

SENATE OF THE FEDERAL REPUBLIC OF NIGERIA

VOTES AND PROCEEDINGS (2)

Thursday, 11th June, 2020

1. The Senate met at 3:14 p.m. The President of the Senate read prayers.

2. Votes and Proceedings:

The Senate examined the Votes and Proceedings of Thursday, 11th June, 2020.

Question was put and the Votes and Proceedings were approved.

3. Motion:

Amendment of Budget Size and Statutory Transfers:

Motion made: That the Senate notes the Constitutional requirements of share of Incremental Revenue by Statutory Agencies from the \$3/Barrel Oil Bench Mark price increase;

also notes the approved increase in the Crude Oil Bench Mark price from \$25 to \$28 per barrel; and

observes that the application of the percentage of the \$3 per barrel as share of Revenue amounting to ₹5,256,207,430 to some Statutory Agencies was erroneously omitted in the recently passed budget.

Accordingly resolves:

- (i) That the Statutory Transfer to Niger-Delta Development Commission (NDDC) be increased by its share: ₹1,746,411,240 (15% NDDC States share Federation Account);
- (ii) That Statutory Transfer to North-East Development Commission (NEDC) be increased by its share: №816,871,125 (10% of North-East States of Federal Accounts Allocation Committee (FAAC);
- (iii) That Statutory Transfer to Universal Basic Education Commission (UBEC) be increased by its share: ₩1,795,283,376 (2% of CRF);
- (iv) That Statutory Transfer to Basic Health Care Fund is increased by its share: ₩897,641,688 (1% of CRF);
- (v) That the total Statutory Transfer is hereby increased from ₹422,775,979,362 to a new figure of ₹428,032,186,792; and

(vi) That the total budget size of ₹10,805,544,664,642, is thus increased by the above statutory share of revenue by the listed Agencies with a total of ₹5,256,207,430 bringing the new budget size to ₹10,810,800,872,072 (Senator Solomon O. Adeola — Lagos West).

Debate:

Proposed Resolution (i):

Question: That the Statutory Transfer to Niger-Delta Development Commission (NDDC) be increased by its share: ₹1,746,411,240 (15% NDDC States share Federation Account) — Agreed to.

Proposed Resolution (ii):

Question: That Statutory Transfer to North-East Development Commission (NEDC) be increased by its share: 816,871,125 (10% of North-East States of F AAC) — Agreed to.

Proposed Resolution (iii):

Question: That Statutory Transfer to Universal Basic Education Commission (UBEC) be increased by its share: ₹1,795,283,376 (2% of CRF) — Agreed to.

Proposed Resolution (iv):

Question: That Statutory Transfer to Basic Health Care Fund is increased by its share: 897,641,688 (1% of CRF) — Agreed to.

Proposed Resolution (v):

Question: That the total Statutory Transfer is hereby increased from $\forall 422,775,979,362$ to a new figure of $\forall 428,032,186,792$ — Agreed to.

Proposed Resolution (vi):

Question: That the total budget size of \$10,805,544,664,642, is thus increased by the above statutory share of revenue by the listed Agencies with a total of \$5,256,207,430 bringing the new budget size to \$10,810,800,872,072 — Agreed to.

Resolved:

- (i) That the Statutory Transfer to Niger-Delta Development Commission (NDDC) be increased by its share: ₹1,746,411,240 (15% NDDC States share Federation Account);
- (ii) That Statutory Transfer to North-East Development Commission (NEDC) be increased by its share: №816,871,125 (10% of North-East States of Federal Accounts Allocation Committee (FAAC);
- (iii) That Statutory Transfer to Universal Basic Education Commission (UBEC) be increased by its share: ₩1,795,283,376 (2% of CRF);
- (iv) That Statutory Transfer to Basic Health Care Fund is increased by its share: N897,641,688 (1% of CRF);
- (v) That the total Statutory Transfer is hereby increased from ₹422,775,979,362 to a new figure of ₹428,032,186,792; and
- (vi) That the total budget size of $\aleph 10,805,544,664,642$, is thus increased by the above statutory share of revenue by the listed Agencies with a total of $\aleph 5,256,207,430$ bringing the new budget size to $\aleph 10,810,800,872,072$ (S/Res/002/02/20).

4. Remarks by the Senate President:



PRESIDENT OF THE SENATE

SPEECH DELIVERED BY THE PRESIDENT OF THE SENATE, DISTINGUISHED SENATOR AHMAD IBRAHIM LAWAN, PhD, CON, ON THE FIRST ANNIVERSARY BRIEFING OF THE NINTH SENATE, JUNE 2020, AT THE NATIONAL ASSEMBLY COMPLEX, THREE-ARMS ZONE, ABUJA.

