FOURTH REPUBLIC
7TH NATIONAL ASSEMBLY
THIRD SESSION
NO. 39

HOUSE OF REPRESENTATIVES
FEDERAL REPUBLIC OF NIGERIA

VOTES AND PROCEEDINGS

Wednesday, 27 November, 2013

1. The House met at 11.46 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 Tuesday, 26 November, 2013.

By unanimous consent, the Votes and Proceedings was adopted.

3. **Message:**
Mr Speaker read the following Message from the President of the Federal Republic of Nigeria:

PRESIDENT,
FEDERAL REPUBLIC OF NIGERIA

November 26th, 2013

Rt. Hon. Aminu Waziri Tambuwal, CFR
Speaker of the House of Representatives,
National Assembly Complex,
Three Arms Zone,
Abuja.

Your Excellency,

LETTER OF CONDOLENCE

On behalf of my family, the Government and people of the Federal Republic of Nigeria, and on my own behalf, I extend heartfelt condolences to you on the death of Honorable Raphael Oloye Nominye representing Eseodo/Ilaje Constituency of Ondo State in the House of Representatives.

By his passing, the House and the entire nation have lost a committed servant, a worthy patriot and effective partner in the quest to bequeath a stronger, more united and prosperous Nigeria to our posterity.

It is my prayer that Almighty God grants you and his colleague Honorable Members, as well as the family he has left behind the fortitude to cope with the pain of this tragedy.

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May his soul rest in eternal peace.

Yours Sincerely,

(Signed)

GOODLUCK EBELE JONATHAN

4. Announcement:

(*i*) ***Visitors in the Gallery*:**
Mr Speaker recognized the presence of members of Students' Representative Council (The Senate) Students' Union Government, Federal Polytechnic, Bida, Niger State.

(*ii*) ***Conference Committee on Medium Term Expenditure Framework (MTEF):***
Mr Speaker announced the Membership of the Conference Committee as follows:

(1) Hon. Abdulmumuni Jibrin (*Chairman, Committee on Finance*)

(2) Hon. Adeyinka Ajayi (*Chairman, Committee on Loans, Aids and Debt Management*)

(3) Hon. Daniel Reyenieju

(4) Hon. Rafiu Adebayo Ibrahim

(5) Hon. Abdulrahman Terab

(6) Hon. Fort Dike

5. Matter of Urgent Public Importance:
Citing Standing Order VIII, Rule 46, Hon. Nathaniel Agunbiade (*Obokun/Oriade Federal Constituency*) drew the attention of the House to a new regime of higher tariff payable on imported vehicles with effect from January 2014 as recently disclosed by some Government Officials. He noted that none of the vehicle assembly plants and equipment manufacturers that the policy seeks to protect would have commenced operation in January 2014 when the implementation of the policy is scheduled to take effect. He stressed that the new tariff is on the high side and would lead to gross increase in the prices of vehicles and components and thus urged the House to consider the matter as one of urgent public importance.

Question that the matter be considered as one of urgent public importance, put and agreed to.

Matter to stand over till the next Legislative Day.

6. Presentation of Bills:
The following Bills were presented and read the *First Time*:

(*i*) Road Sector Reform Bill, 2013 (HB. 563).

(*ii*) Constitution of the Federal Republic of Nigeria, 1999 (Alteration) Bill, 2013 (HB. 590).

(*iii*) Nigerian Institute of Management Act (Amendment) Bill, 2013 (HB. 591).

(*iv*) Federal Capital Territory Border Communities Development Commission Bill, 2013 (HB. 592).

(*v*) Chartered Institute on Loan and Risk Management of Nigeria Bill, 2013 (HB. 593).

(*vi*) Merchant Shipping Act (Amendment) Bill, 2013 (HB. 594).

(*vii*) Nigerian Maritime Administration and Safety Agency Act (Amendment) Bill, 2013 (HB. 595).

(*viii*) Federal Highway Act (Amendment) Bill, 2013 (HB. 596).

