adding value to Nigeria Cocoa produce before export;

*aware* that machinery for the smooth take off of this very important Industry in Idanre were imported, installed and equipped for commencement of production in partnership with Mr. Eric of Spangvola Chocolatiers, USA, while the first batch of Chocolate production was made in 2015 after the commissioning of this multi-billion naira project by the State government at the twilight of the Governor Olusegun Mimiko Administration in 2015;

*further aware* that the Serving Governor Arakunrin Rotimi Akeredolu having inherited this project from his predecessor, push further fund into the project and on Monday 21st September, 2020 commissioned another phase of the Industry thus setting the pace for commencement of large scale chocolate and cocoa butter production in Idanre with capacity to produce 2.8million tons of Chocolate per annum, which was expected to translate to several billions of internally generated revenue to Ondo State Government on annual basis;

*further notes* that to guarantee constant supply of cocoa beans to the factory, the Oda Cocoa Plantation, which is over 1,744 Hectares, was resuscitated and made functional with over 250 Cocoa farmers' up-scaling daily production from the farm in order to feed the factory;

*concerned* that no sooner had the factory commenced operation, a plan was hatched to sell off the industry under the guise that the asset is un-operational, not minding the huge investment of over ₦9 Billion the State Government had committed to the project. The principal partner, Mr. Eric Reid of Spangvola Chocolatiers was sacked while his partnership with the State was revoked thus putting the company and the huge investment of the State into jeopardy;

*further concerned* that the State Government under a sinister motive had concluded plan to put the Company for sale cheaply to cronies without following due process of competitive bidding in line with the Public Enterprises (Privatization and Commercialization) Act, 1999; and

*worried* that some cronies of the Government of On do State had concluded arrangement to sell the same factory at give-away price at the detriment of people of Ondo State and Idanre Local

Government in particular without following due process in line with provisions of the Public Enterprise (Privatization & Commercialization) Act, 1999 which has generated public outcry to stop the Government from selling the property of Ondo State meant to generate employment for the good people of the State now and in future.

*Accordingly resolves as follows:*

- (i) urge the Federal Government through the Bureau of Public Enterprise (BPE) to as matter of urgency halt the sale of the Ondo State Chocolate Factory, Idanre and launch a full scale investigation; and
- (ii) urge the Economic and Financial Crimes Commission (EFCC) to investigate the reasons why this Cocoa Factory was deliberately not put to use and stop any purported sale of the factory to cronies in view of huge investment of over ₦9 billion of tax payers' monies spent on the project by On do State Government of Nigeria.

*Debate:*

***Proposed Resolution (i):***

*Question:* That the Senate do urge the Federal Government through the Bureau of Public Enterprise (BPE) to as matter of urgency halt the sale of the Ondo State Chocolate Factory, Idanre and launch a full scale investigation — *Agreed to.*

***Proposed Resolution (ii):***

*Question:* That the Senate do urge the Economic and Financial Crimes Commission (EFCC) to investigate the reasons why this Cocoa Factory was deliberately not put to use and stop any purported sale of the factory to cronies in view of huge investment of over ₦9 billion of tax payers' monies spent on the project by On do State Government of Nigeria — *Agreed to.*

*Resolved:*

*That the Senate do:*

- (i) urge the Federal Government through the Bureau of Public Enterprise (BPE) to as matter of urgency halt the sale of the Ondo State Chocolate Factory, Idanre and launch a full scale investigation; and
- (ii) urge the Economic and Financial Crimes Commission (EFCC) to investigate the reasons why this Cocoa Factory was deliberately not put to use and stop any purported sale of the factory to cronies in view of huge investment of over ₦9 billion of tax payers' monies spent on the project by On do State Government of Nigeria (S/Res/061/04/23).

## 7. Presentation of Bills:

- (i) Federal College of Agriculture (Technical) Ogbombiri, Bayelsa State (Establishment) Bill, 2023 (HB. 1731) — *Read the First Time.*
- (ii) Federal College of Agriculture (Technical) Enugwu-Ukwu (Establishment) Bill, 2023 (HB.1261) — *Read the First Time.*
- (iii) Service Delivery and Compliance (SERVICOM) Bill, 2023 (HB. 558) — *Read the First Time.*
- (iv) Federal Medical Centre Okigwe (Establishment) Bill, 2023 (SB. 1100) — *Read the First Time.*
- (v) Information and Communication Technology Onitsha (Establishment) Bill, 2023 (SB. 1101) — *Read the First Time.*

**8. Executive Communication:**

***Confirmation of the Nomination for Appointment as Members of the Independent Corrupt Practices and other related Offences Commission (ICPC):***

*Motion made:* That the Senate do consider the Request of Mr. President, Commander-in-Chief of the Armed Forces of the Federation on the nomination of the following persons for appointment as Members of the Independent Corrupt Practices and Other Related Offences Commission:

No.	Name	Zone	State
1.	Justice Adamu Bello (Rtd)	North West	Katsina
2.	Hanatu Muhammed	North West	Jigawa
3.	Mrs Olubukola Balogun (Rtd)	South West	Lagos
4.	Barr. Obi ora Samuel Member	South East	Anambra
5.	Dr. Abdullahi Saidu	North Central	Niger
6.	Prince Dauda Yahaya	North Central	Nasarawa
7.	Dr. Grace Chinyere	South South	Delta

*(Senator Ibrahim A. Gobir — Sokoto East).*

*Question put and agreed to.*

*Request accordingly referred to Committee on Anti-Corruption to report within one (1) week.*

**9. Re-Committal of the Federal Medical Centre Igboora Bill, 2023 to the Committee of the Whole:**

*Motion made:* The Senate recalls that the Federal Medical Centre Igboora Bill, 2023 was passed by the National Assembly and was transmitted to the President for assent;

*observes* that some fundamental issues which require fresh legislative action by both Chambers of the National Assembly emerged after a critical analysis of the Bill by Mr. President, Commander-in-Chief of the Armed Forces of the Federation;

*aware* that a Technical Committee of the Senate and House of Representatives and Directorate of Legal Services met and worked on the Bill;

*relying* on order 1(b) and order 52(6) of Senate Standing Order, 2022 as amended.

*The Senate accordingly resolves to:*

*Rescind* its decision on the Bill as passed and re-commit same to the Committee of the Whole for re-consideration and passage *(Senate Leader).*

*Debate:*

***Proposed Resolution:***

*Question:* That the Senate do rescind its decision on the Bill as passed and re-commit same to the Committee of the Whole for re-consideration and passage — *Agreed to.*

*Resolved:*

That the Senate do rescind its decision on the Bill as passed and re-commit same to the Committee of the Whole for re-consideration and passage *(S/Res/062/04/23).*

*Motion made:* Pursuant to Resolution No. *(S/Res/062/04/23)* that the Senate do resolve into the Committee of the Whole to consider the Bill *(Senate Leader).*

*Question put and agreed to.*

(SENATE IN THE COMMITTEE OF THE WHOLE)

CONSIDERATION OF A REPORT ON A BILL FOR AN ACT TO PROVIDE THE LEGAL FRAMEWORK TO ESTABLISH THE FEDERAL MEDICAL CENTRE, IGBOORA; AND FOR RELATED MATTERS, 2023.

**Clause 1: Amendment of the Federal Medical Centres Act, 2022.**  
The Federal Medical Centres Act, 2022 (hereinafter called "the Principal Act" is amended as set out in this Bill.

