

## SENATE OF THE FEDERAL REPUBLIC OF NIGERIA ORDER PAPER

Tuesday, 19th May, 2020

- 1. Prayers
- 2. Approval of the Votes and Proceedings
- 3. Oaths
- 4. Announcements (if any)
- 5. Petitions

# BUSINESS OF THE DAY PRESENTATION OF BILLS

- 1. Nigerian Local Content Development Regulation Bill, 2020 (SB. 419) First Reading Sen. Folarin, Teslim Kolawole (Oyo Central).
- 2. Nigerian Oil and Gas Industry Content Act 2010 (Repeal & Re-enactment) Bill, 2020 (SB. 420) First Reading Sen. Abdullahi, Aliyu Sabi (Niger North).
- 3. 1999 Constitution of the Federal Republic of Nigeria (Alteration) Bill, 2020 (SB. 421) First Reading Sen. Egwu, Samuel Ominyi (Ebonyi North).
- 4. National Health Act 2014 (Amendment) Bill, 2020 (SB. 423) First Reading Sen. Balogun, Kola Ademola (Oyo South).
- 5. Environmental Health Officers (Registration, etc) Bill, 2020 (HB. 44) First Reading Sen. Abdullahi, Yahaya Abubakar (Kebbi North-Senate Leader).

# ORDERS OF THE DAY CONSIDERATION OF BILLS

- A Bill for an act to Establish the National Food Reserve Agency and for matters connected therewith, 2020 (SB. 189) - Second Reading
  - Sen. Adamu, Abdullahi (Nasarawa West).
- 2. A Bill for an Act to Amend the Nigerian Oil and Gas Industry Content Development Act, 2010 and for other matters connected thereto, 2020 (SB. 417) Second Reading Sen. Folarin, Teslim Kolawole (Oyo Central).
- 3. A Bill for an Act to Repeal the Banks and Other Financial Institutions Act CAP B3 LFN 2004 and Re-enact the Banks and Other Financial Institutions Act, 2020 and for matters connected therewith, 2020 (SB. 178) Second Reading
  - Sen. Sani, Uba (Kaduna Central) & Sen. Apiafi, Betty Jocelyn (Rivers West)
- 4. A Bill for an Act to Establish the Federal Tertiary Teaching Hospitals Development Tax Fund for the Rehabilitation, Restoration, Improvement and Consolidation of Tertiary Health Care Delivery in Nigeria and for other matters connected thereto, 2020 (SB. 136) Second Reading Sen. Musa, Mohammed Sani (Niger East).

#### **MOTIONS**

1. Urgent need for quick disaster response to communities in Baruten, Edu and Kaiama Local Government Areas in Kwara State.

Sponsor: Sen. Umar, Sadiq Suleiman (Kwara North)

The Senate:

*Notes* that destructive rainstorm occurred repeatedly in Baruten, Edu and Kaiama Local Government Areas in Kwara State in the last two weeks affecting communities and towns including Gure, Kenu, Bushiru, Biogberu, Tiberu, Okuta, Chikanda, Ningurme, Yakiru, Likpata and Kaiama communities;

Notes also that over 200 houses and properties worth millions were destroyed with several people injured and one death;

Concerned that the victims are currently living in a deplorable conditions having been rendered homeless leading to many being dislocated and dispersed into different other villages and communities;

Worried that in this time of the Covid-19 Pandemic where every citizens are advised to stay at home, displaced victims without a home or roof over their head are at risk aside putting other community members in danger; and

Further worried that members of these affected communities are predominately farmers and with their dislocation during this peak of raining season when their faming activities is at its zenith hence their livelihood will therefore be disrupted, further impoverishing them and exposing them to various other risks including Covid-19 and hunger.

Accordingly resolves to:

Mandate the Ministry of Humanitarian Affairs, Disaster Management & Social Development and National Emergency Management Agency (NEMA) to quickly mobilize resources to provide relief and rehabilitation materials to the victims in the affected communities.

2. Urgent need for the Federal Government to Streamline Import Duty and Value Added Tax (VAT) Waiver to Essential Pharmaceutical Drugs.

