SENATE OF THE FEDERAL REPUBLIC OF NIGERIA

VOTES AND PROCEEDINGS

Thursday, 28th February, 2013

1. The Senate met at 10:26 a.m. The Senate President read prayers.

2. **Votes and Proceedings:**
The Senate examined the Votes and Proceedings of Wednesday, 27th February, 2013.

Question was put and the Votes and Proceedings were approved by unanimous consent.

3. **Announcements:**
(a) ***Petroleum Industry Bill:***
The Senate President read a letter from Senator Victor Ndoma-Egba (*Cross River Central*) as follows:

SENATOR VICTOR NDOMA-EGBA OFR, SAN
SENATE LEADER
SENATE OF THE FEDERAL REPUBLIC OF NIGERIA

Senator (Dr) David A.B. Mark GCON
President of the Senate
The Senate
National Assembly
Abuja.

Your Excellency,

ANNOUNCEMENT

Debate on the Petroleum Industry Bill will hold on Tuesday, March 5th; Wednesday March 6th; and Thursday March 7th, 2013.

Senators who wish to contribute to the Debate should indicate on which of these dates they wish to contribute.

(Signed)
Senator Victor Ndoma-Egba OFR, CON, SAN
Senate Leader

(b) *Public Hearing:*
The Senate President read a letter from Senator Dahiru A. Kuta (*Niger East*) as follows:

THE SENATE
FEDERAL REPUBLIC OF NIGERIA
COMMITTEE ON FEDERAL CHARACTER AND INTER-GOVERNMENTAL AFFAIRS

INVITATION

This is to inform all the distinguished Senators that, the Public Hearing on Employment Irregularities in the Nation's Federal Establishments comes up on Monday, 4th March, 2013 in Room 022, Senate New Wing.

The event will be declared open by His Excellency, the President of the Senate, Senator David Mark, at 12 noon prompt.

Distinguished Senators are cordially invited to witness this event.

Thank you all for this honour.

(Signed)
Senator (Comrade) Dahiru Awaisu Kuta
For and on behalf of the Committees on Federal Character and Inter- Governmental Affairs; and Employment, Labour and Productivity.

(c) ***Acknowledgment:***
The Senate President acknowledged the presence of the following who were in the gallery to observe Senate Proceedings:
(*i*) Staff and Students of Amiable Academy, Dutse Alhaji, Abuja; and

(*ii*) Staff and Students of Trinity International School, Karu, Abuja.

4. Motion:
Call for Review of National Planning and Budgeting Process:
Motion made: That the Senate notes the subsumed role of the National Planning function in the Nigerian budget process;

further notes that despite its declining influence in western economies, national development planning continues to be a dominant policy instrument in many low-income and emerging market economies;

observes that the traditional five-year development plans have been replaced by a Medium- Term Expenditure Framework (MTEF);

believes that linking multiyear development plans to the national budget is fundamental to economic growth. The budget is the mechanism by which development policies are converted into spending priorities. While the Medium-Term Expenditure Frameworks (MTEFs) is a strategic, multi-annual perspective to the budget processes;

notes that MTEF is a tool for matching the spending programmes of development plans or PRSPs (and not just the narrowly defined requests of MDAs) with available resources and the demands of macroeconomic stability and matches spending priorities with available resources over a 3-5 year time horizon;

observes that national plans allow the government to develop a holistic perspective that promote equitable distribution of resources and drive targeted economic growth compared to the narrow horizon of MDAs which is aimed at maintaining and or expanding resource allocation to their ministries based on the annual incremental approach to budgeting;

concerned that the current national budgeting process makes the legislature less involved and at best reactive; relying solely on the information provided by the executive arm of government. Under the current arrangement, there is an absence of a coherent and systematic means of exerting legislative control over the fiscal priorities of the Federal Government;

believes that the existence of an open and inclusive national planning process will strengthen the power of the parliament over public expenditure. The current method of annual incremental envelope system is currently done exclusively by the Federal Ministry of Finance and the MDAs;

notes the need to evolve a coordinated approach to public revenue and expenditure monitoring and authorizations and strengthen the planning-budgeting-performance-oversight and auditing elements of our fiscal policy management;

notes that there are two key issues on the planning-budgeting relationship which need to be exhaustively debated;

(*i*) how prominent a role should planning play in a developing country, especially one with substantial reserves of natural resources and massive infrastructural deficit?;

(*ii*) what steps should a country take to integrate its planning and budgeting functions and processes; and