**Committee's Recommendation:**

That the provision in Clause 1 be retained (*Senate Leader*) — *Agreed to.*

*Question that Clause 1 do stand part of the Bill, put and agreed to.*

**Clause 2: Amendment of the Second Schedule**  
The Second Schedule to the Principal Act is amended by inserting a new item "22" as follow:

"22. Federal Medical Centre, Igboora".

**Committee's Recommendation:**

That the provision in Clause 2 be retained (*Senate Leader*) — *Agreed to.*

*Question that Clause 2 do stand part of the Bill, put and agreed to.*

**Clause 3: Citation.**  
This Bill may be cited as the Federal Medical Centres Act (Amendment) Bill, 2023.

**Committee's Recommendation:**

That the provision in Clause 3 be retained (*Senate Leader*) — *Agreed to.*

*Question that Clause 3 do stand part of the Bill, put and agreed to.*

Chairman to report Bill.

(SENATE IN PLENARY)

The President of the Senate reported that the Senate in the Committee of the Whole considered a Report on a Bill for an Act to Provide the Legal Framework to Establish the Federal Medical Centre, Igboora; and for Related Matters, 2023 and approved as follows:

Clauses 1-3 — As Recommended

*Question:* That the Senate do approve the Report of the Committee of the Whole — *Resolved in the Affirmative.*

*Motion made:* That the Bill be now Read the Third Time (*Senate Leader*).

*Question put and agreed to.*

*Bill accordingly Read the Third Time and Passed.*



**10. Motion:****Passage of Constitution (Fifth) Alteration Bills, 2023.**

*Motion made:* That the Senate is aware that Section 9(2) of the Constitution of the Federal Republic of Nigeria 1999 as amended provides that an Act to alter the provisions of the Constitution can be passed only when it is supported by 2/3 majority of members of the Senate, and the House of Representatives, and approved by 24 State Houses of Assembly;

*recalls* that 68 (Sixty-Eight) Bills seeking to alter provisions of the Constitution were presented at the floor the Senate and the House of Representatives on Wednesday 23rd February, 2022; for passage;

*also recalls* that the Senate and the House of Representatives approved 44 (Forty-Four) of the Bills without difference and were transmitted to the State Houses of Assembly for their resolution; on the 27th of March, 2022;

*acknowledges* that twenty-seven State Houses of Assembly - Abia, Adamawa, Akwa-Ibom, Anambra, Bauchi, Bayelsa, Benue, Borno, Cross-River, Delta, Ebonyi, Edo, Ekiti, Enugu, Imo, Kaduna, Kano, Katsina, Kogi, Lagos, Nasarawa, Niger, Ogun, Ondo, Osun, Rivers, Yobe, have forwarded their resolution on the Bills (attached details of Status of Resolutions of State House of Assembly on the Constitution (Fifth) Alteration Bill);

*convinced* that the underlisted 35 Constitution Alteration Bills have satisfied the provisions of Section 9(2) of the Constitution, for passage into law, having been approved by not less than 24 State Houses of Assembly;

1. Constitution (Fifth Alteration) Bill No 3 (Change of Names of Afikpo North and Afikpo South Local Government Areas (Ebonyi State));
2. Constitution (Fifth Alteration) Bill No 4 (Change of Name of Kunchi Local Government Area (Kano State));
3. Constitution (Fifth Alteration) Bill No 5 (Change of Names of Egbado North and Egbado South Local Government Areas (Ogun State));
4. Constitution (Fifth Alteration) Bill No 7 (Correction of the name of Atigbo Local Government Area (Oyo State));
5. Constitution (Fifth Alteration) Bill No 8 (Correction of Name of Obia/Akpor Local Government Area (Rivers State));
6. Constitution (Fifth Alteration) Bill No 9 (Financial autonomy of State legislatures and State Judiciary);
7. Constitution (Fifth Alteration) Bill No. 10 (Enforcement of Legislative Summon);
8. Constitution (Fifth Alteration) Bill No. 11 (Inauguration of Members-Elect);
9. Constitution (Fifth Alteration) Bill No. 21 (Deletion of reference in the Constitution to the provisions of the Criminal Code, Penal Code, Criminal Procedure Act, Criminal Procedure Code or Evidence Act);
10. Constitution (Fifth Alteration) Bill No. 22 (Provision for Intervening Events in the Computation of Time for the Determination of Pre-Election Petitions, Election Petitions and Appeals therefrom);

11. Constitution (Fifth Alteration) Bill No. 24 (Expansion of the Interpretation of Judicial Office);
12. Constitution (Fifth Alteration) Bill No. 25 (Appointment of Secretary of the National Judicial Council);
13. Constitution (Fifth Alteration) Bill No. 29 (Devolution of Powers (Airports));
14. Constitution (Fifth Alteration) Bill No. 30 (Devolution of Powers (Fingerprints, identification and criminal records));
15. Constitution (Fifth Alteration) Bill No. 31 (Devolution of Powers (Correctional Services));
16. Constitution (Fifth Alteration) Bill No. 32 (Devolution of Powers (Railways));
17. Constitution (Fifth Alteration) Bill No. 33 (Devolution of Powers (National Grid System));
18. Constitution (Fifth Alteration) Bill No. 39 (Power to enforce compliance of remittance of Accruals into the Federation Account and Review of Revenue Allocation Formula);
19. Constitution (Fifth Alteration) Bill No. 40 (Independence of Certain bodies);
20. Constitution (Fifth Alteration) Bill No. 41 (Removal of Transitional Law-making Powers of the Executive);
21. Constitution (Fifth Alteration) Bill No. 43 (Domestication of Treaties);
22. Constitution (Fifth Alteration) Bill No. 44 (Timeline for the Presentation of Appropriation Bills);
23. Constitution (Fifth Alteration) Bill No. 45 (Timeframe for the Submission of the Names of Ministerial or Commissioner Nominees);
24. Constitution (Fifth Alteration) Bill No. 48 (Power to summon the President and Governors);
25. Constitution (Fifth Alteration) Bill No. 49 (Authorization of Expenditure);
26. Constitution (Fifth Alteration) Bill No. 50 (Replacement of the Consolidated Revenue Fund of the Federation with the Consolidated Revenue Fund of the Federal Government);
27. Constitution (Fifth Alteration) Bill No. 51 (Creation of the Office of Accountant-General of the Federal Government);
28. Constitution (Fifth Alteration) Bill No. 53 (Separation of the office of the Attorney-General of the Federation and of the State from the office of the Minister or Commissioner for Justice);
29. Constitution (Fifth Alteration) Bill No. 54 (State of the Nation and State of the State Address);
30. Constitution (Fifth Alteration) Bill No. 55 (Composition of Members of the Council of State);

31. Constitution (Fifth Alteration) Bill No. 57 (Restriction on Formation of Political Parties);
32. Constitution (Fifth Alteration) Bill No. 62 (Correction in the Definition of the Boundary of the Federal Capital Territory Abuja);
33. Constitution (Fifth Alteration) Bill No. 63 (Fundamental Human Rights);
34. Constitution (Fifth Alteration) Bill No. 65 (Food Security);
35. Constitution (Fifth Alteration) Bill No. 66 (Nigeria Security and Civil Defence Corps);

*Accordingly resolves to:*

- (i) direct the Clerk to the National Assembly to transmit the 35 Bills that have so far met the requirement of the provision of Section 9(2) of the Constitution, to Mr. President, Commander-in-Chief of the Armed Forces of the Federation for assent in line with the provisions of the Acts Authentication Act; and
- (ii) urge the following State Houses of Assembly - Gombe, Jigawa, Kebbi, Kwara, Oyo, Plateau, Sokoto, Taraba, Zamfara; that are yet to forward their resolution on the Bills to do so in fulfillment of their Constitutionally imposed legislative obligation to the Constitution amendment process (*Senator Michael O. Bamidele — Ekiti Central*).

