

**THE SENATE
FEDERAL REPUBLIC OF NIGERIA**

**REPORT OF THE AD-HOC COMMITTEE
ON ACCOMMODATION, LOGISTICS, FEEDING ETC,
ONSHORE AND OFFSHORE OF THE NIGERIA PILGRIMS**

JULY, 2018

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1.0 PREAMBLE:

The Senate of the Federal Republic of Nigeria at its sitting on Thursday 20th July, 2017 deliberated on a motion presented by Senator Ibrahim A. Danbaba under Rules 42 & 52 of the Senate Standing Rules, on the Extortion of Monies from Nigerian Pilgrims by the National Hajj Commission of Nigeria (NAHCON). Subsequently the Senate constituted the Ad-hoc Committee on Accommodation, Logistics, and Feeding etc. Onshore and Offshore of Nigerian Pilgrims to investigate the matter.

2.0 MEMBERSHIP:

1. SENATOR MOHAMMED A. ALIERO	CHAIRMAN
2. SENATOR IBRAHIM A. DANBABA	MEMBER
3. SENATOR MAO A. OHUABUNWA	MEMBER
4. SENATOR MATTHEW A. URHOGHIDE	MEMBER
5. SENATOR OLANREWaju A. TEJUOSHO	MEMBER
6. SENATOR SABI A. ABDULLAHI	MEMBER

3.0 MEETINGS:

The Ad-Hoc Committee held several meetings during which it outlined and identified the terms of reference, the methodology to be adopted; and the relevant and critical stakeholders to be engaged, as well as documents and information to be obtained for the assignment.

4.0 TERMS OF REFERENCE:

The Ad-Hoc Committee identified the following as the terms of reference for the assignment:

The Committee agreed to beam its searchlight on;

- Responsibilities of National Hajj Commission of Nigeria as prescribed by the law establishing it as it relates to the Annual Hajj Operation;
- The processes of selection and payments of air carriers that airlift Nigerian Pilgrims to/fro the Kingdom of Saudi Arabia;

- The procedure of procurement and payments of accommodation in both Makkah and Madina;
- Parameters used in arriving at a centralized system of feeding introduced by the National Hajj Commission of Nigeria (NAHCON) in 2015;
- To establish whether National Hajj Commission of Nigeria (NAHCON) is a profit oriented agency and whether or not it operate within relevant Constitutional provisions, the Public Procurement Act, 2007, and the instruments of internal control as applicable in the Public service, Financial Rules and Regulations with regards to revenue and expenditure;
- Examine any enabling law (if any) that allows the National Hajj Commission of Nigeria (NAHCON) to charge pilgrims at its discretion; and
- Identify leakages, pilferages and wastages (if any) that add to the costs of annual pilgrimage to Saudi Arabia.

5.0 METHODOLOGY:

The Committee resolved to be guided by the following methods:

- Use 1999 Constitution of the Federal Republic of Nigeria; as amended, and any other existing law, Federal Government Financial Regulations, Operational Circulars and Guidelines relevant to the subject under discourse;
- Seek for documents or any useful information from the National Hajj Commission of Nigeria (NAHCON), Central Bank of Nigeria (CBN), Office of Accountant-General of the Federation (OAGF), National Civil Aviation the Authority (NCAA), Federal Airport Authority of Nigeria (FAAN), State Pilgrims Welfare Boards (SPWB), Air carriers, Tour Operators and any Stakeholder that plays a role in Hajj operations;
- To conduct public hearing; and
- To embark on fact-finding mission to the Kingdom of Saudi Arabia, so as to verify the veracity or otherwise of all the aggregated information received.

6.0 PUBLIC HEARING/ INTERACTIVE SESSION:

A two-day Public Hearing was conducted by the Committee on Wednesday 17th & Thursday 18th January, 2018 during which inputs were received from the following stakeholders critical to Hajj operations:

- i. The Honourable Minister of State, Foreign Affairs;
- ii. The Managing Director, Nigerian Civil Aviation Authority (NCAA);
- iii. The Federal Airport Authority of Nigeria (FAAN);
- iv. The National Hajj Commission of Nigeria (NAHCON);
- v. The Nigerian Immigration Service (NIS);
- vi. The Central Bank of Nigeria (CBN);
- vii. Some Secretaries/Chairmen of State Pilgrims Welfare Boards (SPWB);
- viii. Nigerian Metrological Agency;
- ix. Association of Hajj and Umrah Operators of Nigeria (AHUON);
- x. Capt. Mohammed Joji, MD/CEO Skypower Express Airways;
- xi. Max Air; and
- xii. FlyNas Air Services.

7.0 VISIT TO THE KINGDOM OF SAUDI ARABIA:

The Committee undertook a fact finding visit to the Kingdom of Saudi Arabia from Tuesday 10th to Wednesday 18th April, 2018, during which it visited accommodations rented by the National Hajj Commission in both Makkah and Madina during the 2017 and for the coming 2018 Hajj Operations.

The Committee also held interactive sessions with Nigeria Consular General in the Kingdom of Saudi Arabia, Service Providers and other critical stakeholders in Makkah, Madina and Jeddah. During the interactive sessions there was a frank and sincere exchange of views and ideas on the politics, leakages and unnecessary charges associated with the Annual Hajj Operations and suggestions were proffered on how to improve and minimize the cost of Hajj for intending Nigerian Pilgrims.

8.0 FINDINGS/OBSERVATIONS:

(A) Infractions of the 1999 Constitution of Nigeria (as amended), the Public Procurement Act, 2007, and other operational procedures and circulars by the National Hajj Commission of Nigeria NAHCON:

The National Hajj Commission of Nigeria (NAHCON) holds the wrong perception that monies held in trust for the Hajj pilgrims is not owned by it and by extension the Federal Government of Nigeria and therefore, Procurement processes in respect of the said monies are not to be subjected to the provisions of the Public Procurement Act (PPA) 2007. In essence, the PPA 2007 does not apply to NAHCON Procurements (*see Annexure I*). This is contrary to section 15 (1) (b) of the Public Procurement Act, 2007 which states that:

15 (1) "the provisions of the Act shall apply to all procurement of goods, works, and services carried out by:

(b) "all entities outside the foregoing description which derive at least 35% of the funds appropriated or proposed to be appropriated for any type of procurement described in this Act from the Federation share of Consolidated Revenue Fund".

The Committee has observed that the Commission's procurement processes on the Annual Hajj Operations were marred by many contraventions and infractions as it flagrantly breached the 1999 Constitution of Nigeria (as amended); the Public Procurement Act, 2007; and the Federal Government's Financial Rule and Regulations, in the conduct of its role as mere regulator of Hajj Operations.

