SENATE OF THE FEDERAL REPUBLIC OF NIGERIA

VOTES AND PROCEEDINGS

Thursday, 10th July, 2014

1. The Senate met at 10.41 a.m. The Senate President read prayers.

2. **Votes and Proceedings:**
The Senate examined the Votes and Proceedings of Wednesday, 9th July, 2014.

Question was put and the Votes and Proceedings were approved as amended.

3. **Messages from Mr. President:**
The Senate President announced that he had received two letters from Mr. President, Commander-in-Chief of the Armed Forces of the Federation, which he read as follows:

(a) Confirmation of Ministerial Nominees:

PRESIDENT,
FEDERAL REPUBLIC OF NIGERIA

July 9, 2014

Distinguished Senator David Mark, GCON
Senate President,
National Assembly Complex,
Senate Chambers,
Three Arms Zone,
Abuja.

Your Excellency,

CONFIRMATION OF MINISTERIAL NOMINEES

In accordance with Section 147(2) of the 1999 Constitution of the Federal Republic of Nigeria as amended, I hereby submit the names of Mr. Osita Benjamin Chidoka, and Dr. Abubakar Olanrewaju Sulaiman representing Anambra and Kwara States respectively, for confirmation as Ministers by the Distinguished Members of the Senate of the Federal Republic of Nigeria. Their Curriculum Vitae are attached herewith.

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While trusting that this exercise will receive the traditional prompt attention of the Senate, please accept, Distinguished Senate President, the assurances of my highest consideration.

Yours Sincerely,
(Signed)
GOODLUCK EBELE JONATHAN

(b) Confirmation of Appointment of Director-General and a Full-Time Commissioner for the National Pension Commission:

PRESIDENT,
FEDERAL REPUBLIC OF NIGERIA

July 9, 2014

Distinguished Senator David Mark, GCON
President of the Senate,
Senate Chambers,
National Assembly Complex,
Abuja.

Your Excellency,

APPOINTMENT OF A DIRECTOR-GENERAL AND A FULL-TIME COMMISSIONER FOR THE NATIONAL PENSION COMMISSION

Section 16(1) of the Pension Reform Act, provides that the Commission shall comprise a part-time Chairman, a Director-General, four (4) Commissioners and seven (7) part-time members. Section 16(3) of the Act also provides that appointments of the Chairman, the Director-General and other members of the Commission other than ex-officio members shall be made by the President, subject to confirmation by the Senate.

Following the expirations of the tenure of the erstwhile Director General of the Commission, and also the Commissioner representing the South-South geopolitical zone, I have, in line with the provisions of Sections (16(3) and 17(1) of the Pension Reform Act, 2004 as amended present the nomination of Chinelo Anohu-Amazu, and Barrister Ebenezer C. S. Foby as a Director-General, and a full-time Commissioner respectively in the National Pension Commission for the kind consideration and confirmation by the Distinguished Senate of the Federal Republic of Nigeria.

While hoping that the request will receive the usual expeditious consideration and confirmation of the Distinguished Senators, please accept, Distinguished Senate President, the assurances of my highest regards and esteem.

Yours Sincerely,
(Signed)
GOODLUCK EBELE JONATHAN

4. Announcements:

(a) Invitation:

The Senate President read a letter from Senator David A. B. Mark (*Benue South*) as follows:

President of the Senate
Federal Republic of Nigeria

ANNOUNCEMENT

INVITATION TO IFTAR WITH HIS EXCELLENCY, THE PRESIDENT OF THE SENATE

I wish to invite every Senator, my Distinguished Colleagues and Bosses, to Iftar (Breaking of Ramadan Fast) at my residence.

Venue: *Residence of the President of the Senate, Apo Mansion*

Date: *Thursday, 10th July, 2014*

Time: *6:30pm*

To accommodate everyone, Senators were divided into groups.

The second batch of Senators for Iftar this evening is as follows;
(Please, find attached).

Accept the assurances of my very warm regards.

(Signed)
PRESIDENT OF THE SENATE

List of Senators to break their fast with the President of the Senate, H. E. Distinguished Senator (Dr.) David A.B Mark, GCON,fnim on Thursday 10th July 2014.

S/N	*Name*	*Senatorial District*
1.	*Sen. Ike Ekwerernadu, CFR*	*Enugu West*
2.	*Sen. Hayatu Gwarzo CON*	*Kano North*
3.	*Sen. George Akume*	*Benue N/West*
4.	*Sen. Ahmed Rufai Sani*	*Zamfara West*
5.	*Sen. Ahmed Hassan Barata*	*Adamawa South*
6.	*Sen. Sani Saleh*	*Kaduna Central*
7.	*Sen. Ahmed Mohammed Makarfi*	*Kaduna North*
8.	*Sen. Basheer Garba Mohammed*	*Kano Central*
9.	*Sen. Maina Ma'aji Lawai*	*Borno North*
10.	*Sen. Emmanuel E. Aguariavwodo*	*Delta Central*
11.	*Sen. Sadiq Yar'Adua*	*Katsina Central*
12.	*Sen. Isa Mohammed Galaudu*	*Kebbi North*
13.	*Sen. Muhammadu Magoro OFR*	*Kebbi South*
14.	*Sen. Mohammed Shaaba Lafiagi*	*Kwara North*
15.	*Sen. Abubakar Bukola Saraki CON*	*Kwara Central*
16.	*Sen. Zainab Abdulkadir Kure*	*Niger South*
17.	*Sen. Mudashiru Hussein Oyetunde*	*Osun West*

18.	*Sen. Ibrahim Gobir*	*Sokoto East*
19.	*Sen. Ahmad Mohammed Maccido*	*Sokoto North*
20.	*Sen. Umar Tutare*	*Taraba Central*
21.	*Sen. Ahmad Zannah Khalifa*	*Borno Central*
22.	*Sen. Alkali Abdulkadir Jajere*	*Yobe South*
23.	*Sen. Saidu Ahmed Alkali*	*Gombe North*
24.	*Sen. Kabiru Garba Marafa*	*Zamfara Central*
25.	*Sen. Babayo Gamawa Garba*	*Bauchi North*
26.	*Sen. Abdulamumini Hassan*	*Jigawa S/West*
27.	*Sen. Uche Chukwumerije*	*Abia North*
28.	*Sen. Aloysius A. Etok*	*Akwa Ibom N/West*
29.	*Sen. Helen Esuene*	*Akwa Ibom South*
30.	*Sen. Andy Uba*	*Anambra South*
31.	*Sen. Margery Okadigbo*	*Anambra North*
32.	*Sen. Ikisikpo Clever*	*Bayelsa East*
33.	*Sen. Heineken Lokpobiri*	*Bayelsa West*
34.	*Sen. Benedict B. Ayade*	*C/River North*
35.	*Sen. Bassey Otu*	*C/River South*
36.	*Sen. Ifeanyi Arthur Okowa*	*Delta North*
37.	*Sen. Christopher C. Nwankwo*	*Ebonyi North*
38.	*Sen. Sunny O. Ogbuoji*	*Ebonyi South*
39.	*Sen. Odion Ugbesia*	*Edo Central*
40.	*Sen. Domingo A. Obende*	*Edo North*
41.	*Sen. Olubunmi A. Adetunmbi*	*Ekiti North*
42.	*Sen. Anthony A. Adeniyi*	*Ekiti South*
43.	*Sen. Ayogu Eze*	*Enugu North*
44.	*Sen. Matthew I. Nwagwu*	*Imo North*
45.	*Sen. Chris N.D Anyanwu*	*Imo East*
46.	*Sen. Atai Aidoko Ali*	*Kogi East*
47.	*Sen. Simeon Sule Ajibola*	*Kwara South*
48.	*Sen. Suleiman Adokwe*	*Nasarawa South*
49.	*Sen. Robert Ajayi Boroffice*	*Ondo North*
50.	*Sen. Babajide C. Omoworare*	*Osun East*
51.	*Sen. Olufemi Lanlehin*	*Oyo South*
52.	*Sen. Joshua Chibi Dariye*	*Plateau Central*
53.	*Sen. Wilson A. Ake*	*Rivers West*
54.	*Sen. George T. Sekibo*	*Rivers East*

