THE SENATE
FEDERAL REPUBLIC OF NIGERIA
NOTICE PAPER

Tuesday 24th September 2013

Wednesday, 25th September, 2013

1. Needless loss of Huge Government Revenue Occasioned by Questionable Transaction and Allocation of Oil Mining Lease (OML) With Respect to OMLs 4,26,30,34,38,40,41 and 42.

Sen. Ahmed M. Makarfi, CON

Sen. Joshua C. Dariye	Sen. Maina Ma'aji Lawan, CON	Sen. Aloysius A. Etok
Sen. Adamu I. Gumba	Sen. Abubakar O. Saraki	Sen. Sani M. Saleh
Sen. Andy E. Uba, MFR	Sen. Nenadi E. Usman	Sen. Ayo P. Akinyelure
Sen. Isa M. Galaudu	Sen. Ahmad I. Lawan, CON	Sen. Ayogu Eze, CON
Sen. Smart Adeyemi, CON	Sen. Dahiru A. Kuta	Sen. Abubakar A. Bagudu
Sen. Suleiman Adokwe	Sen. Kabiru I. Gaya	Sen. Danladi A. Sankara

THE SENATE;
RECALLS that in September 2010, the Presidency approved the transfer by Nigerian National Petroleum Corporation (NNPC) of its 55% equity interest to Nigerian Petroleum Development Company Ltd (NPDC)-a company that has the Minister of Petroleum as its Chairman and granted it permission to enter into Strategic Alliance Agreement (SAA) with interested partners;
RECALLS also that the SAA involved financing and technical arrangements that enable the alliance partner to fund NPDC's 55% equity stake in the oil blocks where Shell Petroleum Development Company (SPDC), TOTAL and AGIP are divesting their 45% equity while the alliance partner recovers its investment from the Cost and Profit of Oil and Gas proceeds of NNPC;

NOTES that NPDC having entered into SAA with interested companies allocated the following Oil Mining Leases (OML) as under listed (A-F):-

A.SEPTA ENERGY (Nigerian subsidiary of SEVEN ENERGY):-OMLs 4, 38 and 41, covering the 55% equity portion where the 45% partner and operator is SEPLAT.OMLs 4, 38 and 41 are currently producing 40,000 barrels per day (bpd);

B.SEPTA ENERGY (Nigerian Subsidiary of SEVEN ENERGY):-OML26, covering the 55% equity portion where the 45% partner is First Hydrocarbon Nigeria (FHN) Ltd. Operator is NPDC.OML 26 is currently producing between 8000 and 10,000 bpd;

C.ATLANTIC ENERGY DRILLING CONCEPT NIGERIA Ltd:-OML 30, covering the 55% equity portion where the 45% partner is not yet known.OML30 is currently producing 50,000 bpd;
ATLANTIC ENERGY DRILLING CONCEPT NIGERIA Ltd:-OML34 covering the 55% equity portion where the 45% partner is ND WESTERN. Operator is likely NPDC.OML34 is currently producing 15,000bpd and 300 million standard cubic feet of gas per day;
E.CAMAC ENERGY INTERNTIONAL:- OML42 covering the 55% equity portion where the 45% partner is NECONDE.OML42 is currently producing 12,000bpd but has the potential to get to 40,000bpd;

F.CAMAC ENERGY INTERNATIONAL: - OML40 covering the 55% equity portion where the 45% partner is ELAND Oil and Gas.OML 40 is currently producing 5,000bpd.

NOT SATISFIED with transaction in respect of OML30-the largest oil block which ridiculously fetched the Federation a paltry sum of $50m as entrance fee from ATLANTIC ENERGY whereas SPDC's open and competitive bidding approach on the other hand fetched $1.3b from Heritage Oil Plc for its 45% Joint Venture stake of the same block;

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NOTES that this shady transaction covers the 60% of NPDC's 55% stake of the asset which is about 5billion barrels and when calculated with the 2013 oil benchmark, amounts to $380b or N58.9trn exclusive of the gas assets in the blocks valued at $15.72trn;

NOTES further that the true market value of OML30 assets divested to ATLANTIC ENERGY by NPDC if the open competitive bidding process had been complied with should not have been anything less than $1b;

RECALLS that in May 2011 a similar deal was again hurriedly packaged and finalized with same ATLANTIC ENERGY in respect of OML34 for another entrance fee of $50m for 60% equity of NPDC's 55% stake whereas SPDC's 45% stake of same oil block in an open competitive bidding process fetched $600m from Niger Delta Energy and Petroleum Company;

RECALLS further that NPDC in September 2010, entered into a service contract with SEPLAT ENERGY INTERNATIONAL Ltd in respect of OMLs 4, 38 and 41 in which the company paid a paltry sum of $54m as entrance fee for participating in the 3 blocks even as the said service contract allows the company to keep the entire proceeds of its sales abroad;

SHOCKED at this flagrant disregard for guidelines that require Companies to keep at least 10% of their proceeds in Nigerian banks;

CONDEMNS the discretional allocation of Nigeria's Oil and Gas assets and considers it a violation of the Public Procurement Act and industry guidelines which stipulates that allocation of oil blocks and award of service contracts shall be based on an open competitive bidding to allow every investor equal opportunity to explore and develop Nigeria's Petroleum resources;

WORRIED that these ridiculously undervalued and secretive allocations of Nigeria's oil and gas assets have resulted in the needless loss of huge revenue accruable to the Government and further weakened the economy;

Accordingly resolves to:

1. *MANDATE* the Senate Committee on Finance to investigate the transactions and make appropriate recommendations to the Senate within 4 weeks.