That procurement processes of the Commission had:

- No organized procurement unit with trained Procurement Officers to handle procurement Hajj operations;
- No constituted Procurement Planning Committee contrary to section 21 of the Public Procurement Act (PPA), 2007;
- No Procurement Plan contrary to section 18 of PPA, 2007;
- No evidence that Bid Solicitation Documents were issued to Bidders contrary to Secretary to the Government of the Federation (SGF)

directives contained in SGF Circular **Ref: SGF50/S.52/II/468** dated 13th January, 2014;

- Non usage of Standard Bidding Documents/Standard Request for Proposals (as the case may be), in line with Procurement Guidelines and Regulations; and
- No Need Assessment carried out contrary to section 18(a) of PPA, 2007

Similarly, it was also observed that under normal circumstances, Saudi Arabian authorities recognize two institutions as far as Hajj is concerned. The Foreign Affairs Ministry and the Civil Aviation Authority. The Foreign Affairs Ministry's recognition was based on the International laws under the Vienna Convention of Consular Matters. The role of Hajj Commission is limited to National issues. However, the National Hajj Commission, NAHCON has usurped the responsibilities of these agencies and deals directly with Saudi Arabian Authorities without recourse to the Ministry of Foreign Affairs (*as testified by the Minister of State, Foreign Affairs during the Public Hearing*). In fact, the Committee has realized that Nigerian Consular General in Saudi Arabia has been turned into an employee of the National Hajj Commission (appointed by NAHCON as Chairman Committee on Accommodation for 2018 Hajj Exercise). This explains why there is conflict of interest in almost all the offshore transactions engaged by NAHCON (see annexure 2).

(B) Over bloated Charges:

(B)(i) That there are over-bloated onshore and offshore charges by NAHCON to intending pilgrims in addition to States Welfare Boards charges that make the Hajj fare to be on the high side without recourse to the functions of the Utilities Charges Commission Act, 1992. In section (6) of the Act, it is stated:

"It shall be the duty of the Commission to

*(a) Evaluate, on a continuing basis, trends in tariffs charges by any of the public utilities listed in the **Second Schedule** to this Act"*

(ii) That the National Hajj Commission of Nigeria (NAHCON) is under the impression that it is not among the public agencies listed in the **Second Schedule** of the Utilities and Charges Commission even though the **Second Schedule (j)** of the Act states “*such other public utilities as may be determined, from time to time by the Commission*”

(iii) That every year the National Hajj Commission of Nigeria (NAHCON) introduces charges both onshore and offshore to Nigerian pilgrims, taking advantage of section (11) (1) (a) of NAHCON Act, 2006 which states:

“all such sums as may be charged by the Commission as fees, commissions or dues for its services”.

For instance, in 2017, Onshore Charges such as, administrative fee, Hajj Development Levy, Yellow card and Registration Forms paid to National Hajj Commission of Nigeria (NAHCON) by the Seventy Five Thousand (75,000) Nigerian Pilgrims that went through States Pilgrim Welfare Boards (SPWB) amounted to **(N712,500,000) Seven Hundred and Twelve Million, Five Hundred Thousand Naira only.**

Also, State Pilgrims Welfare Boards (SPWB) charge Administrative and other Charges which amounted to **(N1,474,875,000) One Billion, Four Hundred and Seventy – Four Million, Eight Hundred and Seventy Five Thousand Naira.** The charges escalate the cost of the Pilgrimage.

See tables below:

(iv) **Onshore Charges:** The onshore charges were the charges levied to the Pilgrims in 2017 within the Nigerian shore and was paid in Naira as follows:

1.	NAHCON administrative charges	N3,000.00
2.	Hajj Development Levy	N5,000.00
3.	Suitcases	N16,605.00
4.	Uniform	N5,000.00
5.	Yellow Card	N1,000.00
6.	SPWB Administrative charges	N3,000.00
7.	Registration Form	N500.00
8.	SPWB other charges	N16,665.00
	TOTAL	N50,665.00

For instance, the **N5,000** Annual Hajj Development Levy (item 2) per Pilgrim which the Commission claims to be using for the development of transit camps infrastructures, augmenting medical services, enlightenment and continued education of Pilgrims, is a duplication because these fall under responsibilities of State Pilgrims Welfare Boards which should have been taken care of by item 8 of the table above (SPWB other charges).

(v) **Offshore charges:** These are the charges payable by the pilgrims in **US Dollars** or **Saudi Riyals**, and the services were mainly carried out by either Private companies or Saudi authorities.

1.	Airfare	USD1,700	N518,500
2.	Makkah accommodation	933.83	284,808.57
3.	Medina accommodation	430.00	131,150.00
4.	Feeding at Masha'ir	85.38	26,040.55
5.	Desert cooling system charges at Arafat	74.71	22,785.47
6.	United Agent Fees	322.37	98,384.47
7.	Tent Security Deposit	1.33	406.88
8.	Tent Cooling Facilities	73.37	22,378.60
9.	Ministry of Hajj Deposit	13.34	4,068.84
10.	Feeding at Jedda Airport	4.00	1,220.65
11.	35 days feeding at Makkah & Madina accommodation (2 meals daily)	280.15	85,445.57
12.	Charges at Arafat PVC Tent	30.00	24,413.02
13.	1% CBN commission charges	39.99	12,196.13
14.	BTA	800.00	244,000.00
	TOTAL	4,838.72	1,475,808.77

(B)(v)(a) That items 7, and 8 of the Offshore charges in the table above were included in item 6, United Agent Fees (UAF), but were replicated again separately. For instance, in 2017 each Pilgrim was charged **\$322.37** as United Agent Fee (UAF) which is the amount paid by each Pilgrim for transport, tent at Muna and Arafat and other related services in Saudi Arabia.

- (B)(v)(b) That each Pilgrim was further charged the sum of **\$1.33** as Tent security deposit. This appears to be duplication considering that **\$322.37** paid by each pilgrim should have been inclusive of Tent security.
- (B)(v)(c) That National Hajj Commission (NAHCON) agreed that the **\$1.33** paid by each pilgrim is a caution deposit to cover for any damage to the Tents, but it is not all the **\$99,750 (N30,423,750)** paid by the **Seventy Five Thousand (75,000)** Nigerian pilgrims in 2017 that would be spent on repairing the damaged Tents. There ought to have been details of how such funds are being expended every year, but the Commission could not avail any detail to the Committee;
- (B)(v)(d) That the sum of **\$73.37** for **Seventy Five Thousand (75,000)** Pilgrims amounting to **\$5,502,750** was paid to National Hajj Commission as Tent C facilities. This item also seemed to overlap in the two items mentioned above (Agent fee and Tent security Deposit). The Commission claims that the **\$73.37** paid by each Pilgrim is for the provision of bedding materials in Muna and Arafat. The Committee could not ascertain the veracity of such payment. Evidence of payment and acknowledgement for receipt of the same as well as the identification of the recipients was not availed to the Committee;
- (B)(v)(e) That every year, the sum of **\$13.34** is paid by Pilgrims to Ministry of Hajj as deposit. In 2017, the sum of **\$1,000,500** was paid by the **75,000** pilgrims that performed Hajj;
- (B)(v)(f) That the annual 1% Central Bank of Nigeria (CBN) Commission Charge per Pilgrim, **\$39.99** equivalent to **N12,196.95** in 2017, adds to the burden a Nigerian pilgrims has to pay in order to perform Hajj;
- (C) That there are additional Hidden Charges not captured in the onshore/offshore components approved by Mr. President through which NAHCON makes colossal amount of money annually from Service Providers both in Nigeria and in Saudi Arabia. For instance, in 2015, 2016, and 2017 Article 3.5 of the Hajj Airlift Agreements between National Hajj Commission of Nigeria, NAHCON and Air carriers, made it mandatory for