(b) ***Acknowledgment:***

The Senate President acknowledged the presence of the following who were in the gallery to observe Senate Proceedings:

(*i*) Students of the Hon. Justice Adesola Oguntade (Rtd) Law Students Chambers, National Open University of Nigeria, Benin Study Centre, Benin City, Edo State; and

(*ii*) Members of the Students' Representative Council, Auchi Polytechnic, Auchi, Edo State.

5. Committee on Investment:

Report on the National Sugar Development Council Act N78 LFN 2004 (Amendment) Bill 2014 (SB. 198):

Motion made: That the Senate do resolve into the Committee of the Whole to resume consideration of the Report of the Committee on Investment, on the National Sugar Development Council Act N78 LFN 2004 (Amendment) Bill 2014 (*Adjourned consideration — Thursday, 12th December, 2013*)(*Deputy Senate Leader*).

Question put and agreed to.

(SENATE IN THE COMMITTEE OF THE WHOLE)

RESUMED CONSIDERATION OF A BILL FOR AN ACT TO AMEND THE NATIONAL SUGAR DEVELOPMENT COUNCIL ACT, CAP. N78. LAWS OF THE FEDERATION OF NIGERIA, 2004 BY GIVING ADDITIONAL POWERS TO THE COUNCIL TO ENABLE IT DISCHARGE ITS FUNCTIONS MORE EFFICIENTLY, AND FOR RELATED MATTERS, 2014

Clause 3: Amendment of Clause 3

Section 3 of the Principal Act is amended by inserting the following as new section 3 instead thereof —

The functions of the Council shall be to —

(a) To draw policy guidelines and action programmes on sugar development and implement approved policies on the development of the sugar sub-sector including the extant Nigerian Sugar Master Plan (NSMP)

(b) provide guidance on the development of sugar estates and the organization of the sugarcane outgrowers scheme to enhance the viability of sugar plants;

(c) To facilitate the availability of fund for sugar out-growers for land preparation and farm inputs in liaison with Federal, State and Local Government institutions and bodies;

(d) To collaborate with and support the activities of Sugarcane/Sugar Research Development and Training Institutions and Centers towards the development of improved sugar technologies, sugarcane varieties and capacity development for the industry.

(e) To advise on adoption of machinery, monitor and enforce sugar backward integration programmes and other processes for rapid sugar development.

(f) To determine and recommend at appropriate intervals, raw and refined sugar import and export quota for operators who have signed on to an auditable Backward Integration Programme (BIP) with timelines with the targets set out in NSMP.

(g) Set benchmark and regulate sugar imports and exports based on local sugar production and consumption projection and grant approvals for the establishment of new sugar industries, including refineries.

(h) advise, based on improvements in local sugar production, the Government of the Federation on the rate of tariff to be charged on imported sugar; and

(i) to consider and advise on any other matter which is aimed at enhancing the objectives of the Council

(j) Request and receive annual base line data and returns from relevant agencies and companies for planning purposes and determine and effect appropriate sanctions for non-compliance with set regulations and standard for the sugar industry.

Committee's Recommendation:
That the provision in Clause 3 be retained (*Senator Nenadi E. Usman — Kaduna South*) — *Agreed to.*

Question that Clause 3 *do stand part of the Bill, put and agreed to.*

Clause 4: **Amendment of Clause 4 (1) and (2)**

(1) The Chairman and members of the Council other than ex-official members shall hold office for a term of four years, subject to renewal by the President, Commander-in-Chief, for one further term of four years and no more.

(2) Without prejudice to subsection (1) of this section, the Minister may appoint from among the members any person to act as the Chairman during the absence, temporary incapacitation by illness of the Chairman and the person so appointed shall, while the appointment subsists, have the same powers as exercised by the Chairman.

Committee's Recommendation:
That the provision in Clause 4 be retained (*Senator Nenadi E. Usman — Kaduna South*) — *Agreed to.*

Question that Clause 4 *do stand part of the Bill, put and agreed to.*

Clause 5: **Amendment of Clause 5**

There shall be appointed by the President, Commander-in-Chief an Executive Secretary who shall be the Chief Executive of the Council and shall be responsible to the Council and the Chairman for the day-to-day administration of the Council.

Committee's Recommendation:
That the provision in Clause 5 be retained (*Senator Nenadi E. Usman — Kaduna South*) — *Agreed to.*

Question that Clause 5 *do stand part of the Bill, put and agreed to.*

Clause 6: **Amendment of Clause 6**

Section 6 of the Principal Act is amended —

(1) The Council shall establish and maintain a Fund which shall be paid into a dedicated account domiciled in the Bank of Industry (BOI) and managed by the Council under Management Fund Agreement (MFA) with the bank towards the promotion of the objectives for which the Council is established.

(2) There shall be paid and credited to the account established pursuant to Sub-section (1) of this Section:

(a) (i) at least ten percent surcharge of CIF value of raw and refined sugar imports;

(ii) consequent to the attainment of sugar self-sufficiency, surcharge of ₦100/50kg bag of Refined sugar and ₦5.00/litre of Ethanol produced by all operating sugar companies and mini-plants (above 500tcd).

(b) fees charged for services rendered by the Council;

(c) contributions from the organized private sector; and

(d) all sums accruing to the Council by way of gifts, testamentary disposition and endowments or contributions from philanthropic organizations or persons.

(e) funds appropriated by the National Assembly for specified purposes through the National budget.

Committee's Recommendation:
That the provision in Clause 6 be retained (*Senator Nenadi E. Usman — Kaduna South*) — *Agreed to.*

Question that Clause 6 do stand part of the Bill, put and agreed to.

Clause 7: Amendment of Clause 7(1).

(1) The Council may, with the approval of the Minister, accept gifts of land, money or other property upon such terms and conditions if any, as may be specified by the person or organization making the gift.

(2) The Council shall not accept any gift if the conditions attached by the persons or organization making the gift to the acceptance thereof are inconsistent with the function of the Council.

Committee's Recommendation:
That the provision in Clause 7 be retained (*Senator Nenadi E. Usman — Kaduna South*) — *Agreed to.*

Question that Clause 7 do stand part of the Bill, put and agreed to.

