1. The Senate met at 10:40 am. The President of the Senate read prayers.

2. Votes and Proceedings:
The Senate examined the Votes and Proceedings of Wednesday, 22nd July, 2020.

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

3. Announcement:
The President of the Senate announced the appointment of Ilobah Ugochi (Mrs.) as the Acting Deputy Clerk (Legislative) with effect from Wednesday, 22nd July, 2020.

4. Matter of Urgent Public Importance:
Rising on Rules 42 and 52, Senator Smart Adeyemi (Kogi West) drew the attention of the Senate to the Demise of Flying Officer Tolulope Arotile. He sought and obtained the leave of the Senate to present the matter forthwith:

That the Senate:

*notes* with grief the death of Flying Officer, Tolulope Arotile on Tuesday, 14th July, 2020 in a freak accident at the Nigerian Air Force Base, Kaduna at the age of 24;

*further notes* that Flying Officer Tolulope Arotile was winged as Nigeria's first female combat helicopter pilot at the Nigerian Air Force headquarters, Abuja on 15 October 2019; after completing her flying training in South Africa. Flying Officer Arotile who hailed from Ife in Ijumu Local Government Area of Kogi State, was born on 13th December 1995 to the family of Mr and Mrs Akinbode Arotile in Kaduna. She attended Air Force Primary School, Kaduna from 2006-2011 and in September 2012, gained admission into the Nigerian Defence Academy, Kaduna, where she was a member of 64 Regular Course;

*recalls* that Flying Officer Arotile who was commissioned into the Nigerian Air Force as a Pilot Officer on 16 September 2017, holds a Bachelor of Science in Mathematics from the Nigerian Defence Academy;

*recalls also* that Flying Officer Arotile underwent tactical flying training on the Augusta 109 Power Attack Helicopter in Italy, and holds a commercial pilots' licence;

*recalls further* that on 6 February 2020, she introduced the Air Force's newly-acquired Augusta 109 Power Attack Helicopter to the President and Commander-in-Chief of the Armed Forces of Nigeria, President Muhammadu Buhari during the induction ceremony at the Eagle Square, Abuja;
notes that she served the nation as a Squadron Pilot at the 405 Helicopter Combat Training Group, Enugu, attached to the Air Component of Operation GAMA AIKI in Minna, Niger State; had recently completed her Promotion Examination and was awaiting her next deployment;

notes also that as a participant in the GAMA AIKI in Niger State, she flew her quota of anti-banditry combat missions to ensure a safer and more secured Nigeria and that before her untimely death, she made significant and outstanding contributions to the war against terrorism, armed banditry and other forms of criminality in the country;

aware that Flying Officer Tolulope Arotile in her own words: "I joined the military simply out of passion for it. Being a military personnel has been a long time ambition, the carriage and what it stands for are simply exceptional";

aware also that Flying Officer Tolulope Arotile possessed deft skills as a combat helicopter pilot and truly earned the accolades from the Chief of Air Staff, Air Marshall Sadiq Abubakar Nigerian Air Force, who described her as ‘a very intelligent, disciplined, confident and courageous young officer who added value wherever she served; and

convinced that the late Flying Officer Tolulope Arotile, was a shining young star in the Nigeria’s Air Force combat flying missions and her sad demise has reduced the ranks the Air Force’s female pilots to six, thus she deserves to be memorialized in the Nigeria’s history.

Accordingly resolves to:
(i) observe a minute’s silence in honour of Flying Officer Tolulope Arotile; and

(ii) condole with her family, the Nigerian Air Force and the Governor, His Excellency Alhaji Yahaya Bello and the people of Kogi State (Senator Smart Adeyemi — Kogi West).

Debate:

Proposed Resolution (i):
Question: That the Senate do observe a minute’s silence in honour of Flying Officer Tolulope Arotile — Agreed to.

Proposed Resolution (ii):
Question: That the Senate do condole with her family, the Nigerian Air Force and the Governor, His Excellency Alhaji Yahaya Bello and the people of Kogi State — Agreed to.