Air carriers to meet the following financial and other obligations charged by the Commission as:

- Licensing fee – **N2million**
- Pilgrims' Hand Luggage Screening fees – **SR12.00/pilgrim**
- Zam-zam fees – **SR9.00/pilgrim**
- Administrative charge - **\$65/pilgrim**;

(C)(i) That all these monies form part of Annual Hajj Fare paid by intending Pilgrims and are deducted from Air carriers at source whether such services were rendered or not;

(C)(ii) That in 2017, on administrative charges alone, NAHCON realized **Four Million, Eight Hundred and Seventy – Five Thousand United State Dollar (\$4,875,000.00)** from Air carriers, (**\$65 x 75,000 pilgrims**);

(D) Revenue and Expenditure of the National Hajj Commission of Nigeria (NAHCON)

(D)(i) Revenue:

That the National Hajj Commission of Nigeria (NAHCON), in its quest to generate revenue (hiding under section 11 (1) (a) of NAHCON Act, 2006 short charge and extorts Nigerian pilgrims, intending Air carriers and Service Providers through spurious charges, without regards to the *Second Schedule (j)* of the Utilities and Charges Commission.

The sources of revenue of the Commission are:

- 2017Annual Budgetary Allocation – overhead – **N360,117,867.20**;
- 2017Annual Releases to NAHCON as shortfalls of its onshore and offshore operations – **N746,682,180.02**, (see annexure 3);
- A non-refundable application fee for air carriers of **N1m x 9 = N9,000,000.00** (Airlift) and **N500,000 x 4 = N2,000,000.00** (Airfreight);
- Administrative charges on intending pilgrims (**N3,000** per intending pilgrim **x 75,000 = N225,000,000.00**);

- Hajj Development Levy— (N5,000 per intending pilgrim x 75,000 = N375,000,000.00);
- Yellow card (N1,000 per intending pilgrim x 75,000 = N75,000);
- Registration Forms (N500 per intending pilgrim x 75,000 = N37,500,000.00);
- Savings from Operational Funds - \$2,376,908.16;
- Deductions of levies from Service Providers that provided Feeding & Accommodations services in Makkah and Madina (SR70 for Accommodation and SR30 for feeding per pilgrim), (*see table below*);
- Proceeds realized from renting out of accommodation in Madina;
- Penalties deductions from Service Providers in Makkah and Madina.

REVENUE	MAKKAH	MADINA
ACCOMMODATION	SR70 X 56 = SR3,920	SR70 X 17 = SR1,190
FEEDING	SR30 X 11 = SR 330	SR30 X 23 = SR690

Similarly, that the so called revenues realized by the Commission was not paid into the Consolidated Revenue Fund contrary to section 80(1) of the 1999 Constitution of Nigeria (as amended) which provides that

Section 80 (1)

“All revenues or other moneys raised or received by the Federation (not only bring revenues or other moneys payable under this condition or any Act of the National Assembly into any other public fund of the Federation established for a specific purpose) shall be paid into and from one Consolidated Revenue Fund of the Federation”

That this action by the Commission also negates the principle of Treasury Single Account (TSA) because, the said Revenue from 2014 - 2017 was kept in the Commissions' account without recourse to TSA.

(D)(ii) Expenditures:

- (ii)(a) That just as in the same manner the Commission generates its revenues with total disregard to Extant Acts, so it expends it without following the

provisions of the 1999 Constitution (as amended). Section 80 (1) (3 & 4) of the Constitution states:

80 (3) "No money shall be withdrawn from any public fund of the Federation, other than the Consolidated Revenue Fund of the Federation unless the issue of those moneys has been authorized by the Act of the National Assembly"

80 (4) "No money shall be withdrawn from the Consolidated Revenue Fund or any other Public Fund of the Federation, except in the manner presented by the National Assembly"

(ii)(b) Similarly, the National Hajj Commission of Nigeria often goes on spending spree from the said generated revenue, quite beyond the approval threshold of the accounting officer which is a breach to the Secretary to the Government of the Federation Circular Ref: **SGF/OP/S.3/XI/894** dated 14th January, 2016. For example, the Commission in 2015 rented a Ninety (90) rooms apartment for its Makkah office at the cost of **SR600,000:00** per annum. This amount is far above the approved threshold of the Accounting Officer i.e. The Chairman of NAHCON.

(ii)(c) The Committee also observed that NAHCON dubiously misled the office of the Secretary to the Government of the Federation (SGF), Bureau of Public Procurement (BPP), Federal Executive Council (FEC) and even the President, Commander in Chief of the Armed Forces of the Federation by declaring the so - called revenue (money realized from renting out of pilgrims accommodation in 2014, 2015 and 2016) for the purchase of Metro Plaza, funds not appropriated by the National Assembly. The Commission sent three conflicting information on **item three (3) (2015 Saving from operational funds)** of its sources of revenue to the Secretary to the Government of the Federation (SGF), and the Director General of Bureau of Public Procurement (BPP), quoting different figures in the two letters.

Similarly, on **item four (4) (Revenue realized from Accommodation in Madina)**, the Commission quoted **SR 7,172,095.00** in its 2016 Annual Report to Mr. President as against **SR6,926,271.77** quoted in the two letters

sent to Bureau of Public Procurement (BPP) and The Secretary to the Government of the Federation (SGF). (see Annexure 4)

See table below on the Sources of Funds on the Purchase of Metro Plaza (New Office Complex) sent to Bureau of Public Procurement (BPP) and Senate Ad-Hoc Committee:

S/N	YEAR	SOURCES	AMOUNT (SR)	AMOUNT (USD)	AMOUNT (N)
1.	2014	Revenue realized from renting out of accommodation in Medina	994,54.00	252,551.07	77,028,076.00
2.	2015	Revenue realized from renting out of accommodation in Medina	1,295,492.00	346,388.24	105,648,411.76
3.	2015	Savings from operational funds		2,376,908.09	622,118,168.00
4.	2016	Revenue realized from renting out of accommodation in Medina	6,926,271.77	1,851,944.16	564,842,974.90
5.	2016	Penalty deductions from defaulting landlords in Medina accommodation	8,479,033.04	2,276,113.11	691,469,498.55
6.	2017	Capital Budget (2017 Appropriations)			587,000,000.00
		TOTAL	17,645,307.21	7,094,905.47	2,648,107,129.41

(see Annexure 5)

See table below on the Sources of Funds on the Purchase of Metro Plaza (New Office Complex) sent to the Secretary to the Government of the Federation (SGF):