Clause 8: Amendment of Clause 8 (1), (2) and (3)

(1) The Council may, with the consent of the Minister or in accordance with any general guidelines as may be approved by the President, borrow by way of loan, or overdraft from any source any money required by the Council for meeting its obligations and discharging its functions under this Act so however that where the sum or the aggregate of the sums involved at any one time does not exceed one-third of the Council's income, no such consent or authority shall be required.

(2) The Council may, subject to the provisions of this Act and the conditions of any trust created in respect of any property, invest all or any of its funds with the consent of the Minister or in accordance with any general guidelines approved by the President.

(3) The Council may invest any surplus funds of the Council in such securities as may be approved by the President.

Committee's Recommendation:
That the provision in Clause 8 be retained (*Senator Nenadi E. Usman — Kaduna South*) — *Agreed to.*

Question that Clause 8 *do stand part of the Bill, put and agreed to.*

Clause 9: Annual estimates of accounts:

(1) The Council shall cause to be prepared not later than 30th October, in each year, an estimate of the expenditure and income of the Council during the next succeeding year and when prepared, they shall be submitted to the Minister.

(2) The Council shall cause to be kept proper accounts of the Council and proper records in relation thereto and when certified by the Council such accounts shall be audited as provided in subsection (3) of this section.

(3) The accounts of the Council shall be audited not later than six months after the end of the year to which the accounts relate by auditors appointed by the Council from the list and in accordance with the guidelines supplied by the Auditor-General of the Federation.

Committee's Recommendation:
That the provision in Clause 9 be retained (*Senator Nenadi E. Usman — Kaduna South*) — *Agreed to.*

Question that Clause 9 *do stand part of the Bill, put and agreed to.*

Clause 10: Amendment of Clause 10

The Council shall, not later than 30th June in each year, submit to the Minister who shall forward same to the National Assembly a report on the activities of the Council and its administration during the immediate preceding year and shall include in such report a copy of the audited accounts of the Council for that year and the auditor's report thereon.

Committee's Recommendation:
That the provision in Clause 10 be retained (*Senator Nenadi E. Usman — Kaduna South*) — *Agreed to.*

Question that Clause 10 *do stand part of the Bill, put and agreed to.*

Clause 11: Amendment of Clause 11 (1) and (2)

(1) The Council may, subject to the provisions of this Bill make staff regulations relating generally to the conditions of service of the staff of the Council and without prejudice to the generality of the foregoing, such regulations may provide for —

(a) the appointment, promotion, termination, dismissal and disciplinary control of the staff of the Council; and

(b) appeals by such staff against dismissal or other disciplinary measures, and until such regulations are made, any instrument relating to the conditions of service of officers in the civil service of the Federation shall be applicable, with such modifications as may be necessary to the staff of the Council.

(2) Staff regulations made under subsection (1) of this section, shall not have effect until approved by the Minister and when so approved the same shall not be published in the Gazette but the Council shall cause them to be brought to the notice of all affected persons in such manner as it may from time to time, determine.

Committee's Recommendation:
That the provision in Clause 11be retained (*Senator Nenadi E. Usman — Kaduna South*) — *Agreed to.*

Question that Clause 11 *do stand part of the Bill, put and agreed to.*

Clause 12: **Procedure in respect of suits against the Council**
No suit shall be commenced against the Council before the expiration of a period of one month after written notice of intention to commence the suit shall have been served on the Council by the intending plaintiff or his agent and the notice shall explicitly state —
(*a*) the cause of action;

(*b*) the particulars of the claim;

(*c*) the name and place of abode of the intending plaintiff, and

(*d*) the relief which he claims.

Committee's Recommendation:
That the provision in Clause 12 be deleted (*Senator Nenadi E. Usman — Kaduna South*) — *Agreed to.*

Clause 13: **Amendment of Clause 13**
Any summons, notice or other document required or authorized to be served upon the Council under the provisions of this Bill or any other enactment or law may be served by delivering the same to the Chairman or the Executive Secretary of the Council, or by sending it by registered post addressed to the Executive Secretary at the principal office of the Council.

Committee's Recommendation:
That the provision in Clause 13 be retained (*Senator Nenadi E. Usman — Kaduna South*) — *Agreed to.*

Question that Clause 13 *do stand part of the Bill, put and agreed to.*

Clause 14: **Restriction on execution against the property of the Council**
In any action or suit against the Council, no execution or attachment or process in the nature thereof shall be issued against the Council, but any sum of money which may by the judgment of the court be awarded against the Council shall, subject to any directions given by the Council be paid from the general reserve fund of the Council.

Committee's Recommendation:
That the provision in Clause 14 be deleted (*Senator Nenadi E. Usman — Kaduna South*) — *Agreed to.*

Clause 15: **Regulations:**
The Minister may make regulation generally for the purpose of giving effect to the provision of Bill.

Committee's Recommendation:
That the provision in Clause 15 be retained (*Senator Nenadi E. Usman — Kaduna South*) — *Agreed to.*

Question that Clause 15 *do stand part of the Bill, put and agreed to.*

Clause 16: **Amendment of Clause 16**
Subject to the provisions of this Bill, the Minister may give to the Council directives of a general nature or relating generally to matter or policy with regards to the exercise by the Council of its functions and it shall be the duty of the Council to comply with such directives.

Committee's Recommendation:
That the provision in Clause 16 be retained (*Senator Nenadi E. Usman — Kaduna South*) — *Agreed to.*

Question that Clause 16 *do stand part of the Bill, put and agreed to.*

Clause 17: **Interpretation**
"Minister" means the Minister charged with the responsibility for Trade and Investment (Industry).

Amendment Proposed:
Leave out the words "Trade and Investment (Industry)" and *insert* the words "Sugar Development" instead thereof (*Senator Ita S. J. Enang — Akwa Ibom North-East*).

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

"President" means the President and Commander-in-Chief of the Armed Forces of Nigeria.

Question: That the word "President" in the Interpretation to this Act, put and agreed to.

Committee's Recommendation:
That the provision in Clause 17 be retained (*Senator Nenadi E. Usman — Kaduna South*) — *Agreed to.*

Question that Clause 17 *do stand part of the Bill, put and agreed to.*

Clause 18: **Citation**
This Bill may be cited as the National Sugar Development Council Act (Amendment) Bill, 2014.

Committee's Recommendation:
That the provision in Clause 18 be retained (*Senator Nenadi E. Usman — Kaduna South*) — *Agreed to.*

Question that Clause 18 *do stand part of the Bill, put and agreed to.*

Chairman to report Bill.

(SENATE IN PLENARY)

The Senate President reported that the Senate in the Committee of the Whole resumed consideration of the Report of the Committee on Investment, on the National Sugar Development Council Act N78 LFN 2004 (Amendment) Bill 2014 and approved as follows:

Clauses 3 - 16	—	As Recommended
Clause 17	—	As Amended
Clause 18	—	As Recommended

Question: That the Senate do approve the Report of the Committee of the Whole — *Resolved in the Affirmative.*

Motion made: That the Bill be now Read the Third Time (*Deputy Senate Leader).*

Question put and agreed to.

Bill accordingly Read the Third Time and Passed.

6. Committee on Employment, Labour and Productivity:
Report on the Nigeria Social Insurance Trust Fund Act CAP N88 LFN 2004 (Amendment) Bill 2014 (SB. 221):
Motion made: That the Senate do resolve into the Committee of the Whole to resume consideration of the Report of the Committee on Employment, Labour and Productivity on the Nigeria Social Insurance Trust Fund Act CAP N88 LFN 2004(Amendment) Bill 2014 (*Adjourned Consideration — Thursday, 3rd July, 2014*)(*Deputy Senate Leader).*

Question put and agreed to.

