THE SENATE
FEDERAL REPUBLIC OF NIGERIA
ORDER PAPER

Tuesday 11th October, 2011

1. **Prayers**
2. **Approval of the Votes and Proceedings**
3. **Oaths**
4. **Announcements (if any)**
5. **Petitions**

PRESENTATION OF A REPORT

1. Report of the Committee on Judiciary, Human Rights and Legal Matters:
Court of Appeal Act 2005 (Amendment) Bill 2011 (SB. 32)
Sen. Umaru Dahiru *(Sokoto South)*
"That the Senate do Receive the Report of the Committee on Judiciary, Human Rights and Legal Matters, on the Court of Appeal Act 2005 (Amendment) Bill 2011 (SB. 32)" *(To be laid).*

ORDERS OF THE DAY

MOTION

1. Investigation into the Current Fuel Subsidy Management:
Sen. Abubakar B. Saraki *(Kwara Central)*

Sen. Isa M. Galaudu(Kebi North) Sen. Nurudeen A. Usman(Kogi Central) Sen. Andy Uba(Anambra South)
Sen. Sunny Ogbuoji(Ebonyi South) Sen. Barnabas Gemade(Benue N/East) Sen. Gobir Ibrahim(Sokoto East)
Sen. Okowa A. Ifeanyi(Delta North) Sen. Shaaba L.afiaji (Kwara North) Sen. Simeon Ajibola (Kwara South)
Sen. Adetunmbi O. Onaolapo(Ogun Cent.) Sen. Adeyeye Olusola(Osun Cent.) Sen. Tukur Bello(Adamawa Central)
Sen. Robert A. Boroffice(Ondo North) Sen. Wilson Ake(Rivers West)

THE SENATE;
NOTES that the Federal Government of Nigeria operates a fuel subsidy scheme with the policy purpose of making petroleum products available in order to cushion the effect of the true market prices of petroleum products on the populace;

RECOGNIZING that the fuel subsidy scheme is a long-standing government palliative action to help the Nigerian masses;

RECOGNIZING in the meantime, the need to make the scheme more transparent, corruption free and competitive within an appropriate legislative framework and in compliance with the Appropriation Act.

NOTES that in furtherance to the implementation of the fuel subsidy in 2011 appropriation, the sum , N240bn (N20bn Monthly) is budgeted;

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NOTES that of the N20bn monthly allocation, N11.2bn was allocated for Domestic Fuel Subsidy (NNPC) and N8.8bn for Domestic Fuel Subsidy (Market) as stated in the Appropriation Act 2011;

OBSERVES that although N20bn was set aside for subsidy on a monthly basis in the Appropriation Act 2011, in August 2011 the total figure expended was N165bn of which NNPC was N88bn and Independent Marketers was N77.7bn;

OBSERVES that although N240bn was budgeted for the entire year, so far as at end of August 2011 N931bn has been spent. This is a variance of N771bn or 700% above budget;

WORRIED that in the first three months of the year both NNPC and the Independent Marketers did not exceed N62bn monthly but within the last three months figures have ranged between N150bn and N186bn;

OBSERVES that with this trend, by the year-end we will have a fuel subsidy bill of over N1.2tr (one trillion, two hundred billion naira) as against the N240bn (two hundred and forty billion naira) budgeted in the Appropriation Act;

OBSERVES that this expenditure is treated as a first line charge and by implication all other expenditures including Capital expenditures and even distributions to the states and local government, which we represent, is secondary;

NOTES that the implementation of 2011 Appropriation Act will surely be in troubled waters if a variation of N1.2tr arises as a result of the level of expenditure incurred on fuel subsidy so far;

NOTES that the wide disparity between what was budgeted for fuel subsidy scheme and what is expended goes to the integrity of the budget and an erosion of the authority of the National Assembly;

NOTES that the processes, audit, scrutiny and value for money in the entire subsidy management system lacks transparency and control as the costs have continued to maintain an upward swing;

CONCERNED that the National Assembly spends an enormous amount of energy to conclude a Capital budget of N1.1tr (one trillion one hundred billion naira) for the entire country and a single Agency of government can incur the same amount without due approval of the National Assembly poses a grave challenge and therefore an urgent need arises to review the subsidy scheme in order to strengthen the institutional integrity, transparency and accountability;

CONCERNED that if nothing is done to address this situation urgently we risk the non-implementation of the 2011 budget and the hopes of Nigerians that much can be achieved this year will be a mirage.