S/N	YEAR	SOURCES	AMOUNT (SR)	AMOUNT (USD)	AMOUNT (N)
1.	2014	Revenue realized from renting out of accommodation in Medina	994,54.00	252,551.07	77,028,076.00
2.	2015	Revenue realized from renting out of accommodation in Medina	1,295,492.00	346,388.24	105,648,411.76
3.	2015	Savings from operational funds		2,376,908.09	311,059,084:00
4.	2016	Revenue realized from renting out of accommodation in Medina	6,926,271.77	1,851,944.16	564,842,974.90
5.	2016	Penalty deductions from defaulting landlords in Medina accommodation	8,479,033.04	2,276,113.11	691,469,498.55
6.	2017	Capital Budget (2017 Appropriations)			587,000,000:00
		TOTAL	17,645,307.21	7,094,905.47	2,337,084,045:41

(see Annexure 6)

The discrepancy on the two letters is on item 3 on the table above (2015) savings from operational funds) were US\$2,376,908.09 was quoted but, the Naira amount quoted were N622,118,168.00 (in BPP and Senate letters) and N311,059,084.00 (in SGF's letter);

(ii)(d) That in its 2017 Hajj report, the Commission has sought the approval of Mr. President to expend **One Billion, Five Hundred Million Naira (N1.5 Billion)** to furnish its newly acquired office complex from the proceeds of rents of pilgrims' accommodation at Madina;

(E) That the National Hajj Commission NAHCON annually obtains Presidential Approval for its Onshore/Offshore operations which they financed from the revenues that accrued to the Commission, even though the Commission does not pay the same revenue into the Consolidated Revenue Account as mandated by the 1999 Constitution (as amended). See below analysis of Onshore and Offshore Expenditure of the Commission for Four Years;

4 – YEAR COMPARISON OF ONSHORE BUDGET

YEAR	NO. OF PILGRIMS	APPROVED BUDGET (₦)	REVENUE GENERATED (₦)	% OF REVENUE GENERATED	AMOUNT AUGMENTED BY FED. GOVT. (₦)	% OF AMOUNT RELEASED BY FED. GOVT.
2014	76,000	499,188,500.00	499,188,500.00	100%	0.00	0%
2015	76,000	497,100,000.00	497,100,000.00	100%	0.00	0%
2016	76,000	643,110,000.00	643,110,000.00	100%	0.00	0%
2017	95,000	917,022,341.02	917,022,341.02	100%	0.00	0%

4 – YEAR COMPARISON OF OFFSHORE BUDGET

YEAR	APPROVED BUDGET (\$)	REVENUE GENERATED (\$)	% OF REVENUE GENERATED	AMOUNT AUGMENTED BY FED. GOVT. (\$)	% OF AMOUNT RELEASED BY FED. GOVT.
2014	11,460,306.00	3,547,681.84	31%	7,912,624.16	69%
2015	11,092,741.00	3,598,565.00	32%	7,494,176.00	68%
2016	8,699,827.57	6,469,947.05	75%	2,229,880.52	25%
2017	10,390,360.20	7,975,250.00	77%	2,415,110.20	23%

8.1 AIR FARE:

(A) That on the issue of the procurement of air carrier to Airlift Nigerian pilgrims in 2017, it was in total disregard to Public Procurement Act, 2007 by the Commission. For example, the Bureau of Public Procurement highlighted that, there were a lot of breaches of PPA Act, 2007 from the yearly advertisements on Airlift of Hajj pilgrims and Cargo Airfreight in the following areas:

(A)(i) The yearly advertisements always request for non-refundable application fee of **₦1m** (Airlift) and **₦500,000** (Airfreight) as prerequisite to bid for the projects is too high and is in conflict with section 23(2) of Public Procurement Act, 2007 which only empowers procuring entities charge for:

“only cost of printing and provision of bidding documents to suppliers or contractors and consultants”.

(ii) Submission deadline provides only five weeks which did not fulfill the minimum requirement of six weeks for submission of both technical and

financial bids as stipulated in section 25(2) (ii) of Public Procurement Act, 2007:

"every invitation to an open competitive bid shall:

"in the case of goods and works valued under National Competitive Bidding, the invitation for bid shall be advertise on the notice board of the procuring entity, any official web sites of the procuring entity, at least two National News Papers, and in the procurement journal not less than six weeks before the deadline for submission of the bids for the goods and works"

(iii) The advertisements required prospective bidders to collect application forms instead of bidding document as stipulated in clause 118 of Public Procurement regulations for Goods and Works that, *"procuring entities shall use the appropriate standard Bidding Documents used by BPP"* for procurements.

(iv) The advertisements also did not follow the following requirements:

- The Technical bid should indicate opening dates and location/address of the venue;
- The Technical and Financial bid should be packaged in separate sealed envelopes and both enclosed in a sealed larger envelops;
- That only Technical bid would be opened on the bid date and the deadline for submission of bids;

On the same issue, the Committee also observed:

(v) That despite these objections raised by BPP, the Commission out rightly refused to heed to all corrections/suggestions and always resorts to blackmail that if the

"Commission is to play the operatives within the confines of Public Procurement Act, 2007, it might jeopardize the smooth airlift of Nigerian Pilgrims which will surely have serious religious and political ramification which neither the Bureau of Public Procurement (BPP) nor National Hajj Commission of Nigeria (NAHCON) will be able to handle"(see annexure 6);

- (vi) That the Dollar component constitutes **98%** of the Hajj operation due to its offshore nature, and although in 2017 Hajj, the Central Bank of Nigeria (CBN) officially approve exchange rate of **₦305** to **\$1**, the Airfare of **\$1,650** (North) and **\$1,700** (South) per pilgrim was grossly exorbitant when compared to Flights from other countries. For example:
- From Islamabad in Pakistan to Jeddah, Saudi Arabia which is the same distance from Abuja to Jeddah; Pakistan pilgrims pay **USD 817** equivalent of their currency;
 - New York, USA to Jeddah - 13hrs flight, pilgrims pay **\$1,000**;
 - Jarkata, Indonesia to Jeddah - 10hrs flight, pilgrims pay **\$980**;
- (vii) That the Airfare for the Annual Hajj is also overburden with aviation charges and tariffs of the Nigerian Civil Aviation Authority (NCAA) and Federal Airport Authority of Nigeria (FAA);
- (viii) That a Nigerian Local carrier, MaxAir has been conveying Nigerian Umrah pilgrims to Saudi Arabia at **₦330,000 (Three Hundred and Thirty Thousand Naira)** equivalent to **\$1,081** while the Commission made the same Airline to charge **₦503,250** equivalent to **\$1,650** for the 2017 Hajj Operations. Thus, a Nigerian pilgrim was made to pay **₦175,250** equivalent to **\$568** more on a journey of the same distance and from the same country;
- (ix) That this high charge explains why FlyNas a private owned Saudi Air carrier to demand to carry 50% of Nigerian pilgrims on the basis of a mere Memorandum of Understanding signed between Nigeria and Saudi Arabia in what is termed as **Bilateral Air Service Agreement (BASA) between the Government of Federal Republic of Nigeria and The Kingdom of Saudi Arabia, (see annexure 7)**;
- (x) That the so called Bilateral Air Service Agreement (BASA) is being imposed on Nigeria the detriment of Nigerian Local Carriers and even other Saudi Air carrier (Alwafeer Air) was willing to convey Nigerian

pilgrims to/fro Saudi Arabia at lesser cost of **\$1,300** thereby reducing **\$350** and **\$400** per pilgrim from North and South respectively;