(SENATE IN THE COMMITTEE OF THE WHOLE)

RESUMED CONSIDERATION OF A BILL FOR AN ACT TO AMEND THE NIGERIA SOCIAL INSURANCE TRUST FUND ACT, CAP N88, LFN, 2004 ,TO PROVIDE SOCIAL SECURITY/ PROTECTION TO ALL ELIGIBLE CITIZENS OF NIGERIA WHO ARE ORDINARILY RESIDENT IN NIGERIA WHETHER EMPLOYED IN THE PRIVATE OR PUBLIC SECTOR, UNEMPLOYED AND THE AGED WITHOUT DISCRIMINATION AND RELATED MATTERS, 2014

Clause 15: Employer not to reduce remuneration on account of contributions:
No employer shall, by reason of its liability for any contribution (or penalty thereon) made under this Act or regulations made thereunder, reduce whether directly, or indirectly, the remuneration or allowances of any employee on behalf of whom the contribution is payable under this Act.

Committee's Recommendation:
That the provision in Clause 15 be retained (*Senator Wilson A. Ake — Rivers West*) — *Agreed to.*

Question that Clause 15 *do stand part of the Bill, put and agreed to.*

PART V - BENEFITS

Clause 16: **Categories of Benefits.**
Subject to this Act, the following benefits shall be payable to or in respect of a Beneficiary, be he a contributor or not, who has satisfied the applicable conditions prescribed by regulations made under this Act, that is —

(a) survivors benefit;

(b) death grant

(c) invalidity benefit or grant;

(d) disability benefit or grant;

(e) Aged benefit or grant;

(f) Unemployed benefit or grant

(g) Child benefit or grant

(h) such other benefit as may be approved from time to time by the Board.

Committee's Recommendation:
That the provision in Clause 16 be retained (*Senator Wilson A. Ake — Rivers West*) — *Agreed to.*

Question that Clause 16 *do stand part of the Bill, put and agreed to.*

Clause 17: **Conversion of benefits into credits against stated purposes.**

(1) Subject to regulations made in that behalf, a beneficiary, be he a contributor or not may —

(a) apply to have his contributions converted into credits towards the purchase of real property intended for use by himself or his family for residential purposes; or

(b) apply to have his contributions converted into credits towards the purchase of or acquisition of equity holding in any company quoted on the Stock exchange.

(2) The Board shall not approve the conversion of any contribution into credits for the purchase of or acquisition of equity holding in any company quoted on the Stock Exchange pursuant to Paragraph (b) of Subsection (1) of this section , unless the beneficiary has freely elected to exercise the right to purchase or acquire the equity holding in such quoted company whose equity is available for sale to the general public.

Committee's Recommendation:
That the provision in Clause 17 be retained (*Senator Wilson A. Ake — Rivers West*) — *Agreed to.*

Question that Clause 17 *do stand part of the Bill, put and agreed to.*

PART V1 — INSPECTOR AND POWER OF ENTRY

Clause 18: Power of Board to Designate its Employees as Inspectors.
The Board may, from time to time, designate as inspectors, such of its employees as it may determine and may assign the inspectors to such areas of Nigeria as the Board may determine.

Committee's Recommendation:
That the provision in Clause 18 be retained (*Senator Wilson A. Ake — Rivers West*) — *Agreed to.*

Question that Clause 18 *do stand part of the Bill, put and agreed to.*

Clause 19: Power of inspectors to enter premises, etc.
(1) Subject to the production of a letter of authority granted in that behalf, an inspector within the area for which he is designated an inspector may —

(a) at any reasonable time enter any premises or place where he has reasonable cause to believe persons are being employed in respect of whom or by whom contributions are payable under this Act to make any inquiry or examination which the inspector considers necessary to satisfy himself that the provisions of this Act are being complied with;

(b) at any reasonable time enter any such premises as are referred to in paragraph (a) of this subsection and on such occasion may—

(i) search the premises or any receptacle therein for books, records, documents, papers or things which may afford evidence as to the violation of the provisions of this Act or regulations made thereunder;

(ii) interrogate either alone or in the presence of witnesses any employer, employee or any other person found in the premises on any matter concerning the application of any of the provisions of this Act;

(c) require the production for examination of any book, register, account, receipt or other document pertaining to contributions or liability to register or to pay Contributions under this Act and may copy such documents or make extracts therefrom.

(2) If, during any examination, it appears to the inspector that there has been a violation of the provisions of this Act or the regulations made thereunder, the inspector shall have the power to seize and take away any of the books, records or other documents relating to the employed person or unpaid contributions and may retain them until they are produced in any proceedings.

Committee's Recommendation:
That the provision in Clause 19 be retained (*Senator Wilson A. Ake — Rivers West*) — *Agreed to.*

Question that Clause 19 *do stand part of the Bill, put and agreed to.*

PART VII — PENALTIES AND LEGAL PROCEEDINGS

Clause 20: **Penalties:**

(1) A person who —

(a) for the purpose of evading payment of any contributions by him or by any other person, knowingly or recklessly makes any statement which is false or which is misleading or deceptive or produces or causes to be produced or furnished, any document which is false in any material particular; or

(b) for the purpose of obtaining any payment or other benefit under this Act for himself or some other person —

(i) knowingly makes a false statement or representation; or

(ii) knowingly produces or furnishes or causes to be produced or furnished any document which is false in any material particular; or

(c) being required to register under this Act or regulations made thereunder fails to do so within the period specified therein; or

(d) obstructs any inspector or officer of the Board in the discharge of his duties under this Act, commits an offence and shall on conviction be liable to a fine of not less than ₦1,000,000 or imprisonment for a term not exceeding one year or both ;

Amendment Proposed.
Leave out the words "not less than" in line 3, and *insert* the words "not exceeding" (*Senator Ita S. J. Enang — Akwa Ibom North-East).*

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

(2) A person who —

(a) fails to pay to the fund within the prescribed period any contribution liable to be paid under this Act; or

(b) deducts from the employee's wages and withholds the deduction or refuses or neglects to remit the deduction to the Board, commits an offence and is liable on conviction —

(i) in the case of first offence to a fine of not less than ₦1,000,000 or imprisonment for a term not exceeding one year or both;

Amendment Proposed.
Leave out the words "not less than" in line 1, and *insert* the words "not exceeding" (*Senator Ita S. J. Enang — Akwa Ibom North-East).*

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

Amendment Proposed.
Leave out the words "not less than" in line 2, and *insert* the words "not exceeding" (*Senator Ita S. J. Enang — Akwa Ibom North-East).*

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

(3) Notwithstanding the provisions of any other law, without prejudice to the penalty stipulated in subsection (1) and (2) above , the Board shall in addition to the penalty stipulated under this Bill:

(a) Cause to be blacklisted any institution, both in the public and private sector who fails to pay the prescribed contribution (*Senator Wilson A. Ake — Rivers West*).

Question that Clause 20 *as amended do stand part of the Bill, put and agreed to.*

Clause 21: Offences by body of persons.