Sponsor: Sen. Ubah, Ifeanyi Patrick (Anambra South)

The Senate:

Aware that in the wake of the COVID -19 Pandemic, the Federal Government of Nigeria on the recommendation of the World Health Organization (WHO) and the World Customs Organization (WCO) adopted certain fiscal measures including introduction of Import Duty and Value -Added Tax (VAT) Waivers on essential health and medical supplies in order to abate the spread of the Pandemic in Nigeria;

Notes that in line with the fiscal measures introduced via the Nigeria Customs Service Circular No.NCS/HS/899/31/T/VOLn 4 dated 29th April, 2020, all medical supplies relevant to the management of COVID-19 infection such as COVID -19 Test Kits, Protective Garments, Thermometers, Disinfectants/Sterilization products, Medical Ventilators, Patient Monitoring Devices, etc, were exempted from Import Duty and VAT Waiver for a period of six (6) months effective from 1st May, 2020, different from Presidential Directives to include all Pharmaceutical products;

Notes however that the Import Duty and VAT Waivers granted by the Federal Government on medical supplies as operated by the Nigerian Customs Service did not extend to essential pharmaceutical drugs such as anti-malaria, anti-diabetics, anti-hypertensive, anti-cancer and several others needed by children and the elderly, the elderly being most vulnerable group of people to COVID-19 infection;

Aware that in the absence of globally accepted treatment protocol for the dreaded COVID -19, most clinicians in Nigeria have employed combination of different drug regimen including drugs already in use daily for the treatment of other ailments thereby putting immense pressure on the existing supply chain leading to a spike in prices on commonly consumed drugs;

Aware also that the disruption in economic activities and the total / relaxed lockdown of several States in the country as part of measures to control the spread of the COVID -19 Pandemic in the country has adversely affected the disposal income of most people to purchase essential drugs such as anti-malaria, anti-diabetics, anti-hypertensive, anti-cancer drugs thereby increasing the vulnerability of people with such ailments to COVID -19 infection;

Aware that the current exchange rate has hit hard on Pharmaceutical companies as the Nigerian Customs rate of N465 to a Dollar which has made it very difficult for Importers. Many of the Pharmaceutical companies rely more on Drugs Imports which is to the tune of about 70%;

Observed that at the moment people with underlying ailments such as diabetes, asthma, high blood pressure, cancer, are reported to have recorded the highest mortality rate out of those who die from COVID-19 underscoring the need for special fiscal measures to ensure that drugs for treatment of such categories of persons are granted Import Duty and VAT Waivers so that those who need such drugs can access them easily; and

Convinced that there is an urgent need to urge the Federal Government to streamline the Import Duty and VAT Waivers to essential pharmaceutical drugs such as anti-malaria, anti-diabetics, anti-hypertensive, anti-cancer drugs and others commonly consumed by children and the elderly, the elderly being most vulnerable to COVID-19 infection.

#### According resolves to:

- i. Commend the Federal Government for the recent Import Duty and Value -Added Tax (VAT) Waiver on health and medical supplies in the country as part of measures to abate the spread of COVID-19 Pandemic in Nigeria;
- ii. *Urge* the Federal Government through the Federal Ministry of Finance to streamline the Import Duty and VAT Waivers granted on medical supplies to apply on essential pharmaceutical drugs such as anti-malaria, anti-diabetics, anti-hypertensive, anti-cancer and several others needed by children and the elderly, the elderly being most vulnerable to COVID-19 infection; and
- iii. *Mandate* the Senate Committees on Finance, Health (Secondary and Tertiary) and Primary Healthcare and Communicable Diseases to liaise with the Federal Ministry of finance with a view to ensuring compliance with the resolution (2) of this motion.
- 3. The Ajaokuta Steel Company: A panacea to the diversification of the Nigerian Economy.