PROTOCOL.

Today marks our one year anniversary in the Ninth Senate. We have every reason to thank the Almighty God for His blessings. As we clock one year, it's appropriate to reflect on the journey so far. I am therefore most pleased to address you on the first anniversary of the Ninth Senate.

Immediately after our inauguration, we adopted a well articulated Legislative Agenda. Our agenda is focused on ensuring that this Senate works for Nigerians; through various and timely legislative interventions, and other parliamentary functions. We have also committed ourselves into working in a bipartisan manner. Our goals and targets were crystal clear, and we have remained resolute to achieve them. Our decisions have been collective, purposeful and patriotic. Today, we can say that, we have remained on track to delivering on our promises to the Nigerian people.

The Senate working cordially with the House of Representatives has created a productive and proficient National Assembly. As a bicameral legislature, the Senate will continue to partner with the House of Representatives to engender stability and productivity. Let me seize this opportunity to congratulate the Leadership and the entire members of the House of Representatives for also clocking one year in the Ninth session of the National Assembly.

Both the Ninth Senate, indeed the Ninth National Assembly and the Executive arm of government have decided to collaborate and partner for a harmonious working relationship. Today, there is a very good relationship, based on mutual respect, consultation, cooperation, collaboration and partnership. There is no doubt that this has proven to be beneficial to the people we represent. I commend the executive arm of government for the valuable partnership, that has so far yielded improved service delivery to our citizens.

A good working relationship is desirable and indeed imperative in order to achieve optimum, effective and efficient service delivery to the people. Equally important however, is the observance of the principle of separation of powers. We will continue to be guided by this principle in our relationship with other arms of government. Thus, we will continue to carry out our constitutional role of oversight on the executive arm of government. This is necessary in order to engender and guarantee efficiency in governance and to also protect the liberty of citizens. We will also be guided by the national interest.

One year ago, one of our major concerns and priorities was to change the Federal Government Budget cycle. Our concern then was our country needed to have a Budget cycle that will be regular, predictable and stable. We worked extra hours and days to ensure that the Budget 2020 was passed before the end of December 2019. Our Committees carried out the necessary scrutiny of the budget estimates of the various Ministries, Departments and Agencies (MDAs) before the Budget was finally passed by the National Assembly on 5th December 2019. It's noteworthy that the passage of the 2020 Appropriation has enabled the Federal Government to start the implementation of the budget from January 2020. It also created better environment for businesses in Nigeria to plan on their financial activities within the year.

The Senate successfully amended the Deep Off-Shore and Inland Basin Production Sharing Contracts Act Cap D3LFN 2004 (Amendment Bill 2009); which was specifically geared towards increasing our collectable revenues from proceeds of crude sales.

The other areas of legislative interventions considered by the Senate were the passage of Medium Term Expenditure and Fiscal Strategy Paper MTEF/FSP 2020-2022; Public Procurement 2007 (amendment); Finance Bill 2019 (Nigeria Tax and Fiscal Law) (SB.140); Companies and Allied Matters Act, Cap C20 LFN 2004 (Repeal and Re-enactment) Bill 2019 (SB. 251).

These legislative interventions have direct positive impacts on the economy of our country. As more revenues are earned by government, the capacity and ability of government to address the infrastructural deficits are enhanced.

The Senate in the period under review has passed a total of about 450 Bills. Some of these Bills have already been signed into law and the remaining are in different stages of legislative processing.

We have also carried out confirmations for appointments by the Executive arm of Government. We will recall that the Senate suspended its recess in order to screen and confirm the Ministerial nominees of Mr. President in July last year. Barely a month after our inauguration, we confirmed the appointment of Chief Justice of Nigeria, Hon. Justice Ibrahim Tanko Mohammed, GCON, on 17th July 2019. Today, 11th June 2020, we have just confirmed the nominee for the President of the Court of Appeal, Hon. Justice Monica B. Dongban-Mensem. In all the cases, our Committees worked hard to meticulously screen the nominees. Thus, in last one year, this Senate has successfully confirmed 33 Presidential confirmation requests.

There is no gainsaying that these confirmations and subsequent appointments added value to the administration and management of agencies of government. In other words, they promote and engender good service delivery to citizens.