(*iii*) what are the appropriate institutional arrangements for example, unified budget and finance, or separate budget and planning functions?

concerned that Nigeria needs evidence based budgeting that is rooted in planning that is based on demographic from a credible census from the National Population Commission and reliable socioeconomic data from the National and State Statistical Bureaus;

further concerned that current annual incremental envelope based budgeting being used by the Federal Ministry of Finance is arbitrary and not pro growth and is largely responsible for the slow shift from recurrent to capital led annual budget in Nigeria;

believes that the country needs to have a stronger national planning function that provides a multiyear national plan and undertake the necessary analysis of alternative planning scenarios, policies and strategies and bring together the line ministries, the private and voluntary sectors as well as the international community into an effective development partnership;

further believes that these tasks go beyond the traditional roles of the Federal Ministry of Finance, with which however, the National Planning Commission needs to work effectively to coordinate all financial aspects of national economic planning;

worried that under current arrangement, national planning processes and budget prioritization processes are led by separate groups of civil servants, with little cabinet ownership until the finished products are ready for approval and passed to the National Assembly for concurrence and passage; and

acknowledges that our national budget process can be better coordinated through the merger of planning and budgeting functions rather than operate as competing policy frameworks as is currently being done; while finance ministry concentrates on public treasury and investments, expenditure control as well as budget implementation monitoring.

Accordingly resolves to:
Mandate the Committees on National Planning, Economic Affairs and Poverty Alleviation; and Finance to review the current national planning and budgeting linkage and recommend improvements (*Senator Olubunmi A. Adetunmbi — Ekiti North*).

Debate:

Proposed Resolution:
Question: That the Senate do mandate the Committees on National Planning, Economic Affairs and Poverty Alleviation; and Finance to review the current national planning and budgeting linkage and recommend improvements.

Amendment Proposed:
Leave out the word "improvements" and *insert* the words "amendments to the relevant laws and report within four (4) weeks" instead thereof (*Senator Ita S. J. Enang — Akwa Ibom North-East).*

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

Resolved:
That the Senate do mandate the Committees on National Planning, Economic Affairs and Poverty Alleviation; and Finance to review the current national planning and budgeting linkage and recommend amendments to the relevant laws and report within four (4) weeks ***(S/Res/037/02/13)***.

5. **Equality of Rights Bill 2013 (SB.150):**
Motion made: That a Bill for an Act to provide measures to give effective application to the Equality of Rights of women and men to opportunities and benefits in public life; the protection of women and men of all diversities, against discrimination, indignity and domestic abuse, having regards to Regional and International Human Rights Conventions and the National Gender Policy, to vest regulatory authority for the administration of the Act in the National Human Rights Commission; and for Other Matters Connected Therewith 2013 be read the Second Time (*Senator Helen U. Esuene — Akwa Ibom South*).

Debate:

Further debate deferred to another Legislative Day.

6. **Electronic Fraud and Electronic Transfer of Funds Bill 2013 (SB. 69):**
Motion made: That a Bill for an Act to provide for prohibition and punishment for Electronic Fraud and Electronic Transfer of Funds in Nigeria and Other Related Matters 2013 be read the Second Time (*Senator Adegbenga S. Kaka — Ogun East).*

Debate:

Question put and agreed to.

Bill accordingly read the Second Time and referred to the Committees on Judiciary, Human Rights and Legal Matters; and Drugs, Narcotics and Financial Crimes to report within Two (2) weeks.

7. **National Health Insurance Scheme Act, Cap. N42 LFN 2004 (Repeal and Re-enactment) Bill 2013 (SB.214):**

Consideration of Bill deferred to another Legislative Day.

8. **Federal Fire Service Act CAP F29 Laws of Federation of Nigeria 2004 (Repeal and Re-enactment) Bill 2013 (SB.200):**

Consideration of Bill deferred to another Legislative Day.

9. **National Sugar Development Council Act Cap N78 LFN 2011 (Amendment) Bill 2013 (SB.198):**

Consideration of Bill deferred to another Legislative Day.

10. **Nigerian Merchant Navy Security and Safety Corps (Establishment, etc.) Bill 2013 (SB.10):**

Consideration of Bill deferred to another Legislative Day.

11. **Adjournment:**
Motion made: That the Senate do now adjourn till Tuesday, 5th March, 2013 at 10.00 a.m. (*Senate Leader*).

Adjourned accordingly at 1:00 *p.m.*

Dr. David A. B. Mark, GCON, fnim
President,
Senate of the Federal Republic of Nigeria.