(1) Where an offence under this Act is committed by a body of persons —

(a) in the case of a body corporate, every director or officer of that body shall be deemed to be guilty of the offence;

(b) in the case of a partnership or other association of individuals, every partner or officer of that body shall be deemed to be guilty of the offence and liable accordingly.

(2) No person shall, however, be deemed to be guilty of an offence under subsection (1) of this section, if he proves to the satisfaction of the court that the offence was committed without his consent and connivance and that he exercised all due diligence to prevent the commission of the offence, having regard to all the circumstances.

Committee's Recommendation:
That the provision in Clause 21 be retained (*Senator Wilson A. Ake — Rivers West*) — *Agreed to.*

Question that Clause 21 *do stand part of the Bill, put and agreed to.*

Clause 22: Conduct of proceedings in certain cases.

Subject to section 174 of the Constitution of the Federal Republic of Nigeria 1999 (which relates to the power of the Attorney-General of the Federation to institute, continue or discontinue criminal proceedings), any employee of the Board authorised in that behalf by the Board and who is a legal practitioner may before any court of competent jurisdiction conduct or defend any complaint or other proceedings arising under this Act.

Committee's Recommendation:
That the provision in Clause 22 be retained (*Senator Wilson A. Ake — Rivers West*) — *Agreed to.*

Question that Clause 22 *do stand part of the Bill, put and agreed to.*

Clause 23: **Court to order payment of contribution together with interest and penalty.**
The court before whom any person is convicted of an offence under this Act may, without prejudice to any civil remedy, order that person to pay to the Fund the amount of any contributions together with any interest or penalty on the contribution, certified by the Board to be due from that person to the Fund at the date of the conviction and the amount shall be paid into the Fund for the credit where applicable, of the employees concerned.

Committee's Recommendation:
That the provision in Clause 23 be retained (*Senator Wilson A. Ake — Rivers West*) — *Agreed to.*

Question that Clause 23 *do stand part of the Bill, put and agreed to.*

Clause 24: **Proceedings for offences may be commenced at any time.**
Proceedings in respect of an offence under this Act may be commenced at any time after the commission of the offence.

Committee's Recommendation:
That the provision in Clause 24 be retained (*Senator Wilson A. Ake — Rivers West*) — *Agreed to.*

Question that Clause 24 *do stand part of the Bill, put and agreed to.*

Clause 25: **Time for commencement of proceedings for recovery of contributions.**
(1) Notwithstanding anything contained in any limitation law, contributions under this Act together with any interest or penalty payable or imposed for late payment may be recovered by an action for a debt owing to the Board at any time within twelve months from the date when the contribution or penalty becomes due.

(2) An action for the recovery of contribution or other penalty under this section may be instituted in the name of the Board by an employee of the Board authorised to do so.

Committee's Recommendation:
That the provision in Clause 25 be retained (*Senator Wilson A. Ake — Rivers West*) — *Agreed to.*

Question that Clause 25 *do stand part of the Bill, put and agreed to.*

PART VIII — FINANCIAL PROVISIONS

Clause 26: **Estimates.**
The Board shall cause to be prepared in respect of each year an estimate of its income and of expenditure for that year.

Committee's Recommendation:
That the provision in Clause 26 be retained (*Senator Wilson A. Ake — Rivers West*) — *Agreed to.*

Question that Clause 26 *do stand part of the Bill, put and agreed to.*

Clause 27: **Expenses to be paid out of the Fund.**
All expenses incurred in the administration of the Fund shall be paid by the Board out of the monies of the Fund.

Committee's Recommendation:
That the provision in Clause 27 be retained (*Senator Wilson A. Ake — Rivers West*) — *Agreed to.*

Question that Clause 27 *do stand part of the Bill, put and agreed to.*

Clause 28: **Investment of funds.**
Money standing to the credit of the Fund and not immediately required to be expended in meeting the obligations of the Board may be invested from time to time in such proportions as the Board may approve, having regard to contingencies.

Committee's Recommendation:
That the provision in Clause 28 be retained (*Senator Wilson A. Ake — Rivers West*) — *Agreed to.*

Question that Clause 28 *do stand part of the Bill, put and agreed to.*

Clause 29: **Accounts and audit.**
(1) The Board shall cause to be kept proper books of account and records in relation thereto and when certified by the Board such accounts shall be audited as provided in subsection (2) of this section.

(2) The Board shall not later than six months after the end of each year cause its accounts to be audited by auditors appointed by the Board from the list and in accordance with the guidelines supplied by the Auditor-General for the Federation.

(3) The financial year of the Fund shall end on 31 December in each year.

(4) The Board shall determine the fee payable to auditors for the services rendered pursuant to this section.

Committee's Recommendation:
That the provision in Clause 29 be retained (*Senator Wilson A. Ake — Rivers West*) — *Agreed to.*

Question that Clause 29 *do stand part of the Bill, put and agreed to.*

Clause 30: **Annual Returns.**
The Nigeria social Insurance Trust Fund (NSITF) shall, not later than 30th September in each year, submit to the National Assembly, a report of its activities during the immediately preceding year and shall include in such report its audited accounts.

Committee's Recommendation:
That the provision in Clause 30 be retained (*Senator Wilson A. Ake — Rivers West*) — *Agreed to.*

Question that Clause 30 *do stand part of the Bill, put and agreed to.*

PART IX

Clause 31: **Determination of question as to liability to contribute.**
Any question arising as to the liability of an employer or any other person to pay contributions under this Act, shall be determined by reference to the relevant provisions of the Employee's Compensation Act, 2010 and any other applicable legislation that may come into force; and computed by the Managing Director whose decision shall be subject to approval by the Board.

Committee's Recommendation:
That the provision in Clause 31 be retained (*Senator Wilson A. Ake — Rivers West*) — *Agreed to.*

Question that Clause 31 *do stand part of the Bill, put and agreed to.*

Clause 32: **Documents executed by Board not liable to stamp duty.**
No stamp duty shall be payable on any receipt, contract, instrument or other document given or executed by or on behalf of the Board.

Committee's Recommendation:
That the provision in Clause 32 be retained (*Senator Wilson A. Ake — Rivers West*) — *Agreed to.*

Question that Clause 32 *do stand part of the Bill, put and agreed to.*

Clause 33: **Board exempted from payment of income tax.**
The Board shall not be liable to pay income tax and no tax by whatever name called shall be payable in respect of any property vested in the Board.

Committee's Recommendation:
That the provision in Clause 33 be retained (*Senator Wilson A. Ake — Rivers West*) — *Agreed to.*

Question that Clause 33 *do stand part of the Bill, put and agreed to.*

Clause 34: **Benefits exempted from tax and inalienable.**
(1) Benefits payable under this Act —
(a) shall be exempted from taxation; and

(b) shall not be liable to attachment for debt under any process of law.

(2) Contributions to the Fund shall be inalienable and shall not be assets for the benefits of creditors in the event of the bankruptcy or insolvency of the contributor.

Committee's Recommendation:
That the provision in Clause 34 be retained (*Senator Wilson A. Ake — Rivers West*) — *Agreed to.*

Question that Clause 34 *do stand part of the Bill, put and agreed to.*

Clause 35: **Contributions to be tax deductible.**
Notwithstanding anything to the contrary contained in any law or enactment, contributions whether by an employee under this Act shall form part of tax deductible expenses in the computation of taxes payable by an employer or as the case may be, by an employee under any relevant law applicable to income tax.

