



SENATE OF THE FEDERAL REPUBLIC OF NIGERIA

VOTES AND PROCEEDINGS

Tuesday, 15th December, 2020

1. The Senate met at 10:35 a.m. The President of the Senate read prayers.

2. **Votes and Proceedings:**

The Senate examined the Votes and Proceedings of Thursday, 10th December, 2020.

Question was put and the Votes and Proceedings were approved.

3. **Privileges of the Floor:**

Motion made: That the Senate do invoke Order 17(1)(e) to admit former Senators, serving and former Honourable Members of the House of Representatives and the Governor of Plateau State to the Floor for the purpose of witnessing the Oaths-taking of Senators-Elect (*Senate Leader*).

Question put and agreed to.

Former Senators, serving and former Honourable Members of the House of Representatives and the Governor of Plateau State accordingly admitted.

Admission of Family, Friends and Associates:

Motion made: That the Senate do suspend Order 17(1) to admit Family, Friends and Associates to the Floor for the purpose of witnessing the Oaths-taking of Senators-Elect (*Senate Leader*).

Question put and agreed to.

Family, Friends and Associates accordingly admitted.

4. **Oaths:**

Senators-Elect, ZUWOGHE, Cleopas Moses (*Bayelsa Central*); DICKSON, Henry Seriake (*Bayelsa West*); ABIRU, Mukhail Adetokunbo (*Lagos East*); and DADUUT, Nora Ladi (*Plateau South*) took and subscribed to Oaths of Allegiance and Membership as required by law.

5. **Announcement:**

The President of the Senate read a letter from Senator Obinna J. Ogba (*Ebonyi Central*) as follows:

Sen. Obinna Joseph Ogba FICA
CHAIRMAN SENATE COMMITTEE ON SPORTS & YOUTH DEVELOPMENT

*His Excellency,
Dist. Senator Ahmad Ibrahim Lawan,
President of the Senate,
National Assembly Complex,
Abuja.*

NOTIFICATION OF THE DEATH OF MY BELOVED FATHER

Your Excellency, it is with a deep sense of grief but with gratitude to God that I write to notify you and my Distinguished colleagues about the passing onto glory of my beloved father, Chief Ogba Oku Odo (Ome-Ihe-Ufu 1 of Nkalagu) who slept in the Lord on the 10th day of December, 2020.

My father was a Community Leader, a counselor who represented Nkalagu Community. He was a peaceful, honest and God fearing man while alive. He will be missed greatly.

The burial arrangements will be communicated to you in due course.

Thank you Mr. President and my Distinguished Colleagues.

Yours Sincerely,

(Signed)

Senator Obinna Ogba

Chairman, Senate Committee on Youths & Sports

6. Petition:

Rising on Order 41, Senator Istifanus D. Gyang (*Plateau North*) drew the attention of the Senate to two(2) petitions from:

- (a) ASC 1, Choji D. D., against the Nigeria Customs Service, over an alleged wrongful dismissal from Service; and
- (b) Mr. Dung Dalyop, against the Nigeria Erosion and Watershed Management Project (NEWMAP), over an alleged encroachment on ancestral farmland.

He urged the Senate to look into the matters.

Petitions laid and accordingly referred to the Committee on Ethics, Privileges and Public Petitions [Order 41(3)] to report within four (4) weeks.

7. Matter of Urgent Public Importance:

Rising on Orders 42 and 52, Senator Bello Mandiya (*Katsina South*) drew the attention of the Senate to the abduction of Students at Government Science School Kankara, Katsina State. He sought and obtained the leave of the Senate to present the matter forthwith:

The Senate:

notes with sadness, grief and great concern, the recent terrorist attack and abduction of students at Government Science School, Kankara, Katsina State by gunmen on Friday, 11th December, 2020 as widely reported in both local and international media;

further notes that according to reports by media organizations including Aljazeera, the British Broadcasting Corporation (BBC), the Premium Times and the Daily Trust Newspapers of 13th December, 2020, more than 300 school boys are still missing following the attack;

recalls that media reports about this dastardly incident indicate that the attackers stormed the school premises and engaged government security agents in a fierce gun battle which forced hundreds of students to flee and hide in the surrounding forest while others were reportedly

abducted by the gunmen;

further recalls that the Katsina State Governor, His Excellency, Rt. Hon. Mallam Aminu Masari was reported to have confirmed that before the incident, the school which operates as a boarding school had a total population of 884 students but after the attack, the whereabouts of 333 students is yet to be ascertained;

aware that section 14 (2)(b) of the 1999 Constitution of the Federal Republic of Nigeria (as amended), stipulates that the welfare and security of citizens shall be the primary responsibility of the government; thus government at all levels owe the people the duty to provide adequate security;

aware that the recent attack and abduction of school children at Government Science School, Kankara, Katsina State came on the heels of yet to be resolved abduction of 270 girls which took place at Government Secondary School, Chibok, Borno State in 2014, and abduction of about 100 school girls at Government Girls Science and Technical School, Dapchi, Yobe State in 2018; and

concerned that like the other incidents of school children abduction that took place in Chibok and Dapchi, several years back, if no immediate action is taken to rescue Kankara School boys, their fate may be sealed in the hands of terrorists.

Accordingly resolves to:

- (i) condemn in very strong terms the attack on Government Science School, Kankara, Kastina State which led to the abduction and disappearance of over 300 students;
- (ii) invite the Minister of Defence, Chief of Army Staff, the Chief of Air Staff, the Director General, Department of State Security Service and the Inspector-General of Police to brief the Senate on measures being taken to rescue the missing students at Government Science School, Kankara Katsina State; and
- (iii) urge the President and Commander in Chief of the Armed Forces, President, Muhammed Buhari, GCFR to consider and implement the recommendations of the Senate Ad hoc Committee on Nigeria's Security Challenges dated 17th March, 2020 and Senate Resolutions therefrom, as a holistic response to the mounting security challenges across the country.

Debate:

Proposed Resolution (i):

Question: That the Senate do condemn in very strong terms the attack on Government Science School, Kankara, Kastina State which led to the abduction and disappearance of over 300 students — *Agreed to.*

Proposed Resolution (ii):

Question: That the Senate do invite the Minister of Defence, Chief of Army Staff, the Chief of Air Staff, the Director General, Department of State Security Service and the Inspector-General of Police to brief the Senate on measures being taken to rescue the missing students at Government Science School, Kankara Katsina State — *Negatived.*

Proposed Resolution (iii):

Question: That the Senate do urge the President and Commander in Chief of the Armed Forces, President, Muhammed Buhari, GCFR to consider and implement the recommendations of the Senate Ad hoc Committee on Nigeria's Security Challenges dated 17th March, 2020 and Senate Resolutions therefrom, as a holistic response to the mounting security challenges across the country — *Agreed to.*

Resolved:

That the Senate do:

- (i) condemn in very strong terms the attack on Government Science School, Kankara, Kastina State which led to the abduction and disappearance of over 300 students; and
- (ii) urge the President and Commander in Chief of the Armed Forces, President, Muhammed Buhari, GCFR to consider and implement the recommendations of the Senate Ad hoc Committee on Nigeria's Security Challenges dated March, 17th 2020 and Senate Resolutions therefrom, as a holistic response to the mounting security challenges across the country (*S/Res/058/02/20*).

8. Matter of Urgent Public Importance:

Rising on Orders 42 and 52, Senator Abubakar Kyari (*Borno North*) drew the attention of the Senate to the senseless attack by Boko Haram insurgents on Tumur Refugee Settlement in Diffa Region of Niger Republic where displaced Nigerians reside. He sought and obtained the leave of the Senate to present the matter forthwith:

The Senate:

notes that the effect of Boko Haram insurgency on affected population in the North East Nigeria and Borno North in particular has led to a movement of massive proportion of a large population from Abadam, Mobbar, Guzamala, Kukawa and Monguno Local Government Areas of Borno State to Diffa Region in neighbouring Niger Republic;

alarmed by the resurgence of senseless and barbaric killings by insurgents in recent weeks, a similar incident had occurred on Saturday, 12th December, 2020 in Tumur town of Diffa Region in Niger Republic where a huge population of refugees from Abadam Local Government Area of Borno State reside. The attack occurred at around 8pm, when people were getting ready to retire for the night. Boko Haram insurgents stormed the town shooting people at sight and setting ablaze the whole town. Following the mayhem that lasted for several hours, it is with great sadness and shock that 37 people lost their lives - 25 were shot to death, 9 died as a result of burns sustained by fire and 3 drowned in the nearby river while trying to escape. Several others are still missing and several sustained varying degrees of injuries. The surviving people lost all their belongings except the clothes on their back as a result of the fire. Mr. President, Distinguished colleagues you may recall I mentioned in this hallowed Chamber when on 27th May, 2020 a fire disaster occurred in the same refugee camp. The people are yet to recover from that disaster when this sad attack happened on Saturday and left them with nothing whatsoever;

concerned that with the cold and harsh harmattan weather, lack of shelter and food, the people are on the verge of a massive humanitarian disaster. Mr. President, Distinguished colleagues if urgent steps are not taken by the Federal Government, I am sorry, more people will lose their lives especially the vulnerable ones, children, women, elderly and the sick; and

appreciates and commends the efforts of the Nigerien and Diffa Governments together with the proactive efforts of His Excellency, Prof. Babagana Umara Zulum, the Executive Governor of Borno State.

Accordingly resolve to:

- (i) urge the Federal Government to immediately direct the Armed Forces and relevant security agencies to beef up personnel and equipment to high prone areas especially in and around the Lake Chad shores in order to flush out the insurgents;
- (ii) urge the Federal Government to send, as a matter of urgency, medical and emergency relief materials to the victims of this attack;
- (iii) urge the Federal Government, as a matter of urgency, to put in place and implement a coordinated action to return our displaced refugees in other countries; and

- (iv) observe a minute silence in honour of those who lost their lives in this unfortunate attack.

Debate:

Proposed Resolution (i):

Question: That the Senate do urge the Federal Government to immediately direct the Armed Forces and relevant security agencies to beef up personnel and equipment to high prone areas especially in and around the Lake Chad shores in order to flush out the insurgents — *Agreed to.*

Proposed Resolution (ii):

Question: That the Senate do urge the Federal Government to send, as a matter of urgency, medical and emergency relief materials to the victims of this attack — *Agreed to.*

Proposed Resolution (iii):

Question: That the Senate do urge the Federal Government, as a matter of urgency, to put in place and implement a coordinated action to return our displaced refugees in other countries — *Agreed to.*

Proposed Resolution (iv):

Question: That the Senate do observe a minute silence in honour of those who lost their lives in this unfortunate attack — *Agreed to.*

Resolved:

That the Senate do:

- (i) urge the Federal Government to immediately direct the Armed Forces and relevant security agencies to beef up personnel and equipment to high prone areas especially in and around the Lake Chad shores in order to flush out the insurgents;
- (ii) urge the Federal Government to send, as a matter of urgency, medical and emergency relief materials to the victims of this attack;
- (iii) urge the Federal Government, as a matter of urgency, to put in place and implement a coordinated action to return our displaced refugees in other countries; and
- (iv) observe a minute silence in honour of those who lost their lives in this unfortunate attack (*S/Res/059/02/20*).

One minute silence accordingly observed in honour of the deceased.

9. Personal Explanation:

Rising on Order 43, Senator Muhammad E. Bima (*Niger South*) drew the attention of the Senate to the demise of Samuel Ndanusa Isaiah (1st May, 1962 -December, 11th 2020) which sad event took place on Friday, 11th December, 2020 after a brief illness; and Alhaji Abdulmalik Ndayako (*Shaba Nupe*) the Crown-Prince of the Nupe Kingdom (*Yeriman-Nupe*) which sad event took place on Saturday 12th December, 2020 at the age of 82. He urged the Senate to observe a minute silence in honour of the deceased.

One minute silence accordingly observed in honour of the deceased.

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 (Order 13) (*Senate Leader*).

Question put and agreed to.

10. Presentation of Bills:

- (i) Institute of Agriculturists (Establishment) Bill, 2020 (HB. 104) — *Read the First Time.*
- (ii) State Police Service Commission (Establishment) Bill, 2020 (SB. 595) — *Read the First Time.*
- (iii) National Health Act No.8 2014 (Amendment) Bill, 2020 (SB. 603) — *Read the First Time.*
- (iv) Environmental Impact Assessment Act CAP E12 LFN 2004 (Repeal & Re-enactment) Bill, 2020 (SB. 604) — *Read the First Time.*
- (v) NDE Act CAP N28 LFN 2004 (Amendment) Bill, 2020 (SB. 605) — *Read the First Time.*

11. Committee on Ethics, Privileges and Public Petitions:

Motion made: That the Senate do receive the Reports of the Committee on Ethics, Privileges and Public Petitions in respect of a:

- a. Comrade Christopher Ofofemi on behalf of Ms. Ekweozoh Irene, against NIGCOMSAT for alleged unlawful dismissal from Service;
- b. Mrs. Mariel Rae-Omoh, against the Nigerian Tourism Development Corporation (NTDC), over alleged victimization, intimidation, harassment, injustice, certificate forgery and her unlawful dismissal from Service; and
- c. Blessing Adanma Njoku, against the Pension Transitional Arrangement Directorate (PTAD), over her suspension/termination of her appointment on alleged certificate forgery (*Senator Patrick A. Akinyelure — Ondo Central*).

Question put and agreed to.

Reports Laid.

12. Committee on Communications:

Report on the 2021 Nigerian Communications Commission (NCC) Budget Proposal:

Motion made: That the Senate do receive and consider the Report of the Committee on Communications on the 2021 Nigerian Communications Commission (NCC) Budget Proposal (*Senator Yahaya I. Oloriegbe — Kwara Central*).

Question put and agreed to.

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Report Laid and presented.

Question put and agreed to.