- (xi) That the Capital Flight this BASA Agreement caused Nigeria, going by 2017 Hajj operation was **\$25.5million**. If not addressed, for the 90,000 slots allocated to Nigeria for 2018 Hajj operation, Nigeria pilgrims collectively would be overcharged by **\$36million**;
- (xii) That other countries such as Niger, Ghana and Pakistan pulled out of BASA Agreement as it relates to conceding their 50% pilgrims to FlyNas, a company that does not have an office anywhere in Nigeria; thus, does not provide any employment opportunity to Nigerians;
- (xiii) That although the Kingdom of Saudi Arabia has the spiritual monopoly over Hajj operations, Nigeria as a sovereign country should not be coerced into accepting any agreement that is violates to its sovereignty in line with Chapter 1, Article 2, specifically paragraph 2 of the Organisation of Islamic Conference (OIC) which states that:
"all member states are Sovereign, Independent, and are Equal in Right and Obligation"

Paragraph 4 of the same document also states that:

"all member states undertake to respect National Sovereignty, Independence, and Territorial Integrity of other member states and shall refrain from interfering in the internal affairs of others."

- (xiii) That the "Hajj Instructions" contained in the Royal Decree is a one-sided unfavourable Saudi law targeted at Nigeria because our Airfare compared to other parts of the world is one of the highest, e.g. in 2016 and 2017 Hajj operation, One Hundred and Eighty Eight (188) countries conveyed their pilgrims to Saudi Arabia using their local carriers. Among those One Hundred and Eighty Eight (188) countries, Nine (9) of them have the highest number of pilgrims. These include:

- | | |
|--------------|----------|
| 1. Indonesia | 6. Egypt |
| 2. Pakistan | 7. India |

3. India
4. Bangladesh
5. Morocco

8. Turkey
9. Algeria

- (xiv) That tour operators in 2017 charged as low as less than **\$1,000** for the Lesser Hajj (Umrah), while they charged as high as **\$1,700** for Hajj because NAHCON asked them to do so;
- (xv) That the **Five Thousand Naira N5,000** Development Levy NAHCON charges per pilgrim annually, which is said to be for the maintenance of all Hajj Camps across the country is not judiciously utilized because various Hajj camps are usually without the basic facilities like water, electricity, and have poor sanitary condition capable of triggering epidemic. Besides, this is a burden Nigerian Pilgrims are made to bear because it falls under Government's social responsibility 2015 to 2017 Hajj operations, NAHCON *realized* over **N1billion** from the Development Levy;
- (xvi) That the Committee learnt that, the Commission annually constitutes a Hand Luggage Screening Committee **%100** made up of its staff to conduct the screening of the **8kg** Hand Luggage of Nigerian Pilgrims, but a company, Shurak'al Khair Group Co. Ltd was always paid **SR12** per pilgrim for the services. For example. In 2017, the company was fraudulently paid twice:
- On 17th September, 2017, **SR834,600.00** was paid to the company for screening hand luggage of **69,550** pilgrims; and on 6th October, 2017 another payment of **SR749,808.00** for screening hand luggage of **62,484** pilgrims was made, even though the total number of pilgrims that performed Hajj through NAHCON that year was **75,000**. (see Annexure 8).
- (xvii) That the same company was contracted to convey the main luggage of pilgrims from their various accommodations in Makkah to Jeddah airport at the cost of **\$20** per pilgrim, amounting to **\$1,500,000 (N457,500,000)** for the **75,000** that performed the 2017 Hajj.

8.2 ACCOMMODATION:

- (A) That renting of accommodations for Nigerian pilgrims in both Makkah and Madina are usually **secured, negotiated and paid** for by National Hajj Commission. NAHCON fixed a benchmarked price for Makkah Accommodations for State Pilgrim Welfare Boards (SPWB) to work with, contrary to the claim by NAHCON that it only plays the role of a regulator;
- (i) That National Hajj Commission (NAHCON) usually send delegation (NAHCON and SPWB officials) for Pre-Hajj visit to the Kingdom of Saudi Arabia during which they **screen and negotiate** with hotel vendors after which they ask SPWB to patronize, this is contrary to section 4 (1) (a) (i & ii) of the National Hajj Commission of Nigeria, Act 2006 which states that:
- (1) The Commission shall -
- (a) *“license, regulate, supervise and perform oversight functions over organisations, associations (corporate or non-corporate) or similar bodies engaged in –*
- (i) *organizing and coordinating the movement of persons from Nigeria to Saudi Arabia to perform the Hajj or Umra; and*
- (ii) *providing accommodation, transportation and other services related to the performance of the Hajj and Umra to pilgrims in Saudi Arabia”*
- (ii) That a constant fee in the sum of **\$1,067.24** as cost of accommodation payable in Makkah by each pilgrim was maintained for the period of 2013, 2014, 2015 and 2016, while in 2017, it was reviewed downward to **\$960.51**. The same was not applicable to accommodation in Madina as it varies each year.

(B) Madina Accommodation:

- (B)(i)** That most of the accommodations in Madina were rated 4 to 5 Star Hotels (grade 'A') that have a minimum of three bed spaces and maximum of five per room;
- (ii)** That National Hajj Commission between 2013 to 2017 rented accommodations in Madina for **75 days** which covers the two seasons of Hajj, viz: Pre – Arafat and Post – Arafat seasons, even though Hajj is to last for only **30 days** based on the template provided by the Chairman of NAHCON during the public hearing. This shows that, accommodations were sourced and paid for in excess of **45 days** so that the Commission can lease them out to other Nationals to make money;
- (iii)** That 80% of Nigerian Pilgrims were accommodated in these hotels in the Pre- Arafat season, for a period between **2 to 5 days**, while the remaining **20%** of Nigerian Pilgrims stay in them during the Post – Arafat season;
- (iv)** That the **20%** bed spaces during Pre – Arafat season and the **80%** bed spaces during the Post – Arafat season were leased out to Pilgrims from other countries and the proceeds realized from renting out of these accommodations were shared on **75/25 ratio** between National Hajj Commission of Nigeria and the Hoteliers respectively;
- (v)** That in 2016 Hajj Operation, NAHCON issued two dully stamped Revenue Collectors Receipts to two Hoteliers, Eastern Gulf Establishment with serial number **Z007894939** for **SR2,533,095.00** and Amjad Al Salam with serial number **Z007894940** for **SR1,595,000.00** both amounting to **SR5,504,126.67 (N550,412,666.67)**, dated 11th October, 2016 representing **75%** of monies realized from renting out the accommodation hired in the name of Nigerian Pilgrims, **(see annexure 9)**;
- (vi)** That the two Revenue Collectors Receipt obtained by the Committee from the two hoteliers bear the same description of payment **“Refund of Overpayment made to the above company as Nigerian Pilgrim Accommodation provided in Madina vid cheque No. 000230....”**, while the only two receipts the Commission could provide to the Committee as

evidence of collecting such monies were unstamped and bear the narration **“Revenue realized from Hotels after Arafat during 2017 Operation”**, (see annexure 10);

(viii) That the revenue collectors’ receipt used in Madina in 2016 were fraudulently sourced as neither NAHCON’s Security Register nor Sub – Treasury of the Federations Security Schedule (STF’s) carried the serial numbers of those receipts while the sum of only about **N5,000,000 (Five Million naira)** was paid in as against over **N1billion (One Billion naira)** generated.