2. Demise of Dr Olusegun Kokumo Agagu, the Former Governor of Ondo-State,
Sen. Boluwaji Kunlere, *(Ondo South)*

Sen. Ayo Akinyelure, *(Ondo Central)*
Sen. Robert Ajayi Boroffice, *(Ondo North)*

THE SENATE,
NOTES with grief the sudden death of Dr. Olusegun Kokumo Agagu, the former Governor of Ondo State on Friday 13th September, 2013 a day after he returned from vacation in USA at the age of 65 years.

NOTES also that the late Dr. Olusegun Kokumo Agagu was born on February 16, 1948 in Iju-Odo, Osooro, Okitipupa Local Government Area of Ondo State.

FURTHER notes that Late Dr. Olusegun Kokumo Agagu commenced his early education at St. Luke's Anglican School, now St. Paul's Anglican School, Okitipupa in 1954 and Ebenezer African Church School, Oke-Ado, Ibadan in 1958.

OBSERVES that in 1959 He was moved to Kano where he continued His Primary Education at Ebenezer Methodist School and Baptist Primary School Sabon-Gari Kano. He moved back to Ebenezer African Church School, Ibadan where he completed his primary education in 1960.

OBSERVES that Dr. Olusegun Kokumo Agagu obtained his secondary education at the prestigious Ibadan Grammar School between 1961 - 1967 where he passed his West African School Certificate and the Higher School Certificate with flying colours. He was admitted to the University of Ibadan in 1968 to study Botany but ended up studying Geology and graduated with 2nd class upper division in 1971 and won many awards and prizes.

OBSERVES also that Dr. Olusegun Kokumo Agagu was in University of Texas United State for His masters in geology between 1973 and 1974 and obtained his Ph.D in Petroleum Geology from the University of Ibadan and joined the University later as a Lecturer in 1972 and retired in 1988 with a legacy of hard work and dedication in the department of geology of the Premier University.

OBSERVES further that Dr. Olusegun Kokumo Agagu was elected as Deputy Governor of Old Ondo State to Evangelist Bamidele Ishola Olumilua in 1991 under the platform of the defunct Social Democratic Party (SDP) He deployed his vast knowledge as a Petroleum Geologist to advance the case of Ondo State as an Oil Producing State as the Deputy Governor until 1993 .

AWARE further that Dr. Olusegun Kokumo Agagu was a founding member of the defunct United Nigeria Congress Party (UNCP).

AWARE also that as a founding member and the leader of the Peoples Democratic Party (PDP) in Ondo State, Dr. Olusegun Kokumo Agagu was appointed as Minister of Aviation and later as Minister of Power and steel by former president Chief Olusegun Obasanjo between 1999 and 2003.

NOTES with Joy that Dr. Olusegun Kokumo Agagu was elected as the Governor of Ondo State in 2003 and served until February 2009, during which period he recorded monumental achievements in the area of Education with the Establishment of Ondo State University of Science and Technology in Okitipupa, the construction of modern class room blocks across the length and breadth of Ondo State. He opened up the Riverine areas with the construction of roads and bridges for the first in the history of the area and facilitated the establishment of Omotosho power plants that will play a major role in the power transformation agenda of the Federal Government and his roles in the Establishment of Olokola Free Trade Zone will ever remain in the evergreen memory of the people.

OBSERVED that Dr. Olusegun Kokumo Agagu was an intellectual of no mean repute, a consummate politician, a wonderful networker, Nationalist, a socialite, a community leader, a devoted Christian and above all a family man married to one and only Mrs Olufunke Agagu and the marriage was blessed with three children, who are all successful in their chosen carriers.

NOTE that Dr. Olusegun Kokumo Agagu will be greatly missed by His family, His Community, Friends, Political Associates, Ondo State, and the entire Nation.

Accordingly resolves to:

i. *OBSERVE* a minute silence in Honour of Late Dr. Olusegun Kokumo Agagu;

ii. *SEND* a delegation to commiserate with the family, the Government and the people of Ondo State.