Recommendations:

NIGERIAN COMMUNICATIONS COMMISSION BUDGET

A. Revenue Profile	₦'000
Licensing Fees	600,000.00
Annual Operating Levy	71,930,000.00
Spectrum Fees	36,488,838.00
Numbering Plan	3,384,000.00
Admin Charges	64,757.00

Type Approval Fees	211,809.00
Sanction Fees	50,000.00
Other Income	80,744.00
Funds for Broadband Infrastructure	44,000,000.00
Transfers from Reserve	5,256,783.00
Total Revenue	162,066,931.00

B. Expenditures

Recurrent Expenditure	
Establishment Costs	552,500.00
Salary and Wages	29,195,170.00
Personnel MGT Cost	9,027,625.00
Travel Costs	2,706,610.00
Operational Costs	9,239,615.00
Administration Costs	4,457,314.00
Spectrum Expenses	6,362,127.00
Total Recurrent Expenditure	61,540,960.00

Capital Expenditure

Internal Projects	6,854,262.00
School Support Programme	6,832,733.00
Digital Job Creation (Social Intervention Programme)	2,335,700.00
Consultancies	1,008,404.00
Total Capital Expenditure	17,031,099.00

Special Projects

Emergency Communications Centres	5,687,820.00
Broadband Infrastructure Development Project	24,373,969.00
GSM Networks QOS Compliance Monitoring	559,000.00
Subscribers Database Management	882,550.00
Digital Parks	2,000,000.00
R&D in Emerging Trends in Telecoms	989,994.00
Total Special Projects	34,493,333.00

Transfer to Federal Govt.	42,001,539.00
Transfer to USPF	7,000,000.00
Total Budgeted Expenditure	162,066,931.00

RECURRENT EXPENDITURE — A

	₹'000
ESTABLISHMENT COSTS	
Rents & Rates	30,000
Insurance	522,500
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Recruitment Expenses	-
TOTAL	552,500
SALARIES & WAGES	29,195,170

PERSONNEL MANAGEMENT EXPENDITURE

Welfare Costs	306,094
Medical Expenses	1,945,444
Pension & Gratuity	2,939,924
Training & Developments	3,836,163
TOTAL	9,027,625

TRAVEL COSTS

Transport & Travelling- Foreign	1,801,239
Transport & Travelling- Local	786,371

Vehicle Running Expenses	70,000
Relocation Allowance	49,000
TOTAL	2,706,610

OPERATIONAL COSTS

Printing & Stationery	170,360
Postage & Courier Services	26,000
Advertisements	1,315,351
Forum, Conf & Seminars	2,702,446
Consumer Education and Protection	1,164,862
Protocol & Public Relation Expenses	296,500
Subscription and Donations	50,000
Dues to Int. Organisations	348,500
IT Expenses	1,224,640
Studies/Research	556,847
Regulatory/Enforcement Expenses	1,384,109
TOTAL	9,239,615

ADMINISTRATION COSTS

Maintenance of Building & Equipment	1,265,183
Fuel & Diesel Expenses	265,000
Utilities	227,064
Library Expenses	28,295
Entertainment	130,000
Legal & Professional Fees	1,128,438
General Office Expenses	315,734
Security Expenses	307,900
Audit Fees & Accountancy Fees	65,000
Board Expenses	709,700
Museum Expenses	15,000
TOTAL	4,457,314
Spectrum Expenses	6,362,127
TOTAL RECURRENT	61,540,960

CAPITAL EXPENDITURE (INTERNAL PROJECTS)

BUILDINGS

UPGRADE AND IMPROVEMENT WORKS ON HO INFRASTRUCTURE

Upgrade of water Treatment Plant in the Commission	85,000,000
Rehabilitation of the Internal tiled wall in the court yard of the HQ building	300,000,000

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Replacement of security frog lights with LED/flood light systems in the Commission	15,000,000
Installation security access control doors at the corridors	-
Lot Remodelling of Jonitors and introduction of vent systems	100,000,000
Lot Upgrade/Installation of modern fire alarm system and synchronization with the PAS in the HQ Annex	30,000,000
Lot Public Address System for the Board Room and Conference Room	10,000,000
Removal of existing aluminium roof cover and dam proof and reroof with optimum guage aluminium roof	-
Repairs on fence and other associated works	-
Re-channelling of water flood at the basement	-
Replacement of broken pavements around the Headquarters	-
Lot Replacement of HVAC/ACs in the Commission's Head Office and Annex Office at Mbora Office	250,000,000
Lot Replacement and Upgrade of Four (4) Schindler lifts at Mbora	400,000,000
Lot Installation of Four (4) UPS for Passenger Lifts at Mbora	50,000,000
Lot Consultancy services of Quantity Surveyors for Evaluation of Land and	

	Construction of Multi-level parking lot	515,000,000
5	Rental of Office Buildings for Five (5) New Zonal Offices	170,000,000
1	Construction and Furnishing of Proposed Gombe Zonal Office	230,000,000
2	Sinking of Boreholes and fabrication of overhead water tank stands and installation of 2nos 2000-litre overhead tank with pumping machines (IBZO/PHZO)	40,000,000
	TOTAL BUILDINGS	₦2,195,000,000

PLANT AND MACHINERY

ENGINEERING TOOLS

20	30KVA Soundproof Generators	100,000,000
6	Provision of 60KVA Generators for the Zonal Offices and other locations	187,000,002
3	Supply and installation of industrial generating sets at Mbora Annex	500,000,000
	Renewal of Frequency Software License	-
Lot	Upgrade and Integration of Monitoring Systems	218,483,777
	Purchase of E and V Bands Monitoring Antenna and Accessories	-
	Purchase of Radio Spectrum & Drone Jamming System	-
1	Purchase of N9962A FledFox Handheld Microwave Spectrum Analyzer 5 KHz-50 GHz with Accessories	41,657,600
	Calibration and Maintenance of Monitoring Equipment	-
	External Works - Hard, Soft Landscape and Cable Trench @ Space Radio Site, Mbora	-
	Purchase of HTZ Communication and an offshore workshop for 12 Engineers	116,065,260
	Purchase of Spectrum Laboratory Equipment and Accessories	11,076,635
	Upgrade and maintenance of the online License Software	-
	Purchase of two Pathloss Version 5.1 Software	6,496,000
	Supply and Installation of Shogi MSS System	77,757,000
	ETUS: Spectrum Planning Research Tools	40,538,613
	Renewal of License for the following tools: SEAMCAT and Matlab	40,000,000
Lot	Cabling, Servers, Emergency Fire Systems, air-Conditioning and Fibre installation at the Space Radio Monitoring Building, Mbora	35,000,000
Lot	Purchase of Drones/UAVs for studies/simulation	10,555,120
	Satellite filing/satellite coordination capacity building	4,125,000
	Handheld satellite monitoring tools for 5 users	5,175,000
1	Spectrum Management Software for developing Countries (SMS4DC) upgraded version 4.1 including Training (10 Users)	-
	TOTAL PLANT & EQUIPMENT	₦1,393,930,007

FURNITURE, FITTINGS AND EQUIPMENT

Lot	Procurement of Office Furniture for Head Office and Zonal Offices including canteen furniture	300,000,000
Lot	Office furniture and fittings for the newly completed Lagos and Kano Zonal Offices	100,000,000
Lot	Meeting Room Conference Tables and chairs for HQ and annex Office	175,000,000
Lot	Supply and Installation of Photocopy Machines	56,250,000
Lot	Replacement of Airconditioners	-
Lot	Kitchen Equipment	50,000,000
Lot	Mobile (Mechanical) Shelvin	-
	TOTAL INTERNAL FURNITURE AND FITTINGS	₦681,250,000

SECURITY HARDWARE

Lot	Enhancement of Security Scanning Operations with hand held bomb sniffers, scanners, etc at all NCC Offices and Installations Handheld bomb sniffer for Mbora and the Commission's Five (5) Zonal Offices	72,000,000
	Baggage scanners for NCC HQ Annex and Five (5) zonal offices.	78,000,000
	Under vehicle inspection system for NCC HQ Annex and Five (5) zonal offices.	150,000,000

Walk-through body scanners for NCC HQ Annex and Five (5) zonal offices.	72,000,000
Lot Provision of Logistics for Surveillance Operations and Monitoring of all NCC Offices and Installations Supply of one (1) units of 4x4 Hilux Pickup vehicles.	23,000,000
Supply and installation of CCTV Surveillance System at the NCC Annex, Mbora	52,329,998
Supply and Installation of CCTV Surveillance System for the new Lagos and Kano Zonal Offices	30,822,000
Routine maintenance of all Security equipment/Gadgets in the H/Q, Annex and five Zonal Offices	22,660,000
Upgrade of Lift lobby CCTV, installation of corridor cameras on each floor wing	10,400,000
Installation of Perimeter fence and lighting at HQ Annex, Mbora	15,000,000
Lot Provision of Security Hardware Services for the Communications and Digital Economy Complex Surveillance System (CCTV and Other Hardwares	185,000,000
Access Control	17,500,141
Safe Locker	1,200,000
Deployment of Intercom System on the 4th and 5th Floors at NCC Annex	11,043,608
Guard Spint	120,000,000
TOTAL SECURITY HARDWARE	₦860,955,747

ICT INFRASTRUCTURE AND SOLUTIONS

Lot Billing and Tariff Monitoring System/Training	45,000,000
Relocation of Forensic LAB	5,247,900
Lot Procurement of SIM Box Detection and Blocking System	-
1 Cloud Based Web Hosting Server at Local Tier III Data Centre	30,000,000
Lot Upgrade/Renewal and maintenance of CMS	16,850,000
Lot Document Management Solutions	60,000,000
Lot Computer Security Incident Response Team (CSIRT)	94,024,840
Lot Preventive Maintenance and upgrade of E-Forensic Tools Hardware and Software 3 UNITS of EnCase® Forensic (standalone) Licence and 1-year Software Maintenance Services	4,927,500
Encase v8 SAFE and Licence Manager Deployment, setup and Enterprise configurations - including the Encase SAFE, Encase License Manager, Encase Examiners and Encase servlets	4,743,175
Renewal and Upgrade of MS Windows Operating System (For server and Workstation)	2,047,500

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E-Forensic technical training Fee \$3,495.00 @400:\$1: Product Specific Technical Capacity Building (Encase)	13,980,000
1 Year Post Deployment Technical Support and Professional Services	7,300,000
Logistics for E-Forensic Training for personnel \$5320 @ N400 per \$	21,280,000
Internet Measurement/Infrastructure survey and mapping	40,000,000
Preventive Maintenance and Upgrade of E-Forensic Tools Hardware and Software Mobile Forensics Components UFED Chinex	10,000,000
UAD-UFED Analytical Desktop (Cellebrite)	10,000,000
Product Specific Technical Capacity Building (Cellebrite) Cost	13,335,000
Deployment fee	3,000,000
License Fee	2,000,000
Upgrade of National Internet Resource (NIR) Management Solution	-
Lot Installation of Biometric Access control and attendance solution for CSIRT centre Wuse	2,741,822
1 Revenue Assurance/Monitoring Software	350,000,000
Lot Digitalization of the NCC Library	24,469,985
1 Auto - Max 550/350C Shredder	1,200,000
Lot Acquisition of Knowledge Resources for the NCC Library	35,000,000
Museum Management	-
200 Procurement of Additional Microsoft Software Licenses	-
Lot Installation and Deployment of upgradeable Catalyst Switches	80,000,000

	Installation of Sophos Central and Intercept-X Solution	31,000,000
	Expansion of Existing Commission's Server Farm	-
	Laying of Fibre cable from HQ to NCC Mbora	-
	Installation of Precision Cooling and Humidifier System for the NCC Datacentre	-
	Upgrade Spectrum Management System in line with User Department and Commission's Requirements	-
	Upgrade of Commission's Network - Internal Firewall	-
	Annual Maintenance for K116 Full HD LED Outdoor Information Electronic Billboard & Capacity Building	-
Lot	Installation of Server Storage Solution	95,000,000
Lot	Installation of Catalyst PoE Switches in the new Lagos Zonal Office	50,000,000
Lot	Installation of FM 200 Fire Suppressant System in the ICT Electrical Power Room in the New Lagos Zonal Office	6,337,088
Lot	Deployment of Additional Biometric Access Control System for the New Lagos Zonal Office.	4,800,000
Lot	Supply and Installation of Wireless Access Points in the New Lagos Zonal Office.	6,400,000
Lot	Extension of E-Services Portal Solution to optimize invoicing, payments, receipts & mobile application	40,000,000
Lot	Upgrade of Microsoft Dynamics Great Plains (MDGP)- Payables and Receivables Module.	18,750,000
	Upgrade of Two-Factor Authenticator Solution	-
	Data Validation Technology	-
	Supply and Installation of Bomb Sniffer for the Commission Head Office (Head Office, annex office and 5 Zonal Offices)	
	Deployment of Under-Vehicle Inspection System	
Lot	Software systems for monitoring update in Laws and judicial decision.	1,500,000
Lot	Record Archive Management System (RAMS).	35,000,000
Lot	Archiving of Licence Documents	20,000,000
Lot	Calibration of Lab equipment	10,000,000
Lot	Procurement of RF EMF Strength Meter with waterproof case and other accessories (Extech 480846:8GHz) with Hands On for 8 engineers	20,000,000
Lot	Annual QuickScore Maintenance Fee & knowledge transfer for CPSRM staff on Quickscore, new Upgrade.	11,492,800
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100	Procurement of New ICT Tools and Accessories	326,200,000
	ArcGis Software-Annual Enhancement Fee	-
	Upgrade Numbering Management System	-
	Upgrade Contact Center Database Server to also include complaints received at the Mobile Number Operators	-
	Customize and Deploy Compliance Management Software	-
Lot	Deployment of Network Access Control Solution (LAN Security)	-
Lot	Procurement of e-Admin Software	-
Lot	Purchase of additional Licenses; Payroll (160), HR-Focus (160), Microsoft Great Plains (160)	7,000,000
	Deployment of Print Management software	-
5	Installation of Presentation System at Head Office Conference and Meeting Rooms	80,000,000
	Acquisition of Monitoring and Detection solutions (hardware/software purchases, licenses, maintenance)	-
	Purchase of additional Project Management server License	-
	Deployment of Data Backup Solution	-
	Upgrade of Online Licensing Portal Solution	-
5	Establishment of Mini Library at the Zonal Offices	45,000,000
	TOTAL ICT INFRASTRUCTURE & SOLUTIONS	₦1,723,126,110
	TOTAL INTERNAL PROJECTS	₦6,854,261,864