(ix) That there are still outstanding payments to two accommodation providers that accommodated Nigerian Pilgrims in Madina during the 2016 Hajj Operations for no just reason. The two outstanding payments are:

Outstanding debt owed by NAHCON

S/NO.	NAMES OF ACCOMMODATION PROVIDERS	AMOUNT PAYABLE	AMOUNT PAID	OUTSTANDING
1.	EASTERN GULF ESTABLISHMENT	SR60,049,000.00	SR56,713,800.00	SR3,335,200.00
2.	AMJAAD ALSALAM ESTABLISHMENT	SR60,324,600.00	SR51,339,870.00	SR8,984,730.00

(x) That any of such so-called revenue should not be considered as income to the National Hajj Commission of Nigeria because the monies used in the first place to rent the accommodations belong to poor Nigerian Pilgrims;

(xi) That the decision by NAHCON to go for the 4 to 5 Star rated accommodations in Madina was not purely because they were suitable for Nigerians but for commercial purposes, i.e for other pilgrims that rent them from NAHCON during the two seasons (pre/post Arafat); and

(xii) That in 2017, NAHCON hired **29,602 (Twenty Nine Thousand, Six Hundred and Two)** bed space for **75 days** at the rate of **SR5,088.06** per bed space, while NAHCON has already negotiated for **Twenty Three Thousand, Seven Hundred and Sixty – Five (23,765)** bed spaces at the

rate of **SR4,377.18** per bed space amounting to **SR104,023,682.70** and had already committed **20%** payment, **SR20,804,736.54** for accommodation in Madina even though State Pilgrims Welfare Boards are yet to commence remittance to the Commission for the 2018 Hajj Exercise, (see Annexure 11).

(C) Makkah Accommodation:

- (i)** That prior to the assumption of duty of the serving Chairman of NAHCON, many Saudi based Nigerians establishments were engaged in providing accommodations to Nigerians and other countries pilgrims in the last two to three decades;
- (ii)** That they have had cordial working relationship with all former Chairmen of NAHCON, and are only having problems with the current Chairman because of his over bearing nature, he seems to have pecuniary interest in almost all aspects of Hajj Operations (Accommodation, Feeding and Transportation);
- (iii)** That between 2015 and 2016, NAHCON has branded these Saudi based establishments as mere “briefcase companies” as a result, it introduced stringent conditions meant to sideline and edges them out even when they have been in the business for decades. For instance, NAHCON has made it mandatory for all Service Providers in Makkah to review upward their share capital to **SR5,000,000** even when the minimum share capital required by Saudi Authority is only **SR5,000**;
- (iv)** That in 2017 Hajj Operation, NAHCON has pruned down the number of Accommodation Service Providers in Makkah from **thirty – three (33)** to **thirteen (13)** only, thereby limiting competition;
- (v)** That the cost of accommodation in Makkah escalates because NAHCON has removed competition in the process of selection by instating on renting accommodations from hotels with **500** or more bed space in Makkah even when there are hotels of similar or identical standards but with less bed

spaces to be rented. If such hotels are to be considered, a savings of between **SR1500 to SR2000 (N134,000)** could be made for Nigerian Pilgrims;

- (vi) That even after obliging by raising their share capital to **SR5,000,000** NAHCON decided not to patronize these Saudi based Nigeria establishments and gives special preferences to a company owned by a **Nigerien** (a non-Nigerian) in the name of **Shurakaa Al-Khair Group Ltd** thus, denying these Nigerians the opportunity to earn their means of livelihood. This can be justified by unveiling the hidden motives that prompted the Commission to patronize the company in more than **65%** of its contract in the recent past Hajj Operations;
- (vii) That a letter emanated from Nigeria Hajj Affairs Office dated 12th July, 2015 with Reference No. **NAHCON/ACC/56/VII/192**, which was addressed to the Manager, Saudi Hollandi Bank, Hajj Service Unit, Regional Office, Jeddah, Kingdom of Saudi Arabia. In that letter, a total of 28 companies were listed as beneficiaries of a Schedule of Payment of huge sums of money for accommodation services. Out of the entire **twenty-eight (28)** payments, Shuraka'a Alkahair Group Co Ltd's had the highest **ten (10)** payments; (see Annexure 12)
- (viii) That in 2017 Hajj Operation, **Shurakaa Al-Khair Group Ltd** was given **Twenty-three (23)** States Pilgrims to accommodate, while the remaining **Thirteen (13)** companies accommodated the remaining **Thirteen (13)** States Pilgrims;
- (ix) That even in 2017 Hajj operations, Nigerian Pilgrims were accommodated about **5 to 10** kilometers or further away from the Masjid Haram (Holy Mosque), contrary to claims by NAHCON that the accommodations were **5 to 10** minutes walking distance. The old, the sick and the weak pilgrims who could not afford private transport had to contend with performing their prayers in Mosques near to their accommodations;
- (x) That from 2015, NAHCON resolved and introduced certain unilateral levies on accommodation Service Providers in Makkah i.e:

- (i) Annual licensing fee of **\$2000** per Service Provider; and
 - (ii) Administrative charges **SR50** for accommodation (per bed space), and **SR30** for feeding (per Pilgrim);
- (xi) That levies were deducted from Services Providers at the point of payment without any official communication to that effect and without issuance of any receipt or documents to prove that money was deducted, thus Service Providers and by extension the Nigerian Pilgrims were short changed;
- (xii) That just as in the case of Madina Accommodation, the National Hajj Commission of Nigeria (NAHCON) is owing a Service Provider, **ARIF – MOHAMMED HIJAZI ESTABLISHMENT** the sum of **SR238,670:00** in respect of accommodation he provided for Imo State Pilgrims in 2014;
- (xiii) That NAHCON went as far as issuing dude cheques twice to the company, **ARIF – MOHAMMED HIJAZI ESTABLISHMENT** for the services rendered. This has not only caused embarrassment to the company but also to Nigeria. The dude cheques are as follows:
- (i).Cheque No. 003446 - **SR144,000:00** dated 14th July, 2014,
 - . Cheque No. 003546 - **SR72,000:00** dated 1st October, 2014,
 - . Cheque No. 003642 - **SR22,670:00** dated 26th October, 2014.
 - (ii). Cheque No. 004025 - **SR 238,670:00** dated 20th January, 2016.
(see Annexure 13)
- (xiv) That all the levies and unnecessary on Service Providers are indirectly being shouldered by the Pilgrims.

