

# SENATE OF THE FEDERAL REPUBLIC OF NIGERIA ORDER PAPER

Tuesday, 29<sup>th</sup> September, 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. Chartered Institute of Public Administration of Nigeria (Est, etc) Bill, 2020 (HB. 329) First Reading Sen. Abdullahi, Yahaya Abubakar (*Kebbi North-Senate Leader*).
- 2. Nigerian Mineral Development Corporation (Est, etc) Bill, 2020 (SB. 505) *First Reading* Sen. Al-Makura, Umaru Tanko (*Nasarawa South*).
- 3. Donkey Slaughter Regulation and Export Certification Bill, 2020 (SB. 496) *First Reading* Sen. Abdullahi, Yahaya Abubakar (*Kebbi North-Senate Leader*).
- 4. 1999 Constitution of the Federal Republic of Nigeria (Alteration) Bill, 2020 (SB. 499) *First Reading* Sen. Musa, Mohammed Sani (*Niger East*).
- 5. Presidential Inauguration Bill, 2020 (SB. 296) First Reading Sen. Ike Ekweremadu (Enugu West).

## ORDERS OF THE DAY

## PRESENTATION AND CONSIDERATION OF A REPORT

 Report of the Committee on Finance 2021 – 2023 Medium-Term Expenditure Framework (MTEF) and Fiscal Strategy Paper (FSP) Sen. Adeola, Solomon Olamilekan (Lagos West)
That the Senate do receive and consider the report of the Committee on Finance on the 2021 – 2023 Medium-Term Expenditure Framework (MTEF) and Fiscal Strategy Paper (FSP).

## CONSIDERATION OF BILLS

- 1. A Bill for an act to repeal the Federal Airport Authority of Nigeria Act CAP F5 LFN 2004 to enact the Federal Airports Authority of Nigeria act to provide for the effective management of Airports in Nigeria and for related matters, 2020 (SB. 196) *Second reading* Sen. Abdullahi, Yahaya Abubakar (*Kebbi North-Senate Leader*).
- 2. A Bill for an Act to provide for the establishment of the Nigerian Safety Investigation Bureau, for the regulation, prevention and providing effective administration for Safety Investigation in Nigeria and for related matters, Bill, 2020 (SB. 197) Second reading Sen. Abdullahi, Yahaya Abubakar (Kebbi North-Senate Leader).

3. A Bill for an act to provide for the establishment of the Federal College Of Education Omuo-Ekiti, Ekiti State and for other matters connected therewith, 2020 (SB. 269) - *Second reading* Sen. Olujimi, Biodun (*Ekiti South*).

## MOTIONS

1. Need to investigate Pre-Shipment Inspection of export activities in Nigeria with respect to Non Repatriation of Crude Oil Export Proceeds in line with Pre-Shipment Inspection of Export Act CAP-P26 Laws of the Federation of Nigeria 2004. Visa-a- Vis challenges posed by global Covid-19 Pandemic.

Sponsor: Sen. Yusuf, Abubakar Yusuf (Taraba Central) Co-Sponsors: Sen. Abdullahi, Yahaya Abubakar (Kebbi North) Sen. Amosun, Ibikunle Oyelaja (Ogun Central) Sen. Adamu, Muhammad Aliero (Kebbi Central) Sen. Bamidele, Micheal Opeyemi (Ekiti Central) Sen. Suswam, Gabriel Torwua (Benue North East) Sen. Dahiru, Aishatu Ahmed (Adamawa Central) Sen. Wamakko, Aliyu Magatakarda (Sokoto North) Sen. Adeola, Solomon Olamilekan (Lagos West) Sen. Akinyelure, Patrick Ayo (Ondo Central) Sen. Basiru, Surajudeen Ajibola (Osun Central) Sen. Umar, Sadiq Suleiman (Kwara North)

Sen. Abdullahi, Aliyu Sabi (*Niger North*) Sen. Kalu, Orji Uzor (*Abia North*) Sen. Sani, Uba (*Kaduna Central*) Sen. Shettima, Kashim (*Borno Central*) Sen. Apiafi, Betty Jocelyn (*Rivers West*) Sen. Ahmad, Babba Kaita (*Katsina North*) Sen. Ekweremadu, Ike (*Enugu West*) Sen. Oduah, Stella Adaeze (*Anambra North*) Sen. Urhoghide, M. Aisagbonriodion (*Edo South*) Sen. Umar, Sadiq Suleiman (*Kwara North*)

## The Senate:

*Notes* that Pre-shipment Inspection of Export is the inspection of goods (oil and non-oil) in Nigeria prior to the shipment of those goods outside Nigeria as provided under the Pre-shipment Inspection of Export Act, Cap P26 Laws of the Federation of Nigeria 2004;

