FOURTH REPUBLIC
7TH NATIONAL ASSEMBLY
THIRD SESSION
NO. 37

HOUSE OF REPRESENTATIVES

FEDERAL REPUBLIC OF NIGERIA

VOTES AND PROCEEDINGS

Thursday, 21 November, 2013

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1. The House met at 11. 26 a.m. Mr Speaker read the Prayers.

2. **Votes and Proceedings:**
Mr Speaker announced that he had examined and approved the *Votes and Proceedings* of Wednesday, 20 November, 2013.

By unanimous consent, the Votes and Proceedings was adopted.

3. **Announcement:**
(*i*) ***Visitors in the Gallery*:**
Mr Speaker recognized the presence of the following:

(*a*) members of the Federation of Ekiti Students, Ekiti State;

(*b*) members of Voters Education Club (VEDUC), Alhudahuda College Chapter, Zaria, Kaduna State.

4. **Announcement:**
***Bereavement*:**
(*i*) Mr Speaker announced with regrets the death of Hajia Fatima Abubakar Maikasuwa, mother of Alhaji Salisu Maikasuwa (*Clerk to the National Assembly*), which occurred on Thursday, 21 November, 2013;

(*ii*) Mr Speaker read a communication from a former Member — Hon. Ojinika Geff Chizee (*Orlu/Orsu/Oru East Federal Constituency*, 2003 - 2007) announcing the death of his father, Sir Innocent Ikebude Ojinika at the age of 81 years.

A minute silence was observed in honour of the deceased.

5. **Petitions:**
The following petitions were presented and laid by:

(*i*) Hon. Segun Williams (*Abeokuta South Federal Constituency*) from Mrs Modinat Olaleye, praying the House to prevail on the Ministry of Education to pay the gratuity and other entitlement due to her Late Father, Mr Isiaq Aramide Olaleye;

(*ii*) Hon. Ezenwa Francis Onyewuchi (*Owerri Municipal/North/West Federal Constituency*) from Njoku Ugochukwu, praying the House to investigate his dismissal from the Nigeria Police, with a view to ensuring that justice is done

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(*iii*) Hon. Chris Azubogu (*Nnewi North- South/Ekwusigo Federal Constituency*) from Mama Ife G. Onwughalu Chukwudi, praying the House to redress the non-payment of his pensions by the Federal Ministry of Education;

(*iv*) Hon. Ndudi Elumelu (*Aniocha North/Aniocha South/Oshimili North/Oshimili South Federal Constituency*) from Samuel Umeadi Mogekwu, praying the House to investigate his dismissal by the Central Bank of Nigeria since 9 May, 2011, with a view to reinstating him;

(*v*) Hon. Rafeequat Onabamiro (*Badagry Federal Constituency*) from:

(*a*) Alh. M. K. G. Ashiru, praying the House to intervene in his disengagement from the services of the Administrative Staff College of Nigeria, with a view to reinstating him and granting other reliefs sought;

(*b*) Olushi Nurudeen, praying the House to redress his dismissal from the Nigeria Police.

Petitions referred to the Committee on Public Petitions.

6. **Urgent Need to Establish a Medical School at Modibbo Adama University of Technology, Yola and to Upgrade the Federal Medical Centre, Yola to a University Teaching Hospital:**
Motion made and Question proposed:

The House:

Notes that Adamawa State, the home of about 4 million people is the only State out of the 3 states that made up the Old North Eastern States that does not have a Medical School and a Federal Teaching Hospital;

Also notes that a Medical School is a prerequisite for a University Teaching Hospital and reason for the absence of a University Teaching Hospital in Yola;

Further notes that the provision of an effective healthcare delivery is a basic ingredient necessary for the sustainable development of every society;

Aware that the number of Medical Specialists, especially in the areas of Consultant Cardiologists, Pathologists, Oncologists, Hematologists, etc. is grossly inadequate in Adamawa State;

Also aware that the availability and the complementary functions of a Medical School and a Teaching Hospital in Yola will permanently solve the problem of chronic shortage of Specialists in Adamawa State;

Further aware that the host community is positioned to benefit much from the presence of a Medical School and a Teaching Hospital by way of job and business opportunities;

Observes that Adamawa State residents have, over the years been subjected to traveling a distance of over 400km to access special health care services in Maiduguri (Borno State) and Bauchi (Bauchi State) respectively or even Abuja (FCT) which is about 800km from Adamawa State.