*Debate:*

*Proposed Resolution (i):*

*Question:* That the Senate do direct the Clerk to the National Assembly to transmit the 35 Bills that have so far met the requirement of the provision of Section 9(2) of the Constitution, to Mr. President, Commander-in-Chief of the Armed Forces of the Federation for assent in line with the provisions of the Acts Authentication Act — *Agreed to.*

*Proposed Resolution (ii):*

*Question:* That the Senate do urge the following State Houses of Assembly - Gombe, Jigawa, Kebbi, Kwara, Oyo, Plateau, Sokoto, Taraba, Zamfara; that are yet to forward their resolution on the Bills to do so in fulfillment of their Constitutionally imposed legislative obligation to the Constitution amendment process — *Agreed to.*

*Resolved:*

That the Senate do:

- (i) direct the Clerk to the National Assembly to transmit the 35 Bills that have so far met the requirement of the provision of Section 9(2) of the Constitution, to Mr. President, Commander-in-Chief of the Armed Forces of the Federation for assent in line with the provisions of the Acts Authentication Act; and
- (ii) urge the following State Houses of Assembly - Gombe, Jigawa, Kebbi, Kwara, Oyo, Plateau, Sokoto, Taraba, Zamfara; that are yet to forward their resolution on the Bills to do so in fulfillment of their Constitutionally imposed legislative obligation to the Constitution amendment process (*S/Res/063/04/23*).

**11. Nigeria Medical Research Council (Establishment) Bill, 2023 (SB. 1093):**

*Motion made:* That a Bill for an Act to Establish the Nigeria Medical Research Council as an autonomous Council to carryout medical research in all its ramifications and to make provisions for the transfer of assets and liabilities of the National Institute of Medical Research established under the National Agency for Science and Engineering Infrastructure Act of 1992 and for Related Matters, 2023 be read the Second Time (*Senator Yahaya I. Oloriegbe — Kwara Central*).

*Debate:*

*Question put and agreed to.*

*Bill accordingly read the Second Time and referred to the Committee on Health (Secondary and Tertiary) to report within four (4) weeks.*

**12. Auctioneers Registration Council of Nigeria (Establishment) Bill, 2023 (SB. 172):**

*Motion made:* That a Bill for an Act to Establish the Auctioneers Registration Council of Nigeria for the purpose of regulating and monitoring the business and practice of auctioneers and auctioneering in Nigeria, and for Related Matters 2023 be read the Second Time (*Senator Mohammed A. Ndume — Borno South*).

*Debate:*

*Question put and agreed to.*

*Bill accordingly read the Second Time and referred to the Committee on Establishment and Public Service Matters to report within four (4) weeks.*

**Extension of Time:**

*Motion made:* That the Senate do sit this day beyond the time appointed for the termination of the Sitting of the Senate (Order 8) (*Senate Leader*).

*Question put and agreed to.*

**13. Project Development Agency (Establishment) Bill, 2023 (SB. 1097):**

*Motion made:* That a Bill for an Act to Establish the Project Development Agency charged with the broad function of generating and catalyzing industrialization by carrying out industrial research from the laboratory stage to the pilot plant stage, and by rendering consultancy services to Governments, industry and individuals; and for Other Related Matters, 2023 be read the Second Time (*Senator Frank C. Ibezim — Imo North*).

*Debate:*

*Question put and agreed to.*

*Bill accordingly read the Second Time and referred to the Committee on Science and Technology to report within four (4) weeks.*

**14. Committee on Anti-Corruption and Financial Crimes:**

*Report on the Confirmation of the Nomination for Appointment as Members of the Independent Corrupt Practices and Other Related Offences Commission (ICPC):*

*Motion made:* That the Senate do receive and consider the Report of the Committee on Anti-Corruption and Financial Criminal on the screening of the nomination of the following persons for appointment as Member of the Independent Corrupt Practices and Other Related Offences Commission (ICPC):

<u>No.</u>	<u>Name</u>	<u>Zone</u>	<u>State</u>
1.	Justice Adamu Bello (Rtd)	North West	Katsina
2.	Hanatu Muhammed	North West	Jigawa
3.	Mrs Olubukola Balogun (Rtd)	South West	Lagos
4.	Barr. Obi ora Samuel Member	South East	Anambra
5.	Dr. Abdullahi Saidu	North Central	Niger
6.	Prince Dauda Yahaya	North Central	Nasarawa
7.	Dr. Grace Chinyere	South South	Delta

(*Senator Suleiman A. Kwari — Kaduna North*).

*Question put and agreed to.*

*Report Laid and presented.*

*Motion made:* That the Senate do resolve into the Committee of the Whole to consider the Report (*Senate Leader*).

*Question put and agreed to.*

**(SENATE IN THE COMMITTEE OF THE WHOLE)**

CONSIDERATION OF THE REPORT OF THE COMMITTEE ON ANTI-CORRUPTION AND FINANCIAL CRIMINAL ON THE SCREENING OF THE NOMINATION FOR APPOINTMENT AS MEMBERS OF THE INDEPENDENT CORRUPT PRACTICES AND OTHER RELATED OFFENCES COMMISSION (ICPC).

**Nominees recommended for confirmation:**

(i)	Justice Adamu Bello (Rtd) ( <i>North West</i> ) ( <i>Katsina</i> )	—	<i>Agreed to.</i>
(ii)	Hanatu Muhammed ( <i>North West</i> ) ( <i>Jigawa</i> )	—	<i>Agreed to.</i>
(iii)	Mrs Olubukola Balogun (Rtd) ( <i>South West</i> ) ( <i>Lagos</i> )	—	<i>Agreed to.</i>
(iv)	Barr. Obiora Samuel ( <i>South East</i> ) ( <i>Anambra</i> )	—	<i>Agreed to.</i>
(v)	Dr. Abdullahi Saidu ( <i>North Central</i> ) ( <i>Niger</i> )	—	<i>Agreed to.</i>
(vi)	Prince Dauda Yahaya ( <i>North Central</i> ) ( <i>Nasarawa</i> )	—	<i>Agreed to.</i>
(vii)	Dr. Grace Chinyere ( <i>South South</i> ) ( <i>Delta</i> )	—	<i>Agreed to.</i>

Chairman to report progress.

**(SENATE IN PLENARY)**

The President of the Senate reported that the Senate in the Committee of the Whole considered the Report of the Committee on Anti-Corruption and Financial Criminal on the Screening of the Nomination for Appointment as Members of the Independent Corrupt Practices and Other Related Offences Commission (ICPC) and approved the nominations.

