

WELCOME BACK SPEECH BY THE PRESIDENT OF THE SENATE, FEDERAL REPUBLIC OF NIGERIA, HIS EXCELLENCY, SENATOR (DR) ABUBAKAR BUKOLA SARAHI (CON) TO SENATORS OF THE 8TH SENATE ON RESUMPTION FROM A SENATE ANNUAL RECESS ON TUESDAY, 20 SEPTEMBER, 2016.

Protocol:

1. Distinguished colleagues, I am greatly pleased to welcome you back to the hallowed Chamber of the Senate after our annual recess. To our Muslim colleagues, I wish you all Eid Mubarak.
2. I hope that the recess has afforded us the opportunity to reconnect with our constituencies and to reflect on the great task that lies ahead of us.
3. During this year's Sallah, as it is my tradition, I had close interaction with a cross section of my people in Kwara Central including, the aged, youths, market women, and leaders of thought. I believe many of you did the same. I recall unforgettably, how one of the women came straight to me with a look of utter desperation and all she could mutter out was, please our Senator, do what you can to put an end to this suffering, it is becoming unbearable. I don't know what your experience was, but if your experience mirrored mine, then the challenge before us could not have been made clearer.

The words of this woman reverberated across the hall with such unison that it was impossible to under estimate the desperation in the land. In the last couple of days, I have interacted with many of you here, and it has become even clearer to me that the situation is virtually the same all across the country.

4. During my interaction which I described above, I remember trying to explain to my people that this kind of thing does not happen overnight; that the seeds for the condition that we suffer from today must have been planted by past administrations that refused to do what was necessary. However, I soon realized that my people are not so interested in how we got here or who to blame for our current situation. They only wanted to know that government has plans to get them out of this current predicament. To them, the only explanation that makes sense at the moment is that which puts food on the table, reduces price of rice, garri, salt, sugar, meat and saves jobs.

5. Yes, the collapse in oil prices from over \$100 per barrel to about \$48 recently meant the Nigerian economy would experience serious challenges. However, low sovereign savings have compounded our situation with Foreign exchange reserves having declined from over \$65bn in 2007 to about \$30bn by 2015, and subsequently to \$24.871bn on 16th September 2016.

The implications of this is that we must do something drastic and quick to restore confidence back into the economy and get people investing and spending again if we are to end the despair in the land.

6. It is no longer news, that the National Bureau of Statistics confirmed that the Nigerian economy has drifted into recession. With GDP growth in the second quarter of 2016 at -2.06% following a decline of 0.36% in the first quarter, the Nigerian economy has had two consecutive quarters of economic contraction.

7. It is clear to me that when people are desperately hungry, what they need is leadership with a clear vision; leadership whose daily actions reflects the very urgency of the people's condition. Therefore, our response to the current challenge must be dictated by the urgency of the hardship that the people suffer on a daily basis. I say this to urge us that we must have an urgent debate on the way forward. But in having this debate we must resist the temptation of drowning the debate with apportioning blames that will neither bring solutions to the problem or reduce the cost of rice, maize or oil in the market. Rather this debate must be solution driven, it must be people oriented and less political.

8. Distinguished colleagues, the simple question for our debate must be; how do we tame the widespread hunger in the land? How do we save our businesses from collapse? How do we save jobs for the majority and create even a lot more? Only a few months ago, Naira was exchanging to the dollar at 200; today it is approaching 500. How do we arrest this drift so that our businesses can compete and our children can go to school wherever they may find opportunities? These and many more are questions in desperate need for answers. Unfortunately, the answers to all these questions are not easy. But we must ask them all the same. Because these are the questions Nigerians are asking and, they need us to justify our leadership by providing answers to them.

9. However, even as desperate as our people may be for solution, I did not feel that what they expect from us is a miracle. I believe what they want to see is that as leaders, all our hands are on the deck. They don't care about our politics; they don't care about our political affiliations; they don't care if we are APC or PDP; north or south. What they want is for us to lead the way out of this crisis and deliver on the promises that we made to them.

10. Distinguished colleagues, though the outlook is not cheer-inspiring, however, in the midst of this dire situation, I bring you good news, not fear. I bring a message of hope not despair, because once again, Nigeria shall overcome. Let no one write us off. We have done it before we will do it again. The world has come to know Nigeria as a people who have formed a habit of proving naysayers wrong and turning adversity into triumph.