BREAKDOWN OF CONSULTANCY & PROFESSIONAL EXPENSES

Consultancy to develop technical guidelines on 60 GHz and to review Guidelines on the use of 2.4 GHz and 5 GHz bands	11,500,000
Consultancy Services for Capacity Building on the use of Glowlink Space Radio Monitoring System Project	5,520,800
Codification of fixed assets updates-tagging materials HQ	5,000,000
Upgrade of Parking & Door signage/Directional signage sHQ Annex	5,000,000
Consultancy for External Threat and Vulnerability Simulation Exercise	14,400,000
Engage Consultants to monitor legislative activities at the National Assembly	15,000,000
Consultancy on 5G Services - Impact on 5G licensing	8,000,000
Consultancy on UASL - Study and Report on the impact of UASL on upstream and downstream	7,300,000
Mobile Virtual Network Operators (MVNO) - Consultancy, Development of Framework, Stakeholder Engagement -	13,435,000
Licensing & Authorisation - Departmental Retreat (2X in a year)	3,977,000
Consultancy on Type Approval Regulation Review	-
Consultancy on Type Approval Guideline Review	15,000,000
Consultancy on Guideline on EM Radiation	6,000,000
Consultancy for Internet Measurement/Infrastructure survey and mapping.	-
Consultancy for the development of IP LOGIN architectural framework	29,000,000
Consultancy for the development of database for CRS monitoring and management.	15,000,000
Consultancy for Annual Nigeria Cybercrime Index, Intelligence and threat Landscape	55,000,000
Consultancy - Investigation of impact block-chain based transactions.	23,000,000
Trends of Household and individual ICT Access and Usage Survey	100,000,000
Consultancy on Data Validation Technology	100,000,000
Consultancy Study on the Level of Competition in the Nigerian Telecom Industry	-
Consultancy for the review of stakeholders' Engagement Management Framework	20,000,000
Consultancy to review current data model and protection of Telecom Subscribers	15,000,000
Consultancy on Network Study to Ascertain Readiness of National Service Providers on 4G, LTE and the road to 5G	45,000,000
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Consultancy on the Development of Nigerian Telecom Consumer App	15,000,000
Review Corporate Governance Code and get Stakeholder buy-in. Align with National Corporate Governance Code	25,000,000
Consultancy for the Establishment of Nigeria Wireless Alert (N-WEA)- a Public Warning Alert System	20,000,000
Consultancy for the development of NCC Mobile Verification Number (MVN)	60,000,000
Consultancy on development and implementation of performance data visualization tools, methods & analytics to foster enhanced corporate performance predictions and adaptive management	26,158,000
Consultancy - Communicating and managing transition to changes in the new strategy	6,400,000
Consultancy on Change Management Initiative	26,160,000
Consultancy for the review of Internal policy Documents at the Head and Zonal Offices	22,890,000
Engagement of consultant to review Standard Operating Procedure Manuals	-
Knowledge Transfer session for SOP for various Departments	15,100,000
Consultancy for the Development of ERM Framework for the Commission - Phase 1	22,431,000
Consultancy for the formulation of Risk and Business Continuity Plan for the Industry	14,132,000
Consultancy on Procurement Process Review	15,000,000
Consultancy on Procurement Due Diligence	10,000,000
Consultancy for the Computerization of Audit key Processes	16,000,000
End of year Closing - Test of Impaired Assets IPSAS	75,000,000
Management of Tax Obligation -Tax Consultancy	32,000,000

Document Management (Training and Implementation)	50,000,000
Implementation of Budget management Software	30,000,000
Consultancy to Review Status of Nigeria's WSIS Implementation (estimate)	15,000,000
TOTAL	₦1,008,403,800

DIGITAL BRIDGE INSTITUTE (DBI)

DBI Talent Acceleration Programme (TAP)

Lot Renovation of DBI Lagos as Talent Accelerator/Innovation Hub	-
Lot Construction and Equipment of Laboratories	-
Lot Supply of UPS and Inverter Systems	-
Administrative Equipment	-
Furniture & Fittings	-
Training Equipment	-
Data Room/Network Equipment	-
Digital Resource Room (Library)	-
Network Infrastructure	-
Internet Access	-
Lot IP Phone System	-
Digital Job Creation	-
ICT Training and Rehabilitation for the North-East	-
Completion of Yola Digital Bridge Institute:	155,000,000
Construction of access road to the campus. 2. Internet connectivity, 3. Laboratory equipment and apparatus, 4. Functional checks and repairs of electrical fittings, furniture and building	71,500,000
	9,600,000
	504,300,000
	4,000,000
	91,300,000

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Lot Digital Entrepreneurship Capacity Building for Industry Stakeholders	1,500,000,000
TOTAL	₦2,335,700,000

SCHOOL SUPPORT PROGRAMME

Qty.

210 Computers (Intel Core 2 Duo E8600 2.40GHZ with MS Windows 7) License MS Office Professional	94,500,000
10. Servers 8100 Intel Core i5-660 Processor (3.330GHZ, 4MB and MS WIN 7)- 20 User License	6,375,000
10. Local Area Network (Material + Installation)	57,550,000
10. VSAT High Power Broadband with 12 mths Subscription	45,000,000
20. HP Scan Jet	3,000,000
20. UPS 10KVA	30,000,000
10. HP Laser Jet 2015 Printers	1,250,000
210. Computer Tables and Chairs	52,500,000
8. Engagement of Consultant for Technical Audit of sites	40,000,000

QYT. Digital Awareness Programme

10 Construction of Computer Laboratory 8mX10m floor space comprising of hall, Manager's Office, Server Room and 2 nos WC	290,000,000
30 Air conditioners	6,000,000
150 Branded Window Blinds @ 10 nos per site	1,095,000
10 DAP Location Signage	1,125,000
lot Monitoring and Commissioning of School Support Projects - CBT, ADAPTI E-Health etc	135,200,000
10. Generators 20.5 KVA Sound Proof plus installation costs inclusive of	

construction of concrete base, armoured cable, change over switch, generator house, transportation, etc	50,000,000
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Wireless Internet Cloud

Lot	Provision of Wireless Internet Cloud for Institutions + 1 year maintenance support in the 6 Geopolitical Zones	2,501,696,000
2400	Supply, configuration and integration of 200 units e-pad with internet access and other educational contents in Twenty (20) selected tertiary institutions in 6 geopolitical zones	2,033,934,000
7500	Advanced Digital Appreciation Programme for Tertiary Institutions (ADAPTI-T) Training for Teachers	785,687,500
2076	DAP-TEA Training	218,820,000
Lot	Social Intervention Programmes	400,000,000
Lot	Development of KPI for assessing digital inclusion relating to ICT Training intervention by the Commission	15,000,000
Lot	Needs Assessment for Special Intervention Projects to ensure that round pegs are placed in round holes	14,000,000
Lot	Impact Assessment of ICT Intervention of the Commission's Projects	50,000,000
TOTAL		₦6,832,732,500

EMERGENCY COMMUNICATION CENTERS (ECC)

37 COMMUNICATION INFRASTRUCTURE

	Comprehensive Rehabilitation/Restructuring of four ECCs (Niger, Borno, Anambra and Delta)	80,000,000
	Construction of Emergency Centres for one State (Rivers)	80,000,000
6	Construction and Rehabilitation of all completed ECC sites	-
	Completion of Ebonyi ECC and implementation of Report of Structural Engineers for Jigawa	100,000,000

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	Supply and installation of IP-based Communication equipment and furniture for Sixt (6) sites without equipment - one in each geo-political zone.	450,000,000
	Upgrade of Six (6) Centres to full IP-based Emergency Call-taking system (with robust digital mapping functionalities) - One in each of the geo-political zone	390,000,000
	35 units of Computer Aided Dispatch (CAD) desktops for Response agencies in 6 States (This will include a 18x2KVA Solar Inverters)	144,000,000
	Solar Powered inverter system (2x10KVA -dedicated for Call Taking Equipment and 1x10KVA - for Centre Lighting backup) for 1 Centre per geo-political zone	183,000,000
	Installation of surveillance Cameras in ten (10) ECCs	100,000,000
	Provision of Internet bandwidth for 12 operational sites (2 per geo-political zone)	144,000,000
	Supply and installation of Electricity Transformers for four (4) ECCs -Akwa Ibom, Cross River, Delta and Edo.	20,000,000
	Interconnection of all ECCs through Fibre optic cables.	80,000,000
	Replacement of damaged/dilapidated support infrastructure	-
		60,000,000
Lot	Emergency Communication Centres Operation, Provision of Facility Management Services and Supply of consumables	125,000,000
		5,000,000
		100,000,000
		100,000,000
Lot	Allowances for Military and Para-military Agencies involved in the management of the ECCs	207,360,000
		39,600,000
		5,940,000
20	Facility Management and supply of Consumables	-
	Deployment of SIM Card enabled PTT 4G LTE portable Radios - with video display screen (100 per State for 20 States)	-

Lot	Digital Mapping Solution: Mapping Application that display Location Information, transmitted by Network Operators.	76,800,000
20	Deployment/Management of Communications Equipment and Infrastructure to ECC Sites	-
25	Managed Services/Business Process Operations	3,019,840,000
Lot	Monitoring and Evaluation of the deployment/management of ECC communication infrastructure	2,880,000
		27,000,000
		4,000,000
		4,000,000
17	Stipends for ECC Dispatchers	4,000,000
Lot	Project Supervision	50,400,000
	Programmes and activities for Commissioning of completed centers	-
Lot	Stakeholder Engagements - Meetings, Conferences and Workshops	85,000,000
TOTAL		₦5,687,820,000

GSM NETWORKS QoS COMPLIANCE MONITORING

	Provision of support for the deployed QoS Infrastructure Tool solution throughout the year to ensure optimal and effective operation and uptime	50,000,000
	Provision of support for the deployed Drive Test equipment throughout the year to ensure optimal and effective operation and uptime	40,000,000
	Purchase, deployment and commissioning of Drive Test Equipment in the Commission's Drive Test Vehicle	80,000,000
	Provision of new protocol analyzer system to enable signaling protocol analysis on interconnect links	40,000,000
	Codification and process engineering of type approval process	19,000,000

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	Conduct and International Conference on EMF/Health, Trends in the Telecommunications Industry	-
	End to end support and maintenance for the NNP Software project	15,000,000
	Consultancy on Technical Certification of Mast and Tower, 50 sites in each of the six geopolitical zones and Lagos	210,000,000
	Combat Mobile Crime in Nigeria/Deployment of Device Management Solution	75,000,000
	Verification of Decommissioned/Dismantled abandoned masts/towers	30,000,000

Multiple Taxation & Regulation (MTR)

	National stakeholders' Forum on Multiple Taxation and Regulation	-
	Regulatory Intervention meetings with States on multiple taxations/regulation	-
	Facilitation of the meeting of the Industry working Group (IWG) on multiple taxations/regulation	-
	TOTAL GSM & CDMA NETWORKS QoS	₦559,000,000

SUBSCRIBER DATABASE MANAGEMENT

	Central Data Centre Maintenance and Management: Maintenance & Management of the NSIM Card Registration Central Database	257,349,871
	AFIS Software License Fees: AFIS and workflow/identity Software License fees for 60M records	-
	Harmonisation of SIM Registration Database with National Identity Management System (NIMS)	580,000,000
	Deployment of Data Recovery (DR) Site	-
	Supply and Installation of Additional Computer Processing System	-
	Monitoring of SIM Registration exercise Key Performance Indicators	31,200,000
	Participation at International Identity Management Conferences and Capacity Building Programmes	14,000,000
	TOTAL SUBSCRIBER DATABASE MANAGEMENT	₦882,549,871

BROADBAND INFRASTRUCTURE DEVELOPMENT PROJECT

Subsidy for Broadband deployment Phase 1&2 (INFRACOS)	23,437,462,537
InfraCo Project Consultancy in 7 zones	16,125,000
Broadband Plan Implementation	75,000,000
IXPN Route Link Intervention	156,862,265
Interconnection of exchange to Abuja IXP, interconnection and aggregation of Internet Service Providers (ISPs) in the North-East to the Exchange.	96,321,827
Broadband Workshop & Industry Working Group Organization	65,688,750
Cabling, configuration, installation of software, provision of broadband internet connectivity and monitoring and surveillance system	326,508,500
Broadband Implementation Steering Committee (BISC)	100,000,000
Coordinating the implementation of the Recommended Initiatives of the Nigeria National Broadband Plan (NNBP) 2020-2025	100,000,000
Project Vehicles	-
TOTAL BROADBAND INFRASTRUCTURE DEVELOPMENT PROJECT	₦24,373,968,879
Construction of Digital ICT Park in three states and FCT R&D in Emerging Trends in Telecoms	2,000,000,000
TOTAL SPECIAL PROJECTS	989,994,000
	₦34,493,332,750

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SUMMARY OF 2021 CAPITAL EXPENDITURE

Internal Projects	6,854,261,864
School Support Programme	6,832,732,500
Digital Job Creation (Social Intervention Programme)	2,335,700,000
Consultancies	1,008,403,800
Total Capital Expenditure	₦17,031,098,164
Special Projects	
Emergency Communications Centres (ECC) Subscribers	5,687,820,000
Database Management	882,549,871
Broadband Infrastructure Development Project	24,373,968,879
GSM & CDMA Networks Qos Driving and Online Monitoring	559,000,000
Digital Parks	2,000,000,000
R&d in Emerging Trends in Telecoms	989,994,000
Total Special Projects	₦34,493,332,750
Total Capital & Special Projects	₦51,524,430,914

Main Question,

That the expenditure of ₦162,066,931.00 (One Hundred and Sixty-Two, Billion, Sixty-Six Million, Nine Hundred and Thirty-One Thousand Naira only) be approved as the Nigerian Communications Commission's Year 2021 Budget — *Agreed to.*

13. Committee on Communications:

Report on the 2021 Universal Service Provision Fund (USPF) Budget Proposal:

Motion made: That the Senate do receive and consider the Report of the Committee on Communications on the 2021 Universal Service Provision Fund (USPF) Budget Proposal (*Senator Yahaya I. Oloriegbe — Kwara Central*).

Question put and agreed to.

Report Laid and Presented.