Sponsor: Sen. Yakubu, Oseni (Kogi Central)

### **Co-Sponsors:**

Sen. Isah, Jibrin (Kogi East)

Sen. Abdullahi, Aliyu Sabi (Niger North)

Sen. Musa, Mohammed Sani (Niger East)

Sen. Umar, Sadiq Suleiman (Kwara North)

Sen. Suswam, Gabriel Torwua (Benue North East)

Sen. Orker-Jev, Emmanuel Yisa (Benue North West)

Sen. Al-Makura, Umaru Tanko (Nasarawa South)

Sen. Dimka, Hezekiah Ayuba (*Plateau Central*) Sen. Adetunmbi, Olubunmi Ayodeji (*Ekiti North*)

Sen. Bamidele, Micheal Opeyemi (Ekiti Central)

Sen. Adeyemi, Smart (Kogi West)

Sen. Bima, Muhammad Enagi (Niger South)

Sen. Oloriegbe, Yahaya Ibrahim (Kwara Central)

Sen. Ashiru, Oyelola Yisa (Kwara South)

Sen. Moro, Patrick Abba (Benue South)

Sen. Adamu, Abdullahi (Nasarawa West)

Sen. Akwashiki, Godiya (Nasarawa North)

Sen. Gyang, Istifanus Dung (Plateau North)

Sen. Barau, I. Jibrin (Kano North)

Sen. Amosun, Ibikunle Oyelaja (Ogun Central)

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The Senate:

*Notes* that Ajaokuta Integrated Steel Complex was conceived and steadily developed with the vision of erecting a Metallurgical Process Plant cum Engineering Complex with other auxiliaries and facilities;

Notes also that the complex is meant to be used to generate important upstream and downstream industrial and economic activities that are critical to the diversification of our economy into an industrial one;

Aware that the Steel Plant aptly tagged as the "Bedrock of Nigeria's industrialization" was erected over 35 years ago. Due to constant preservation, the facilities have remained largely intact although the electronics and electrical items might have gone bad;

Aware also that Ajaokuta Integrated Iron and Steel Plant is planned to be executed in three (3) Phases and was conceived to launch Nigeria into an industrialized nation and make the manufacturing Sector lead in GDP contribution, it covers over 24,000 Hectares of land;

Among those phases are:

- Phase I Production of 1.3million tonnes of liquid steel per year to generate round products and light sections:
- Phase II Production of 2.6million tonnes of liquid steel per year during which flat products are to be added to the product mix; and
- Phase III- Production of 5.2million tonnes of liquid steel per year to enlarge the volume of the product mix and include some special grades of steel;

Agreed that a working Steel Plant is always the Bedrock of industrialization for any developing nation hence it is one of the pillars of the Nigerian Industrial Revolution Plan (NIRP) launched in 2014;

Reiterates that the Steel sector is very critical to our national development because of its catalytic role and linkage effects on the other sectors of the National economy;

Aware that Ajaokuta Steel Plant is situated on a 24,000 Hectares of green field land mass that is envisaged to grow into a technological village clusters for small scale industries (as we have in Sheffield (UK) and Bukaro (India) presently) that will in due course utilized the products and by- products of the Steel Plant as there raw materials;

Further aware that Employment generation for the first phase commissioning of the Steel plant will yield 10,000 direct technical staff and 500,000 indirect jobs of unskilled, semi-skilled and skilled in the downstream and upstream industries and services;

Regrets that without developing our own Steel industry, we will only export all our Raw Steel at very cheap rates and import the finished steel and allied products at exorbitant prices (as it is with our oil today);

Regrets also that Nigeria imports over N2.3 trillion of Steel and Allied Product every year, our own Steel industry will therefore be a tangible Foreign Exchange Earner and saver for our fragile economy;

Concludes that a completed Ajaokuta Steel Plant in no doubt will present a huge benefits to our bid for economic diversification. It will be a huge foreign exchange earner and saver for the country, an employment generation, thereby help greatly in reducing the current wave of youth unrest, kidnaping and banditry in the Country; and

Aware that in line with this administration commitment to the development of the Steel Sector, the President C-in-C inaugurated a Presidential Committee on the implementation of the Ajaokuta Steel.

According resolves to:

- *i. Urge* the Federal Government to as a matter of urgency expedite action towards the completion of the Ajaokuta Steel Project;
- *ii.* Commend the President C-in-C for the inauguration of the Committee on the implementation of Ajaokuta Steel;

- *Urge* the Committee to hit the ball rolling by ensuring that all issues surrounding the operation of Ajaokuta Steel Company are resolved; and
- *iv.* Urge the Senate Leadership and the Committee on Solid Minerals and Steel Development to undertake an assessment Oversight on the complex after the Covid-19 lockdown.
- 4. Power Sector Recovery Plan and the Impact of Covid-19 Pandemic.