11. Many times experts have quipped Nigeria is finished, but we came back stronger. This occasion will not be any different. But it will not happen by a slogan! No, it will take positive leadership and unity. Never in our history has the need to show leadership and unity been more acute, more urgent than now. We cannot afford to play politics with our current situation. As a parliament we are in this together with the Executive and the Judiciary, we cannot afford to fail Nigerians.

12. My expectation is that by the time we are done with our debate we should make key actionable recommendations to the Executive on what this Chamber sees as the way forward in the immediate, medium term and long term solutions to this economic situation. And as representatives of our people we must follow up through regular oversight and pressure on the Executive to ensure that they deliver on our recommendations.

On our path however, we are ready to pass the legislative measures that will facilitate our quick exit from this recession.

13. We will work in concert, not at cross-purposes. Our goal is clear; to work together with the Executive to get our economy out of recession. We will proffer our solutions on policy issues, and where necessary enact necessary legislation to ensure that investor confidence returns to the market.

14. We have already made inroads in this regard with the passage of some the key priority legislation necessary to get us out of this mess; including, the Procurement Act (Amendment) Bill, The Electronic Transactions Bill, The Railway Bill, The Bankruptcy and Insolvency Act (Amendment) Bill and The Commercial Agriculture Credit Scheme Bill.

15. Distinguished colleagues let me also state clearly that we shall not hide under the cloak of partisan solidarity to abdicate our constitutional responsibility under the principles of checks and balances. We shall make critical interventions whenever they become necessary and undertake emergency actions whenever they are required, within the confines of the constitution. The task at hand requires us to take tough decisions and do all that is necessary to dig our economy out of this recession.

This imperative must take precedence over partisan loyalty. This is what the people expect of us and it is the only way we can continue to justify our presence here.

16. As I had mentioned earlier, on our part we will do the following; debate the state of the economy and come up with economic measures that we will submit to the Executive. This we will do along with passing the necessary legislation we have identified. I must hasten to add in my own opinion that the Executive must begin to take the following needful steps to show Nigerians, the international community and investors both local and international that we are ready to reform and do business. These are

- I. The Executive must immediately put in place leadership-level engagement platform with the private sector. This must be one that is pro-business and shows unequivocally that government is ready to partner with the private sector towards economic revival. This is a critical signpost towards market confidence which is a key ingredient to help us revamp the economy out of recession
- II. The Executive must raise capital from asset sales and other sources to shore up foreign reserves. This will calm investors, discourage currency speculation and stabilize the economy.

The measures should include part sale of NLNG Holdings; reduction of government share in upstream oil joint venture operations; sale of government stake in financial institutions e.g. Africa Finance Corporation; and the privatization and concession of major/regional airports and refineries.

- III. The Executive must consider tweaking the pension funds policy within international best practice and safeguards to accommodate investment in infrastructure and mortgages.
- IV. The Executive and CBN must agree on a policy of monetary easing at the appropriate time to stimulate the economy and harmonise monetary and fiscal policy until economic recovery is attained. We must ensure local government borrowing does not crowd out credit for the private sector.
- V. The Executive must retool its export promotion policy scheme with export incentives such as the resumption of the Export Expansion Grant (EEG); and introduce export-financing initiatives.

- VI. The Executive is urged to engage in meaningful dialogue with those aggrieved in the Niger Delta and avoid an escalation of the conflict in the region. The National Assembly is very ready to play any role in the process and offer ideas on approaches that will deliver quick win-win in order to move the region and the economy forward.
- VII. The Executive must as a deliberate response consider immediate release of funds to ensure the implementation of the budget for the near short term to inject money into the economy.
- VIII. Similarly, the agricultural sector and the agro-allied businesses should be directly supported to boost value addition and job creation.
- IX. While government works on the medium to long-term plans, immediate strategies must be devised that would ease the suffering of the ordinary people across our country. In this case particular attention should be given to our citizens in IDP camps. The images emerging from this zone of deprivation and hunger is no longer acceptable. Government should accelerate interim measures to provide social safety-nets to our people and assuage current high levels of misery in the land.

Such intervention should seek to fully execute the social spending framework already provided in the 2016 budget.