Aware that period prior to the Pre-shipment Inspection of Export enactment, export of crude oil and Gas was characterized by under valuation, delays in issuance of invoices and payments for goods, sometimes up to 120 days, manipulation of crude oil prices, illegal swaps, deliberate illegal over loadings, topping-up of tanker loads by as much as 1% (against International Standard of 0.1%) and other disturbing leakages and lapses;

Aware also that Federal Government instituted two panels of enquiries which were headed by Generals Abisoye and Olanrewaju in 1994 and 1995 respectively to investigate and determine the truth or otherwise of the sharp practices. The panels discovered serious leakages amounting to a loss of around 150,000 barrels of crude oil exports per day (i.e about 54,750,000 barrels per year);

*Further aware* that as a result of the recommendations of these panels that led to the enactment of Preshipment Inspection Decree No. 10 of 1996 which is now known as Pre-shipment Inspection of Export Act Cap P26 Laws of the Federation of Nigeria 2004;

Aware that the Act mandates Central Bank of Nigeria to establish special account and maintain same for the purpose of payment of levies payable by Exporters of all oil and non-oil exports to meet the statutory requirements of the Nigerian Export Supervision Scheme;

*Further aware* that from the commencement and implementation of the Act in April 1996 to March 2000 the following successes were recorded. They are:

- Saved Nigeria huge sums of foreign exchange losses;
- Reduction in diversion of crude oil from terminals;
- Reduction of Arbitration on prices, quality and quantity shortfall claims; and
- Provided on-the-job training, local seminars and overseas training of Officers working in designated government relevant agencies;

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*Worried* that the Joint Venture Oil Companies have refused to repatriate their portion of the total crude oil export proceeds of over USD850billion between 1996 to 2016 in total contravention of Section 11 of the Preshipment

Inspection of Export Act and Article 26 of the Export Policy Guidelines and Procedures for Crude Oil, Gas and Non-oil goods of the Federal Ministry of Finance which mandates Exporters stated as follows:

"An exporter of goods, including petroleum products, shall open, maintain and operate a foreign currency domiciliary account in Nigeria into which shall be paid all exports proceeds corresponding to the entire proceeds of the exports concerned",

and

Article 26 of the Guidelines provide thus:

"Repatriation of Export proceeds":

- a) Within 90 days from the date of export, all exporters (whether oil, gas or non-oil) shall ensure that the export proceeds are repatriated and credited to their domiciliary account opened with a bank in Nigeria;
- b) It is the responsibility of the Central Bank of Nigeria to monitor the repatriation of all export proceeds;

Also worried that in view of the numerous challenges posed by global Covid-19 pandemic, there is need for Government to exploit all known legal and global oil transaction protocols to block notable loopholes in Oil and Gas business in Nigeria. This would go a long way to increase government revenue, boost foreign exchange reserves and improve the value of the naira, especially with the reduction in the OPEC production across the member countries; and

*Further worried* that there is no congruence in the data for Nigeria export earnings published by various relevant Federal Government Agencies namely: Central Bank of Nigeria (CBN), Department of Petroleum Resources (DPR), Nigerian National Petroleum Corporation (NNPC), National Bureau of Statistics (NBS), among themselves on one hand, and with those published by some International Institutions like OPEC.

Accordingly resolves to:

- *i. Mandate* the Committee on Banking, Insurance and other Financial Institutions to;
  - Conduct an investigative hearing as a matter of urgency to determine the exact amount of crude oil and gas, and non-oil export proceeds un-repatriated since the inception of the Act in April 1996 to 2019;
  - Ascertain why the relevant Government Agencies keep on having conflicting data of same product value published in Nigeria on one hand while those published by OPEC are different;
  - Engage experts to conduct forensic reconciliation of the Export proceeds of Crude oil, Gas and non-oil Export into the Exporters Domiciliary Accounts since the inception of the Programme in 1996 with a view to ascertain the exact amount due for repatriation;
  - Investigate and engage Experts to conduct forensic reconciliation of the Accounts of Nigerian Export Supervision Scheme and Comprehensive Imports Supervision Scheme domiciled with the Central Bank of Nigeria from inception of the Scheme to 2019;
  - Investigate and ascertain the proper or otherwise of the utilization of the payments into the Nigerian Export Supervision Scheme and Comprehensive Import Supervision Scheme since inception of the programme to 2019; and
- *ii.* Direct the Central Bank of Nigeria which is saddled with the responsibility to administer the Nigerian Export Supervision Scheme (NESS) under the Technical Committee to forthwith comply strictly with the Provision of the Act and the Guidelines for maximum benefit to Nigeria and Nigerians.
- 2. Urgent need to rescue South East Amalgamated Market Traders Association businesses from total collapse and extinction from shipping lines, most in particular PIL.