Committee's Recommendation:
That the provision in Clause 35 be retained (*Senator Wilson A. Ake — Rivers West*) — *Agreed to.*

Question that Clause 35 *do stand part of the Bill, put and agreed to.*

Clause 36: **Transfer of liability to contribution in the case of mergers, acquisitions, etc.**
(I) Where, in respect of a scheme under section 100 of the Investment and Securities Act an order is made by the court under subsection (3) of that section which includes the transfer to the company of the whole or any part of the undertaking and of the property and liabilities of any transferor company, the order shall include provisions for the taking over as from such date as may be specified in the order, of the liability for any contribution that had become payable to the Fund (together with any accrued interest thereon) in respect of the employees concerned in the undertaking, property or liability transferred.

(2) Any transferee company to which subsection (1) of this section applies shall be liable in respect of the contribution concerned to the same extent as the transferor company was immediately before the date of the undertaking, property or liability.

Committee's Recommendation:
That the provision in Clause 36 be retained (*Senator Wilson A. Ake — Rivers West*) — *Agreed to.*

Question that Clause 36 *do stand part of the Bill, put and agreed to.*

Clause 37: **Indemnity.**
No member, officer, servant or agent of the Board shall incur personal liability for any act done in good faith while engaged in the business of the Board.

Committee's Recommendation:
That the provision in Clause 37 be retained (*Senator Wilson A. Ake — Rivers West*) — *Agreed to.*

Question that Clause 37 *do stand part of the Bill, put and agreed to.*

Clause 38: **Review of operation of the scheme.**
(1) The Board shall not later than five years from the commencement of this Act and at least once during the course of every five years thereafter, cause an actuary to review the operations of the Board under this Act.

(2) An actuary, appointed pursuant to subsection (I) of this section, shall prepare a report on the state of the Fund and in regard to any deficiency revealed, he shall state what action he recommends should be taken thereon.

(3) The Board shall submit a copy of the report of the actuary to the Minister together with the Board's observations on any recommendations made by the actuary.

Committee's Recommendation:
That the provision in Clause 38 be retained (*Senator Wilson A. Ake — Rivers West*) — *Agreed to*.

Question that Clause 38 *do stand part of the Bill, put and agreed to.*

Clause 39: **Reciprocal agreements.**
The Minister may enter into a reciprocal agreement with the government of any other country in which a scheme similar to that established, by this Act has been established, and may include in the agreement provisions modifying, adapting or amending the provisions of this Act to give effect to the agreement (*Senator Wilson A. Ake — Rivers West*).

Amendment Proposed.
Immediately after the word "established" in line 2, *Leave out* all the words (*Senator Abdul A. Ningi — Bauchi Central).*

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

Question that Clause 39 *as amended do stand part of the Bill, put and agreed to.*

Clause 40: **Regulations.**
(1) The Board may, after consultation with the Minister, make regulations giving effect to the provisions of this Act and without prejudice to the generality of the foregoing the regulations may provide for —
(a) the prescription of anything required to be prescribed under the Act;

(b) the prescription of rates of contributions payable under the Act;

(c) specifying the records to be kept by the Board and its employees in respect of contributions to the Fund;

(d) specifying the amount of contributions payable under the Act;

(e) specifying the method of collecting contributions under the Act;

(f) the prescription of the procedure for making claims and making payments under the Act; and

(g) the prescription of any forms or documents required for the purposes of the Act;

(h) the prescription of the procedure for assessment of contribution by or on behalf of the Board.

(2) Regulations make under this section shall not come into operation until they are published in the Federal Gazette.

Committee's Recommendation:
That the provision in Clause 40 be retained (*Senator Wilson A. Ake — Rivers West*) — *Agreed to.*

Question that Clause 40 *do stand part of the Bill, put and agreed to.*

Clause 41: **Trustee Investments Act not to apply.**
The provisions of the Trustee Investment Act shall not apply to the investment of money by the Board.

Committee's Recommendation:
That the provision in Clause 41 be retained (*Senator Wilson A. Ake — Rivers West*) — *Agreed to.*

Question that Clause 41 *do stand part of the Bill, put and agreed to.*

Clause 42: **Repeal.**
Without prejudice to the provisions of section 6 of the Interpretation Act, the National Provident Fund Act and the National Provident Fund (Management Board, etc.) Act (in this Act referred to as "the Fund" and "the Management Board" respectively) are hereby repealed.

Committee's Recommendation:
That the provision in Clause 42 be retained (*Senator Wilson A. Ake — Rivers West*) — *Agreed to.*

Question that Clause 42 *do stand part of the Bill, put and agreed to.*

Clause 43: **Savings and transfer of liabilities, staff, etc.**
(1) Accordingly, the statutory functions, rights, interests, obligations and liabilities of the Fund or the Management Board, existing before the commencement of this Act under any contract or instrument, or in law or in equity apart from any contract or instrument shall, by virtue of this Act, be deemed to have been assigned to and vested in the Board established by this Act.

(2) Any such contract or instrument as is mentioned in subsection (1) of this section, shall be of the same force and effect against or in favour of the Board established by this Act and shall be enforceable as fully and effectively as if instead of the Board existing before the commencement of this Act, the Board established by this Act has been named therein or had been a party thereto.

(3) The Board established by this Act shall be subject to all the obligations and liabilities to which the Fund or the Management Board existing before the commencement of this Act was subject immediately before the commencement of this Act and all other persons shall have the same rights, powers and remedies against the Board established by this Act as they had against the Fund or the Management Board existing before the commencement of this Act.

(4) Any proceedings or cause of action pending or existing immediately before the commencement of this Act, by or against the Fund or the Management Board existing before the commencement of this Act in respect of any right, interest, obligation or liability of the Fund or the Management Board existing before the commencement of this Act may be continued or as the case may be commenced and any determination of a court of law, tribunal or other authority or person may be enforced by or against the Board established by this Act to the same extent that such proceeding or cause of action or determination might have been continued, commenced or enforced by or against the Fund or the Management Board existing before the commencement of this Act.

(5) All assets, funds, resources and other movable or immovable property which immediately before the commencement of this Act, were vested in the Fund or the Management Board existing before the commencement of this Act, shall by virtue of this Act and without further assurance be vested in the Board established by this Act.

(6) Any person who immediately before the coming into force of this Act is the holder of any office in the Fund or the Management Board existing before the commencement of this Act shall, on the commencement of this Act, continue in office and be deemed to have been appointed to his office by the Board established by this Act unless the authority by which the person was appointed terminates the appointment.

Committee's Recommendation:
That the provision in Clause 43 be retained (*Senator Wilson A. Ake — Rivers West*) — *Agreed to.*

Question that Clause 43 *do stand part of the Bill, put and agreed to.*

Clause 44: Interpretation.
In this Act, unless the context otherwise requires —

"beneficiary" means any person who is entitled to benefits payable under this Act;

Question: That the word "beneficiary" be as defined in the Interpretation to this Act, put and agreed to.

"aged" means any citizen of Nigeria who is ordinarily resident in Nigeria and is above 65 years of Age;

Question: That the word "aged" be as defined in the Interpretation to this Act, put and agreed to.