Recommendations:

RECURRENT EXPENDITURE: ESTABLISHMENT COST

	₱
EMPLOYEE COSTS	
Staff Costs	1,306,209,964
TOTAL	1,306,209,964
OPERATIONAL COSTS	
Printing & Stationery	24,387,550
Postage & Courier Services	1,238,038
Advertisements & Publicity	27,695,000
Training & Development (Local): Training Logistics (Per Diem, Tickets, Fare, etc)	40,999,000
Local Training Fees	21,150,000
Local Travels & Transport (Others); Project Monitoring, Evaluation & Commissioning and Local Industry Event (Including TCP,COP Stakeholders For a, etc)	106,445,000
International Travels & Transport: Logistics (including Estacode, Flight Tickets, etc)	61,179,750
International Training Fees	56,160,000
International Travels & Transport (Others): Telecoms Industry Events (ITU, CTO, GSMA, WSIS, ATU, WATRA,	123,180,800
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Sponsorship	8,000,000
Protocol	18,865,000
Newspapers & Periodicals	1,606,886
Subscriptions to Professional Bodies	2,250,000
Internet Access Charges	2,557,777
Club Membership Subscription	10,000,000
Vehicle Repairs & Maintenance	7,950,000
Vehicle Fueling	2,362,500
Vehicle Insurance	5,795,605
Professional Fees (Audit & Other Accounting Consultancy)	13,416,854
Fund Managers' Fee	6,000,000
Procurement Process Expenses	13,440,000
TOTAL OPERATIONAL COST	₱554,679,760

ADMINISTRATIVE COSTS

Telephone Expenses	12,014,165
Maintenance of Equipment	15,643,623
Entertainment	6,120,000
General Office MTCE/EXPS	16,773,766
Search/Due Diligence Fee	4,900,000
Legal Fees	40,000,000
TOTAL ADMIN COST	₱95,451,554
Total Board Expenses	₱304,323,000
Bank Charges	₱2,500,000
TOTAL RECURRENT EXPD.	₱2,263,164,278

**UNIVERSAL SERVICE PROVISION FUND
CAPITAL EXPENDITURE BUDGET 2021**

QTY		₱
1.	COMPUTERS	
	Lot Computers	15,000,000
	Lot Printers	5,000,000
	Lot UPS	4,500,000

Lot	Laptops	7,000,000
1	Computer Projector	800,000
1	Computer Projector Screen	198,000
Lot	Computer Accessories	3,000,000
	Digital Camera (18-13mm Lens)	-
	World Radio Receiver - ICF-SW 7600GR	-
SUB TOTAL		₦35,498,000

2. OFFICE EQUIPMENT

1	Automatic Thermal Binding Machine	192,109
2	Automatic Coil Binding Machine	560,000
3	Manual Binding Machine	360,000
LOT	Digital Document Conversion	17,225,000
2	Shredding Machine	500,000
2	Photocopier	3,000,000
SUB TOTAL		₦21,837,109

MOTOR VEHICLES

1	Project Vehicles - Peugeot 508	28,000,000
1	Project Vehicles - Toyota Corolla	28,750,000
0	Project Vehicle - Toyota Land Cruiser	-

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1	Project Vehicle - Toyota Prado	54,050,000
SUB TOTAL		₦110,800,000

FURNITURE AND FITTINGS

5	Executive Table & Chair	1,309,000
10	Sofa	1,260,000
5	Coat Hanger	245,000
40	Swivel Chairs	4,400,000
15	File Cabinet Metal	1,350,000
10	Visitors Chair	770,000
6	Tender Box	480,000
10	Office Table	1,260,000
SUB TOTAL		₦11,074,000
TOTAL		₦179,209,109

**UNIVERSAL SERVICE PROVISION FUND
PROJECTS AND PROGRAMMES FOR THE YEAR 2021**

CONNECTIVITY PROGRAMMES

Base Transceiver Station (BTS)	-
Rural Base Transceiver Station (BTS)	-
Accelerated Mobile Phone Expansion (BTS & RBTS) including CAPEX and OPEX	3,537,074,306
Rural Broadband Initiative (RUBI)	-
Bandwidth Provisioning/Aggregation	1,670,619,830
Campus Connect	734,832,191
Emerging Technology Centre	250,438,320
SUB TOTAL - CONNECTIVITY PROGRAMMES	₦6,192,964,647

ACCESS PROGRAMMES

Schools Knowledge Centre (SKC)	-
Digital Nigeria Centre	2,590,165,892
Tertiary Institution Knowledge Centre (TIKC)	-
Tertiary Institution Digital Centre	310,451,339

E-Health	222,395,235
E-Accessibility/ICT for Physically Challenged Persons	558,611,741
Deployment of Local Contents & Applications	130,716,864
SUB-TOTAL	₦3,812,341,071

TECHNICAL AUDIT

Connectivity & Access Projects Technical Audit Fees	470,735,023
SUB-TOTAL	₦470,735,023

INSTITUTIONAL STRENGTHNING AND CONSULTANCY

Board and Management Retreat	14,010,000
Preparation and Publishing of Annual Reports	13,500,000
Website Management	5,500,000
GIS Development	6,000,000
Capacity Building of Community Based Organizations	62,400,000
Focused Industry Session	9,175,000
Project Monitoring, Evaluation & Commissioning	-
Innovative ICT Solutions and Entrepreneurship Development	79,700,000
Universal Service/Universal Access Study Visit for USPF Board	56,721,000
Consultations with Relevant Government Agencies/Meeting with SKC	

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Desk Officers	8,142,000
USPF Corporate Visibility	11,475,000
SUB-TOTAL	₦266,623,000

CONSULTANCY ON ASSETS SWAP VALUATION	₦19,200,000
SUB-TOTAL	₦19,200,000
TOTAL - PROJECT & PROGRAMME COSTS	₦10,761,863,741

SUMMARY OF USPF 2021 BUDGET

A. Revenue Profile	₦
Income from Aol Contribution	7,000,000,000.00
Reserves	6,201,717,128.00
Tender Fees	2,520,000.00
Total Revenue	13,204,237,128.00
B. Expenditures	
Recurrent Expenditure	
Employee Costs	1,306,209,964.00
Operational Costs	554,679,760.00
Administrative Costs	95,451,554.00
Board Expenses	304,323,000.00
Bank Charges	2,500,000.00
Total Recurrent Expenditure	2,263,164,278.00
C. Capital Expenditure	
Computers	35,498,000.00
Office Equipment	21,837,109.00
Motor Vehicles	110,800,000.00
Furniture and Fittings	11,074,000.00
Total Capital Expenditure	179,209,109.00
D. Projects Expenditure	
Connectivity Programs	6,192,964,647.00
Access Programmes	3,812,341,071.00

Technical Audit	470,735,023.00
Institutional Strengthening & Consultancy Programmes	266,623,000.00
Consultancy on Assets Swap Valuation	19,200,000.00
Total Projects Expenditure	10,761,863,741.00

E. Total Budgeted Expenditure ₦13,204,237,128.00

F. The Total Budgeted Expenditure for the Year 2021 is Thirteen Billion, Two Hundred and Four Million, Two Hundred and Thirty Seven Thousand, One Hundred and Twenty Eight Naira (₦13,204,237,128.00) only.

Main Question:

That the expenditure of Thirteen Billion, Two Hundred and Four Million, Two Hundred and Thirty Seven Thousand, One Hundred and Twenty Eight Naira (₦13,204,237,128.00) only for the purposes set out under the Budgeted Expenditure Costs for the Universal Service Provision Fund (USPF) stand part of the Capital Revenue Expenditure for 2021 — *Agreed to.*

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14. Conference Committee:
Report on the 2021 - 2023 Medium-Term Expenditure Framework (MTEF) and Fiscal Strategy Paper (FSP):

Consideration of Report deferred to the next Legislative Day.

15. Joint Committee on Finance; Customs, Excise & Tariff; Trade and Investment and Public Procurement:

Report on the Finance Bill, 2020 (SB. 585):

Motion made: That the Senate do receive and consider the Report of the Joint Committee on Finance; Customs, Excise & Tariff; Trade and Investment; and Public Procurement on the Finance Bill, 2020 (*Senator Solomon O. Adeola — Lagos West*).

Question put and agreed to.

Report Laid and presented.

Motion made: That the Senate do resolve into the Committee of the Whole to Consider the Report (*Senate Leader*).

Question put and agreed to.

(SENATE IN THE COMMITTEE OF THE WHOLE)

CONSIDERATION OF A BILL FOR AN ACT TO AMEND THE CAPITAL GAINS TAX ACT; COMPANIES INCOME TAX ACT; PERSONAL INCOME TAX ACT; TERTIARY EDUCATION TRUST FUND (ESTABLISHMENT) ACT; CUSTOMS AND EXCISE TARIFF, ETC. (CONSOLIDATED) ACT; VALUE ADDED TAX ACT; FEDERAL INLAND REVENUE SERVICE (ESTABLISHMENT) ACT; NIGERIA EXPORT PROCESSING ZONE ACT; OIL AND GAS EXPORT FREE ZONE ACT; FISCAL RESPONSIBILITY ACT; COMPANIES AND ALLIED MATTERS ACT 2020; AND PUBLIC PROCUREMENT ACT AND FOR OTHER RELEVANT MATTERS, 2020.

CAPITAL GAINS TAX ACT

Clause 1: Insertion of New Section 2 (4):

(4) Subject to the provisions of section 31 of this Act, every person having

disposed a chargeable asset shall, not later than 30th June and 31st December of that year, compute the Capital Gains Tax, file self-assessment return, and pay the tax computed in respect of the chargeable assets disposed in the periods."

Committee's Recommendation:

That the provision in Clause 1 be retained (*Senator Solomon O. Adeola — Lagos West*) — *Agreed to.*

Question that Clause 1 do stand part of the Bill, put and agreed to.

Clause 2: Section 24 (f) — Location of Assets.

Section 24 of CGTA is amended, in paragraph (f) in line 1, immediately after the word "aircraft", by inserting the words "used in international traffic".

Committee's Recommendation:

That the provision in Clause 2 be retained (*Senator Solomon O. Adeola — Lagos West*) — *Agreed to.*

Question that Clause 2 do stand part of the Bill, put and agreed to.

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Clause 3: Section 30(3) - Stocks and Shares, etc.

Section 30 of CGT Act is amended by inserting a new subsection "(3)" as follows—

"(3) Notwithstanding any other provisions in this Act, gains accruing to a person from the disposal of a security, stock, share or comparable interest, such as interests in a partnership or trust, where at any time during the 365 days preceding the disposal, the security, stock, share or comparable interest derived more than 50 per cent of its value directly or indirectly from chargeable asset situated in Nigeria, shall be chargeable gains."

Committee's Recommendation:

Leave out the provision in Clause 3 (*Senator Solomon O. Adeola — Lagos West*) — *Agreed to.*

Clause 4: Section 36 (2) — Personal Injury

(2) Sums obtained by way of compensation for loss of office, up to a maximum of Ten Million Naira (₦10,000,000.00), shall not be chargeable gains and subject to tax under this Act.

Provided however that any sum in excess of Ten Million Naira (₦10,000,000.00) shall not be so exempt but the excess amount shall be chargeable gains and subject to tax accordingly.

Insert a new subsection (3) as follows:—

(3) For the purpose of subsection (2) of this section, any person who pays compensation for loss of office to an individual shall be required to, at the point of payment of such compensation, deduct and remit the tax due under this section to the relevant tax authority.

The tax so deducted shall be remitted within the time specified under the Pay-As-You-Earn Regulations issued pursuant to the Personal Income Tax Act.

Committee's Recommendation:

That the provision in Clause 4 be retained (*Senator Solomon O. Adeola — Lagos West*) — *Agreed to.*

Question that Clause 4 do stand part of the Bill, put and agreed to.

Clause 5: The Schedule to the Capital Gains Act is amended by deleting Part IX and Part X.

Committee's Recommendation:

Leave out the provision in Part ix and x (*Senator Solomon O. Adeola — Lagos West*) — Agreed to.

Clause 6: Companies Income Tax Act

Section 11— Charge of tax on interest relating to foreign and agricultural loans and certain reliefs

Section 11 of Companies Income Tax Act (CITA) is amended—

- (a) in subsection (2)(a), by replacing the words "agricultural trade or business" with the words "primary agricultural production"
- (b) in subsection (2) by replacing the proviso to subsection (2)(c) with the following phrase:—

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"Shall be exempted from tax, provided the moratorium is not less than twelve months and the rate of interest on the loan is not more than the base lending rate at the time the loan was granted, refinanced or otherwise restructured.

- (c) by deleting the existing subsection (4) and replacing, it with a new subsection "(4)" as follows:—

"(4)" In this section—

"primary agricultural production" means—

- (a) Primary Crop Production comprising the production of raw crops of all kinds, but excluding any intermediate or final processing of crops or any other associated manufactured or derivative crop products;
- (b) Primary Livestock Production comprising the production of live animals and their direct produce such as live or raw meat, live or raw poultry, fresh eggs and milk of all kinds, but excluding any other associated manufactured or derivative livestock products;
- (c) Primary Forestry Production comprising the production of timbers of various kinds such as firewood, charcoal, uncultivated materials gathered and other forestry products of all kinds, including seeds and saplings, but excluding the intermediate and final processing of timber and any other manufactured or derivative timber products; and
- (d) Primary Fishing Production comprising the production of fish of all kinds, including ornamental fish, but excluding any intermediate or final processing of any other manufactured or derivative fish products."

Committee's Recommendation:

That the provision in Clause 6 be retained (*Senator Solomon O. Adeola — Lagos West*) — Agreed to.

Question that Clause 6 do stand part of the Bill, put and agreed to.

Clause 7: Section 13 — Nigerian Companies

Proviso to (2)(e)

Section 13 of the CITA is hereby amended by replacing the proviso in paragraph (e) with a new proviso—

"Provided that the withholding tax applicable to the income under this paragraph shall be the final tax on the income of a non-resident recipient who does not otherwise fall within the scope of subsection (2) (a) - (d)"

Committee's Recommendation:

That the provision in Clause 7 be retained (*Senator Solomon O. Adeola — Lagos West*)— *Agreed to.*

Question that Clause 7 do stand part of the Bill, put and agreed to.

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Clause 8: Section 14 — Companies engaged in shipping or air transport

Section 14 of CITA is amended by inserting after subsection (4), a new subsection (5) as follows—

"(5) The provisions of this section shall not apply to income from leasing, containers, non-freight operations or any other incidental income liable to tax under Section 9 of this Act.

Committee's Recommendation:

That the provision in Clause 8 be retained (*Senator Solomon O. Adeola — Lagos West*)— *Agreed to.*

Question that Clause 8 do stand part of the Bill, put and agreed to.

Clause 9: Section 16 — Insurance Companies

Section 16 of CITA is amended by

(a) substituting the existing subsection (12) with a new subsection (12) as follows—

"(12) For the purpose of this section, the tax payable by any insurance company for any year of assessment shall not be less than:—

(a) 0.5% of the gross premium for non-life insurance business,

(b) 0.5% of the gross income- for life insurance business.

Provided, however, that the applicable minimum tax under this section shall be reduced to 0.25% for tax returns prepared and filed for any year of assessment falling due on any date between 1st January 2020 and 31st December 2021, both days inclusive;

(b) inserting a new subsection (13) as follows —

"(13) For the purpose of subsection (12) of this Section:—

"Gross premium" shall mean the total premiums written, received and receivable excluding unearned premium and premiums returned to the insured,

"Gross Income" shall mean total income earned by a life insurance business including all investment income (excluding franked investment income), fees, commission and income from other assets but excluding premiums received and claims paid by re-insurers.

Committee's Recommendation:

That the provision in Clause 9 be retained (*Senator Solomon O. Adeola — Lagos West*) — *Agreed to.*

Question that Clause 9 do stand part of the Bill, put and agreed to.

Clause 10: Section 23 — Profits Exempted

Section 23 of the CITA is amended by —

(a) Substituting in subsection (1B), the existing paragraph (c) with a new paragraph (c) as follows:—

"(c) a real estate investment company from tax on dividend and rental income if it does not meet the conditions stipulated in subsection 1(s)"

(b) by repealing Section 23 (1C) as introduced by section 9 of the Finance Act of 2019 with respect to companies

Committee's Recommendation:

That the provision in Clause 10 be retained (*Senator Solomon O. Adeola — Lagos West*) — *Agreed to.*

Question that Clause 10 do stand part of the Bill, put and agreed to.

Clause 11: Section 25 — Deductible Donations

Section 25 of the CITA is amended by inserting new subsections (8) and (9) as follows:—

(8) Donations made by companies in cash or kind to any Fund set up by the Federal Government or any State Government, or to any agency designated by the Federal Government or to any similar Fund or purpose in consultation with any Ministry, Department or Agency of the Federal Government, in respect of any pandemic, natural disaster or other exigency shall be allowed as deductions as follows:—

(i) the cost of in-kind donations made to the Government and any designated agency shall be allowed as deductions;

(ii) where companies have either procured or manufactured items for contribution, the cost of purchase, manufacture or supply of such in-kind contributions shall be allowed as deductions.