Resolved:
That the Senate do:
(i) observe a minute’s silence in honour of Flying Officer Tolulope Arotile; and

(ii) condole with her family, the Nigerian Air Force and the Governor, His Excellency Alhaji Yahaya Bello and the people of Kogi State (S/Res/019/02/20).

One minute silence accordingly observed in honour of the deceased.

5. Matter of Urgent Public Importance:
Rising on Rules 42 and 52, Senator Abubakar Y. Yusuf (Taraba Central) drew the attention of the Senate to the Urgent Need for the Reconstruction of the Portion of Bali - Gashaka - Gembu Road (Goje Via Mayo Selbe to Gembu About 127km) in Taraba State. He sought and obtained the leave of the Senate to present the matter forthwith:
The Senate:

note that the Bali - Gashaka - Gembu road in Taraba State is a Federal road that transverses the Gumti National Park, Mambila Hydro Power Project and a Major link between Nigeria and Neighboring Republic of Cameroon as well as other Central African countries;

further note that the strategic importance of the Bali - Gashaka - Gembu road to the economy of Taraba state in particular and the country in general cannot be underestimated as the road enables farmers and cattle rearers to transport their products (Special Mambila breed of cows) to market as well as other business engagement to other part of the country. The road also enhances economic activities between Nigeria and the Republic of Cameroon as well as other African countries;

aware that Taraba state government despite it weak financial capability awarded the reconstruction of the road from Jalingo to Gembu to P.W Construction Co. the construction work could not reach Gembu but terminated at Goje near Mayo Selbe. From Mayo Selbe to Gembu was not constructed;

worried that portion of the road from Koje to Gembu (about 127km) have now become death traps resulting to loss of lives, goods and services worth millions naira on a daily basis as a result of frequent accidents on the bad portions of the road;

further worried that the bad portion of the road that cause accident frequently if not reconstructed would soon be cut off thereby crippling connectivity in the affected local government area and by extension the neighboring Republic of Cameroon; and

cognizant of the fact that this road houses the Mambila Hydro Power Project, when reconstructed will facilitate/enhances the construction of the Hydro Power project.

Accordingly resolves to:

(i) urge the Federal Ministry of Works and Housing to urgently re-construct the road from Goje via Mayo Selbe to Gembu to prevent the road from been wash away by heavy down pour and land slide been experience in the area;

(ii) urge the Federal Roads Maintenance Agency (FERMA) to urgently rehabilitate the portion of the road;

(iii) mandate the Committee on Works; and Appropriations to ensure the inclusion of the reconstruction of Goje Via Mayo Selbe to Gembu road (about 127km), with culvert and erosion control mechanism to divert running water from damaging the road;

(iv) urge the North East Development Commission to intervene;

(v) urge the Ecological Management Fund to consider the Ecological challenge along the Mayo Selbe/Maisamari erosion;

(vi) urge the Federal Ministry of Power to emphasize the important of this road to the Mambila Hydro Power Project.

Debate:

Proposed Resolution (i):

Question: That the Senate do urge the Federal Ministry of Works and Housing to urgently re-construct the road from Goje via Mayo Selbe to Gembu to prevent the road from been wash away by heavy down pour and land slide been experience in the area — Agreed to.
Proposed Resolution (ii):
*Question:* That the Senate do urge the Federal Roads Maintenance Agency (FERMA) to urgently rehabilitate the portion of the road — *Agreed to.*

Proposed Resolution (iii):
*Question:* That the Senate do mandate the Committee on Works; and Appropriations to ensure the inclusion of the reconstruction of Goje Via Mayo Selbe to Gembu road (about 127km), with culvert and erosion control mechanism to divert running water from damaging the road — *Agreed to.*

Proposed Resolution (iv):
*Question:* That the Senate do urge the North East Development Commission to intervene — *Agreed to.*

Proposed Resolution (v):
*Question:* That the Senate do urge the Ecological Management Fund to consider the Ecological challenge along the Mayo Selbe/Maisamari erosion — *Agreed to.*

Proposed Resolution (vi):
*Question:* That the Senate do urge the Federal Ministry of Power to emphasize the important of this road to the Mambila Hydro Power Project — *Agreed to.*

Resolved:
That the Senate do:

(i) urge the Federal Ministry of Works and Housing to urgently re-construct the road from Goje via Mayo Selbe to Gembu to prevent the road from been wash away by heavy down pour and land slide been experience in the area;

(ii) urge the Federal Roads Maintenance Agency (FERMA) to urgently rehabilitate the portion of the road;

(iii) mandate the Committee on Works; and Appropriations to ensure the inclusion of the reconstruction of Goje Via Mayo Selbe to Gembu road (about 127km), with culvert and erosion control mechanism to divert running water from damaging the road;

(iv) urge the North East Development Commission to intervene;

(v) urge the Ecological Management Fund to consider the Ecological challenge along the Mayo Selbe/Maisamari erosion;

(vi) urge the Federal Ministry of Power to emphasize the important of this road to the Mambila Hydro Power Project (S/Res/020/02/20).

6. Presentation of Bills:


(ii) Federal Scholarship Board (Establishment, etc.) Bill, 2020 (SB. 491) — *Read the First Time.*

(iii) Loan Recovery (Regulations) Bill, 2020 (SB. 492) — *Read the First Time.*

(iv) National Centre for Sickle Cell Anaemia Research and Treatment, Aguata (Establishment, etc.) Bill, 2020 (SB. 493) — *Read the First Time.*

(v) National Hospital for Women and Children Abuja Act (Amendment) Bill, 2020 (SB.494) — *Read the First Time.*
7. Committee on Public Account:
   Motion made: That the Senate do receive the Report of the Committee on Public Account on the Part II of the Annual report of the Auditor-General for the Federation on the Accounts of the Federation of Nigeria for the year ended, 31st December, 2015 (Senator Mathew A. Urhoghide — Edo South).

   Question put and agreed to.

   Report Laid.

8. Committee on Environment:
   Report on the Internally Generated Revenue and Budget Expenditure for the year 2020 of National Environmental and regulations Enforcement Agency (NESREA):
   Motion made: That the Senate do receive the report of the Committee on Environment on the Internally Generated Revenue and Budget Expenditure for the year 2020 of National Environmental and regulations Enforcement Agency (NESREA) (Senator Ike Ekweremadu — Enugu West).

   Question put and agreed to.

   Report Laid.


   Question put and agreed to.

   Report Laid and presented.

Debate:

Proposed Resolution (i):
   Question: Reconsideration of Executive Supervision
   For the purpose of consistency and equality of policy, there is a need to review the inconsistencies and differences in the apex control of these development commissions. In retrospect, the original arrangement of putting these commissions in the Presidency should be carefully reconsidered to allow for direct Presidential supervision in view of the huge public resources allocated to them. Section 7(3) of the NDDC Act already provides for this Presidential supervision — Agreed to.

Proposed Resolution (ii):
   Question: Appointment of the Board of Directors
   The absence of a Board of Directors of NDDC created a major lacuna of oversight. The Ministry of Niger Delta Affairs is culpable of negligent supervision and could not function as effectively as a board would have done. Therefore, the Committee strongly recommends that the President should activate the statutory provisions of the Act and immediately call for a fresh nomination for confirmation by the Senate — Agreed to.

Proposed Resolution (iii):
   Question: Inauguration of Other Accountability Mechanisms
   The Monitoring Committee and the Advisory Councils should also be inaugurated along with the Board of Directors as provided in Sections 20 and 21 of the NDDC Act. This is necessary to ensure that there are sufficient checks and balances in the internal affairs of the NDDC — Agreed to.
**Proposed Resolution (iv):**

*Question:* Improvement of Governance/Processes

This new Board should be made to undertake a review of the existing governance framework, with attention to upgrading the way and manner the Board executes its mandates, with a view to re-establishing a new culture in the organisation. The review must bring order to the workings of the management and their control of the organisation. This is necessary for the improvement of the structures and processes of the NDDC especially having witnessed two interim managements with seemingly loss of control on project and staff expenditure — *Agreed to.*