*Question:* That the Senate do approve the Report of the Committee of the Whole — *Resolved in the Affirmative.*

**Confirmation of nominations:**

*Question:*

“Will the Senate confirm the nomination of Justice Adamu Bello (Rtd) (North West) (Katsina) for appointment as Member of the Independent Corrupt Practices and Other Related Offences Commission (ICPC)?” — *Resolved in the Affirmative.*

*Nomination of Justice Adamu Bello (Rtd) (North West) (Katsina) for appointment as Member of the Independent Corrupt Practices and Other Related Offences Commission (ICPC) accordingly confirmed.*

*Question:*

“Will the Senate confirm the nomination of Hanatu Muhammed (North West) (Jigawa) for appointment as Member of the Independent Corrupt Practices and Other Related Offences Commission (ICPC)?” — *Resolved in the Affirmative.*

*Nomination of Hanatu Muhammed (North West) (Jigawa) for appointment as Member of the Independent Corrupt Practices and Other Related Offences Commission (ICPC) accordingly confirmed.*

*Question:*

“Will the Senate confirm the nomination of Mrs Olubukola Balogun (Rtd) (South West) (Lagos) for appointment as Member of the Independent Corrupt Practices and Other Related Offences Commission (ICPC)?” — *Resolved in the Affirmative.*

*Nomination of Mrs Olubukola Balogun (Rtd) (South West) (Lagos) for appointment as Member of the Independent Corrupt Practices and Other Related Offences Commission (ICPC) accordingly confirmed.*

*Question:*

“Will the Senate confirm the nomination of Barr. Obiora Samuel (South East) (Anambra) for appointment as Member of the Independent Corrupt Practices and Other Related Offences Commission (ICPC)?” — *Resolved in the Affirmative.*

*Nomination of Barr. Obiora Samuel (South East) (Anambra) for appointment as Member of the Independent Corrupt Practices and Other Related Offences Commission (ICPC) accordingly confirmed.*

*Question:*

“Will the Senate confirm the nomination of Dr. Abdullahi Saidu (North Central) (Niger) for appointment as Member of the Independent Corrupt Practices and Other Related Offences Commission (ICPC)?” — *Resolved in the Affirmative.*

*Nomination of Dr. Abdullahi Saidu (North Central) (Niger) for appointment as Member of the Independent Corrupt Practices and Other Related Offences Commission (ICPC) accordingly confirmed.*

*Question:*

“Will the Senate confirm the nomination of Prince Dauda Yahaya (North Central) (Nasarawa) for appointment as Member of the Independent Corrupt Practices and Other Related Offences Commission (ICPC)?” — *Resolved in the Affirmative.*

*Nomination of Prince Dauda Yahaya (North Central) (Nasarawa) for appointment as Member of the Independent Corrupt Practices and Other Related Offences Commission (ICPC) accordingly confirmed.*

*Question:*

“Will the Senate confirm the nomination of Dr. Grace Chinyere (South South) (Delta) for appointment as Member of the Independent Corrupt Practices and Other Related Offences Commission (ICPC)?” — *Resolved in the Affirmative.*

*Nomination of Dr. Grace Chinyere (South South) (Delta) for appointment as Member of the Independent Corrupt Practices and Other Related Offences Commission (ICPC) accordingly confirmed.*

15. **Committee on Judiciary, Human Rights & Legal Matters:**

*Report on the Federal High Court Act, Cap F12 LFN 2004 (Amendment) Bill, 2023:*

*Motion made:* That the Senate do receive and consider the Report of the Committee on Judiciary, Human Rights & Legal Matters on the Federal High Court Act, Cap F12 LFN 2004 (Amendment) Bill, 2023 (SB. 745) (*Senator Micheal O. Bamidele — Ekiti Central*).

*Question put and agreed to.*

*Report Laid and presented.*

*Motion Made:* That the Senate do resolve into the Committee of the Whole to consider the Report.

*Question put and agreed to.*

**(SENATE IN THE COMMITTEE OF THE WHOLE)**

CONSIDERATION OF A REPORT ON A BILL FOR AN ACT TO AMEND THE FEDERAL HIGH COURT ACT, CAP F12, LAWS OF THE FEDERATION 2004 TO PROVIDE FOR THE INCREASE IN THE NUMBER OF JUDGES FROM 100 TO 150 AND TO MAKE PROVISIONS FOR THE REGULATION OF THE AWARD OF PRE-JUDGMENT IN RELATION TO CLAIMS BOTHERING ON COMMERCIAL TRANSACTIONS IN NIGERIA; AND FOR RELATED MATTERS, 2023

**Clause 1: Amendment of the Federal High Court Act CAP. F12**

The Federal High Court Act Cap F12, Laws of the Federation 2004 (In this act referred to as "the Principal Bill") is amended as set out in this Bill.

*Committee's Recommendation:*

That the provision in Clause 1 be retained (*Senator Michael O. Bamidele — Ekiti Central*) —  
*Agreed to.*

*Question that Clause 1 do stand part of the Bill, put and agreed to.*

**Clause 2: Amendment of Section 1.**

Section 1 of the principal Act is amended in subsection (2) (b) by substituting for the figure '100', the figure "150" —  
"(b) 150 Judges of the Court.

*Committee's Recommendation:*

That the provision in Clause 2 be retained (*Senator Michael O. Bamidele — Ekiti Central*) —  
*Agreed to.*

*Question that Clause 2 do stand part of the Bill, put and agreed to.*

**Clause 3: Amendment of Section 11**

Section 11 of the principal Act is amended by inserting a new section "11" —

"11. The Court, in the exercise of the jurisdiction vested in it by or under this Bill shall, in every cause or matter, have power to grant, either absolutely or on such terms and conditions as the Court thinks just, all such remedies whatsoever as any of the parties thereto may appear to be entitled to in respect of any legal or equitable claim properly brought forward by them in the cause or matter so that, as far as possible, all matters in controversy between the parties may be completely and finally determined and all multiplicity of legal proceedings concerning any of those matters avoided.

(2) In any proceedings for the recovery of any debt or damages, the Court, if it thinks fit, may order that there shall be included in the sum for which judgment is given, interest at such rate as it thinks fit on the whole or any part of the debt or damages for the whole or any part of the period between the date when the cause of action arose and the date of the judgment, provided that nothing in this section shall apply in relation to any debt upon which interest is payable as of right whether by virtue of any agreement or otherwise."

**Committee's Recommendation:**

That the provision in Clause 3 be retained (*Senator Michael O. Bamidele — Ekiti Central*) — Agreed to.

*Question that Clause 3 do stand part of the Bill, put and agreed to.*

**Clause 4: Citation.**

This Bill may be cited as The Federal High Court (Amendment) Bill, 2023.

**Committee's Recommendation:**

That the provision in Clause 4 be retained (*Senator Michael O. Bamidele — Ekiti Central*) — Agreed to.

*Question that Clause 4 do stand part of the Bill, put and agreed to.*

Chairman to report Bill.

**(SENATE IN PLENARY)**

The President of the Senate reported that the Senate in the Committee of the Whole considered a Report on A Bill for an Act to Amend the Federal High Court Act, Cap F12, Laws of the Federation 2004 to Provide for the Increase in the Number of Judges from 100 to 150 and to Make Provisions for the Regulation of the Award of Pre-judgment in Relation to Claims Bothering on Commercial Transactions in Nigeria; and for Related Matters, 2023 and approved as follows:

Clauses 1-4 — As Recommended

*Question:* That the Senate do approve the Report of the Committee of the Whole — *Resolved in the Affirmative.*

*Motion made:* That the Bill be now Read the Third Time (*Senate Leader*).

*Question put and agreed to.*

*Bill accordingly Read the Third Time and Passed.*

**16. Committee on Judiciary, Human Rights & Legal Matters:****Report on the Franchising (Establishment) Bill, 2023 (SB. 969):**

*Motion made:* That the Senate do receive and consider the Report of the Committee on Judiciary, Human Rights & Legal Matters on the Franchising (Establishment) Bill, 2023 (SB.969) (*Senator Micheal O. Bamidele — Ekiti Central*).