Provided that requisite documentation evidencing the donation and the cost thereof are provided to the relevant tax authority and demonstrated to be wholly, reasonably, exclusively and necessarily incurred in relation to the procurement, manufacture or supply of the in-kind contributions.

(9) Notwithstanding the provisions of subsections (2) and (3) of this Section, amounts allowable for deduction, in respect of subsection (8), in any year of assessment shall be limited to 15% of assessable profits after deduction of other allowable donations made by the company.

(10) Where for any year of assessment, the allowable donations pursuant to subsection (8) are not utilized as a result of no assessable profits, so much of the allowable deductions that have not been deducted shall be carried to the following year of assessment or years of assessment, and they shall be allowed as deductions against the assessable profits; provided that no allowable donations shall be carried forward under this subsection for more than two years of assessment immediately succeeding the year of assessment for which the donations was first made.

Committee's Recommendation:

That the provision in Clause 11 be retained (*Senator Solomon O. Adeola — Lagos West*) — Agreed to.

Question that Clause 11 do stand part of the Bill, put and agreed to.

Clause 12: Section 27 — Deductions not allowed

Section 27 is amended by substituting the existing paragraph (k) with a new paragraph (k) as follows:—

"(k) penalty or fine imposed pursuant to a legislation enacted by the National Assembly or State House of Assembly".

Committee's Recommendation:

That the provision in Clause 12 be retained (*Senator Solomon O. Adeola — Lagos West*) — Agreed to.

Question that Clause 12 do stand part of the Bill, put and agreed to.

Clause 13: Section 33 — Minimum Tax

Section 33 is amended by substituting for subsection (2) of Section 33 with a new subsection (2) as follows:—

"(2) For the purpose of subsection (1) of this Section, the minimum tax to be levied and paid shall be 0.5% of gross turnover of the company less franked investment income.

Provided, however, that the applicable minimum tax shall be reduced to 0.25% for tax returns prepared and filed for any years of assessment falling due on any date between 1 January 2020 and 31 December 2021, inclusive.

Committee's Recommendation:

That the provision in Clause 13 be retained (*Senator Solomon O. Adeola — Lagos West*) — Agreed to.

Question that Clause 13 do stand part of the Bill, put and agreed to.

Clause 14: Section 39 — Gas Utilisation (Downstream Operations)

Section 39 of CITA is amended as follows:—

(a) by substituting for the first sentence of subsection (1) starting with the words "a company" and ending with the words "that is" a new first sentence of subsection "(1)" as follows —

"(1) Where a company is engaged in a trade or business of gas utilisation in downstream operations, the company shall, in respect of that trade or business, be granted the following incentives, that is-";

(b) by substituting subsection (2) for a new subsection (2) as follows:—

"(2) The tax-free period of a trade or business shall start on the day the trade or business commences production as certified by the Ministry of Petroleum Resources".

(c) by substituting for subsection (3), a new subsection (3) as follows—

"(3) This Section shall not apply with respect to any company that has claimed an incentive for trade or business of gas utilisation under any law in Nigeria including the Petroleum Profits Tax Act or the incentives under the Industrial Development (Income Tax Relief) Act in respect of the same qualifying capital expenditure."

Committee's Recommendation:

That the provision in Clause 14 be retained (*Senator Solomon O. Adeola — Lagos West*) —
Agreed to.

Question that Clause 14 do stand part of the Bill, put and agreed to.

Clause 15: Section 53 — Self-Assessment of Tax Payable

Section 53 of CITA is amended by substituting for the existing Section 53, a new
Section "(53)" as follows —

"Self-Assessment of Tax Payable

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- (1) Every company filing a return under sections 52, 55 or 58 of this Act shall—
 - (a) In the return, compute the tax payable by the company for the year of assessment; and
 - (b) Forward with the tax return, evidence of payment of the tax due.
- (2) Where, by a deliberate and dishonest act, the returns filed fail to declare the true and correct amount of profits or tax payable by the company, the company shall be immediately liable to pay any outstanding tax so identified and assessed.
- (3) The outstanding tax shall be subject to penalty and interest, in accordance with the provisions of this Act or any other relevant law, and the penalty and interest shall accrue from the date the incorrect return was filed."

Committee's Recommendation:

That the provision in Clause 15 be retained (*Senator Solomon O. Adeola — Lagos West*) —
Agreed to.

Question that Clause 15 do stand part of the Bill, put and agreed to.

Clause 16: Section 55 — Returns and Provisional Accounts

Section 55 of CITA is amended by—

- (a) inserting a new subsection (2) as follows—

"(2) Where any company other than a Nigerian company derives profit from or is taxable in Nigeria under the provisions of Section 13(2) of this Act, such company shall be required to submit a return for the relevant year of assessment containing the following-

 - (a) the company's full audited financial statements and the financial statement of the Nigerian operations, attested by an independent qualified or certified accountant in Nigeria;
 - (b) tax computation schedules based on the profits attributable to its Nigerian operations;
 - (c) a true and correct statement, in writing, containing the amount of profits from each and every source in Nigeria; and.
 - (d) duly completed Companies Income Tax Self-Assessment forms

Provided that in a year of assessment where a company other than a Nigerian company only earns income on which Withholding Tax is the final tax under this Act, the obligation to file a tax return in the manner prescribed shall not apply to such company in that year of assessment.

- (b) inserting a new subsection "(7)" after the existing subsection (6) as follows—

"(7) Notwithstanding anything contained in this Section, the Service may by notice specify the form of the accounts to be included in a tax return, instead of audited accounts specified in paragraph (a) of subsection (1) of this Section, in respect of small and medium companies as defined under this Act."

- (c) renumbering the subsections accordingly.

Committee's Recommendation:

That the provision in Clause 16 be retained (*Senator Solomon O. Adeola — Lagos West*) —
Agreed to.

Question that Clause 16 do stand part of the Bill, put and agreed to.

Clause 17: 63. Books of Account

Section 63 is amended by substituting the existing Section 63 with a new Section "63" as follows —

- (1) Every company, including a company granted exemption from incorporation shall, whether or not the company is liable to pay tax under this Act, maintain books or records of accounts, containing sufficient information or data of all transactions.

Delete section 2 and create a new section 2

- (2) The books and records required to be maintained under subsection (1) of this Section shall be in the English language and shall, for the purposes of tax account, be consistent with the format that may be prescribed by the Service.
- (3) Where a record of a company is maintained in a language other than the English language, the company shall, on demand by the Service, produce at its own expense, a translation in English language, which shall be certified by a sworn translator.
- (4) Any company that on request by the Service fails to provide any record or book prescribed under subsections (1) to (3) of this Section shall be liable to pay as penalty—
- (a) ₦100,000 in the first month in which the failure occurs; and
- (b) ₦50, 000 for each subsequent month in which the failure continues.
- (5) Where in the opinion of the Service, a company fails or refuses to maintain books or records of accounts that are consistent with the provisions of subsections (1), (2) and (3) of this section or adequate for the purposes of tax, the Service may, by notice in writing, require it to maintain such records, books and accounts as the Service considers adequate, in such form and in such language as may be specified in the said notice.
- (6) Any direction of the Service made under subsection (5) of this section shall be subject to objection and appeal in like manner as an assessment.
- (7) Any book or record required to be kept under this section shall be kept for a period of not less than six years after the year of assessment in which the income relates."

Committee's Recommendation:

That the provision in Clause 17 be retained (*Senator Solomon O. Adeola — Lagos West*) — *Agreed to.*

Question that Clause 17 do stand part of the Bill, put and agreed to.

Clause 18: Section 68 — Service of Notice of Assessment

Section 68 of CITA is amended by inserting after the words "registered post", the words,

"courier service, email or any other electronic means, as directed by the Service in any notice issued pursuant to this Act or any other relevant law,"

The new provision shall read:—

"The Service shall cause to be served on or sent by registered post, courier service, email or any other electronic means, as directed by the Service in any notice issued pursuant to this Act or any other relevant law, to each company, or person in whose name a company is chargeable, whose name appears on the assessment lists, a notice stating the amount of the total profits, the tax payable, the place at which such payment should be made, and setting out the rights of the company under the next following section.

Committee's Recommendation:

That the provision in Clause 18 be retained (*Senator Solomon O. Adeola — Lagos West*) — *Agreed to.*

Question that Clause 18 do stand part of the Bill, put and agreed to.

Clause 19: Section 69 — Revision of Assessment in case of Objection

Section 69 of CITA is amended in subsection (1) by inserting after the words "in writing" and before the word "to" in line 2, the following words,

"delivered in person, by courier service, email or any other electronic means, as directed by the Service in any notice issued pursuant to this Act or any other relevant law,"

The new provision shall read:—

"(1) If any company disputes the assessment, it may apply to the Service, by notice of objection in writing, delivered in person, by courier service, email or any other electronic means, as directed by the Service in any Regulation issued pursuant to this Act or any other relevant law, to review and to revise the assessment made upon it."

Committee's Recommendation:

That the provision in Clause 19 be retained (*Senator Solomon O. Adeola — Lagos West*) — *Agreed to.*

Question that Clause 19 do stand part of the Bill, put and agreed to.

Clause 20: Section 77 — Time within which tax is to be paid

Section 77 of CITA is amended—

- (a) in subsection (2) by substituting the words "two months", with the words "30 days", wherever they appear in the subsection

- (b) by deleting subsections (6) and (7); and
- (c) by renumbering the subsections accordingly

Committee's Recommendation:

That the provision in Clause 20 be retained (*Senator Solomon O. Adeola — Lagos West*) —
Agreed to.

Question that Clause 20 do stand part of the Bill, put and agreed to.

Clause 21: Section 105 — Interpretation

Section 105 of CITA is amended by—

- (a) substituting for the definition of "gross turnover" and "Nigerian Company" new definitions as follows:—

"gross turnover" means the "gross inflow of economic benefits during the period arising in the course of the operating activities of an entity when those inflows result in increases in equity, other than increases relating to contributions from equity participants, including sales of goods, supply of services, receipt of interest, rents, royalties or dividends."

"Nigerian company" means "any company formed or incorporated under any law in Nigeria";

- (b) inserting the definition of "Public Character" as follows:—
"Public Character" with respect to any organisation or institution means "an organisation or institution—
 - (i) that is registered in accordance with relevant law in Nigeria,
 - (ii) does not distribute or share its profit in any manner to members or promoters;
 - (iii) that is accountable to the public,
 - (iv) owned by the public, a community, society, Federal, State or Local Government, and
 - (v) does not distribute or share its profit in any manner to members or promoters;

Committee's Recommendation:

That the provision in Clause 21 be retained (*Senator Solomon O. Adeola — Lagos West*) —
Agreed to.

Question that Clause 21 do stand part of the Bill, put and agreed to.

Clause 22: Second Schedule — Qualifying Expenditure

"qualifying expenditure" means, subject to the express provisions of this Schedule, expenditure incurred in a basis period which is—

Inserting a new paragraph (j):—

- (j) capital expenditure that is incurred on the development or acquisition of software or other such capital outlays on electronic applications.

Committee's Recommendation:

That the provision in Clause 22 be retained (*Senator Solomon O. Adeola — Lagos West*) —
Agreed to.

INDUSTRIAL DEVELOPMENT (INCOME TAX RELIEF) ACT

Clause 23: Section 1 — Publication of List of Pioneer Industries and Products and issuing of Pioneer Certificates

Section 1 of the Industrial Development (Income Tax Relief) Act (IDITRA) is amended by inserting a new sub-section (7) as follows:—

"(7) Any Small or Medium Sized Company engaged in Primary Agricultural Production shall be granted, pursuant to an application to the President, through the Minister, the following incentive:—

- (a) an initial tax-free period of four years which may be extended, subject to the satisfactory performance of such Primary Agricultural Production, for an additional maximum period of two years; and

Committee's Recommendation:

That the provision in Clause 23 be retained (*Senator Solomon O. Adeola — Lagos West*) — Agreed to.

Question that Clause 23 do stand part of the Bill, put and agreed to.

Clause 24: Section 25 — Interpretation

Section 25 of the IDITRA is amended by inserting, in alphabetical order, the following definitions:—

"Medium Sized Company" means a company that earns gross turnover greater than Twenty-Five Million Naira (₦25,000,000) but less than One Hundred Million Naira (₦100,000,000) per annum, or as otherwise defined by the Companies Income Tax Act, as amended.

"Primary Agricultural Production" means:—

- (a) Primary Crop Production comprising the production of raw and semi-processed crops of all kinds, but excluding any intermediate or final processing of crops or any other associated manufactured or derivative crop products;
- (b) Primary Livestock Production comprising the production of live animals and their direct produce such as live or raw meat, live or raw poultry, fresh eggs and milk of all kinds, but excluding any other associated manufactured or derivative livestock products;
- (c) Primary Forestry Production comprising the production of timbers of various kinds such as firewood, charcoal, uncultivated materials gathered and other forestry products of all kinds, including seeds and saplings, but excluding the intermediate and final processing of timber and any other manufactured or derivative timber products; and
- (d) Primary Fishing Production comprising the production of fish of all kinds, including ornamental fish, but excluding any intermediate or final processing of any other manufactured or derivative fish products."

"Small Sized Company" means a company that earns gross turnover of Twenty-Five Million Naira (N25,000,000) or less per annum, or as otherwise defined by the Companies Income Tax Act, as amended.

Committee's Recommendation:

That the provision in Clause 24 be retained (*Senator Solomon O. Adeola — Lagos West*) — *Agreed to.*

Question that Clause 24 do stand part of the Bill, put and agreed to.

PERSONAL INCOME TAX ACT

Clause 25: Section 6 — Furnishing of Services outside Nigeria

Personal Income Tax Act (PITA) is amended by inserting a new Section 6A, after the existing Section 6 as follows—

"6A. Profits of a trade or business of furnishing of services carried out outside Nigeria —

- (1) Notwithstanding the provisions of Section 6 of this Act, where an individual, executor, or trustee outside Nigeria carries on a trade or business that comprises the furnishing of technical, management, consultancy or professional services to a person resident in Nigeria, the gains or profits of the trade or business shall be deemed to be derived from and taxable in Nigeria to the extent that the individual, executor or trustee has significant economic presence in Nigeria.

Provided that the withholding tax applicable to income pursuant to this Act shall be the final tax on the income of a non-resident recipient who does not otherwise fall within the scope of Section 6 of this Act.

- (2) For the purpose of this Section, the Minister may by Order determine what constitutes the significant economic presence of a non-resident individual, executor or trustee.

Committee's Recommendation:

That the provision in Clause 25 be retained (*Senator Solomon O. Adeola — Lagos West*) — *Agreed to.*

Question that Clause 25 do stand part of the Bill, put and agreed to.