Summary of Accommodation fee for 2017 Hajj Operation

S/NO.	LOCATION	NO. OF PILGRIMS	COST IN USD/PILGRIM	COST IN NAIRA/PILGRIM	TOTAL (N)
1.	MAKKAH	75,000	960.5	292,952.5	21,971,437,500
2.	MADINA	75,000	430	131,150	9,836,250,000
3.	MUNA	75,000	73.37	22,377.85	1,678,338,750
4.	ARAFAT	75,000	104.71	31,936.55	2,395,241,250
				TOTAL	N 35,881,267,500

8.3 FEEDING:

- (A) That feeding of pilgrims during Hajj is critical because the Hajj exercise is rigorous that consumes a lot of energy, thus, the need to provide sufficient and well balanced diet to Nigerian Pilgrims during the exercise is paramount;
- (A)(i) That the food vendors normally engaged by the Commission do not consider the nature and type, the quality and quantity of food, as well as the timing for serving Nigerian Pilgrims while in Saudi Arabia;
- (ii) That the Commission paints the picture thus;
- “that Pilgrims feeding services in Saudi Arabia is generally restricted to only Saudi accredited catering service providers by virtue of Saudi laws, that service providers in the Kingdom of Saudi Arabia are by law wholly owned and operated by the Saudi nationals. There is no single Nigerian owned company (ies) that provides services to the Nigerian pilgrims either in accommodation or feeding in both Makkah and Madina”*
- (iii) That this position is not only untrue but also misleading because NAHCON in its usual manner of surrendering to the whims and caprices of the Saudi Authority through one – sided Memorandum of Understanding allows the idea of feeding to be incorporated into the Pilgrims total packages, even when other countries like Indonesia, Malaysia, Iran and Pakistan, etc, provide catering services to their pilgrims;

- (iv) That just as in the case of accommodation, NAHCON sidelined Saudi based Nigerians caterers by giving special preference to the same company, **Shurakaa Al-Khair Group Ltd** owned by a Nigerian. For instance, in 2017, the company fed pilgrims from 23 states of Nigeria while in Makkah;
- (v) That the feeding arrangement of Nigerian pilgrims in Saudi Arabia does not take into cognizance the preference and diet requirements of pilgrims with diabetes, hypertension, stomach ulcer and other ailments that require dietary control;
- (vi) That cases of food shortages, quality and quantity of food served to Nigerian pilgrims in Makkah and Muna were annually reported, as not commensurate with the amount paid by pilgrims;

Summary of feeding arrangement for 2017 Hajj Operation

S/NO	LOCATION	NO. OF PILGRIMS	COST IN USD/PILGRIM	COST IN NAIRA/PILGRIM	TOTAL (₦)
1.	MAKKAH/MADINA	75,000	280.15	85,445.75	6,408,431,250
2.	MUNA	75,000	85.38	26,040.9	1,953,067,500
3.	MASHA'IR	75,000	85.38	26,040.9	1,953,067,500
4.	AIRPORTS	75,000	4	1,220	91,500,500
				TOTAL	₦ 10,406,066,750.00

8.4 LOGISTICS:

- (A) That logistics within this context refers to the movement of pilgrims, their bags and hand luggage, Zamzam water delivery and transport within the Holy Cities which NAHCON used to charge at **SR180** hitherto 2017 Hajj Exercise, was doubled to **SR360** under the pretext of improved services in 2017;
- (A)(i) That **\$20** per pilgrim was charged for conveying the pilgrims **32 kg** bags from their various accommodations in Makkah to Jeddah Airport. The same **Shurakaa Al-Khair Group Ltd** was contracted to handle this service in addition to screening the **8kg** hand luggage of Nigerian pilgrims at the sum of **SR12** per pilgrim;

- (ii) That the decision to double the local transport fare from **SR180** to **SR360** under the pretext of improved bus services was unnecessary and questionable because the buses alleged to be used were of the same standard with those used in the previous Hajj exercises, besides, Saudi Arabian Authority does not allow the use of substandard buses for Hajj operation, because, any bus that is allowed to be used must be fully air-conditioned and must have other convenience facilities. The additional **SR180** is therefore an overcharge;
- (iii) That instead of NAHCON to use the relatively cheaper option which Nigerian pilgrims have been using over the years, NAHCON decided to go for expensive option in 2017 due to reasons best known to them; and
- (iv) That even though Nigerian pilgrims pay for these bus services annually, they hardly enjoy it while in Makkah due to over congestion of vehicles and pilgrims

Summary of Logistics Services for 2017 Hajj Operation

S/NO	TYPES	NO. OF PILGRIMS	COST IN USD/PILGRIM	COST IN NAIRA/PILGRIM	TOTAL (₦)
1.	LOCAL TRANSPORT	75,000	96.26	29,358.28	2,201,871,000
2.	MOVEMENTS OF BAGS TO THE JEDDAH AIRPORT	75,000	20	6,100	457,500,000
3.	ZAMZAM DELIVERY	75,000	2.4	732	54,000,000
				TOTAL	₦ 2,713,371,000

- (v) That the Commission also claimed that the fare for the 2018 Hajj will not come lower than the 2017 fare due to the recent introduction of Value Added Tax (VAT), increase in water, electricity tariffs, and fuel pump prices by Saudi Arabian Authority. However, the Committee has discovered that the recent increases are to be borne by the hotel and buses owners without any consequence on the Nigerian pilgrims.

- (vi) That as a result of this leakages and fraudulent charges by NAHCON, Nigerian Muslim aspiring to perform Hajj in 2018 is seemingly becoming a mirage because as at today, less than 40% of allotted slot SPWB has been fully paid by intending pilgrims. According to the 2018 Hajj package for states, FCT, and Armed Forces released by NAHCON in its website, Abia state has the least Hajj fare, **N1,393,902.94**, while FCT – Abuja has highest fare of **N1,492,867.15**, (see Annexure 14).

8.5 ANIMAL SACRIFICES (HADYA):

- (A) That from 2015, NAHCON in collaboration with Jaiz Bank Plc introduced decentralization of compulsory religious sacrifices of animals (Hadya) for the Nigerian Pilgrims which hitherto used to be performed individually by the pilgrims. Like all other of its innovations, these too goes with a price. **An intending pilgrim is meant to pay SR406 (N40,000)** for the sacrifices to be performed on his/her behalf, the amount is said to be utilized as shown below;

S/NO.	BENEFICIARY	AMOUNT (SR)
1.	JAIZ BANK PLC.	3
2.	NAHCON	3
3.	HADYA/CBN COMMISSION	400
	TOTAL	SR406

Note: Central Bank of Nigeria (CBN) charges N2 per Saudi Riyal.

- (A)(i) Based on the above identified unilateral and inflated increases, that if all these leakages, wastages and pilferages are stopped, there will be a total savings of **Five Hundred and Twenty – Six Thousand, Nine Hundred and Forty – Five Naira, Fifty – Seven Kobo (N526,945.57)** only which brings down the total Hajj fare to **Nine Hundred and Ninety – Nine Thousand, Five Hundred and Twenty – Eight Naira, Twenty Kobo (N999,528.20)** only.