**Proposed Resolution (v):**

*Question:* Restoration of a Budget-Led system

That NDDC Management must henceforth promote the use of its approved annual budget as the principal instrument and authorisation for all its expenditures. The testimonies from Public Hearing gave sufficient insight into NDDC’s disregard for its budget, as several expenditure items were done without reference to budget provision. As at the time of writing this report, the Adhoc Committee’s request for a report of budget performance from the NDDC has not been provided — *Agreed to.*

**Proposed Resolution (vi):**

*Question:* Submission of Quarterly and Annual Performance Report

That NDDC be reminded of its responsibility to submit its Quarterly and Annual Performance Reports as and when due as stipulated in Sections 19 and 20 of the NDDC Act, such submission must also be duly passed to both houses of the National Assembly as stipulated in the law — *Agreed to.*

**Proposed Resolution (vii):**

*Question:* Initiation and Supervision of Forensic Audit

In order to ensure that the forensic audit achieves the purpose for which it is set up and inspire confidence in the operational and financial processes of NDDC oversight of the audit should be transferred to the Office of the Auditor General of the Federation. This will guarantee independence, credibility, transparency and professionalism in the output of the exercise. Furthermore, the Committee recommends that the President with advice from the Auditor General should appoint a renowned, internationally recognised Forensic Auditor to carry out the exercise — *Agreed to.*

**Proposed Resolution (viii):**

*Question:* Strengthening of Procurement Process

That the NDDC must strengthen its procurement department through appropriate staff engagement (e.g. by appointing staff with procurement chartered status), staff training and formulation of appropriate industry rated internal control measure specifics to procurement function to forestall sharp practice in its bids and tender process — *Agreed to.*

**Proposed Resolution (ix):**

*Question:* There are assertions of blackmail by NDDC against members of the National Assembly on the subject of procurement process, this must be investigated by Committee on Ethics, Privileges and Public Petitions to report within four weeks — *Agreed to.*

**Extension of Time:**

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

*Question put and agreed to.*

**Proposed Resolution (x):**

*Question:* Refund of Extra Budgetary Expenditure

That the sum of N4.923 Billion payment made to staff and contractors in breach of procurement process and approvals should be refunded to the NDDC Account with immediate effect as highlighted below by the Interim Management Committee:
1. Overseas Travel to the United Kingdom - N85.7 Million
2. Scholarships Grants - N105.5 Million
3. Union Members Trip to Italy - N164.2 Million
4. Lassa Fever Kit - N1.96 Billion
5. Public Communication - N1.12 Billion
6. COVID-19 Relief - N1.49 Billion

Proposed Resolution (xi):
**Question:** All expenditures on historical contracts and obligation e.g. Hotels, court judgement etc should be refunded as payments are not provided for in the budget by the Interim Management Committee.

Amendment Proposed:
Immediately after the words “management Committee” insert the words “all refund issues as captured in the Report should be adopted in Recommendation (ix) and investigated” (Senator Saidu A. Alkali — Gombe North).

Question that the amendment be made put and agreed to.

Proposed Resolution (xii):
**Question:** Review of Operation and Processes.
Standard Operating Procedures (SOPs) in the Commission must be reviewed, upgraded, reinstated with full documentation and formal trainings conducted, then translated into readable materials and manuals for guidance of current and future staff of the Commission. That NDDC must engage a new governance system around projects and contracts from advert to award and then to delivery. This involves the pre and post-implementation step to be taken for an effective delivery of projects — *Agreed to.*

Proposed Resolution (xiii):
**Question:** Review of Financial/Accounting Processes
That NDDC must review its financial system to ensure its adequacy in terms of controls and flexibilities with a view to ensuring that a robust financial report is produced out of the system at all times. This reform will also ensure that all compliance measures that fosters governance and accountability traits are captured in the system in form of coding of transactions, hierarchy and secured access/control — *Agreed to.*

Proposed Resolution (xiv):
**Question:** Review of Human Resource Policy
That the management must agree a policy to refocus the staff, and management of the NDDC based on its core mandate. This will be a blend of human resource reform and training. This reform must lead to a robust organogram based on staff need, it must also cover the engagement of staff, staff orientation mandate, appraisal systems and eventually severance of work relationship — *Agreed to.*