Clause 26: Section 20 — Deductions Allowed

Section 20 of PITA is amended by substituting for paragraph (g) in subsection (1), a new paragraph "(g)" as follows—

"(g) a contribution to a pension, provident or other retirement benefits fund, society or scheme, recognised under the Pension Reform Act"

Committee's Recommendation:

That the provision in Clause 26 be retained (*Senator Solomon O. Adeola — Lagos West*) — *Agreed to.*

Question that Clause 26 do stand part of the Bill, put and agreed to.

Clause 27: Section 24 — New Trades

Section 24 of PITA is amended by substituting for the existing Section 24, a new Section "24" as follows —

"24. The assessable income of an individual from a trade, business, profession or vocation carried on by such individual in Nigeria, for its first year of assessment and the two following years of assessment (which years are in this subsection respectively referred to as "the first year", "the second year" and "the third year") shall be ascertained in accordance with the following provisions -

- (a) for the first year, the assessable income shall be the income from the date on which the individual commenced such trade, business, profession or vocation in Nigeria to the end of its first accounting period;
- (b) for the second year, the assessable income shall be the income from the first day after the trade or business' first accounting period to the end of its second accounting period; and
- (c) for the third year and for each subsequent year thereafter, the assessable income shall be the profits from the day after the accounting period just ended.

Committee's Recommendation:

That the provision in Clause 27 be retained (*Senator Solomon O. Adeola — Lagos West*) — *Agreed to.*

Question that Clause 27 do stand part of the Bill, put and agreed to.

Clause 28: Section 25— Cessation of Trades, etc.

Section 25 of PITA is amended by substituting for the existing Section 25, a new Section "25" as follows—

"25. Where an individual permanently ceases to carry on a trade, business, profession or vocation in Nigeria, such individual's assessable income therefrom shall be the amount of income from the beginning of the accounting period to the date of cessation and the tax thereof shall be payable within three months from the date of cessation.

Committee's Recommendation:

That the provision in Clause 28 be retained (*Senator Solomon O. Adeola — Lagos West*) — *Agreed to.*

Question that Clause 28 do stand part of the Bill, put and agreed to.

Clause 29: Section 33 - Consolidated Relief Allowance (replacing Personal Relief and Relief for Children and Dependents)

Section 33 of PITA is amended —

- (a) by substituting for subsection (2), a new subsection (2) as follows—
"(2) For the purposes of this Section, "gross income" means income from all sources less all non-taxable income, income on which no further tax is payable, tax-exempt items listed in paragraph (2) of the Sixth Schedule and all allowable business expenses and capital allowance."
- (b) by substituting for subsection (3), a new of subsection (3) as follows—
"(3) There shall be allowed a deduction of the annual amount of any premium paid by the individual during the year preceding the year of assessment to an insurance company in respect of insurance on his life or the life of his spouse, or of a contract for a deferred annuity on his own life or the life of his spouse."

Committee's Recommendation:

That the provision in Clause 29 be retained (*Senator Solomon O. Adeola — Lagos West*) — *Agreed to.*

Question that Clause 29 do stand part of the Bill, put and agreed to.

Clause 30: Section 37 - Charge of Income Tax

Section 37 of the PITA is amended by inserting a proviso after the last line of the section as follows:—

"Provided that minimum tax under this Section or as provided for under the Sixth Schedule to this Act shall not apply to a person in any year of assessment where such person earns the National Minimum Wage or less from an employment."

The new section shall read thus:—

"Subject to the provisions of this Act, the income tax that may be payable on the chargeable income of an individual ascertained in accordance with the provisions of this Act shall, in respect of each year of assessment, be assessed at the rate or rates specified in the Sixth Schedule to this Act so however that where after all deductions allowable under this Act the individual has no chargeable income or where the tax payable on the chargeable income of that individual is less than 1 per cent of the total income of that individual, the individual shall be charged to tax at the rate of 1 per cent of his total income.

Provided that minimum tax under this Section or as provided for under the Sixth Schedule to this Act shall not apply to a person in any year of assessment where such person earns the National Minimum Wage or less from an employment.

Committee's Recommendation:

That the provision in Clause 30 be retained (*Senator Solomon O. Adeola — Lagos West*) —
Agreed to.

Question that Clause 30 do stand part of the Bill, put and agreed to.

Clause 31: Section 108 — Interpretation

Section 108 of PITA is amended by inserting the definition of the word "Board" and "National Minimum Wage" as follows—

"Board" means the Joint Tax Board established under Section 86 of this Act.

"National Minimum Wage" means the extant National Minimum Wage pursuant to the National Minimum Wage Act.

Committee's Recommendation:

That the provision in Clause 31 be retained (*Senator Solomon O. Adeola — Lagos West*) —
Agreed to.

Question that Clause 31 do stand part of the Bill, put and agreed to.

Clause 32: Sections 23, 48, 73, 86, 89, 93 and 106A

Sections 23, 48, 73, 86, 89, 93 and 106A of PITA are amended by substituting for the word, "Service" the word "Board" wherever it appears in the Sections.

Committee's Recommendation:

That the provision in Clause 32 be retained (*Senator Solomon O. Adeola — Lagos West*) —
Agreed to.

Question that Clause 32 do stand part of the Bill, put and agreed to.

Clause 33: Third Schedule — Income Exempted

The Third Schedule of the PITA is amended by including a new paragraph 33 as follows:—

"33. The income of a person from an employment where such person earns gross income of National Minimum Wage or less from such employment.

Committee's Recommendation:

That the provision in Clause 33 be retained (*Senator Solomon O. Adeola — Lagos West*) —
Agreed to.

Question that Clause 33 do stand part of the Bill, put and agreed to.

TERTIARY EDUCATION TRUST FUND (ESTABLISHMENT, ETC.) ACT

Clause 34: Section 1 — Imposition of Tertiary Education Tax

Section 1 of the Tertiary Education Trust Fund (Establishment, Etc.) Act (TETFUND) is amended by substituting for subsection (2), a new subsection "(2)" as follows—

"(2) The tax, at the rate of 2 percent, shall be charged on the assessable profit of a company registered in Nigeria, other than a small company as defined under the Companies Income Tax Act."

Committee's Recommendation:

That the provision in Clause 34 be retained (*Senator Solomon O. Adeola — Lagos West*) —
Agreed to.

Question that Clause 34 do stand part of the Bill, put and agreed to.

Clause 35: Section 10 — Offences

The Act is amended by deleting section 10

(1) A person who contravenes or fails to comply with provisions of this Act is guilty of an offence under this Act.

(2) Subject to the provisions of subsection (3) of this section—

(a) if a tax due under section 2 of this Act is not paid within the time specified in that section, the Service shall serve on the company, a demand note for the unpaid tax plus a sum which is equal to 5 per cent of the tax; and

(b) if a sum demanded under paragraph (a) of this subsection is not paid within 2 months of the demand, the company is guilty of an offence under this Act; and

(3) Notwithstanding any other provision in this Act, it shall be the duty and responsibility of every company liable to pay education tax to ensure that its annual returns are filed with the Service for the purpose of assessment of education tax.

(4) The Board of Trustees shall, remit in whole or in part a sum added to the unpaid tax under subsection (2)(a) of this section.

(5) Where an offence under this Act is committed by a body corporate or firm or other association of individuals—

(a) every director, manager, secretary or other similar officer of the body corporate;

(b) every partner or officer of the firm;

(c) every person concerned in the management of the affairs of the association; or

(d) every person who was purporting to act in that capacity is severally guilty of that offence and liable to be proceeded against and punished for the offence in like manner as if he had himself committed the offence, unless he proves that the act or omission constituting the offence took place without his knowledge, consent or connivance.

Committee's Recommendation:

Leave out the provision in Clause 35 (Senator Solomon O. Adeola — Lagos West) — Agreed to.

Clause 36: Section 11 (3) - Penalties

The Act is amended by deleting section 11

- (3) Notwithstanding subsection (1)(a) and (b) of this section, where any company or corporate body liable to file an education tax return under this Act fails in any year to file such return, the Service, if it is of the opinion that such a company or corporate body is liable to pay education tax, may, according to the best of its judgment, determine the amount of assessable profit of such company and make an assessment of education tax in accordance with the provisions of this Act.

Committee's Recommendation:

Leave out the provision in Clause 36 (Senator Solomon O. Adeola — Lagos West) — Agreed to.

CUSTOMS & EXCISE TARIFF ETC. (CONSOLIDATION) ACT

Clause 37: Section 21 - Goods liable to Excise Duty

- (1) Goods imported and those manufactured in Nigeria and specified in the Fifth Schedule to this Act shall be charged with duties of excise at the rates specified under the duty column in the Schedule"

Inserting a new subsection (2) thus:

- (2) Telecommunication services provided in Nigeria shall be charged with duties of excise at the rates specified under the duty column in the Schedule as the President may by Order prescribe pursuant to Section 13 of this Act.

Committee's Recommendation:

That the provision in Clause 37 be retained (Senator Solomon O. Adeola — Lagos West) — Agreed to.

Question that Clause 37 do stand part of the Bill, put and agreed to.

Clause 38: The First Schedule of CETA is hereby amended by inserting and replacing, as the case may be, the following duties and levies:

- (a) duty on tractors (HS Headings 8701) from 35% to 5%;
- (b) duty on motor vehicles for transport of more than ten persons (HS Headings 8702) from 30% to 10%;
- (c) levy on motor vehicles for transport of persons (cars) (HS Headings 8703) from 30% to 10%; and

- (d) duty on motor vehicles for transport of goods (HS Headings 8704) from 35% to 10%.

Provided that vehicles exempt from applicable duties and levies shall continue to enjoy such exemption.

The Second Schedule of CETA is hereby amended by substituting for paragraph 1, new paragraph 1 in the following term:

- (1) Airlines registered in Nigeria and proving commercial air transport services shall be entitled to duty-free importation of their aircrafts, components whether purchased or leased.

Committee's Recommendation:

That the provision in Clause 38 be retained (*Senator Solomon O. Adeola — Lagos West*) — Agreed to.

Question that Clause 38 do stand part of the Bill, put and agreed to.

VALUE ADDED TAX ACT

Clause 39: Section 2 - Taxable Goods and Services

The VAT Act is amended by substituting for the existing Section 2, a new Section "2" as follows -

- (1) The tax shall be charged and payable on all supplies of goods and services in Nigeria other than those listed in the First Schedule to this Act.
- (2) For the purposes of this Act, goods and services consumed or otherwise utilised in Nigeria are supplied in Nigeria."
- (3) notwithstanding the provisions of subsection (1) of this section, a taxable supply shall be deemed to take place in Nigeria if -
 - (a) in respect of goods, -
 - (i) the goods are physically present in Nigeria at the time of supply, imported into Nigeria, assembled in Nigeria, or installed in Nigeria, or
 - (ii) the beneficial owner of the rights in or over the goods is a taxable person in Nigeria and the goods or right is situated, registered or exercisable in Nigeria;
 - (b) in respect of a service, -
 - (i) the service is rendered in Nigeria by a person physically present in Nigeria at the time of providing the service, or
 - (ii) the service is provided to and consumed by a person in Nigeria, regardless of whether the service is rendered within or outside Nigeria or whether or not the legal or contractual obligation to render such service rests on person within or outside Nigeria, or
 - (iii) the service is connected with existing immovable property (including the services of agents, experts, engineers, architects, valuers, etc.), where the property is located in Nigeria.

- (c) in respect of an incorporeal -
 - (i) the exploitation of the right is made by a person in Nigeria; or
 - (ii) the right is registered in Nigeria, assigned to or acquired by, a person in Nigeria, regardless of whether the payment for its exploitation is made within or outside Nigeria
 - (iii) the incorporeal is connected with a tangible or immovable asset located in Nigeria."

Committee's Recommendation:

That the provision in Clause 39 be retained (*Senator Solomon O. Adeola — Lagos West*) —

Agreed to.

Question that Clause 39 do stand part of the Bill, put and agreed to.

Clause 40: Section 2A - Time of Supply

The VAT Act is amended by inserting a new Section 2A immediately after the existing section 2 as follows:

2A. Time of Supply

- (1) For the purposes of this Act, supply shall be deemed to take place at the time an invoice or receipt is issued by the supplier, or payment of consideration is due to, or received by the supplier in respect of that supply, whichever occurs first.
- (2) A taxable supply shall be deemed to take place where the supplier and recipient are connected persons and invoices are not issued:
 - (a) in the case of a supply of goods which are to be removed, the time of removal of the goods,
 - (b) in the case of a supply of goods which is not to be removed, at the time when they are available to the recipient,
 - (c) in the case of furnishing of a service, upon the furnishing of the service, and
 - (d) in the case of an incorporeal, when such incorporeal becomes available for the use of the recipient.
- (3) Notwithstanding the provisions of subsections (1) or (2) of this section:
 - (a) where goods are supplied under any rental agreement or where services are furnished under any agreement or law which provides for periodic payments, they shall be deemed to be successively supplied for successive parts of the periods of the agreement or as determined by such law, and each of the successive supplies shall be deemed to occur when payment becomes due or is received, whichever is earlier;

- (b) where and to the extent that -
- (i) supply of taxable goods and services are progressively or periodically made under any agreement or law which provides for the consideration for that supply to be paid in instalments or periodically and in relation to the progressive or periodic supply, or
 - (ii) supply of taxable goods and services are made in relation to any construction, erection, assembly, manufacturing, alteration, improvement or repair activity under any agreement or law which provides for the consideration for that supply to become due and payable in instalments or periodically in relation to the progressive nature of the work,

those supplies shall be deemed to be successively made, and each such successive supply shall be deemed to take place whenever any payment becomes due or is received or an invoice relating to only that payment is issued, whichever occurs first.

- (c) Where goods are supplied under an instalment credit agreement, that supply shall be deemed to take place at the time the goods are delivered or the time any payment of consideration is received by the supplier in respect of the supply, whichever occurs first.

Committee's Recommendation:

That the provision in Clause 40 be retained (*Senator Solomon O. Adeola — Lagos West*) — *Agreed to.*

Question that Clause 40 do stand part of the Bill, put and agreed to.

Clause 41: Section 4 - Rate of Tax

The tax shall be computed at the rate of 7.5 percent (7.5%) with effect from 1 February 2020.

Committee's Recommendation:

That the provision in Clause 41 be retained (*Senator Solomon O. Adeola — Lagos West*) — *Agreed to.*

Question that Clause 41 do stand part of the Bill, put and agreed to.

Clause 42: Section 10 - Registration by Non-resident Companies

Section 10 of the VAT Act is amended by substituting the existing section 10, with a new section 10 as follows -

- (1) For the purpose of this Act, a non-resident person that makes a taxable supply of goods or services to Nigeria shall register for tax with the Service and obtain Tax Identification Number (TIN).
- (2) A non-resident person shall include the tax on its invoice for all taxable goods or services.