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

The Senate:

*Notes* that the South East Amalgamated Market Traders Association is an umbrella Union of traders in all the markets in the South East Geo-political Zone and traders of South East extraction doing business across the States of the Federation;

*Notes also* that some the members in their numbers are suffering excruciating pains and anguish from shipping companies most in particular PIL, a shipping Agency, with their operational base in Nigeria located in Port-Harcourt, Rivers State;

Aware that their members entrusted their cargoes and containers from China to PIL for delivery to Ports in Nigeria, some in December, 2019 while others were in January, 2020. These cargoes were supposed to be delivered at their ports of destinations on or before 15<sup>th</sup> February, 2020 but up till date (six months after shipment), some of the cargoes were yet to arrive Nigeria Ports;

*Concerned* that all enquiries and appeals to PIL were greeted with empty and failed promises of new arrival dates;

*Further concerned* that four vessels, namely KOTA SALAM, KOTA SATRIA, KOTA SURIA and KOTO SINGA, all have their member's cargoes aboard. Out of these four vessels, only KOTA SINGA and KOTA SATRIA arrived some weeks ago after about six and seven months respectively;

*Recalls* that most of their members' cargoes aboard these vessels were funded with loans and overdrafts from Banks with interests on them growing in geometrical progression. Some banks have placed the homes of some of these importers which they used as collateral for sale; and

*Regrets* that the consequences of these developments is taking a huge toll on the health of these importers as most them are now battling with severe depression, hypertension and other related sicknesses. In fact, their businesses are dying gradually just like their owners courtesy of PIL and other shipping lines.

Accordingly resolves to:

- i. *Prevail* on the PIL and other shipping companies to deliver their cargoes without delay;
- ii. *Compensate* their members that made losses to the full due to the shipping lines conduct; and
- iii. *Mandate* the Senate Committee on Marine Transport to investigate the activities of the shipping lines in the country mostly PIL and report back in two (2) weeks.
- 3. Urgent need for effective response to the current flood disaster in the country.

Sponsor: Sen. Sankara, D. Abdullahi (Jigawa North-West)

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

The Senate:

*Notes* that the flood and persistent heavy downpour witnessed over this rainy season has resulted in the tragic loss of lives, livestock, collapsed houses, displaced residents and washed away farmland across the country;

*Also Notes* with concern the recent devastating flood across the country, especially in the flood prone across Yobe State, Cross Rivers, Adamawa, Lagos, Kano, Rivers, FCT, Bayelsa, Sokoto, Imo, Kwara, Kebbi, Anambra, Jigawa and some other States in Nigeria;

*Aware* that in my state Jigawa where I come from, about 20 people have lost their lives in different communities of the 27 local government areas of the state, while thousands of houses have been washed away by floods;

*Also Aware* that the Nigerian Hydrological Services Agency, NIHSA in its 2020 Annual Flood Outlook was informed by the effect of 2012 flood in the country and need to spread information on early warning to reduce the impact of flooding;

*Observes* that Nigeria is at the lowest portion of the River Niger Basin which covers nine countries of Benin, Burkina Faso, Cameroon, Chad, Mali, Cote D'Ivoir, Guinea, and Niger most of which are currently experiencing flooding;

*Worried* that if excess water is released from the dams in these countries upstream the River Niger Basin, the impact may worsen the already bad flood situation for Nigeria;

*Concerned* that according to the Nigerian Hydrological Services Agency advisory, there are still many more days of rainfall in the year and more flood may still be expected in the months ahead;

#### Accordingly resolves to:

- i. *Urge* the Federal Government to assist the immediate evacuation and resettlement of affected citizen from the flood prone and ravaged areas to temporary displaced persons camp;
- ii. *Direct* the National Emergency Management Agency, NEMA to urgently mobilize relief materials to Local Government Areas of flood affected States; and
- iii. *Call* on the Federal Government to immediately provide economic intervention program to cushion the effect of this disaster.

COMMITTEE MEETINGS				
No.	Committee	Date	Time	Venue
1.	Sports and Youth Development	Tuesday, 29 <sup>th</sup> September, 2020	2:00pm	Committee Room 211 New Senate Building
2.	Nigerian Air Force	Wednesday, 30 <sup>th</sup> October, 2020	2:00pm	Committee Room 117 New Senate Building
3.	Health	Wednesday, 30 <sup>th</sup> October, 2020	2:00pm	Committee Room 221 New Senate Building
4.	Appropriations	Tuesday, 6 <sup>th</sup> October, 2020	2:00pm	Committee Room 224 New Senate Building
5.	Anti-Corruption and Financial Crimes	Tue. 6 <sup>th</sup> -Wed. 7 <sup>th</sup> October, 2020 (Interactive Session)	12:00noon	Committee Room 107 New Senate Building

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