Sponsor: Sen. Suswam, Gabriel Torwua (Benue North East)

### **Co-Sponsors:**

Sen. Abaribe, Enyinnaya Harcourt (Abia South)
Sen. Adamu, Muhammad Aliero (Kebbi Central)
Sen. Abdullahi, Aliyu Sabi (Niger North)
Sen. Goje, Mohammed Danjuma (Gombe Central)
Sen. Orji, Theodore Ahamefule(Abia Central)
Sen. Dahiru, Aishatu Ahmed (Adamawa Central)

Central)

Sen. Bassey, Gershom Henry (Cross River South)
Sen. Fadahunsi, Francis Adenigba (Osun East)
Sen. Barkiya, Abdullahi Kabir (Katsina Central)
Sen. Wamakko, Aliyu Magatakarda (Sokoto North)
Sen. Gobir, Ibrahim Abdullahi (Sokoto East)
Sen. Bamidele, Micheal Opeyemi (Ekiti Central)

Sen. Manager, James Ebiowou (Delta South) Sen. Tanimu, Philip Aduda (F.C.T) Sen. Kyari, Abubakar Shaib (Borno North) Sen. Ahmad, Babba Kaita (Katsina North) Sen. Isa, Shuaibu Lau (Taraba North) Sen. Yusuf, Abubakar Yusuf (Taraba

Sen. Na'allah, Bala Ibn (Kebbi South)
Sen. Balogun, Kola Ademola (Oyo South)
Sen. Boroffice, Robert Ajayi (Ondo North)
Sen. Egwu, Samuel Ominyi (Ebonyi North)
Sen. Mandiya, Bello (Katsina South)
Sen. Mpigi, Barinada (Rivers South-East)

#### The Senate:

Aware that at the outbreak of the dreaded COVID- 19 Pandemic, the Federal Government through the Federal Ministry of Finance intimated the leadership of the National Assembly of plans to establish a N1.7trn COVID-19 Crisis Intervention Fund to be utilized to upgrade healthcare facilities across the country, stimulate agriculture, solid mineral, power sector and also execute social intervention programmes that will benefit the masses;

Notes that while the appropriate Executive Bill that will articulate the actual use of the proposed N1.7trn COVID-19 Crisis Intervention Fund is yet to be presented to the Senate for consideration, the devastating impact of the Pandemic on the power sector has necessitated the need for the Senate to draw the attention of the of the Federal Government to the need to include the sector in the disbursement of the proposed fund bearing in mind the vital role of stable electricity supply to current efforts towards jumpstarting the economy which is still groaning under the impact of the Pandemic;

Notes further that stable and uninterrupted power supply is also a critical factor in the management of COVID-19 patients at the designated isolation and treatment centres across the country as well as in the implementation of the proposed upgrade of healthcare facilities across the country and even after the Pandemic, the importance of uninterrupted power supply to critical segments of the economy like the manufacturing sector cannot be overemphasized as the manufacturing sector relies heavily on uninterrupted power supply to thrive;

Aware that prior to the outbreak of the COVID -19 Pandemic and its attendant negative impact on the Nigerian Electricity Supply Industry (NESI), the NESI was already facing teething operational constraints including the absence of cost – reflective tariffs, inadequate enumeration and metering of consumers, limited access to funds for investment, poor revenue generation, and high levels of Aggregate Technical Commercial and Collection (ATC & C) losses. Generation Companies (GenCos) were owed 72 per cent of their revenue in 2019 while Electricity Distribution Companies (DisCos) reported average ATC & C losses of about 41 per cent in the same year. All these constraints prevented the NESI from performing optimally across the power value chain;

Aware also that this Distinguished Senate as a clear demonstration of its commitment to proffer lasting legislative solution to the challenges confronting the NESI recently mandated its Standing Committee on

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addressing them in the interest of the Nigerian economy. Report of the proceedings of the roundtable held on Monday 9th December, 2019 including recommendations for the way forward has already been laid and is awaiting consideration;

Alarmed that the COVID -19 Pandemic has further impacted negatively on the NESI as the DisCos reported 50% loss of their average monthly average revenue collection for the months of March and April 2020 respectively even as the Federal Government continues to harp on the need for stable electricity supply especially during the Pandemic;