Today, the Senate has passed the request of the Executive on the Revised Budget 2020. The review of the Budget 2020 is largely due to the adverse impact of COVID-19 Pandemic on our revenues. As an oil dependent economy, the slump in the price of crude in the world market means that the revenues we earn cannot meet the planned expenditure.

The low revenues from crude exports also means that there is need to explore other sources of funding the Budget, hence the resort to foreign borrowing from bilateral and multilateral sources.

In order to support and enable the government raise the necessary funds for national development, there were requests for approval to borrow, both from the domestic and foreign sources. We have approved foreign loans of about \$28 billion in the last one year. We had ensured proper scrutiny for the desired projects and programmes of government, the conditions of the facilities; before approving such borrowing requests. The task ahead of us is to ensure tracking, monitoring and supervision of how the loans are applied. We must ensure that the target projects remain, and that there is value for money also.

The current experience of low revenues to government, also challenges us to think and evolve new or additional sources of funding government projects, especially, for the development of our infrastructure. While borrowing may be inevitable, we should also consider a Public Private Partnership (PPP) as a means of funding some of the government projects.

The COVID-19 Pandemic has revealed how weak our health infrastructure is. The pandemic has also brought with it a new reality in our lives and livelihoods. We are clearly exposed to economic vagaries and instability largely due to our dependence on crude exports. This dependence leaves our country exposed to the vicissitudes of the international oil market price.

We therefore have to confront the challenge of diversifying our economy for more reliable revenues and stable economy. With a funding gap of over \$14billion, the post COVID-19 period can face a recession and job losses by millions of our citizens. There is an urgency more than ever to explore more sources of revenues in addition to the crude. The diversification of our economy must remain a top priority in the subsequent years, from today.

One means of diversifying our economy is the agricultural sector. The agricultural sector has the potential to provide employment and create wealth for our people. We should therefore consider all the possibilities in the sector. Equally important is the Solid Minerals sector. The present contribution of 0.03% to GDP by the sectors is simply unacceptable. The potentials of this sector to contribute to our revenue basket is enormous.

Our Committees on Agriculture and Rural Development and Solid Minerals and Steel Development had conducted Round table Discussions previously. The reports of the Discussions have already been laid. We should therefore consider the reports and come up with necessary lines of legislative actions to enhance their contributions to our economy.

In the next one year, we should focus on how to keep our economy from going into recession. This entails working together with Executive arm of government to implement the Economic Sustainability Plan of the Federal Government. We have to ensure that the economy remains afloat, provides for our citizens sustainable means of live livelihoods. Our business concerns, need intervention to keep the viable in order to protect jobs. We need to ensure that the various fiscal and monetary interventions provided in the revised 2020 budget, and particularly, the economic sustainability plan component are implemented fully. Our priorities should continue to be on growth-enhancing, pro-poor expenditures and social sector investments.

While we had a very active and productive twelve months, we also had our somber moments. We lost three of our distinguished colleagues. Senator Benjamin Uwajumogu (Imo North), died on 18th of December 2019; Senator Ignatius Datong Longjan (Plateau South), died on 10th February, 2020; and Senator Rose Okoji Oko (Cross River North), died on 23rd March 2020. Our distinguished departed colleagues were fine gentleman and lady who were hard working and worthy representatives of their various Senatorial Districts. Our hearts go to their families and the Senatorial Districts they represented. May their gentle souls rest in perfect peace. Amen.

Let me take this opportunity to commend our health personnel across the country for working tirelessly to manage our present health challenges occasioned by COVID-19 Pandemic. We should continue to do everything to encourage and protect these national heroes and heroines. We are grateful to you.

In conclusion, let me commend the Clerk of the Senate and the members of his team in this chamber for ensuring that our legislative activities are properly recorded and reflected. Similarly, we appreciate the Senate Press Corps for keeping the public informed of our activities.

I want to assure Nigerians that the Ninth Senate, indeed the Ninth National Assembly, will remain focused on working to better the lives of Nigerians. This Senate will continue to work for Nigerians.

God bless the Federal Republic of Nigeria.

God bless you all.

Thank you for the attention.

(Signed) SENATOR AHMAD IBRAHIM LAWAN, PhD, CON PRESIDENT OF THE SENATE

5. Adjournment:

Motion made: That the Senate do now adjourn till Tuesday, 30th June, 2020 at 10.00 a.m. (Senate Leader).

Adjourned accordingly at 3:48 p.m.

Ahmad Ibrahim Lawan, Ph.D, CON
President,
Senate of the Federal Republic of Nigeria.