- X. Distinguished colleagues, on our own part, we must turn our attention towards a number of legislative priorities such as the Petroleum Industry Bills. We must ensure the passage of the PIB as soon as possible to stimulate new investment and boost oil revenue. As we all know, this bill is long in waiting and is very crucial for vital investment in the oil and gas sector. The impasse of not passing the bill is doing great harm to the industry and the Nigerian economy as a whole.
- XI. Mortgages remain key for economic growth and development. We will immediately begin the process of accelerating bills aimed at reforming the subsector for growth and accessibility in a manner that deepens our peoples access to housing, jobs and economic activities that can inject fresh funds into this sector.
- XII. There is the National Development Bank of Nigeria (Establishment, etc) Bill 2015, which will provide long term, cheaper source of funds to the private sector.

- XIII. There are also the Nigerian Ports and Harbours Authority Act (Amendment) Bill 2016; National Road Fund (Establishment, etc); National Transport Commission Act 2001; Warehouse Receipts Act Bill 2016; Review of the Companies and Allied Matters Act (CAMA), Investment and Securities Act (ISA) and Customs and Excise Management Act; Federal Competition Bill 2016; and the National Road Authority. In my view, these bills and some of the other economic reform bills we will be considering in the coming days will be critical in the creation of a basic framework to free up capital and provide the opportunities to get us out of this recession.
- XIV. We must also explore the possibility of backing certain key government policies with legislations that have time limitations. This will help give confidence to investors to go into certain areas of the economy and invest without the fear that such policies will suffer reversals and their investments lost. This is especially important in boosting investment in agriculture and minerals sub-sectors; which are critical segments of the new diversified Nigerian economy.

17. This Chamber is ready to receive and consider expeditiously any additional proposals from the Executive to create a new Nigerian economy and get us out of this recession as quickly as possible

18. Distinguished colleagues, I must at this point like to re-emphasise the fact that we need togetherness to tackle the problem and it will be naïve to consider the problem we face today as the problem of this administration alone, or that those who brought us to this situation should see us out. That would be doing a disservice to our people who elected us to help them out when they are in need. This problem is our collective problem. It doesn't matter if we are APC, PDP, or whatever affiliation we may have politically or socially. As leaders we must respond positively to the challenge by thinking out of the box. Hence, we cannot allow our personal interest or comfort to becloud our perception. I do not think anybody in this Chamber has gone through more political persecution than myself since the inception of this government, but I will be the last to fold my arms and say that the current economic problem is not my problem. No, it is.

19. So my dear colleagues, I remain humbled by your unflinching support and solidarity to my leadership. I, today once more seek that support, if you believe in my leadership as you have always shown, this is the time to follow me further for the sake of our beloved country; do what is necessary to ease the pain of our people by working with the Executive to get us out of this situation.

20. Distinguished Colleagues, ladies and gentlemen. Let me conclude this address by reaffirming my belief that while we face a grim present and an uncertain future, we have within our country, the capacity to make this the shortest recession in our history. I have no doubt that Nigeria shall rise again.

21. I remember during my Sallah interactive session, a young student said to me that he had lost hope in the possibility of a promising future for the youth in Nigeria. This made me realize the weight of our responsibility to get us out of this recession and give hope to our teeming youth who are looking up to us in this Senate. We cannot afford to fail this generation.

22. In this vein, I must urge you my colleagues, that it is time to think outside the box and outside the comfort zone and make immense sacrifices to pursue ways to fast track the passage of bills. We will be relying on your courage, bipartisan spirit, endurance, personality, long hours of plenary sitting that could sometimes last into the night if necessary, diligent oversight and prompt committee reporting.

These are some of the ways we must use to show that we are ready to lead by example in defense of our national economy. In the same token, we may have to fast track some of these bills as the exigencies of the time demand in order to avoid anything being in the way of our progress out of recession

23. Distinguished colleagues, we cannot afford further distraction and fixation to politics that would not and does not add food on the table of our people, or add one mega watt of electricity to our grid. Everywhere you go there is hunger in our land and our people want solutions to their problems.

24. My distinguished colleagues, I believe we can make the recession we face today the shortest in our history and use the lessons coming out of it to consolidate our development. But it all starts now if we all can believe.

25. Thank you for your attention and God bless Nigeria.

President of the Senate, Federal Republic of Nigeria.