*Question put and agreed to.*

*Report Laid and presented.*

*Motion Made:* That the Senate do resolve into the Committee of the Whole to consider the Report.

*Question put and agreed to.*

**(SENATE IN THE COMMITTEE OF THE WHOLE)**

CONSIDERATION OF A REPORT ON A BILL FOR AN ACT TO CREATE THE FRAMEWORK FOR THE REGULATION OF FRANCHISING AND TO GUIDE THE RELATIONSHIP BETWEEN FRANCHISORS AND



## FRANCHISEES IN NIGERIA; AND FOR RELATED MATTERS, 2023

**Clause 1: Objectives of the Bill**

The objectives of this Bill are to —

- (a) regulate and guide the relationship between franchisors and franchisees by imposing certain obligations and prohibiting certain actions;
- (b) promote the growth of franchising through the adoption of international best practices that balance the interests of franchisors and franchisee; and
- (c) enhance the capacity of the National Office of Technology Acquisition and Promotion for effective regulation, administration, and enforcement of the provisions of Franchising under this Bill.

**Committee's Recommendation:**

That the provision in Clause 1 be retained (*Senator Michael O. Bamidele — Ekiti Central*) —  
*Agreed to.*

*Question that Clause 1 do stand part of the Bill, put and agreed to.*

**Clause 2: Implementation of this Bill**

- (1) The National Office for Technology Acquisition and Promotion established by the National Office for Technology Acquisition and Promotion Act Cap N62 Laws of the Federation of Nigeria, 2004 (in this Bill referred to as "the implementing agency") shall be responsible for the implementation of the provisions of this Bill.
- (2) All franchise disclosure documents shall be registered with the National Office of Technology Acquisition and Promotion.
- (3) No payment shall be made in Nigeria to the credit of any person outside Nigeria by or on the authority of the Federal Ministry of Finance, the Central Bank of Nigeria or any licensed bank in Nigeria in respect of any payments due under a contract or agreement under this Bill, unless a certificate of registration issued under this Bill is presented by the party or parties concerned together with a copy of the contract or agreement certified by the implementing agency in that behalf.

**Committee's Recommendation:**

That the provision in Clause 2 be retained (*Senator Michael O. Bamidele — Ekiti Central*) —  
*Agreed to.*

*Question that Clause 2 do stand part of the Bill, put and agreed to.*

**Clause 3: Scope of Application of Bill to new, Extended and Renewed Franchise Agreements**

- (1) This Bill applies to —
  - (a) A franchise agreement entered into on or after the coming into force of this Bill, if the franchised business is operated, or is to be operated, partly or wholly in Nigeria irrespective of whether the agreement is with a Nigerian or foreign franchisor; and

- (b) a renewal or extension of a franchise agreement, if —
  - (i) the renewal or extension is entered into on or after the coming into force of this Bill;
  - (ii) the franchise agreement was entered into before, or is entered into after, the coming into force of this Bill; and
  - (iii) the franchised business is operated, or is to be operated, partly or wholly in Nigeria.
- (2) Pursuant to the provisions of subsection (1) of this section, this Bill applies to —
  - (a) Trade Name Franchising;
  - (b) Business Format Franchising;
  - (c) Unit Franchising;
  - (d) Multiple Franchising;
  - (e) Area Franchising;
  - (f) Pilot Franchising;
  - (g) Fractional Franchising;
  - (h) Conversion Franchising; and
  - (i) any other type or form of franchising granted or renewed for operation within Nigeria.

***Committee's Recommendation:***

That the provision in Clause 3 be retained (*Senator Michael O. Bamidele — Ekiti Central*) —  
*Agreed to.*

*Question that Clause 3 do stand part of the Bill, put and agreed to.*

**Clause 4: Requirements of Franchise Agreement**

A franchise agreement shall be in writing and contain at least the following —

- (a) the name and description of the product, service and business under the franchise;
- (a) the name and description of the product and business under the franchise;
- (b) the territorial rights granted to the franchisee;
- (c) the franchise fee, promotion fee, royalty or any related type of payment which may be imposed on the franchisee, if any;
- (d) the obligations of the franchisor;
- (e) the obligations of the franchisee;
- (f) the franchisee's rights to use the mark or any other intellectual

- property, pending the registration or after the registration of the franchise;
- (g) the conditions under which the franchisee may assign the rights under the franchise;
  - (h) a statement on the opt out period as provided in section 10;
  - (i) a description pertaining to the mark or any other trade mark, service mark, patent, design or other intellectual property owned or related to the franchisor which is used in the franchise;
  - (j) if the agreement is related to a master franchisee, the franchisor's identity and the rights obtained by the master franchisee from the franchisor;
  - (k) the type and particulars of assistance provided by the franchisor;
  - (l) the duration of the franchise provided always that this shall not be less than five years;
  - (m) the terms of renewal;
  - (n) the effect of termination or expiration of the franchise;
  - (o) a copy of the disclosure document; and
  - (p) mode of settlement in case of dispute.

***Committee's Recommendation:***

That the provision in Clause 4 be retained (*Senator Michael O. Bamidele — Ekiti Central*) —  
*Agreed to.*

*Question that Clause 4 do stand part of the Bill, put and agreed to.*

**Clause 5: Franchisor's Disclosure Obligations**

- (1) A franchisor must give every prospective franchisee a copy of the franchisor's disclosure document.
- (2) The disclosure document must be served on the prospective franchisee personally in hard copy or electronically at least 30 days before —
  - (a) the signing of the franchise agreement or any other agreement relating to the franchise by the prospective franchisee; or
  - (b) the payment of any consideration relating to the franchise by or on behalf of the prospective franchisee to the franchisor or franchisor's associate, whichever is earlier provided that where the disclosure document is not served on the Franchisor as one document it is the date of delivery of the last document that is relevant for the purpose of this section.
- (3) The franchisor shall request the prospective franchisee to acknowledge the receipt of the disclosure document in writing.
- (4) The disclosure document must contain —
  - (a) all material facts;

- (b) the prescribed financial statements;
- (c) copies of all proposed franchise agreements and other agreements relating to the franchise to be signed by the prospective franchisee;
- (d) the prescribed statements that will enable the Franchisee make an informed investment decision;
- (e) other prescribed information, statements, descriptions and certificates; and
- (f) copies of other prescribed documents.

***Committee's Recommendation:***

That the provision in Clause 5 be retained (*Senator Michael O. Bamidele — Ekiti Central*) — Agreed to.

*Question that Clause 5 do stand part of the Bill, put and agreed to.*

**Clause 6: Statement of Material Change**

- (1) The franchisor must give the prospective franchisee a written statement describing any material change.
- (2) The statement of material change must be received by the prospective franchisee within 30 days after the change has occurred and before —
  - (a) the signing of the franchise agreement or any other agreement relating to the franchise by the prospective franchisee; or
  - (b) the payment of any consideration relating to the franchise by or on behalf of the prospective franchisee to the franchisor or franchisor's associate; whichever is earlier.

***Committee's Recommendation:***

That the provision in Clause 6 be retained (*Senator Michael O. Bamidele — Ekiti Central*) — Agreed to.

*Question that Clause 6 do stand part of the Bill, put and agreed to.*

**Clause 7: Substantial Compliance**

A franchisor complies with this Bill —

- (a) if the franchisor's disclosure document substantially complies with this Bill; and
- (b) if the disclosure document contains a technical irregularity or mistake not affecting the substance of the document.