(*ix*) Commodity and Grain Board (Establishment) Bill, 2013 (HB. 575).

7. Reconsideration of Outstanding Bills from the Preceding Assembly:
(National Boundary Commission Act (Amendment) Bill, 2013 (HB. 573):

Order read; by leave of the House, deferred.

8. Urgent Need to Investigate the Expenditure and Subsidy on Kerosene (HHK, DPK):
Motion made and Question proposed:

The House:

Notes that every year, the National Assembly approves, through the National Budget, a given amount of money as subsidy on Petrol (Premium Motor Spirit — PMS) and Kerosene (HHK or DPK) to shield Nigerians from global fluctuations in the Price of crude oil and its attendant effects;

Further notes that kerosene, which is supposedly sold to marketers at ₦40.90, hardly gets to the consumers at the regulated price as it is only the Nigerian National Petroleum Corporation (NNPC) retail outlets that sell the product at ₦50 per litre while other major and independent marketers retail the product at between ₦130 - ₦135 per litre;

Aware that recently, the Chairman, Committee on Petroleum Resources (Downstream) stated that the country had spent over 634bn Naira on subsidizing kerosene in the last 3 years, i.e. 2010, 2011 and 2012 at the sums of 110bn, 320bn and 200bn respectively for those years;

Further aware that the Hon. Minister of Finance recently appeared before the Senate Committee on Appropriations where she reportedly denied paying any subsidy on kerosene in the last two years;

Worried that the Hon. Minister allegedly stated that the annual budgetary subsidy provision does not include subsidy for kerosene and is therefore not being handled by the Petroleum Products Price Regulatory Agency (PPPRA), which is the agency mandated to handle the processing of subsidy payments;

Further worried that there are conflicting claims by the Hon. Minister and the Nigerian National Petroleum Corporation (NNPC) on the source of money through which kerosene is subsidized and the amount involved therein as the Office of the Hon. Minister was said neither to have been aware of nor had it authorized any such payment;

Concerned about the alleged racketeering going on at the Nigerian National Petroleum Corporation (NNPC), where allegations are rife that kerosene is purchased from the depot by dealers at between ₦65 to ₦75 per liter which in turn makes it commercially impossible to resell to Nigerians at the recommended retail price of ₦50;

Convinced that an investigation into these issues will promote transparency and accountability, and may result in a process which will ensure that the product which is supplied for consumption locally by the Nigerian National Petroleum Corporation (NNPC) is delivered to the masses of Nigeria at the stipulated price, thereby reducing the use of non-Eco friendly alternative sources of energy such as firewood, sawdust and charcoal;

Resolves to:

Mandate the Committee on Petroleum Resources (Downstream) to conduct an Investigative Hearing into this matter to:

(*i*) establish the actual amount spent on kerosene subsidy from 2010 to 2013;

(*ii*) establish the source of the money used in financing kerosene subsidy and the relevant budgetary approval;

(*iii*) determine the companies benefiting from kerosene subsidy;

(*iv*) establish the extent (if at all) to which the subsidized kerosene gets to the consumers at the regulated price and;

(*v*) investigate all incidental issues relating to kerosene supply and distribution and report back to the House within 4 weeks (*Hon. Adeyinka Ajayi — Odo-Otin/Ifelodun/Boripe Federal Constituency*).

Debate:

Question put and agreed to.

The House:

Noted that every year, the National Assembly approves, through the National Budget, a given amount of money as subsidy on Petrol (Premium Motor Spirit — PMS) and Kerosene (HHK or DPK) to shield Nigerians from global fluctuations in the Price of crude oil and its attendant effects;

Further noted that kerosene, which is supposedly sold to marketers at ₦40.90, hardly gets to the consumers at the regulated price as it is only the Nigerian National Petroleum Corporation (NNPC) retail outlets that sell the product at ₦50 per litre while other major and independent marketers retail the product at between ₦130 - ₦135 per litre;