Further alarmed that if the negative impact of COVID-19 on the NESI continuous without any emergency financial intervention from the Federal Government, DisCos already facing dwindling revenues in the wake of the Pandemic may not be able to meet their remittance obligations to the market as set by the Nigerian Electricity Regulatory Commission (NERC) in December, 2019 Tarrif Order. This will also affect the financial obligations of the Transmission Company of Nigeria (TCN) which is expected to have a cost reflective tariff change of N3.7/kWh to N8.3/kWh by 1st July, 2020. The financial obligations of GenCos and Gas – to- Power suppliers will also be negatively impacted while banks that lend to oil and gas producers may face deteriorating credit quality making it harder for operators to access the much needed funds for investment; and

Aware that in the past under the power sector recovery plan, the Federal Government through the Central Bank of Nigeria and other international money lending institutions extended some financial intervention to the power sector but the actual adequacy or impact of such facilities remains uncertain due to either lack proper oversight by the industry regulator or poor compliance with code corporate governance for the industry on the part of the regulator and market participants. These interventions were not properly spread across the power value particularly the Distribution segment of the power sector.

### Accordingly resolves to:

- i. Commend the Federal Government for the proactive initiative to establish the N1.7trn COVID-19 Crisis Intervention Fund to cater for issues that are critical to effective management of the Pandemic and to stimulate gradual return to normal socio-economic activities in the country;
- ii. Urge the Federal Government through the Federal Ministry of Finance to include the Nigerian Electric Power Sector in the disbursement of the proposed N500bn COVID-19 Crisis Intervention Fund in order to ameliorate the financial hazards and operational challenges such as the enumeration of metering of actual consumers and recent problem arising from the Pandemic;
- iii. *Urge* the Federal Government to suspend the planned tariff increase which is scheduled to take effect from 1<sup>st</sup> July, 2020 bearing in mind increased hardship resulting from the COVID-19 Pandemic;
- iv. *Mandate* the Senate Committee on power to investigate all Federal Government interventions in the power sector since the privatization of the sector to date with a view to ascertaining the adequacy of such interventions and their desired impact, and to report back within four weeks;
- v. *Mandate* the Senate Committee on Power to investigate all market participants in the power value chain and ascertain the level of corporate governance compliance in the Nigerian Electricity Industry (NESI) and to report back within four weeks;
- vi. *Urge* the Central Bank of Nigeria to allow operators in the power sector access to foreign exchange for procurement of equipment and materials like what is done in the aviation and oil industry; and
- vii. *Urge* the Federal Government to consider additional tariff support to cushion the effect of rate shock over a fixed period to allow time required for TCN and Discos to access funds

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	COMMITTEE MEETINGS	

	COMMITTEE MEETINGS					
N	o. Committee	Date	Time	Venue		
1.	Foreign Affairs	Tuesday, 19 <sup>th</sup> May, 2020	1.30pm	Committee Room 211 Senate New Building		
2.	Sustainable Development Goal (SDG)	Tuesday, 19th May, 2020	1.00pm	Committee Room 120 Senate New Building		
3.	Special Duties	Tuesday, 19th May, 2020	2.00pm	Committee Room 204 Senate New Building		
4.	Establishment and Public Service	Tuesday, 19th May, 2020 (Screening Exercise)	2.00pm	Committee Room 117 Senate New Building		
5.	Trade and Investment	Tuesday, 19th May, 2020	2.30pm	Committee Room 224 Senate New Building		
6.	Youth and Sports Development	Tuesday, 19th May, 2020	11.30am	Conference Room 231 Senate New Building		
7.	Niger Delta	Tuesday, 19th May, 2020	2.00pm	Committee Room 107 Senate New Building		
8.	Judiciary, Human Rights & Legal Matters	Wednesday, 20 <sup>th</sup> May, 2020 (Screening Exercise)	11.00am	Committee Room 211 Senate New Building		
9.	National Planning and Economic Affairs	Thursday, 21st May, 2020	11.00am	Committee Room 221 Senate New Building		
10.	Science and Technology	Thursday, 21st May, 2020	2.00pm	Committee Room 3.24 Senate New Building		

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