***Committee's Recommendation:***

That the provision in Clause 7 be retained (*Senator Michael O. Bamidele — Ekiti Central*) — Agreed to.

*Question that Clause 7 do stand part of the Bill, put and agreed to.*

**Clause 8: No Disclosure Obligation**

A disclosure document is not required, in the case of —

- (a) the grant of a franchise to a person who has been an officer or

director of the franchisor or of an affiliate of the franchisor for at least two year immediately before the signing of the franchise agreement;

- (b) the assignment or other transfer of a franchisee's rights and obligations under an existing franchise agreement, where the assignee or transferee is bound by substantially the same terms as the assignor or transferor, and the franchisor has not had a significant role in the transaction other than approval of the transfer;
- (c) the grant of a franchise to sell goods or services to a natural or legal person who has been engaged in the same or a similar business for the previous two years, if the sales of the franchise, as reasonably anticipated by the parties at the time the franchise agreement is entered into, will not, during the first year of the relationship, exceed twenty per cent of the total aggregate sales of the combined business of the franchisee and his affiliates;
- (d) the grant of a franchise pursuant to which the prospective franchisee commits to a total financial requirement under the franchise agreement in excess of an amount to be provided in regulations made under this Bill;
- (e) the grant of a franchise to a prospective franchisee who, together with his affiliates, has —
  - (i) a net worth in excess of an amount to be provided in regulations made under this Bill, or
  - (ii) a turnover in excess of an amount to be provided in regulations made under this Bill.

***Committee's Recommendation:***

That the provision in Clause 8 be retained (*Senator Michael O. Bamidele — Ekiti Central*) —  
*Agreed to.*

*Question that Clause 8 do stand part of the Bill, put and agreed to.*

**Clause 9: Refundable Deposit**

Payment of any consideration relating to a franchise does not include the payment of a fully refundable deposit that —

- (a) does not exceed the prescribed amount;
- (b) is refundable without any deductions; and
- (c) is given under an agreement that in no way binds the prospective franchisee to enter into any franchise agreement.

***Committee's Recommendation:***

That the provision in Clause 9 be retained (*Senator Michael O. Bamidele — Ekiti Central*) —  
*Agreed to.*

*Question that Clause 9 do stand part of the Bill, put and agreed to.*

**Clause 10: Pre-franchise Agreement Fees and opt out Period**

- (1) All franchise agreement must have an opt out period as may be agreed between the franchisor and franchisee, provided always that it shall not be less than seven working days, during which the franchisee has

the option to terminate the agreement.

- (2) Upon termination of the franchise agreement under subsection (1), an amount to cover the reasonable expenses incurred by the franchisor to prepare the agreement shall be retained by the franchisor from any initial fees paid to the franchisor provided that all other moneys shall be refunded to the franchisee.
- (3) A person who fails to comply with subsection (2) commits an offence and shall be liable to a fine of not less than N5,000,000.
- (4) If a franchisor requires that a franchisee makes a payment before signing a franchise agreement, including a payment which is part of a franchise fee, the franchisor shall state in writing in the disclosure document, the purpose for the payment and the conditions for the use and refund of the moneys.

***Committee's Recommendation:***

That the provision in Clause 10 be retained (*Senator Michael O. Bamidele — Ekiti Central*)  
— *Agreed to.*

*Question that Clause 10 do stand part of the Bill, put and agreed to.*

**Clause 11: Maintenance and Protection of Intellectual Property Rights**

The Franchisor shall register and maintain any mark, patent, design or intellectual property that is used or related to the Franchise and shall protect such property against any infringement or breach.

***Committee's Recommendation:***

That the provision in Clause 11 be retained (*Senator Michael O. Bamidele — Ekiti Central*)  
— *Agreed to.*

*Question that Clause 11 do stand part of the Bill, put and agreed to.*

**Clause 12: Obligations of the Franchisee**

- (1) Franchisees shall not disclose any information contained in the operating manual during the term of the franchise and for two years after the expiration of the term of the franchise.
- (2) Franchisees shall not carry out any other business similar to the franchised business during the term of the franchise.
- (3) The obligations in this section extends to the directors and employees of the franchisee company.

***Committee's Recommendation:***

That the provision in Clause 12 be retained (*Senator Michael O. Bamidele — Ekiti Central*)  
— *Agreed to.*

*Question that Clause 12 do stand part of the Bill, put and agreed to.*

**Clause 13: Freedom of Association**

- (1) A franchisee has the right to associate with other franchisees and may form or join an organization of franchisees.
- (2) No franchisor or franchisor's associate shall interfere with, prohibit

or restrict by contract or otherwise a franchisee from forming or joining an organization of franchisees or from associating with other franchisees.

- (3) No franchisor or a franchisor's associate shall directly or indirectly penalize, attempt to penalize or threaten to penalize a franchisee for exercising any right under this section.
- (4) Any provision in a franchise agreement or other agreement relating to a franchise that purports to interfere with, prohibit or restrict a franchisee from exercising any right under this section is void.
- (5) The franchisee has a right of action for damages against a franchisor or franchisor's associate who contravenes this section.

***Committee's Recommendation:***

That the provision in Clause 13 be retained (*Senator Michael O. Bamidele — Ekiti Central*)  
— *Agreed to.*

*Question that Clause 13 do stand part of the Bill, put and agreed to.*

**Clause 14: Freedom from Discrimination**

- (1) No franchisor shall unreasonably and materially discriminate between franchisees operating a franchise in the charges offered or made for franchise fees, royalties, goods, services, equipment, rentals or advertising services if the discrimination will cause competitive harm to a franchisee competing with another franchisee who receives the benefit of the discrimination.
- (2) The following incentives granted to franchisees shall not be regarded as being discriminatory —
  - (a) incentives based on franchises granted at different times, and such discrimination is reasonably related to the differences in time;
  - (b) incentives related to one or more programmes for making franchises available to persons with insufficient capital, training, business experience or education, or lacking other qualifications;
  - (c) incentives related to efforts by the Government or any of its agencies to promote variation in products or service lines or business formats or designs;
  - (d) incentives related to efforts by one or more franchisees to cure deficiencies in the operation of franchised businesses or defaults in franchise agreements; or
  - (e) incentives based on other reasonable distinctions considering the purposes of this Act and is not arbitrary.

***Committee's Recommendation:***

That the provision in Clause 14 be retained (*Senator Michael O. Bamidele — Ekiti Central*)  
— *Agreed to.*

*Question that Clause 14 do stand part of the Bill, put and agreed to.*

**Clause 15: Termination of Franchise**

- (1) A franchise agreement may be terminated before the expiry of the minimum term of five years where both parties to the franchise agreement agree to a termination.
- (2) A franchisor or franchisee shall not terminate a franchise agreement before the expiration date except for good cause as provided in subsections (3) and (4).
- (3) "Good cause" includes
  - (a) the failure of a franchisor or a franchisee to comply with any terms of the franchise agreement or any other relevant agreement entered into between the franchisor and franchisee; and
  - (b) the failure of a franchisor or the franchisee to remedy the breach committed by him or any of his employees within the period stated in a written notice given by the franchisor, which shall not be less than fourteen days, for the breach to be remedied.
- (4) "Good cause" also includes, but without the requirement of notice and an opportunity to remedy the breach, circumstances in which the franchisor or franchisee —
  - (a) makes an assignment of the franchise rights for the benefit of creditors or a similar disposition of the assets of the franchise to any other person;
  - (b) becomes bankrupt or insolvent;
  - (c) voluntarily abandons the franchised business;
  - (d) is convicted of a criminal offence which substantially impairs the goodwill associated with the franchisor's mark or other intellectual property; and
  - (e) repeatedly fails to comply with the terms of the franchise agreement.
- (5) Subject to this Bill, a franchisee may, on thirty days prior written notice to the franchisor, terminate the franchise agreement and claim against the franchisor damages suffered therefrom.