8.6 ANNUAL HAJJ OFFICIALS:

- (A) That annually, the National Hajj Commission (NAHCON) and the State Pilgrims Welfare Board (SPWB) sponsor outrageous number of officials to the Kingdom of Saudi Arabia from the revenue generated from pilgrims and funds from State Governments.
- (A)(i) That the National and state officials' roles of Medicals, Media, Ulama, and Guides often overlap with one another;
- (ii) That in many cases, relatives and cronies of NAHCON and SPWBs' Executives were sponsored in the name of officials just to enable them perform the Hajj with fees paid by ordinary Nigeria;
- (iii) That there is high degree of lack of continuity, incompetency, inefficiency and corrupt tendencies among the officials of State Pilgrim Welfare Board (SPWB) due to lack of legislation to regulate their activities both at home and at the Holy land; and,
- (iv) That the National Hajj Commission officials are reluctant to pursue matters that affects the general welfare of the Nigerian pilgrims in Saudi Arabia as clearly evidence in their failure to pursue the payment of compensation of some families of the victims of the 2015 crane and stampede tragedies in the Kingdom of Saudi Arabia.

8.0 RECOMMENDATIONS:

From the findings and observations listed above, we make the following recommendations:

1. That NAHCON should immediately constitute proper Procurement Planning Committee in line with Public Procurement Act, 2007;
2. That all unnecessary charges, by NAHCON and SPWB, such as Administrative charges, Hajj Development Levy (**₦5,000**), Yellow card, Registration forms, SPWB Administrative charges, and other charges by SPWB should be stopped immediately;
3. That the National Assembly should immediately commence amending the NAHCON and Utility Charges Commission Acts to bring them to be in conformity with present day realities;
4. That NAHCON should be sanctioned for violating relevant sections of the 1999 Nigeria Constitution (as amended), Public Procurement Act, 2007 and NAHCON establishment Act;
5. The Ministry of Foreign Affairs should be allowed to have institutional oversight on the operations of the Commission in so far as its functions and responsibilities synergize with the diplomatic responsibilities of the Ministry, since the Presidency is such a large political establishment to have the institutional memory and framework to effectively oversight the Commission;
6. That NAHCON should ensure that as from 2018 Hajj exercise, Local Air carriers should be given priority, and they should charge Airfare, the same amount for both Umra and Hajj;
7. That Nigeria like other countries should pullout from the one – sided MOU signed by NAHCON with Saudi Authority with regards to the 50/50 sharing of Airlifting of Nigerian pilgrims;
8. That SPWB should be allowed to freely negotiate and secure rental accommodation and other ancillary services for their pilgrims both at Makkah and Madina, while the role of NAHCON should be regulatory only as is obtainable in many countries;
9. That number of days for the accommodation in Madina should be reduced from **75 days** to only **40 days**. The number of bed spaces in Madina should also be reduced to **20,000** instead of about **24,000** as currently contracted. This will further bring down the cost of accommodation in Madina.

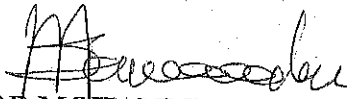
10. The monumental fraud associated with the provision of accommodation in Madina, the subletting of bed spaces and other procured services rendered by the Commission between 2015 and 2018 (inclusive) should be investigated fully by the Economic and Financial Crimes Commission with a view to bringing culprits to book;
11. That henceforth, NAHCON should stop renting accommodations beyond the number of days Nigerian pilgrims will spend in Madina, and all proceeds realized from renting out accommodations in 2014, 2015, 2016 and 2017 should be refunded to pilgrims who undertook the Hajj exercise in those years while competitive process should be allowed to take its course on renting accommodation in Makkah by SPWB;
12. That the Shura'al Khair Group of Company Ltd. (owned by a non-Nigerian) should be stopped from rendering any service to Nigerian pilgrims with effect from 2018 Hajj Exercise, while Saudi based Nigerian companies be encouraged to bid for service provision, provided they meet the Saudi Arabia procurement standards;
13. That the centralized feeding arrangement introduced by NAHCON in 2015 should be scraped and allow individual pilgrims to feed themselves;
14. That the newly reviewed local transport fare by NAHCON should be discontinued with immediate effect as it is new only in name with no additional value to Nigerian pilgrims;
15. That NAHCON should submit its books to Auditor – General for the Federation (AGF) for comprehensive and forensic auditing with regards to revenue and expenditure since inception;
16. That all monies collected as revenue by NAHCON either as proceeds of sub-letting pilgrims' accommodation in Madina, penalties and other levies part of which is used to purchased office accommodation in Abuja (Metro Plaza) should be recovered and paid back to pilgrims or the Treasury;
17. That State Governments are advised to come up with legislations that will streamline the activities of their State Pilgrims Welfare Board with the view to making them more effectively and responsible; and
18. There should be a downward review of the 2019 Hajj fare not to exceed **One Million Naira (N1million)** only under any circumstance;

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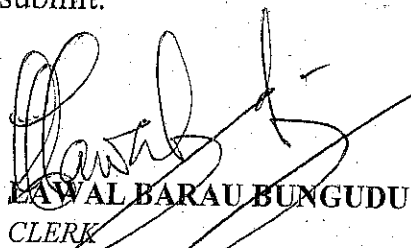
19. Nigerian Civil Aviation Authority (NCAA) and Federal Airport Authority of Nigeria (FAA) charges should be reduced by 50% which will be a relief to pilgrims since all charges are borne by them, and
20. MaxAir, and any other interested and qualified indigenous carriers should be allowed to airlift the pilgrims at a reasonable rate of \$1,000 (or even negotiated lower) per pilgrim.

10.0 CONCLUSION

Mr. Senate President, distinguished colleagues, on behalf of members of this very important Ad Hoc Committee, I wish to most sincerely thank you for the opportunity given to serve in this capacity. We so submit.

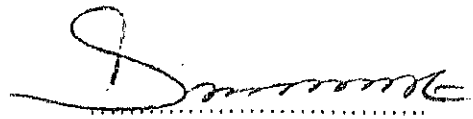


SENATOR MOHAMMED A. ALIERO
CHAIRMAN



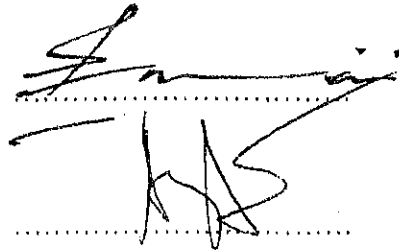
LAWAL BARAU BUNGUDU
CLERK

SENATOR IBRAHIM A. DANBABA



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SENATOR MAO A. OHUABUNWA



.....

SENATOR MATTHEW A. URHOGHIDE

.....

SENATOR OLANREWaju A. TEJUOSHO

.....

SENATOR SABI A. ABDULLAHI

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