Further observes that both Abubakar Tafawa Balewa University, Bauchi and University of Maiduguri have University Teaching Hospitals leaving only Modibbo Adama University, Yola, the former Federal University of Technology, Yola even though they were established about the same period;

Encouraged by the fact that Ladoke Akintola University of Technology, Ogbomosho runs a Medical School even though it is a University of Technology;

Resolves to:

(*i*) urge the National Universities Commission (NUC) to establish a Medical School at the Modibbo Adama University of Technology, Yola;

(*ii*) further urge the Federal Government to upgrade the Federal Medical Centre, Yola to the status of a Teaching Hospital (*Hon. Aishatu Dahiru Ahmed — Yola North/Yola South/Girel Federal Constituency*).

Question put and agreed to.

Motion referred to the Committees on Health, and Education, pursuant to Standing Order VIII, Rule 51 (5) *for further Legislative input* (**HR. 81/2013**).

7. **Urgent Need to verify and ascertain the Volume and Value of Crude Oil Sales by the Nigerian National Petroleum Corporation (NNPC) from January 2013 to date:**
Motion made and Question proposed:

The House:

Notes the provisions of Section 162 (1) and 162 (10) of the Constitution of the Federal Republic of Nigeria, 1999 (as amended) which states thus:

"162.—(1) *The Federation shall maintain a special account to be called 'the Federation Account' into which shall be paid all revenues collected by the Government of the Federation, except the proceeds from the personal income tax of the personnel of the Armed Forces of the Federation, the Nigeria Police Force, the Ministry or Department of Government charged with responsibility for Foreign Affairs and the residents of the Federal Capital Territory, Abuja.*

162.—(10) *For the purposes of subsection* (1) *of this section, 'revenue' means any income or return accruing to or derived by the Government of the Federation from any source and includes —*

(*a*) *any receipt, however described, arising from the operation of any law*;

(*b*) *any return, however described, arising from or in respect of any property held by the Government of the Federation*;

(*c*) *any return by way of interest on loans and dividends in respect of shares or interest held by the Government of the Federation in any company or statutory body*";

Further notes that revenue derived from crude oil sales and other sundry operations by the Nigerian National Petroleum Corporation (NNPC) in the oil sector are returns from property held by the Government of the Federation;

Aware that all returns accruing to the Nigerian National Petroleum Corporation (NNPC) from crude oil sales and such transactions in the oil sector are supposed to be remitted to the Federation Account in accordance with section 162 (1) of the Constitution;

Disturbed by the information credited to the Nigerian National Petroleum Corporation (NNPC) on the status and remittances to the Federation Account and the claim that the total crude oil sales from January to August 2013 was 20 Billion US Dollars whereas the NNPC remitted only 7 Billion US Dollars to the Federation Account;

Further disturbed that a shortfall of 13 Billion US Dollars is unaccounted for in the period of January to August 2013;

Worried that from September 2013 to date, no proper accounts have been rendered by the NNPC or records kept to show the actual amount and volume of crude oil sales by the NNPC;

Further worried that there have been lingering issues of accountability and arbitrary management of oil revenue by the Nigerian National Petroleum Corporation (NNPC);

Cognizant of the need to compel the Nigerian National Petroleum Corporation (NNPC) to render accounts of how much revenue it derived from the sales of crude oil from January 2013 to date, and how much has actually been paid into the Federation Account;

Resolves to:

Constitute an *Ad-hoc* Committee to investigate the volume and value of crude oil sales and remittances into the Federation Account from January 2013 to date by the Nigerian National Petroleum Corporation (NNPC) for the period and report back to the House within 4 weeks (*Hon. Haruna Manu — Bali/Gassol Federal Constituency*).

Debate:

Motion made and Question proposed, "That the House do suspend Order VIII, Rules 50, and 51 to enable it take amendments on the motion" (*Hon. Peter Akpatason — Akoko -Edo Federal Constituency*).

Question put and agreed to.