3. Report of the Committee on Judiciary, Human Rights and Legal Matters
Screening of a Nominee
Sen. Umaru Dahiru, OON *(Sokoto South)*
"That the Senate do consideration the Report of the Committee on Judiciary, Human Rights and Legal Matters, on the screening of HON. JUSTICE IBRAHIM M. BUKAR for appointment as the Chief Judge of the High Court of the Federal Capital Territory, Abuja" - *Consideration.*

4. Report of the Committee on Investment on the National Sugar Development Council Act N78 LFN 2004 (Amendment) Bill 2013 (SB. 198) - *Consideration*
Sen. Nenadi E. Usman *(Kaduna South)*

5. Report of the Joint Committee on Federal Character and Inter-Governmental Affairs and Employment, Labour and Productivity on Employment Irregularities in Federal Establishments in Nigeria *(Consideration)*
Sen. Dahiru A. Kuta *(Niger East)*

6. Report of the Committee on Employment, Labour and Productivity on the Labour Act (Amendment) Bill 2013 (SB. 145)
Sen. Wilson Ake *(Rivers West)*

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7. **Report of the Joint Committee on Police Affairs and Judiciary, Human Rights and Legal Matters, on the Motor Vehicle (Prohibition of Tinted Glass) Act Cap M21 LFN 2011 (Amendment) Bill 2013** (SB. 289) *(Consideration)*
Sen. Paulinus N. Igwe *(Ebonyi Central)*

8. **A Bill for an Act to Establish the Chartered Institute of Public Management of Nigeria to Provide for the Control of its Membership and to Promote the Practice of Public Management in Nigeria and for Other Purposes Connected Therewith, 2013 (SB. 95)** - *Second Reading*
Sen. Aloysius A. Etok *(Akwa Ibom North West)*

9. **A Bill for an Act to Amend the Companies and Allied Matters Act CAP. 20, LFN, 2011 and for Other Related Matters 2013 (SB. 185)** - *Second Reading*
Sen. **Odion M. Ugbesia *(Edo Central)***

Thursday, 26th September, 2013

1. **Motion: Reforming the Nigerian Police**
Sen. Abubakar U. Tutara *(Taraba Central) and 17 Others*

2. **Motion: Need to Compel All Foreign Embassies to Establish their Consular Offices at Abuja**
Sen. Babayo G. Gamawa *(Bauchi Central) and 40 Others*

3. **Report of the Joint Committee on Police Affairs and National Security and Intelligence on the Investigation into the Strange Dead Bodies Found in Ezu River of Anambra State** - *(Consideration)*
Sen. Paulinus N. Igwe *(Ebonyi Central)*

4. **Report of the Committee on Ethics, Privileges and Public Petitions in respect of a Petition on the Wrongful Dismissal of LOHNAP N. TALI by the Nigerian Drug Law Enforcement Agency** (NDLEA) - *(Consideration)*
Sen. Ayo Akinyelure *(Ondo Central)*

5. **Report of the Committee on Establishment and Public Service on the National Assembly Service Commission Act Cap N7 2004 (Repeal and enactment) Bill 2013 (SB. 245)** - *Consideration*
Sen. Aloysius A. Etok *(Akwa Ibom North West)*

6. **Report of the Committee on Health, on the National Health Insurance Scheme Act, Cap. N42 LFN 2004, (Repeal and Re-enactment) Bill 2013 (SB. 214)** - *(Consideration)*
Sen. Ifeanyi A. Okowa *(Delta North)*

7. **A Bill for an Act to Provide for the Establishment of the National Poverty Eradication Commission and for Other Matters Connected Therewith 2013 (SB. 140)** - *Second Reading*
Sen. Zaynab A. Kure *(Niger South)*

8. **A Bill for an Act to Make Provision about Sexual Offences, their Definition, Prevention and the Protection of all Persons From Harm, Unlawful Sexual Acts, and for Purposes Connected Therewith Bill 2013** (SB. 279) - *Second Reading*
Sen. Chris Anyanwu, MFR *(Imo East)*

9. **A Bill for an Act to Amend the Asset Management Corporation of Nigeria Act. 2013(SB.284)** - *Second Reading*
Sen. Bassey E. Otu *(Cross River South)*

10. **A Bill for an Act to Repeal the Port Act, 1999, and to Re-enact a Bill to provide for the management, control, operation and development of ports and harbours, to provide for private sector participation in the ports sector, to provide for the establishment of a Nigerian Ports and Harbour Authority and Maritime Regulatory Commission as an Independent Economic Regulator for the Maritime Transport Industry and to Provide for Matters Connected Therewith 2012 (SB. 196)** - *Second Reading*
Sen. Zaynab A. Kure *(Niger South)*

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11. **A Bill for an Act to Repeal the National Inland Waterways Authority Act No. 47, LFN 2004 and Re-enact the National Inland Waterways Agency to Provide for Among Other Things the Regulation, Management, Direction and Control of the Inland Waterways for Navigation and the Provision of River Port Services and for Other Connected Purposes 2013 (SB. 195) - *Second Reading***
Sen. Zaynab A. Kure *(Niger South)*

12. **A Bill for and Act to Repeal the NIPOST Act Cap N.127 LFN, 2004, to Provide for the Operation and Development of Postal Services, the Establishment of the Nigerian Postal Commission and for Related Matters 2013 (SB. 278) - *Second Reading***
Sen. Gilbert Nnaji *(Enugu East)*

Friday, 27th September, 2013

COMMITTEE MEETING