Proposed Resolution (xv):
**Question:** Instituting Performance Based Organisation
For NDDC to deliver on its mandate, it must immediately imbibe some of the processes associated with high performing organisations. These include target setting for employees, performance appraisal linked to reward system and the evolution of a new corporate culture. Present attitude that tends to view the NDDC as a source of easy money must be discouraged. This attitude is also closely tied to the narrative that has characterised succeeding management. It is akin to a self-fulfilling prophesy the has in itself led to a vicious circle that seems to suggest "we are financially imprudent because we operate in an environment of siege where we must continuously appease our stakeholders". But doing this as they deprive the region of the needed development which also reinforces restiveness and creates the siege environment. This circle must be broken through a new culture and awareness by which the Board and Management of NDDC understands its responsibility to engender a new thinking and strong focus on infrastructural development of the region. A new approach to human resource management is desired — *Agreed to.*
Proposed Resolution (xvi):

Question: Enhancement of Internal and External Audit capacities
That management must review the Service Level Agreement they currently hold with their external auditor with a view to making a change of auditor. There is a lot of merit in our opinion, to change the external auditors, given the level of systematic failures already listed in this report, some of which should have been resolved by an effective audit regime — Agreed to.

Proposed Resolution (xvii):

Question: Review of Corporate Social Responsibility Policy (CSR)
That the management embark on a CSR review to restructure and reshape NDCC’s social responsibility to its staff, community and the public at large in order to properly ensure an equitable and responsible delivery of these responsibilities without losing focus of its corporate mandate. The scope of this review should include condolences, community relations and stakeholders engagement — Agreed to.

Resolved:

(i) Reconsideration of Executive Supervision
For the purpose of consistency and equality of policy, there is a need to review the inconsistencies and differences in the apex control of these development commissions. In retrospect, the original arrangement of putting these commissions in the Presidency should be carefully reconsidered to allow for direct Presidential supervision in view of the huge public resources allocated to them. Section 7(3) of the NDCC Act already provides for this Presidential supervision;

(ii) Appointment of the Board of Directors
The absence of a Board of Directors of NDCC created a major lacuna of oversight. The Ministry of Niger Delta Affairs is culpable of negligent supervision and could not function as effectively as a board would have done. Therefore, the Committee strongly recommends that the President should activate the statutory provisions of the Act and immediately call for a fresh nomination for confirmation by the Senate;

(iii) Inauguration of Other Accountability Mechanisms
The Monitoring Committee and the Advisory Councils should also be inaugurated along with the Board of Directors as provided in Sections 20 and 21 of the NDCC Act. This is necessary to ensure that there are sufficient checks and balances in the internal affairs of the NDCC;

(iv) Improvement of Governance/Processes
This new Board should be made to undertake a review of the existing governance framework, with attention to upgrading the way and manner the Board executes its mandates, with a view to re-establishing a new culture in the organisation. The review must bring order to the workings of the management and their control of the organisation. This is necessary for the improvement of the structures and processes of the NDCC especially having witnessed two interim managements with seemingly loss of control on project and staff expenditure;

(v) Restoration of a Budget-Led system
That NDCC Management must henceforth promote the use of its approved annual budget as the principal instrument and authorisation for all its expenditures. The testimonies from Public Hearing gave sufficient insight into NDCC’s disregard for its budget, as several expenditure items were done without reference to budget provision. As at the time of writing this report, the Adhoc Committee’s request for a report of budget performance from the NDCC has not been provided;
Submission of Quarterly and Annual Performance Report
That NDDC be reminded of its responsibility to submit its Quarterly and Annual Performance Reports as and when due as stipulated in Sections 19 and 20 of the NDDC Act, such submission must also be duly passed to both houses of the National Assembly as stipulated in the law;

Initiation and Supervision of Forensic Audit
In order to ensure that the forensic audit achieves the purpose for which it is set up and inspire confidence in the operational and financial processes of NDDC oversight of the audit should be transferred to the Office of the Auditor General of the Federation. This will guarantee independence, credibility, transparency and professionalism in the output of the exercise. Furthermore, the Committee recommends that the President with advice from the Auditor General should appoint a renowned, internationally recognised Forensic Auditor to carry out the exercise;