Amendment Proposed:
Insert a new Prayer (*ii*) as follows:
"Urge the Minister of Petroleum Resources to urgently produce a strategy for mitigating the impact of Shale oil discovery and other recent global developments in oil production and sales on the Nigerian economy" (*Hon. Peter Akpatason — Akoko -Edo Federal Constituency*).

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

Main Question as amended, put and agreed to.

The House:

Noted the provisions of Section 162 (1) and 162 (10) of the Constitution of the Federal Republic of Nigeria, 1999 (as amended) which states thus:

> "162.—(1) *The Federation shall maintain a special account to be called 'the Federation Account' into which shall be paid all revenues collected by the Government of the Federation, except the proceeds from the personal income tax of the personnel of the Armed Forces of the Federation, the Nigeria Police Force, the Ministry or Department of Government charged with responsibility for Foreign Affairs and the residents of the Federal Capital Territory, Abuja.*
>
> 162.—(10) *For the purposes of subsection* (1) *of this section, 'revenue' means any income or return accruing to or derived by the Government of the Federation from any source and includes —*
>
> (*a*) *any receipt, however described, arising from the operation of any law*;
>
> (*b*) *any return, however described, arising from or in respect of any property held by the Government of the Federation*;
>
> (*c*) *any return by way of interest on loans and dividends in respect of shares or interest held by the Government of the Federation in any company or statutory body*";

Further noted that revenue derived from crude oil sales and other sundry operations by the Nigerian National Petroleum Corporation (NNPC) in the oil sector are returns from property held by the Government of the Federation;

Aware that all returns accruing to the Nigerian National Petroleum Corporation (NNPC) from crude oil sales and such transactions in the oil sector are supposed to be remitted to the Federation Account in accordance with section 162 (1) of the Constitution;

Disturbed by the information credited to the Nigerian National Petroleum Corporation (NNPC) on the status and remittances to the Federation Account and the claim that the total crude oil sales from January to August 2013 was 20 Billion US Dollars whereas the NNPC remitted only 7 Billion US Dollars to the Federation Account;

Further disturbed that a shortfall of 13 Billion US Dollars is unaccounted for in the period of January to August 2013;

Worried that from September 2013 to date, no proper accounts have been rendered by the NNPC or records kept to show the actual amount and volume of crude oil sales by the NNPC;

Further worried that there have been lingering issues of accountability and arbitrary management of oil revenue by the Nigerian National Petroleum Corporation (NNPC);

Cognizant of the need to compel the Nigerian National Petroleum Corporation (NNPC) to render accounts of how much revenue it derived from the sales of crude oil from January 2013 to date, and how much has actually been paid into the Federation Account;

Resolved to:

(*i*) Constitute an *Ad-hoc* Committee to investigate the volume and value of crude oil sales and remittances into the Federation Account from January 2013 to date by the Nigerian National Petroleum Corporation (NNPC) for the period and report back to the House within 4 weeks;

(*ii*) urge the Minister of Petroleum Resources to urgently produce a strategy for mitigating the impact of Shale oil discovery and other recent global developments in oil production and sales on the Nigerian economy (**HR. 82/2013**).

8. Impact of Hydraulic Fracturing on Nigeria's Oil and Gas Exports and Economy:
Motion made and Question proposed:

The House:

Notes that the near total dependence of Nigeria on oil as the major source of revenue has for long reduced it to a mono-product economy, despite the abundance of other natural resources in different parts of the country;

Further notes that this reliance on oil has made Nigeria's economy not only fragile but also extremely vulnerable and under constant threats from even the slightest developments in the world oil market;

Concerned that currently, Nigeria's crude oil market is under serious threat arising from the discovery of shale gas through hydraulic fracturing or fracking which is a process of forcing water, chemicals and sand at high pressure into underground rocks. This process causes the rocks to fracture and allows recovery, in commercial quantity, of shale gas and oil that was trapped in the rocks;

Observes that the widespread use of this process to produce oil and gas has led to a significant reduction in prices of domestic gas in the United States of America; and there could be similar effects on energy consumption in other parts of the world as countries, such as South Africa, China and the United Kingdom, etc. are on the verge of further exploring the benefits of this mode of oil and energy production;