***Committee's Recommendation:***

That the provision in Clause 15 be retained (*Senator Michael O. Bamidele — Ekiti Central*)  
— *Agreed to.*

*Question that Clause 15 do stand part of the Bill, put and agreed to.*

**Clause 16: Effect of Non-renewal by Franchisor**

A franchisor who refuses to renew a franchise agreement or extend a franchise term shall compensate a franchisee either by a re-purchase or by other means at a price to be agreed to between the franchisor and the franchisee after considering the diminution in the value of the franchised business, caused by the expiration of the franchise where —

- (a) the franchisee is barred by the franchise agreement, or by the refusal



of the franchisor at least six months before the expiration date of the franchise agreement to waive any portion of the franchise agreement, which prohibits the franchisee, from continuing to conduct substantially the same business under another mark in the same area subsequent to the expiration of the franchise agreement; or

- (b) the franchisee has not been given a written notice of the franchisor's intent not to renew the franchise agreement at least six months prior to the expiration date of the franchise agreement.

***Committee's Recommendation:***

That the provision in Clause 16 be retained (*Senator Michael O. Bamidele — Ekiti Central*)  
— *Agreed to.*

*Question that Clause 16 do stand part of the Bill, put and agreed to.*

**Clause 17: Local Content**

All franchise operators are to use locally grown and locally made raw materials and products.

***Committee's Recommendation:***

That the provision in Clause 17 be retained (*Senator Michael O. Bamidele — Ekiti Central*)  
— *Agreed to.*

*Question that Clause 17 do stand part of the Bill, put and agreed to.*

**Clause 18: Compliance and Offences**

- (1) All franchise agreements entered into before or after the coming into force of this Bill must comply with this Bill.
- (2) Any clause in any franchise agreement that provides for any exemption or waiver from the obligations in this Bill shall be invalid.
- (3) Any person who fails to comply with the provisions of this Bill shall be guilty of an offence and shall be liable upon conviction to a term of imprisonment of not less than one year or to a fine of not less than N1,000,000 or to both fine and term of imprisonment.

***Committee's Recommendation:***

That the provision in Clause 18 be retained (*Senator Michael O. Bamidele — Ekiti Central*)  
— *Agreed to.*

*Question that Clause 18 do stand part of the Bill, put and agreed to.*

**Clause 19: Dispute Resolution**

- (1) Nigerian law shall govern all franchise agreements under this Bill.
- (2) If a franchise agreement provides that disputes may be referred to, or resolved by, mediation or arbitration, the disclosure document must include information about mediation procedures and arbitration proceedings, including —
  - (a) the criteria and methods for selecting a mediator or arbitrator;
  - (b) the rules and procedures governing mediation and arbitration;

- (c) any confidentiality obligations imposed on parties to the mediation or arbitration;
- (d) the costs of mediation or arbitration proceedings or the method of calculating those costs; and
- (e) any other prescribed information and statements.

***Committee's Recommendation:***

That the provision in Clause 19 be retained (*Senator Michael O. Bamidele — Ekiti Central*)  
— *Agreed to.*

*Question that Clause 19 do stand part of the Bill, put and agreed to.*

**Clause 20: Regulations**

The National Office of Technology Acquisition and Promotion may make regulations prescribing anything required to be prescribed for the purposes of this Bill.

***Committee's Recommendation:***

That the provision in Clause 20 be retained (*Senator Michael O. Bamidele — Ekiti Central*)  
— *Agreed to.*

*Question that Clause 20 do stand part of the Bill, put and agreed to.*

**Clause 21: Interpretation**

(1) In this Bill —

"body corporate" means a legal entity, an artificial or otherwise, recognised by the Companies and Allied Matters Act, 2020 or established under the authority of any other law in Nigeria;

"development agreement" means an agreement under which a franchisor, in exchange for direct or indirect financial compensation, grants to another party the right to acquire more than one franchise of the same franchise system;

"disclosure document" means the documents describes in section 5 under this Bill as disclosure documents.

"franchise" means a right to engage in a business in which the franchisee is required by contract or otherwise to make a payment or continuing payments (whether direct or indirect) or a commitment to make that payment or those payments to the franchisor or the franchisor's associate in the course of operating the business or as a condition of acquiring the franchise or commencing operations, and

(a) In which —

(i) The franchisor grants the franchisee the right to sell, offer for sale or distribute goods or services that are substantially associated with the franchisor's, or the franchisor's associate's, trademark, trade name, logo or advertising, and

(ii) The franchisor or the franchisor's associate exercises significant control over, or offers significant assistance in the franchisee's method of operation

under a business plan, including building design and furnishings, locations, business organization, marketing strategies or training; or

- (b) In which —
- (i) the franchisor or the franchisor's associate grants the franchisee the representational or distribution rights whether or not a trademark, trade name, logo or advertising is involved to sell, offer for sale or distribute goods or services supplied by the franchisor or a supplier designated by the franchisor, and
  - (ii) the franchisor, the franchisor's associate or another person designated by the franchisor provides location assistance, including —
    - (a) securing retail outlets or customer accounts for the goods or services to be distributed, offered for sale or sold, or
    - (b) securing locations or sites for vending machines, display racks or other product sales displays used by the franchisee; and includes a master franchise and a sub-franchise.

"franchise agreement" means any agreement that relates to a franchise between -

- (a) a franchisor or franchisor's associate; and
- (b) a franchisee.

"franchised business" means a business operating under a franchise agreement.

"franchisee" means a person to whom a franchise is granted and includes —

- (a) a sub-franchisor with regard to that sub-franchisor's relationship with a franchisor; and
- (b) a sub-franchisee with regard to that sub-franchisee's relationship with a sub-franchisor.

"franchise system" includes —

- (a) the franchise's business plan or marketing plan;
- (b) the use of or association with a trademark, trade name, logo or advertising;
- (c) the obligations of the franchisor and franchisee with regard to the operation of the franchised business; and
- (d) the goodwill associated with the franchise.

"franchisor" means a person who grants or offers to grant a franchise and includes a sub-franchisor with regard to that sub-franchisor's relationship with a sub-franchisee.

"franchisor's associate" means a person —

- (a) who, directly or indirectly —
  - (i) controls the franchisor,
  - (ii) is controlled by the franchisor, or
  - (iii) is controlled by another person who also directly or indirectly controls the franchisor; and
- (b) Who —
  - (i) is directly involved in the grant of the franchise by being involved in reviewing or approving the grant, or by making representations to the prospective franchisee on behalf of the franchisor for the purpose of granting the franchise, marketing the franchise or otherwise offering to grant the franchise, or
  - (ii) exercises significant operational control over the franchisee and to whom the franchisee has a continuing financial obligation in respect of the franchise.

"franchisor's broker" means a person other than the franchisor, franchisor's associate or franchisee who, on behalf of the franchisor —

- (a) grants, markets or otherwise offers to grant a franchise; or
- (b) arranges for the grant of a franchise.

"grant" in respect of a franchise, includes the sale or disposition of the franchise or of an interest in the franchise.