Strengthening of Procurement Process
That the NDDC must strengthen its procurement department through appropriate staff engagement (e.g. by appointing staff with procurement chartered status), staff training and formulation of appropriate industry rated internal control measure specifics to procurement function to forestall sharp practice in its bids and tender process;

There are assertions of blackmail by NDDC against members of the National Assembly on the subject of procurement process, this must be investigated by Committee on Ethics, Privileges and Public Petitions to report within four weeks;

Refund of Extra Budgetary Expenditure
That the sum of ₦4,923 Billion payment made to staff and contractors in breach of procurement process and approvals should be refunded to the NDDC Account with immediate effect as highlighted below by the Interim Management Committee:
1. Overseas Travel to the United Kingdom - ₦85.7 Million
2. Scholarships Grants - ₦105.5 Million
3. Union Members Trip to Italy - ₦164.2 Million
4. Lassa Fever Kit - ₦1.96 Billion
5. Public Communication - ₦1.12 Billion
6. COVID-19 Relief - ₦1.49 Billion;

All expenditures on historical contracts and obligation e.g. Hotels, court judgement etc should be refunded as payments are not provided for in the budget by the Interim Management Committee all refund issues as captured in the Report should be adopted in Recommendation (ix) and investigated;

Review of Operation and Processes.
Standard Operating Procedures (SOPs) in the Commission must be reviewed, upgraded, reinstated with full documentation and formal trainings conducted, then translated into readable materials and manuals for guidance of current and future staff of the Commission. That NDDC must engage a new governance system around projects and contracts from advert to award and then to delivery. This involves the pre and post-implementation step to be taken for an effective delivery of projects;

Review of Financial/Accounting Processes
That NDDC must review its financial system to ensure its adequacy in terms of controls and flexibilities with a view to ensuring that a robust financial report is produced out of the system at all times. This reform will also ensure that all compliance measures that fosters governance and accountability traits are captured in the system in form of coding of transactions, hierarchy and secured access/control;
(xvi) Enhancement of Internal and External Audit capacities
That management must review the Service Level Agreement they currently hold with their external auditor with a view to making a change of auditor. There is a lot of merits in our opinion, to change the external auditors, given the level of systematic failures already listed in this report, some of which should have been resolved by an effective audit regime; and

(xvii) Review of Corporate Social Responsibility Policy (CSR)
That the management embark on a CSR review to restructure and reshape NDDC's social responsibility to its staff, community and the public at large in order to properly ensure an equitable and responsible delivery of these responsibilities without losing focus of its corporate mandate. The scope of this review should include condolences, community relations and stakeholders engagement(S/Res/021/02/20).

10. Adjournment:
And it being 2:30 p.m. the President of the Senate adjourned the Senate till Thursday, 23rd July, 2020 at 2.45 p.m.

Adjourned accordingly at 2:30 p.m.

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

The Vote and Proceedings of Wednesday, 22nd July, 2020 page 681 is corrected as follows:

(ii) The cost summary for national meter test station development required to provide nationwide metering inspection services is provided below:

Existing National Meter Test Stations 3 (Oshodi, Kaduna & Port Harcourt)
Ongoing New National Meter Test Stations 3 (Kano, Enugu, Benin & North East)
Cost of infrastructure, additional test equipment & instruments 720m

(viii) Review of the Electric Power Sector Reform Act 2005:
Nigeria's current EPSR Act 2005 created rules and institutions for the power sector reform journey and enabled privatization. Now that the market has been tested, and various issues have arisen, it is timely for Nigeria to enact a new Electricity Act.

A new and more dynamic Electricity Act could consolidate all electricity related laws; consolidate the roles of the regulators and policy makers; bridge existing gaps in the legal and regulatory framework; and cater for post-privatization operational issues in the Nigerian power sector to boost investor confidence and positively impact on the overall outlook of the Nigerian power sector.

(ix) recommendations 1-8 are subject to, contingent upon and without prejudice to the outcome of the ordered review of the privatization Shares Purchasing Agreement (SPA) and Gas Supply Agreement (GSA) to be undertaken by the Senate (S/Res/018/02/20).