Further observes that the severity of this situation was underscored by the recent admission by the Organisation of Petroleum Exporting Countries (OPEC) at its meeting in Vienna, Austria on the 31st of May, 2013 that its dominance of global oil supplies is currently under real threat by the widespread use of fracking and horizontal drilling in producing oil and gas;

Aware that fracking has made it possible for the USA to produce large volumes of shale gas as a source of energy and this is impacting on the USA's crude oil import from Nigeria as data from the Energy Information Administration (EIA), the United States Government Agency on energy statistics indicate that for the past nine years, the United States has imported between 9 and 11% of its crude oil from Nigeria; but the country's import data for the first half of 2013 showed that Nigerian crude is down to 5% share of United States total crude oil imports, which is because the United States production of natural gas from shale formations is increasingly providing an alternative source of energy for the country;

Further aware that the data also revealed that Nigeria's Liquefied Natural Gas (NLNG) exports to the United States has substantially declined since 2011. Furthermore, the Brass Liquefied Natural Gas (BLNG), a new liquefied natural gas production facility scheduled to come on stream soon has had its supply contract to the United States cancelled;

Disturbed that since 2012, there has been a gradual but steady divestment by major international oil companies which have embarked on the sale of their stakes in some oil mining leases, especially in Nigeria's shallow waters and onshore oil fields;

Deeply concerned that dwindling revenue from crude oil is threatening the implementation of the 2013 budget and this could get worse as more countries and corporations invest in the production of energy through fracking;

Convinced that the time is long overdue for a strategic response by the Government of Nigeria to the consequences of this new technology which has reduced dependence on Nigeria's crude oil by our traditional customers and other countries, and the need to urgently diversify the nation's sources of income in order to avoid the looming disaster;

Resolves to:

Mandate the Committees on Petroleum Resources (Upstream and Downstream), National Planning and Finance, to summon the relevant Government Ministries and Agencies with a view to investigating the impact of dwindling oil revenues as a result of the surge in shale gas production through fracking and make appropriate recommendations to the House within 4 weeks (*Hon. Ben Nwankwo — Federal Constituency*).

Debate:

Question put and agreed to.

The House:

Noted that the near total dependence of Nigeria on oil as the major source of revenue has for long reduced it to a mono-product economy, despite the abundance of other natural resources in different parts of the country;

Further noted that this reliance on oil has made Nigeria's economy not only fragile but also extremely vulnerable and under constant threats from even the slightest developments in the world oil market;

Concerned that currently, Nigeria's crude oil market is under serious threat arising from the discovery of shale gas through hydraulic fracturing or fracking which is a process of forcing water, chemicals and sand at high pressure into underground rocks. This process causes the rocks to fracture and allows recovery, in commercial quantity, of shale gas and oil that was trapped in the rocks;

Observed that the widespread use of this process to produce oil and gas has led to a significant reduction in prices of domestic gas in the United States of America; and there could be similar effects on energy consumption in other parts of the world as countries, such as South Africa, China and the United Kingdom, etc. are on the verge of further exploring the benefits of this mode of oil and energy production;

Further observed that the severity of this situation was underscored by the recent admission by the Organisation of Petroleum Exporting Countries (OPEC) at its meeting in Vienna, Austria on the 31st of May, 2013 that its dominance of global oil supplies is currently under real threat by the widespread use of fracking and horizontal drilling in producing oil and gas;

Aware that fracking has made it possible for the USA to produce large volumes of shale gas as a source of energy and this is impacting on the USA's crude oil import from Nigeria as data from the Energy Information Administration (EIA), the United States Government Agency on energy statistics indicate that for the past nine years, the United States has imported between 9 and 11% of its crude oil from Nigeria; but the country's import data for the first half of 2013 showed that Nigerian crude is down to 5% share of United States total crude oil imports, which is because the United States production of natural gas from shale formations is increasingly providing an alternative source of energy for the country;

Further aware that the data also revealed that Nigeria's Liquefied Natural Gas (NLNG) exports to the United States has substantially declined since 2011. Furthermore, the Brass Liquefied Natural Gas (BLNG), a new liquefied natural gas production facility scheduled to come on stream soon has had its supply contract to the United States cancelled;

Disturbed that since 2012, there has been a gradual but steady divestment by major international oil companies which have embarked on the sale of their stakes in some oil mining leases, especially in Nigeria's shallow waters and onshore oil fields;