"unemployed" benefit covers any citizen of Nigeria who is ordinarily resident in Nigeria and is between the ages of 18 and 35 without any employment;

Question: That the word "unemployment" be as defined in the Interpretation to this Act, put and agreed to.

"Child" benefit covers a child who is a citizen of Nigeria and ordinarily resident in Nigeria between the ages of 0-18 without any support;

Question: That the word "child" be as defined in the Interpretation to this Act, put and agreed to.

"benefit" means benefits payable under this Act;

Question: That the word "benefit" be as defined in the Interpretation to this Act, put and agreed to.

"Board" means the Nigeria Social Insurance Trust Fund Management Board established by section 2 of this Act;

Question: That the word "Board" be as defined in the Interpretation to this Act, put and agreed to.

"chairman" means chairman of the Board;

Question: That the word "chairman" be as defined in the Interpretation to this Act, put and agreed to.

"contribution" means contribution payable under this Act;

Question: That the word "contribution" be as defined in the Interpretation to this Act, put and agreed to.

"employee" means any person who —

(a) is employed in Nigeria under any contract of service or apprenticeship with an employer whether the contract is express, implied, oral or in writing;

(b) is ordinarily resident in Nigeria and is employed outside Nigeria under such contract of service with an employer in Nigeria by whom he is paid;

Question: That the word "employee" be as defined in the Interpretation to this Act, put and agreed to.

"employer" means the person with whom an employee has entered into a contract of service or apprenticeship and who is responsible for the payment of the wages of the employee and includes the lawful representatives, successors or assigns of such person;

Question: That the word "employer" be as defined in the Interpretation to this Act, put and agreed to.

"Fund" means the Nigeria Social Insurance Trust Fund established by this Act;

Question: That the word "Fund" be as defined in the Interpretation to this Act, put and agreed to.

"injury" means a personal injury and includes a contraction of disease;

Question: That the word "injury" be as defined in the Interpretation to this Act, put and agreed to.

"Managing Director" means the person appointed as Managing Director under section 7 of this Act;

Question: That the words "Managing Director" be as defined in the Interpretation to this Act, put and agreed to.

"member" means a member of the Board and includes the chairman;

Question: That the word "member" be as defined in the Interpretation to this Act, put and agreed to.

"Minister" means the Minister charged with responsibility for matters relating to labour;

Question: That the word "Minister" be as defined in the Interpretation to this Act, put and agreed to.

"public service of the Federation" and "public service of a State" have the meaning respectively assigned thereto in the Constitution of the Federal Republic of Nigeria 1999;

Question: That the words "public service of the Federation and public service of a State" be as defined in the Interpretation to this Act, put and agreed to.

"wages" means remuneration in money paid to an employee under this contract of service or apprenticeship as the case may be and whether agreed to be paid at fixed or determined intervals of time —

(a) in respect of normal period of work performed by the employee; or

(b) where payment is calculated in relation to set tasks, in respect of the number of tasks completed by the employee or where payment is calculated in relation to the volume of work completed by the employee in respect of the volume completed by the employee but does not include any allowance paid by the employer whether in respect of cost of living or otherwise whatsoever;

Question: That the word "wages" be as defined in the Interpretation to this Act, put and agreed to.

"work" includes piece work.

Question: That the word "work" be as defined in the Interpretation to this Act, put and agreed to.

Committee's Recommendation:
That the provision in Clause 44 be retained (*Senator Wilson A. Ake — Rivers West*) — *Agreed to.*

Question that Clause 44 *do stand part of the Bill, put and agreed to.*

Clause 45: **Short Title.**
This Bill may be Cited as the Nigeria Social Insurance Trust Fund (Amendment) Bill, 2014.

Committee's Recommendation:
That the provision in Clause 45 be retained (*Senator Wilson A. Ake — Rivers West*) — *Agreed to.*

Question that Clause 45 *do stand part of the Bill, put and agreed to.*

Chairman to report Bill.

(SENATE IN PLENARY)

The Senate President reported that the Senate in the Committee of the Whole resumed consideration of the Report of the Committee on Employment, Labour and Productivity on the Nigeria Social Insurance Trust Fund Act CAP N88 LFN 2004 (Amendment) Bill 2014 and approved as follows:

Clauses 15-19	—	As Recommended
Clause 20	—	As Amended
Clauses 21-38	—	As Recommended
Clause 39	—	As Amended
Clauses 40- 45	—	As Recommended

Question: That the Senate do approve the Report of the Committee of the whole — *Resolved in the Affirmative.*

Motion made: That the Bill be now Read the Third Time (*Deputy Senate Leader).*

Question put and agreed to.

Bill accordingly Read the Third Time and Passed.

7. Committee on Finance:
Report on the Investigation of the Alleged Unremitted US$49.8 Billion Oil Revenue:
Motion made: That the Senate do consider the Report of the Committee on Finance on the Investigation of the Alleged Unremitted US$49.8 Billion Oil Revenue by the Nigerian National Petroleum Corporation (NNPC) (*Senator Ahmed M. Makarfi — Kaduna North*).

Question put and agreed to.

Report presented.

Debate:

Extension of Time:
Motion made: That the Senate do sit this day beyond the time appointed for the termination of the Sitting of the Senate [Rule 13(5)](*Deputy Senate Leader).*

Question put and agreed to.

Further Debate:

Proposed Resolution (i):
Question: That the Senate do urge Inter-agencies reconciliation meetings between sensitive economic institutions such as Ministry of Finance, Nigerian National Petroleum Corporation, Central Bank of Nigeria and Federal Inland Revenue Service should be done on regular basis in order to avoid similar episode but most importantly ensure that all revenues are properly and legally accounted for — *Agreed to.*

Proposed Resolution (ii):
Question: That the Senate to accept the subsidy deducted by NNPC from January 2012 - July 2013 of US$5.254 billion (N813,803 billion) since it was certified by PPPRA and Appropriated by National Assembly. This is without prejudice to the outcome of the Forensic Audit conducted by Office of the Auditor-General for the Federation and PWC — *Agreed to.*

Proposed Resolution (iii):
Question: That the Senate do accept the subsidy deducted by NNPC in the sum of US$1.2 billion (₦180 billion) for fourth quarter 2011 since it was certified by PPPRA and Appropriated by National Assembly. This is without prejudice to the outcome of Forensic audit conducted by Office of the Auditor-General for the Federation and PWC — *Agreed to.*

Proposed Resolution (iv):
Question: That the Senate do urge the President, Dr. Goodluck Ebele Jonathan, (GCFR) to prepare and present to the National Assembly supplementary budget to cover the over expenditure in the sum of ₦90.693 billion (US$585 million) for PMS subsidy 2012 and the sum of ₦685.910 billion (US$4.430 billion) for kerosene (DPK) subsidy expended without appropriation by the National Assembly in 2012 and 2013. The Senate should however note that the proportionate expenditure January 2012 to July 2013 was ₦813.802 billion (US$5.254 billion) for PMS, while DPK was ₦486.57 billion (US$3.512 billion).It is for the National Assembly to approve or not approve such request or take any other measures it deems necessary. Also this is without prejudice to the outcome of the Forensic Audit conducted by Office of the Auditor General for the Federation and PWC — *Agreed to.*

Proposed Resolution (v):
Question: That the Senate notes the Gross liftings of NNPC on behalf of NPDC between January, 2012 - July, 2013 was US$6.815 billion. Government share of revenue to the Federation Account was US$2,175,635,436. Accountant-General of the Federation confirmed the payment to the Federation Account by NPDC as the sum of US$1,727,817,552. Therefore, NPDC should remit to the Federation Account the sum of US$447,817,884 being balance of Royalty and Petroleum Profit Tax (PPT).