- (3) The taxable person to whom the supply of taxable goods or services are made in Nigeria or such other person as may be appointed by the Service shall withhold and remit the tax to the Service in the currency of the transaction.
- (4) Notwithstanding the provision of subsection (1) of this section, a non-resident person that makes a supply of taxable goods or services in Nigeria may appoint a representative, for the purposes of its tax obligations.
- (5) The Service may issue a guideline for the purposes of giving effect to the provisions of this section."

Committee's Recommendation:

That the provision in Clause 42 be retained (*Senator Solomon O. Adeola — Lagos West*) — *Agreed to.*

Question that Clause 42 do stand part of the Bill, put and agreed to.

Clause 43: Goods Exempt

The Schedule to the Act is amended in Part I by inserting a new item 11 as follows:

- (11) Commercial aircrafts, commercial aircraft engines, commercial aircraft spare parts.

Committee's Recommendation:

That the provision in Clause 43 be retained (*Senator Solomon O. Adeola — Lagos West*) — *Agreed to.*

Question that Clause 43 do stand part of the Bill, put and agreed to.

Clause 44: Services Exempt

The Schedule to the Act is amended in Part II by inserting a new item 6 and item 7 as follows:

- (6) Airline transportation tickets issued and sold by commercial airlines registered in Nigeria.
- (7) Hire, rental or lease of tractors, ploughs and other agricultural equipment for agricultural purposes".

Committee's Recommendation:

That the provision in Clause 44 be retained (*Senator Solomon O. Adeola — Lagos West*) — *Agreed to.*

Question that Clause 44 do stand part of the Bill, put and agreed to.

Clause 45: Section 46 - Interpretation

Section 46 of the VAT Act is amended by -

- (a) including the following basic food item:

"Animal Feed" means raw, semi-processed, processed and otherwise enhanced animal feed that is fed to domesticated and other animals raised and slaughtered for human consumption to provide beef, goat, lamb, pork, chicken, fish and

other kinds of meat, as well as other animals cultivated and raised for the production of milk, eggs as well as other sources of protein and nutrients edible by humans."

(b) replacing the definition of "goods" and "services" with the following:

"Goods", for the purposes of this Act, means "all forms of tangible properties, movable or immovable, but does not include, land and building, money or securities";

"Services" means:

- (a) anything, other than goods, or services provided under a contract of employment.
- (b) includes any intangible or incorporeal (product, asset or property) over which a person has ownership or rights, or from which he derives benefits, and which can be transferred from one person to another, excluding interest in land and building, money or security".
- (c) Commercial aircraft spare parts and components mean parts, engines, propellers, radio apparatus, instruments, appliances, furnishing, parts of any of the foregoing, and generally any other article of whatever description maintained for installation in a commercial aircraft in substitution for parts or articles removed.

Committee's Recommendation:

That the provision in Clause 45 be retained (*Senator Solomon O. Adeola — Lagos West*) — *Agreed to.*

Question that Clause 45 do stand part of the Bill, put and agreed to.

STAMP DUTIES ACT

Clause 46: Section 89 - Provisions as to Duty upon Receipts

- (1) For the purpose of this Act, the expression "receipt" includes any note, memorandum or writing whereby any money, or bill of exchange or promissory note for money is acknowledged or expressed to have been received or deposited or paid, or whereby any debt or demand, or any part of a debt or demand is acknowledged to have been settled, satisfied, or discharged, or which signifies or imports any such acknowledgment and whether the same is or is not signed by with the name of any person.
- (2) The duty upon a receipt may be denoted by an adhesive stamp which is to be cancelled by the person to whom the receipt is given before he delivers it out of his hands or by a digital tag with electronic stamp.
- (3) A duty paid under subsections (1) shall be applied as a credit against any duty applicable on an instrument denoted with an adhesive stamp.

Committee's Recommendation:

That the provision in Clause 46 be retained (*Senator Solomon O. Adeola — Lagos West*) — *Agreed to.*

Question that Clause 46 do stand part of the Bill, put and agreed to.

Clause 47: Electronic Money Transfer Levy

- (1) There is hereby imposed a levy, to be referred to as the Electronic Money Transfer Levy, on electronic receipts or electronic transfer for money

deposited in any deposit money bank or financial institution, on any type of account, to be accounted for and expressed to be received by the person to whom the transfer or deposit is made.

- (2) The Levy shall be imposed as a singular and one-off charge of Fifty Naira (N50) on electronic receipts or electronic transfers of money in the sum of Ten Thousand Naira (N10,000) or more.
- (3) The Minister of Finance shall, subject to the approval of the National Assembly, make regulations for the imposition, administration, collection and remittance of the Levy.
- (4) Distribution of revenue

Notwithstanding any formula that may be prescribed by any other law, the revenue accruing by virtue of the operation of this section, shall, on the basis of derivation, be distributed as follows-

- (a) 15% to the Federal Government and the Federal Capital Territory, Abuja;
- (b) 85% to the State Governments

Committee's Recommendation:

That the provision in Clause 47 be retained (*Senator Solomon O. Adeola — Lagos West*) — Agreed to.

Question that Clause 47 do stand part of the Bill, put and agreed to.

Clause 48: Section 2 is amended as follows:

"Stamp" means an impressed pattern or mark by means of an engraved or inked die, an adhesive stamp, an electronic stamp or an electronic acknowledgement for denoting any duty or fee, provided that the Service shall utilise adhesive stamp produced by the Nigerian Postal Service pursuant to its enabling Act.

Committee's Recommendation:

That the provision in Clause 48 be retained (*Senator Solomon O. Adeola — Lagos West*) — Agreed to.

Question that Clause 48 do stand part of the Bill, put and agreed to.

FEDERAL INLAND REVENUE SERVICE (ESTABLISHMENT) ACT

Clause 49: **Section 8 - Functions of the Service**

Section 8 of the FIRS Act is amended by-

- (a) inserting after paragraph (s), a new paragraph (t) as follows-
"(t) provide assistance in the collection of revenue claims or any other administrative assistance in tax matters with respect to any agreement or arrangement made between the Government of the Federal Republic of Nigeria and the Government of any country or other persons or bodies as may be deemed necessary in that regard."
- (b) Renumbering the paragraphs accordingly.

Committee's Recommendation:

That the provision in Clause 49 be retained (*Senator Solomon O. Adeola — Lagos West*) — Agreed to.

Question that Clause 49 do stand part of the Bill, put and agreed to.

Clause 50: Section 23 - Refund to Taxpayers

Section 23 of the FIRS Act is amended by substituting for subsections "(4)", "(5)" and "(6)" new subsections "(4)", "(5)" and "(6)" respectively as follows:

- (4) For the purposes of tax refund, the Accountant-General of the Federation shall open a dedicated account for each tax-type into which shall be paid monies for settling tax refunds.
- (5) The dedicated accounts created pursuant to subsection (4) of this Section shall be administered by the Service and shall be funded from the respective accounts of Government into which revenue of each tax-type is remitted.
- (6) For the purposes of each dedicated account, the Service shall prepare an annual budget for tax refund as may be approved by the National Assembly.

Committee's Recommendation:

That the provision in Clause 50 be retained (*Senator Solomon O. Adeola — Lagos West*) — *Agreed to.*

Question that Clause 50 do stand part of the Bill, put and agreed to.

Clause 51: Section 25 - Administration of Tax Laws

Section 25 of the FIRS Act is amended by inserting new subsections (3), (4), and (5) as follows:

- (3) The Service may deploy any proprietary or third party payment, processing or other digital platforms or applications to collect and remit taxes due on international transactions in the supply of digital services to and from a person in Nigeria, in the case of transactions carried out through remote, digital, electronic or other such platform.
- (4) The Service may deploy proprietary technology to automate the tax administration process including tax assessment and information gathering provided it gives 30 days notice to the taxpayer.
- (5) The Service may receive assistance in the collection of revenue claims or any other administrative assistance in tax matters with respect to any agreement or arrangement made between the Government of the Federal Republic of Nigeria and the Government of any country or other persons or bodies as may be deemed necessary in that regard.

Committee's Recommendation:

That the provision in Clause 51 be retained (*Senator Solomon O. Adeola — Lagos West*) — *Agreed to.*

Question that Clause 51 do stand part of the Bill, put and agreed to.

Clause 52: Section 26 - Call for Returns, Books, Documents and Information

Section 26 of the FIRS Act is amended by substituting for subsections (1), (2) and (3), new subsections "(1)", "(2)" and "(3)" respectively-

- "(1) For the purposes of-obtaining full information in respect of the taxation of an 'individual, company or any person or for the purpose of performing any function conferred on it by this Act, the Service shall g i v e notice to any

individual,
company
or
person,
requiring
such
individual,
company
or
person
to, within
the
time
specified
by the
notice

-

- (a) complete and deliver to the Service any return specified in such notice;
 - (b) appear personally before an officer of the Service for examination with respect to a matter to which such notice relates;
 - (c) produce or cause to be produced for examination, books, documents or records, at the place and time stated in the notice, which time may be from day-to-day, or for such period as the Service may deem necessary;
 - (d) provide, orally or in writing, any information specified in such notice;
 - (e) grant the Service access to records, data or information stored or otherwise residing in computers or other electronic devices, including magnetic media or cloud computing facilities maintained, operated, controlled or owned by the individual, company or person;
- (2) For the purposes of paragraphs (a) to (e) of subsection (1) above, the time specified by such notice shall not be less than 30 days from the date of service of such notice.
- (3) A person who defaults in complying with the provisions of this Section
- (a) where the default relates to a tax liability, is liable, in addition to the tax liability, to a penalty of 10 percent of the tax and interest at the prevailing Central Bank of Nigeria minimum rediscount rate; or
 - (b) where the contravention relates to issues other than a tax liability, is liable to a penalty of Twenty-Five Thousand Naira

(25,000.00) in the first month, and Ten Thousand Naira (10,000.00) for every subsequent month thereafter, in which the default continues. "

Committee's Recommendation:

That the provision in Clause 52 be retained (*Senator Solomon O. Adeola — Lagos West*) — *Agreed to.*

Question that Clause 52 do stand part of the Bill, put and agreed to.

Clause 53: Section 28 - Information to Be Delivered by Bankers

Section 28 of the FIRS Act is amended by substituting the existing subsections (1) and (3) with new subsections (1) and (3), respectively-

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- "(1) Without prejudice to Section 26 of this Act, every bank, insurance company, stock-broking firm, or any other financial institution shall prepare and submit, as may be specified by way of notice, rules, regulations, guidelines, or circulars issued by the Service, returns of -
- (a) transactions involving the specified sum;
 - (b) names, addresses (including foreign addresses), or any other information of its customers connected with those transactions;
or
 - (c) names, addresses, or any other information of new or existing customers.
- (3) Any person, who fails to comply with the notice, rules, regulations, guidelines, or circulars issued by the Service for the purposes of this Section shall liable to an administrative penalty of Twenty-Five Thousand Naira (25,000.00) in the first month of failure, and Ten Thousand Naira (10,000.00) for every month in which the failure continues".

Committee's Recommendation:

That the provision in Clause 53 be retained (*Senator Solomon O. Adeola — Lagos West*) — *Agreed to.*

Question that Clause 53 do stand part of the Bill, put and agreed to.

Clause 54: Section 39 - Information and Documents to be Confidential

Section 39 of the FIRS Act is amended by substituting for the existing Section 39, a new Section 39 as follows -

- (1) Without prejudice to the provisions of any other Act concerning data privacy, data protection and unlawful disclosure of taxpayer information, taxpayer information shall be confidential.
- (2) Except as otherwise provided under this Act, any other law or any enabling agreement or arrangement or as otherwise authorized by the Minister, any member or former member of the Board or any employee or former employee of the Service or any agent or any other person who communicates or attempts to communicate taxpayer information to any person other than to a person legally authorised to collect the tax or misuses the information commits an offence and shall be liable on conviction to a fine not exceeding One Million Naira (1,000,000.00) or to imprisonment for a term not exceeding 3 years or to both such fine and imprisonment.

Committee's Recommendation:

That the provision in Clause 54 be retained (*Senator Solomon O. Adeola — Lagos West*) — *Agreed to.*

Question that Clause 54 do stand part of the Bill, put and agreed to.

Clause 55: Section 50 - Official Secrecy and Confidentiality

Section 50 of the FIRS Act is amended by substituting for the existing subsection (5), a new subsection (5) as follows -

- (5) Where any agreement or arrangement with any other country, government or tax authority for exchange of information or with respect to relief for double taxation of income or profits includes provisions for the exchange of taxpayer information with that country for the purpose of implementing a tax relief or preventing avoidance of

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tax, or for such other purposes as may be enshrined in the agreement or arrangement, the obligation as to secrecy imposed by this Act shall not prevent the disclosure of such information to the authorised officers of the Government of such country.

Committee's Recommendation:

That the provision in Clause 55 be retained (*Senator Solomon O. Adeola — Lagos West*) — *Agreed to.*

Question that Clause 55 do stand part of the Bill, put and agreed to.

Clause 56: Section 69 - Interpretation

Section 69 of the FIRS Act is amended by inserting the following definition-

- (a) "taxpayer information" includes:
- (i) Any information received or generated by the Service pursuant to its powers under this Act or any extant Legislation;
 - (ii) Any information in any form received, accessed or produced by the Service under any agreement or arrangement with any country, government or tax authority, such as Double Taxation Agreements, Tax Information Exchange Agreements, and Common Reporting Standard, Country-by-Country Reporting or any other exchange of information agreement or arrangement;
 - (iii) Written or electronic documents, returns, assessments, lists and copies of such lists relating to profits or items of profits of any person or to such matter which forms the basis of any agreement or arrangement with any country, government or tax authority.
- (b) "Nigeria", for the purposes of this Act and the laws listed in the First Schedule to this Act, means the Federal Republic of Nigeria, and when used in a geographical sense, includes the territorial waters of the Federal Republic of Nigeria, and any area outside the territorial waters, including the continental shelf, which in accordance with international law has been or may hereafter be designated, under the law of the Federal Republic of Nigeria, as an area within which the right of the Federal Republic of Nigeria with respect to the seabed, its subsoil, its superjacent waters and their natural resources may be exercised now and in the future;"

Committee's Recommendation:

That the provision in Clause 56 be retained (*Senator Solomon O. Adeola — Lagos West*) — *Agreed to.*

Question that Clause 56 do stand part of the Bill, put and agreed to.

Clause 57: Fifth Schedule - Establishment, Jurisdiction, Authority and Procedure of the Tax Appeal Tribunal

Fifth Schedule to the FIRS Act is amended -

- (a) in sub-paragraph (2) of paragraph 20 by the insertion of a new "(viii)" in the list as follows -
"(viii) Conduct its hearing remotely via virtual means, using such technology or application as may be necessary to ensure fair hearing."
- (b) renumbering the items on the list accordingly

Committee's Recommendation:

That the provision in Clause 57 be retained (*Senator Solomon O. Adeola — Lagos West*) —
Agreed to.