Deeply concerned that dwindling revenue from crude oil is threatening the implementation of the 2013 budget and this could get worse as more countries and corporations invest in the production of energy through fracking;

Convinced that the time is long overdue for a strategic response by the Government of Nigeria to the consequences of this new technology which has reduced dependence on Nigeria's crude oil by our traditional customers and other countries, and the need to urgently diversify the nation's sources of income in order to avoid the looming disaster;

Resolved to:

Mandate the Committees on Petroleum Resources (Upstream and Downstream), National Planning and Finance, to summon the relevant Government Ministries and Agencies with a view to investigating the impact of dwindling oil revenues as a result of the surge in shale gas production through fracking and make appropriate recommendations to the House within 4 weeks (**HR. 83/2013**).

9. **A Bill for an Act to Establish the Federal Capital Territory Water Board and for Matters Connected Therewith, 2013 (HB. 293) — *Third Reading*:**
Motion made and Question proposed, "That a Bill for an Act to Establish the Federal Capital Territory Water Board and for Matters Connected Therewith, 2013 (HB. 293) be now read the Third Time" (*Hon. Mulikat Akande -Adeola — House Leader*).

Question put and agreed to.

Bill read the Third Time and passed.

10. **A Bill for an Act to Establish the Institute of Chartered Trustees, Nigeria (ICTN); charged with the responsibility of Regulating and Promoting the Practice of Trusteeship including the Registration and Discipline of its Members; and for Related Matters, 2013 (HB. 93) — *Third Reading*:**
Motion made and Question proposed, "That a Bill for an Act to Establish the Institute of Chartered Trustees, Nigeria (ICTN); charged with the responsibility of Regulating and Promoting the Practice of Trusteeship including the Registration and Discipline of its Members; and for Related Matters, 2013 (HB. 93) be now read the Third Time" (*Hon. Mulikat Akande-Adeola — House Leader*).

Question put and agreed to.

Bill read the Third Time and passed.

11. **A Bill for an Act to Amend the Nigerian Electricity Regulatory Commission's Meter Reading, Billing, Cash Collection and Credit Management for Electricity Supplies Regulations, No. 42 of 2007, Cap. E7 LFN 2004 to Address Matters Relating to outstanding Liability on Electricity Bills in rented apartments (HB. 560) — *Second Reading*:**
Motion made and Question proposed, "That a Bill for an Act to Amend the Nigerian Electricity Regulatory Commission's Meter Reading, Billing, Cash Collection and Credit Management for Electricity Supplies Regulations, No. 42 of 2007, Cap. E7 LFN 2004 to Address Matters Relating to outstanding Liability on Electricity Bills in rented apartments (HB. 560) be now read a Second Time" (*Hon. Yacoob E. A. Bush — Federal Constituency*).

Debate:

Question that the Bill be read a Second Time, put and agreed to.

Bill read the Second Time and referred to the Committee on Power.

12. **A Bill for an Act to Amend the Commodity Board Act, Cap. C17 Laws of the Federation of Nigeria, 2004 to make the Board more Responsive to its mandate and for Other Matters Related Thereto (HB. 389) — *Second Reading*:**
Motion made and Question proposed, "That a Bill for an Act to Amend the Commodity Board Act, Cap. C17 Laws of the Federation of Nigeria, 2004 to make the Board more Responsive to its mandate and for Other Matters Related Thereto (HB. 389) be now read a Second Time" (*Hon. Ibrahim Ebbo — Federal Constituency*).

Debate:

Question that the Bill be read a Second Time, put and agreed to.

Bill read the Second Time and referred to the Committees on Agriculture, and Commerce.

13. **A Bill for an Act to Establish the Federal Capital Territory Private Schools Regulatory Board charged with the Responsibility of Regulating the activities of Private Primary and Secondary Schools and monitor its General Development and for Related Matters (HB. 401) — *Second Reading*:**

Order read; by leave of the House, deferred.

14. Adjournment:
That the House do adjourn till Tuesday, 26 November, 2013 *at* 10.00 a.m. (*Hon. Leo Ogor — Deputy House Leader*).

The House adjourned accordingly at 1.50 *p.m.*

Aminu Waziri Tambuwal
Speaker