Amendment Proposed:
Immediately after the words "Petroleum Profit Tax (PPT)" in line 6, *insert* the words "with all accrued interest if any" *(Senator Bello H. Gwarzo — Kano North).*

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

Proposed Resolution (vi):
Question: Whereas it may be a good policy to encourage indigenous players by giving them greater participation, however continuing transfer of Federation OMLs to NPDC who in turn transfer same to Third Parties with lots of tax and other revenue concessions will deprive the Federation of vital income. Therefore all such transactions should be conducted in a transparent and competitive manner and devoid of revenue concessions — *Agreed to.*

Proposed Resolution (vii):
Question: That the Senate notes the Gross lifting under the Third Party Financing was US$2,430,750973 out of which share for Federation Account was as US$1,588,242,004. The AGF confirmed and gave documentary evidence showing the sum of US$1,370,172,650.36 was remitted to the Federation Account. Therefore, NNPC should remit the balance of US$218,069,354.32 to the Federation Account — *Agreed to.*

Proposed Resolution (viii):
Question: That the Senate do accept the reported crude and refine product losses certified by our Consultants in the sum US$0.809 billion — *Agreed to.*

Proposed Resolution (ix):
Question: That the Senate do accept expenses to the tune of US$1.059 billion by NNPC because documents to support same have been submitted, checked and authenticated by the Committee's Forensic Consultants — *Agreed to.*

Proposed Resolution (x):
Question: That the Senate do urge NNPC to refund and remit to the Federation Account the sum of US$262 million being expenses it could not satisfactorily defend in respect of Holding Strategic Stock Reserve; Pipeline Maintenance and Management Cost; and Capital Expenditure — *Agreed to.*

Proposed Resolution (xi):
Question: That the Senate do notes the need for the subsidy regime to be totally discontinued with. All stakeholders should be consulted and carried along as much as possible before abolishing the subsidy — *Negatived.*

Proposed Resolution (xii):
Question: That the Senate noticed that no proposal is made in 2014 Appropriation Bill for subsidy on kerosene (DPK) and that for PMS also looks inadequate. Therefore only what is appropriated should be spent by the Executive — *Agreed to.*

Proposed Resolution (xiii):
Question: That the Senate do note that further legislative action by the Senate should be taken after receipt of the forensic check/audit currently being undertaken at NNPC by the Auditor-General for the Federation and PWC — *Agreed to.*

Proposed Resolution (xiv):
Question: That the Senate do urge NNPC not to pay their operational expenditures direct from Federation fund without Appropriation by the National Assembly — *Agreed to.*

Proposed Resolution (xv):
Question: That the Senate do urge NNPC to strictly adhere to international best practices in keeping records — *Agreed to.*

Proposed Resolution (xvi):
Question: That the Senate do urge NNPC not to control the revenue account of NPDC in order not to undermine its separate legal status and make accountability more difficult — *Agreed to.*

Proposed Resolution (xvii):
Question: That the Senate do urge PPPRA to henceforth not certify subsidy payments/deductions when there is no Appropriation for such — *Agreed to.*

Proposed Resolution (xix):
Question: That the Senate do urge the National Assembly to expeditiously pass the Petroleum Industry Bill (PIB)

Proposed Resolution (xx):
Question: That the Senate do urge the National Assembly to always treat requests from the Executive to logical conclusion either to approve or not to approve — *Agreed to.*

Proposed Resolution (xxi):
Question: The Senate mandates the Committee to follow up to ensure all sums recommended for remittance to the Federation Account are remitted and report back to the Senate — *Agreed to.*

Proposed Resolution (xxii):
Question: The Senate also mandates the Committee to follow up and receive the forensic audit/checks reports from the Auditor-General for the Federation and PWC study same and report back to the Senate — *Agreed to.*

Resolved:

(*i*) That the Senate do urge Inter-agencies reconciliation meetings between sensitive economic institutions such as Ministry of Finance, Nigerian National Petroleum Corporation, Central Bank of Nigeria and Federal Inland Revenue Service should be done on regular basis in order to avoid similar episode but most importantly ensure that all revenues are properly and legally accounted for;

(*ii*) That the Senate to accept the subsidy deducted by NNPC from January 2012 - July 2013 of US$5.254 billion (₦813,803 billion) since it was certified by PPPRA and Appropriated by National Assembly. This is without prejudice to the outcome of the Forensic Audit conducted by Office of the Auditor-General for the Federation and PWC.

(*iii*) That the Senate do accept the subsidy deducted by NNPC in the sum of US$1.2 billion (₦180 billion) for fourth quarter 2011 since it was certified by PPPRA and Appropriated by National Assembly. This is without prejudice to the outcome of Forensic audit conducted by Office of the Auditor-General for the Federation and PWC;

(*iv*) That the Senate do urge the President, Dr. Goodluck Ebele Jonathan, (GCFR) to prepare and present to the National Assembly supplementary budget to cover the over expenditure in the sum of ₦90.693 billion (US$585 million) for PMS subsidy 2012 and the sum of ₦685.910 billion (US$4.430 billion) for kerosene (DPK) subsidy expended without appropriation by the National Assembly in 2012 and 2013. The Senate should however note that the proportionate expenditure January 2012 to July 2013 was ₦813.802 billion (US$5.254 billion) for PMS, while DPK was ₦486.57 billion (US$3.512 billion).It is for the National Assembly to approve or not approve such request or take any other measures it deems necessary. Also this is without prejudice to the outcome of the Forensic Audit conducted by Office of the Auditor General for the Federation and PWC;

(*xviii*) That the Senate do urge the National Assembly to expeditiously pass the Petroleum Industry Bill (PIB);

(*xix*) That the Senate do urge National Assembly to always treat requests from the Executive to logical conclusion either to approve or not to approve;

(*xx*) That the Senate do mandates the Committee to follow up to ensure all sums recommended for remittance to the Federation Account are remitted and report back to the Senate; and

(*xxi*) That the Senate do mandates the Committee to follow up and receive the forensic audit/checks reports from the Auditor-General for the Federation and PWC study same and report back to the Senate ***(S/Res/006/04/14)***.

8. Committee on Communications:
Report on the 2014 Budget Proposal of the Nigerian Communications Commission:

Consideration of Report deferred to another Legislative Day.

9. Committee on Communications:
Report on the 2014 Budget Proposal of the Universal Service Provision Fund (USPF):

Consideration of Report deferred to another Legislative Day.

10. Committee on the Federal Capital Territory:
Report on the Federal Capital Territory Appropriation Bill 2014 (SB. 465):

Consideration of Report deferred to another Legislative Day.

11. Adjournment:
And it being 2:33 p.m the Senate President adjourned the Senate till Tuesday, 15th July, 2014 at 10.00 a.m.

Adjourned accordingly at 2:33 *p.m.*

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