"interest in the franchise" includes the ownership of shares in the corporation that owns the franchise.

"master franchise" means a franchise that is a right granted by a franchisor to a sub-franchisor to grant or offer to grant franchises for the sub-franchisor's own account.

"material change" means a change —

- (a) in the business, operations, capital or control of the franchisor or franchisor's associate; or
- (b) in the franchise or the franchise system, that would reasonably be expected to have a significant adverse effect on the franchise's value or price to be granted or on the decision to acquire the franchise, and includes a decision to implement such a change made by the board of directors of the franchisor or franchisor's associate or by senior management of the franchisor or franchisor's associate who believe that the decision's confirmation by the board of directors is probable.

"material fact" means any information about —

- (a) the business, operations, capital or control of the franchisor or franchisor's associate; or

- (b) the franchise or the franchise system, that would reasonably be expected to have a significant effect on the franchise's value or price to be granted or the decision to acquire the franchise.

"misrepresentation" includes —

- (a) an untrue statement of a material fact; or
- (b) an omission to state a material fact that —
- (i) is required to be stated, or
- (ii) is necessary to make a statement not misleading in light of the circumstances in which it was made.

"person" includes an individual, partnership, trustee and unincorporated association or organization.

"prescribed" means prescribed by regulation under this Bill.

"prospective franchisee" means a person —

- (a) who has indicated, directly or indirectly, to a franchisor or a franchisor's associate or broker an interest in entering into a franchise agreement; or
- (b) whom a franchisor or a franchisor's associate or broker, directly or indirectly, invites to enter into a franchise agreement.

"statement of material change" means the statement required by this Bill.

"sub-franchise" means a franchise granted by a sub-franchisor to a sub-franchisee.

- (2) A corporation is controlled by another person, if—
- (a) the corporation's voting securities carrying more than 50 percent of the votes for the election of directors are held otherwise than by way of security only by or for the benefit of the other person; and
- (b) the votes carried by those securities are entitled, if exercised, to elect a majority of the corporation's board of directors.

***Committee's Recommendation:***

That the provision in Clause 21 be retained (*Senator Michael O. Bamidele — Ekiti Central*)  
— *Agreed to.*

*Question that Clause 21 do stand part of the Bill, put and agreed to.*

**Clause 22: Citation**

This Bill may be cited as the Franchise Bill, 2023.

***Committee's Recommendation:***

That the provision in Clause 22 be retained (*Senator Michael O. Bamidele — Ekiti Central*)  
— *Agreed to.*

*Question that Clause 22 do stand part of the Bill, put and agreed to.*

Chairman to report Bill.

**(SENATE IN PLENARY)**

The President of the Senate reported that the Senate in the Committee of the Whole considered a Report on A Bill for an Act to Create the Framework for the Regulation of Franchising and to Guide the Relationship Between Franchisors and Franchisees in Nigeria; and for Related Matters, 2023 and approved as follows:

Clauses 1-22 — As Recommended

*Question:* That the Senate do approve the Report of the Committee of the Whole — *Resolved in the Affirmative.*

*Motion made:* That the Bill be now Read the Third Time (*Senate Leader*).

*Question put and agreed to.*

*Bill accordingly Read the Third Time and Passed.*

**17. Committee on Trade and Investment:*****Report on the 2022 Oversight visit to Lagos International Trade Fair Complex:***

*Motion made:* That the Senate do receive and consider the Report of the Committee on Trade and Investment on the 2022 Oversight visit to Lagos International Trade Fair Complex (*Senator Saidu A. Alkali — Gombe North*).

*Question put and agreed to.*

*Report Laid and presented.*

*Debate:*

***Proposed Resolution (i):***

*Question:* That the Honourable Minister of Industry, Trade and Investment should be directed to facilitate the grant of approval to the Management Board of the Lagos International Trade Fair Complex to lease at least 20 out of about 100 hectares of land within the Complex to prospective investors pursuant to section 20 of the Lagos International Trade Fair Complex Act, Cap L2, Laws of the Federation of Nigeria, 2004 to enable the Board exercise its functions under Section 4(b) "to develop additional infrastructure and facilities which would enhance the economic, commercial and tourism potentials of the complex — *Agreed to.*

***Proposed Resolution (ii):***

*Question:* Urge the Management Board of the Lagos International Trade Fair Complex to submit comprehensive infrastructural development plan, revenue generation plan and any relevant information that will facilitate the grant of approval to utilize at least 20 hectares of land within the Complex to be leased to prospective investors under realistic, sustainable and economically attractive terms and conditions to boost the revenue generation profile of the Complex for remittance to the Federal Government — *Agreed to.*

***Proposed Resolution (iii):***

*Question:* That henceforth, the authorities of LITFC be allowed to optimally exercise the managerial powers vested under its enabling Act without let or hindrance of the BPE or any other body by whatsoever name — *Agreed to.*

*Resolved:*

- (a) That the Honourable Minister of Industry, Trade and Investment should be directed to facilitate the grant of approval to the Management Board of the Lagos International Trade Fair Complex to lease at least 20 out of about 100 hectares of land within the Complex to prospective investors pursuant to section 20 of the Lagos International Trade Fair Complex Act, Cap L2, Laws of the Federation of Nigeria, 2004 to enable the Board exercise its functions under Section 4(b) "to develop additional infrastructure and facilities which would enhance the economic, commercial and tourism potentials of the complex";
- (b) Urge the Management Board of the Lagos International Trade Fair Complex to submit comprehensive infrastructural development plan, revenue generation plan and any relevant information that will facilitate the grant of approval to utilize at least 20 hectares of land within the Complex to be leased to prospective investors under realistic, sustainable and economically attractive terms and conditions to boost the revenue generation profile of the Complex for remittance to the Federal Government; and
- (c) That henceforth, the authorities of LITFC be allowed to optimally exercise the managerial powers vested under its enabling Act without let or hindrance of the BPE or any other body by whatsoever name (*S/Res/064/04/23*).

**18. Pension Reform Act, 2014 (Amendment) Bill, 2023 (HB. 2025) — Concurrence:**

*Consideration of the Bill deferred to another Legislative Day.*

**19. Federal University of Health Sciences Ila-Orangun, Osun State (Establishment) Bill, 2023 (HB. 2101) — Concurrence:**

*Consideration of the Bill deferred to another Legislative Day.*

**20. Chartered Institute of Capital Market Registrars of Nigeria (Establishment) Bill, 2023 (HB. 304) — Concurrence:**

*Consideration of the Bill deferred to another Legislative Day.*

**21. Federal Medical Centre Act (Amendment) Bill, 2023 (HB. 1665) — Concurrence:**

*Consideration of the Bill deferred to another Legislative Day.*

**22. Chartered Institute of Power Engineers of Nigeria (Establishment) Bill, 2023 (HB. 1086) — Concurrence:**

*Consideration of the Bill deferred to another Legislative Day.*

**23. Chartered Institute of Development Studies and Administration of Nigeria Bill, 2023 (HB.966) — Concurrence:**

*Consideration of the Bill deferred to another Legislative Day.*

**24. Adjournment:**

And it being 3:26*p.m.* the President of the Senate adjourned the Senate till Wednesday, 25<sup>th</sup> January, 2023 at 10:00 a.m.

*Senate adjourned accordingly at 3:26p.m.*

**Ahmad Ibrahim Lawan, Ph.D, GCON**  
President,  
Senate of the Federal Republic of Nigeria.