Aware that recently, the Chairman, Committee on Petroleum Resources (Downstream) stated that the country had spent over 634bn Naira on subsidizing kerosene in the last 3 years, i.e. 2010, 2011 and 2012 at the sums of 110bn, 320bn and 200bn respectively for those years;

Further aware that the Hon. Minister of Finance recently appeared before the Senate Committee on Appropriations where she reportedly denied paying any subsidy on kerosene in the last two years;

Worried that the Hon. Minister allegedly stated that the annual budgetary subsidy provision does not include subsidy for kerosene and is therefore not being handled by the Petroleum Products Price Regulatory Agency (PPPRA), which is the agency mandated to handle the processing of subsidy payments;

Further worried that there are conflicting claims by the Hon. Minister and the Nigerian National Petroleum Corporation (NNPC) on the source of money through which kerosene is subsidized and the amount involved therein as the Office of the Hon. Minister was said neither to have been aware of nor had it authorized any such payment;

Concerned about the alleged racketeering going on at the Nigerian National Petroleum Corporation (NNPC), where allegations are rife that kerosene is purchased from the depot by dealers at between ₦65 to ₦75 per liter which in turn makes it commercially impossible to resell to Nigerians at the recommended retail price of ₦50;

Convinced that an investigation into these issues will promote transparency and accountability, and may result in a process which will ensure that the product which is supplied for consumption locally by the Nigerian National Petroleum Corporation (NNPC) is delivered to the masses of Nigeria at the stipulated price, thereby reducing the use of non-Eco friendly alternative sources of energy such as firewood, sawdust and charcoal;

Resolved to:

Mandate the Committee on Petroleum Resources (Downstream) to conduct an Investigative Hearing into this matter to:

(*i*) establish the actual amount spent on kerosene subsidy from 2010 to 2013;

(*ii*) establish the source of the money used in financing kerosene subsidy and the relevant budgetary approval;

(*iii*) determine the companies benefiting from kerosene subsidy;

(*iv*) establish the extent (if at all) to which the subsidized kerosene gets to the consumers at the regulated price and;

(*v*) investigate all incidental issues relating to kerosene supply and distribution and report back to the House within 4 weeks (**HR. 84/2013**).

9. **A Bill for an Act to Provide for the Establishment of the Institute of Co-operative Professionals of Nigeria and for Other Matters Connected Therewith (HB. 530) — *Second Reading*:**
Motion made and Question proposed, "That a Bill for an Act to Provide for the Establishment of the Institute of Co-operative Professionals of Nigeria and for Other Matters Connected Therewith (HB. 530) be now read a Second Time" (*Hon. William Olusegun Samuel — Abeokuta South 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 Commerce.

10. **A Bill for an Act to Repeal the Miscellaneous Offences Act, Cap M17 LFN, 2004 to make Comprehensive Provisions for Miscellaneous Offences, Abolish life Sentence for Miscellaneous Offences and for Other Related Matters (HB. 330) and a Bill for an Act to Amend the Miscellaneous Offences Act and for Other Matters Connected Therewith (HB. 532) — *Second Reading*:**

Order read; by leave of the House, deferred.

11. **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.

12. **A Bill for an Act to Provide for Improved Aid Effectiveness, Accountability and Co-operation for Donor, Receipt and for Other Matters Connected Therewith (HB. 518) — *Second Reading*:**
Motion made and Question proposed, "That a Bill for an Act to Provide for Improved Aid Effectiveness, Accountability and Co-operation for Donor, Receipt and for Other Matters Connected Therewith (HB. 518) be now read a Second Time" (*Hon. Ini Akpan Udoka — Ini/Ikono Federal Constituency*).

Debate:

Debate Adjourned to enable the Committee on Rules and Business to determine the status of another Bill (HB. 520) *on the same subject matter.*

13. **Adjournment:**
That this House do adjourn till Thursday, 28 *November*, 2013 *at* 11.00 *a.m.* (*Hon. Leo Ogor — Deputy House Leader*).

The House adjourned accordingly at 12.57 *p.m.*

Aminu Waziri Tambuwal
Speaker