Accordingly resolves to:

i. *MANDATE* the Senate Committees on Petroleum Resources (Downstream), Appropriation and Finance *to* investigate the operation of the fuel subsidy scheme with a view to determine that it is still run within the parameters of the law and if not find ways and means to make it much more transparent, accountable, efficient, sustainable and within the Appropriation Act;

ii. *INVESTIGATE* and establish the structure of operations and financing of the fuel subsidy scheme with a view to establishing if there are cases bordering on misappropriation, misallocation and infractions that aid or lead to abuse of the Appropriation Act and/or violate the law;

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1. **A Bill for an Act to Provide for the Prevention, Control, and Management of Sickle Cell Disease and for Other Purposes Connected Therewith 2011 (SB. 59)** - *Second Reading*
Sen. Ifeanyi A. Okowa *(Delta North)*

2. **A Bill for an Act to Provide for the Establishment of a Scheme for Compensation for Criminal Injuries and for Matters Connected Therewith 2011 (SB. 57)** – *Second Reading*
Sen. Andy Uba *(Anambra South)*

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INAUGURATION OF COMMITTEES

Petroleum Resources (Upstream)	Hearing Room 1 White House
Water Resources	Hearing Room 2 White House
Women Affairs and Youth Development	Hearing Room 3 White House
Public Accounts	Hearing Room 4 White House
National Identity and Population Commission	Hearing Room 3 White House
Works	Committee Room 204 Senate New Building
MDGs	Committee Room 211 Senate New Building
Local and Foreign Debts	Committee Room 221 Senate New Building

COMMITTEE MEETINGS

	Committee	*Date*	*Time*	*Venue*
1.	Commerce, Trade and Investment	Tuesday, 11th October, 2011	2.00 pm	Committee Room 312 Senate New Building
2.	Nigerian Navy	Tuesday, 11th October, 2011	2.00 pm	Committee Room 416 Senate New Building
3.	Judiciary, Human Rights and Legal Matters	Tuesday, 11th October, 2011	2.00 pm	Committee Room 3.13 Senate New Building
4.	Land Transport	Tuesday, 11th October, 2011	2.00 pm	Committee Room 305 Senate New Building
5.	Immortalization of Senators	Tuesday, 11th October, 2011	2.00 pm	Chairman's Office Senate New Building
6.	Health	Tuesday, 11th October, 2011	2.00 pm	Committee Room 305 Senate New Building
7.	INEC	Tuesday, 11th October, 2011	2.30 pm	Committee Room 324 Senate New Building
8.	Establishment & Public Service	Tuesday, 11th October, 2011	2.00 pm	Committee Room 427 Senate New Building
9.	Aviation	Tuesday, 11th October, 2011	2.00 pm	Committee Room 426 Senate New Building
10.	Environment and Ecology	11th & 13th October, 2011	2.00 pm	Committee Room 211 Senate New Building
11.	Police Affairs	Tuesday, 11th October, 2011	2.00 pm	Committee Room 313 Senate New Building
12.	Marine Transport	11th - 13th & 19th October, 2011	2.00 pm	Hearing Room 204 Senate New Building

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13.	Rules and Business	Wednesday, 12th October, 2011	2.00 pm	Committee Room 107 Senate New Building
14.	Ad hoc Committee on BPE	Wednesday, 12th October, 2011	10.00 am	Committee Room 304 Senate New Building