Question that Clause 57 do stand part of the Bill, put and agreed to.

NIGERIA EXPORT PROCESSING ZONE AUTHORITY ACT

Clause 58: Section 18 - Incentives and Related Matters

Section 18(1) of the NEPZA is amended by substituting for the existing subsection (1) (a), a new subsection (1)(a) as follows-

- "(a) exemption from taxes, levies, duties and foreign exchange regulations in accordance with section 8 of this Act, subject always to the provisions of the Banks and Other Financial Institutions Act, 2020; provided that all companies registered and operating in the Zone shall comply with the provisions of Section 55 (1) of the Companies Income Tax Act and render returns in the manner prescribed therein, to the Federal Inland Revenue Service and the penalties prescribed in Section and all penalties prescribed in the Companies Income Tax Act and the Federal Inland Revenue Service Establishment Act that may apply in the event of non-compliance with the said Section 55 (1) of the Companies Income Tax Act shall apply to such companies in the event of default to comply."

Committee's Recommendation:

That the provision in Clause 58 be retained (*Senator Solomon O. Adeola — Lagos West*) —
Agreed to.

Question that Clause 58 do stand part of the Bill, put and agreed to.

OIL AND GAS EXPORT FREE ZONE ACT

Clause 59: Section 18 - Incentives and Related Matters

Section 18(1) of the OGEFZA is amended by substituting for the existing subsection (1)(a), a new subsection (1)(a) as follows-

- "(a) exemption from taxes, levies, duties and foreign exchange regulations in accordance with section 8 of this Act, subject always to the provisions of the Banks and Other Financial Institutions Act, 2020; provided that all companies registered and operating in the Zone shall comply with the provisions of Section 55 (1) of the Companies Income Tax Act and render returns in the manner prescribed therein, to the Federal Inland Revenue Service and the penalties prescribed in Section and all penalties prescribed in the Companies Income Tax Act and the Federal Inland Revenue Service Establishment Act that may apply in the event of non-compliance with the said Section 55 (1) of the Companies Income Tax Act shall apply to such companies in the event of default to comply."

Committee's Recommendation:

That the provision in Clause 59 be retained (*Senator Solomon O. Adeola — Lagos West*) —
Agreed to.

Question that Clause 59 do stand part of the Bill, put and agreed to.

- Clause 60:**
- (a) There shall be provided out of the Consolidated Revenue Fund [and the Special Accounts listed in the First Schedule to this Act] upon the coming into operation of this Act the sum of Five Hundred Billion Naira (₦500,000,000,000.00) or other such sums as may be approved by the National Assembly for the establishment of a Fund to be known as the Crisis Intervention Fund.
 - (b) The Crisis Intervention Fund may be utilised for making funds available to meet expenditure as provided in the Annual Appropriation Act to meet any Crisis related expenditure or other such exigencies that may arise pursuant to Section 12 of the Fiscal Responsibility Act (as amended) and Section 306 of the Constitution of the Federal Republic of Nigeria, 1999 (as amended).

Committee's Recommendation:

That the provision in Clause 60 be retained (*Senator Solomon O. Adeola — Lagos West*) —
Agreed to.

Question that Clause 60 do stand part of the Bill, put and agreed to.

UNCLAIMED FUNDS TRUST FUND

Clause 61: Subject to Section 44(1) and 44(2)(h) of the Constitution of the Federal Republic of Nigeria, 1999 (as amended), there is hereby established, by way of a trust, as a sub-fund of the Crisis Intervention Fund, an Unclaimed Funds Trust Fund, provided that:

- (a) From the commencement of this Act, any unclaimed dividends of a public limited liability company quoted on the Nigerian Stock Exchange and any unutilised amounts in a dormant bank account maintained in or by a deposit money bank which has remained unclaimed or unutilised for a period of not less than six years from the date of declaring the dividend or domiciling the funds in a bank account shall be transferred immediately to the Unclaimed Funds Trust Fund.

Provided that this section shall not apply to official bank accounts owned or belonging to the Federal Government, State Government or Local Government, or any of their Ministries, Departments or Agencies.

- (b) The Debt Management Office established by the Debt Management Office Establishment (Etc.) Act 2003 or subsequent statutes which replaces this Act shall supervise the operations of the fund;
- (c) The unclaimed dividend and unutilized amounts in a dormant bank account shall be transferred either by the public limited company, Registrar or deposit money bank;
- (d) The Unclaimed Funds Trust Fund shall be governed by a Governing Council chaired by the Minister responsible for Finance and a Co-Chairperson from the Private Sector, as may be appointed by the President on the recommendation of the Minister responsible for Finance subject to confirmation of the National Assembly, provided that

the Private Sector Co-Chairperson shall be a qualified person of irreproachable integrity such as to render the person a fit and proper person to serve in this capacity. Other members of the Governing Council shall include:

- (i) Governor of the Central Bank of Nigeria;

- (ii) the Director-General of Securities and Exchange Commission;
 - (iii) the Managing Director of National Deposit Insurance Corporation;
 - (iv) a representative of the Registrars of Companies;
 - (v) two representatives of the Shareholders' Association;
 - (vi) a representative of the Bankers' Committee; and
 - (vii) the Director-General of the Debt Management Office as the Secretary to the Trust.
- (e) The Secretariat of the Fund shall be in the Debt Management Office and the Debt Management Office shall operate the Fund with the Central Bank of Nigeria and Securities and Exchange Commission;
- (f) All Public Limited Liability Companies quoted on the Nigerian Stock Exchange and deposit money banks shall render annual return of unclaimed dividend and unutilized amounts in a dormant bank account in a format prescribed by the Debt Management Office of the Federation;
- (g) The Debt Management Office shall prepare and submit the financial statement of the Unclaimed Dividends Trust Fund to the Office of the Auditor-General for the Federation for audit; and
- (h) Failure by any company or deposit money bank to transfer the unclaimed dividends or unutilized amounts in a dormant bank account to the Unclaimed Funds Trust Fund shall constitute an offence under this Act and the company or deposit money bank shall be liable upon conviction, to a fine of not less than five times the value of the unclaimed dividends and unutilized funds in a dormant bank account plus accumulated interest on the amount not transferred at the Central Bank of Nigeria's Monetary Policy Rate.

Provided, however, that this section shall not apply to official bank accounts owned or belonging to the Federal Government, State Government or Local Government, or any of their Ministries, Departments or Agencies.

Insert a new subsection (i) as follows:

- "(i) Such unclaimed dividends and unutilised amounts in a dormant bank account transferred to the Unclaimed Funds Trust Fund shall be a special debt owed by the Federal Government to the shareholders and dormant bank account holders respectively and shall be available for claim, together with the yield thereon, by the shareholder and the bank account holder at any time, pursuant to the aforementioned perpetual trust".

Insert new subsections (2) and (3) as follows:

"FUNCTIONS OF THE DEBT MANAGEMENT OFFICE AS THEY RELATE TO THE TRUST FUND

Section 2

- (j) The Debt Management Office shall -
- (i) maintain a reliable database of all unclaimed dividends and dormant bank balances constituting the debt owed by the Trust Fund which shall be verified and reconciled with the Securities

and Exchange Commission, and the Central Bank of Nigeria on a bi-annual basis;

- (ii) liaise with the relevant Registrars of Companies, deposit money banks or the National Deposit Insurance Corporation, as the case may be, to make adequate arrangement for the repayment of the verified interest and capital obligations due to the relevant shareholders, depositors or their legal beneficiaries, as the case may be.
- (iii) prepare and submit the financial statement of the Trust Fund to the Office of the Auditor-General for the Federation for audit;
- (iv) prepare and implement a plan for the efficient management of the obligations of the Trust Fund, which plan shall include setting guidelines, modalities and other arrangements, which may include an annual sinking fund, for the servicing of the interest and capital obligations of the Trust Fund;
- (v) set guidelines for managing Federal Government financial risks and currency exposure with respect to all loans;
- (vi) collect, collate, disseminate information, data and forecasts on debt management related to the Trust Fund with the approval of the Governing Council;
- (vii) carry out such other function, which may be mandated by an Act of the National Assembly.

Section 3

The Governing Council shall -

- (a) approve policies, strategies and procedures to be adopted by the Governing Council for the achievement of its objectives;
- (b) review, from time to time, the economic and political impact of the management strategies and public engagement strategies relating to the transparency and accountability of the Trust Fund;
- (c) appoint, as and when necessary, technical committees comprised of persons with requisite technical competence from the private or public sector to advise the Governing Council on such matters as may be determined from time to time;
- (d) receive bi-annual reports from the Debt Management Office of failure by any company or deposit money bank to transfer the unclaimed dividends or unutilised amounts in a dormant bank account to the Trust

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Fund, which failure shall constitute an offence under this Act and the company or deposit money bank shall be liable upon conviction, to a fine of not less than thrice the value of the unclaimed dividends and unutilised funds in a dormant bank account plus accumulated interest on the amount not transferred at the Central Bank of Nigeria's Monetary Policy Rate.

- (e) perform such other functions as may, from time to time, be necessary to achieve the objectives of the Trust Fund".

Committee's Recommendation:

That the provision in Clause 61 be retained (*Senator Solomon O. Adeola — Lagos West*) — *Agreed to.*

Question that Clause 61 do stand part of the Bill, put and agreed to.

COMPANIES AND ALLIED MATTERS ACT, 2020

Clause 62: Section 432 - Right of the Shareholder to Sue for Dividend

- (1) Dividends are special debts due to and recoverable by shareholders within 12 years, and actionable only when declared.
- (2) Dividends that are unclaimed after 12 years should be included in the profits that should be distributed to the other shareholders of the company.
- (3) Notwithstanding subsections (1) and (2), dividends of a public limited liability company quoted on the Nigerian Stock Exchange which has remained unclaimed for a period of six years or more from the date of declaring the dividend shall be immediately transferred to the Unclaimed Funds Trust Fund.
- (4) Such unclaimed dividends transferred to the Unclaimed Funds Trust Fund shall be a special debt owed by the Federal Government to the shareholders and shall be available for claim by the shareholder at any time, pursuant to the aforementioned perpetual trust.

Committee's Recommendation:

That the provision in Clause 62 be retained (*Senator Solomon O. Adeola — Lagos West*) — *Agreed to.*

Question that Clause 62 do stand part of the Bill, put and agreed to.

FISCAL RESPONSIBILITY ACT

Clause 63: Section 12 - Aggregate Expenditure Ceiling

- (2) Aggregate expenditure for a financial year may exceed the ceiling imposed by the provisions of subsection (1) of this Section, if in the opinion of the President, as may be published in the Official Gazette of the Government of the Federation, [or official directives or orders by the President, or through an Appropriation Act, Virement or other Money Bill pursuant to Sections 59 or 306 of the Constitution of the Federal Republic of Nigeria, 1999 (as amended):
 - (a) the Federation, or any part thereof, is at war;

- (b) the Federation is in imminent danger of invasion or involvement in a state of war;
- (c) there is actual breakdown of public order and public safety in the Federation or any part thereof to such extent as to require extraordinary measures to restore peace and security;
- (d) there is clear and present danger of an actual breakdown of public order and public safety in the Federation or any part thereof requiring extraordinary measures to avert such danger; or
- (e) there is an occurrence or imminent danger, or the occurrence of any pandemic or disaster or such other natural calamity, affecting the community or a section of the community in the Federation; or there is any other public danger which clearly

constitutes a threat to the existence of the Federation.

Committee's Recommendation:

That the provision in Clause 63 be retained (*Senator Solomon O. Adeola — Lagos West*) —
Agreed to.

Question that Clause 63 do stand part of the Bill, put and agreed to.

Clause 64: Section 23 - Classification of Corporation Operating Surplus

- (1) Notwithstanding the provisions of any written law governing the corporation, each corporation shall establish a general reserve fund and shall allocate thereto at the end of each financial year, one-fifth of its operating surplus for the year, provided that the cost to revenue ratio of each corporation shall not exceed fifty per cent or such other ratio as the Minister, upon the approval of the National Assembly, may approve for that particular corporation by way of order published in the official Gazette;
- (2) The balance of the operating surplus shall be paid to the Consolidated Revenue Fund of the Federal Government in accordance with the Constitution of the Federal Republic of Nigeria, 1999 (as amended) on a quarterly basis, in accordance with such financial guidelines or regulations that the Minister may issue from time to time in consultation with the National Assembly, provided that nothing in this Act or any written law governing the corporation shall prevent the Minister from effecting a direct deduction from the Treasury Single Account, or other such relevant account, of that corporation to enforce due compliance with this Section; and
- (3) The Minister shall cause a financial reconciliation between the quarterly direct deductions and aggregate annual deductions of operating surpluses to be concluded for each corporation not later than three months following the statutory deadline for publishing each corporation's accounts. A report of the reconciliation shall be provided to the National Assembly.

Committee's Recommendation:

That the provision in Clause 64 be retained (*Senator Solomon O. Adeola — Lagos West*) — Agreed to.

Question that Clause 64 do stand part of the Bill, put and agreed to.

PUBLIC PROCUREMENT ACT

Clause 65: Section 15 - Scope of Application

This Act applies to all public procuring and disposal entities under the three arms of the Federal Government:

- (a) the Federal Government of Nigeria and all procurement entities;
- (b) all entities outside the foregoing description which derive at least 35% of the funds appropriated or proposed to be appropriated for any type of procurement described in this Act from the Federation share of Consolidated Revenue Fund;
- (c) without limiting paragraphs (a) and (b) to:
 - (i). Federal Government, Ministries; Departments and Agencies;
 - (ii). Federal Government institutions,
 - (iii). Federal Government owned enterprises, corporations, councils, authorities and commissions provided that they utilise public funds;
 - (iv). Federal tertiary and non-tertiary educational institutions;
 - (v). Federal hospitals and other health institutions;
 - (vi). the Central Bank of Nigeria and other Federal Government owned financial institutions;
 - (vii). the National Defence and National Security Agencies;
 - (viii). the National Assembly; and
 - (ix). the Judiciary.

Committee's Recommendation:

That the provision in Clause 65 be retained (*Senator Solomon O. Adeola — Lagos West*) — Agreed to.

Question that Clause 65 do stand part of the Bill, put and agreed to.

Clause 66: Section 17 - Approving Authority

Subject to the monetary and prior review thresholds for procurements in this Act as may from time to time be determined by the Council, the following shall be the approving authority for the conduct of public procurement:

- (a) in the case of:
 - (i). a government agency, parastatal, or corporation, a parastatal's Tender's Board;

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- (ii). a ministry or extra-ministerial entity, the Ministerial Tender's Board;
 - (iii). The National Assembly, the Parastatals Tenders Board; and
 - (iv). the Judiciary, the Judicial Bodies Tender's Board and the Courts Tender's Board;
- (b) In the case of any other public procurement the value of which exceeds the Ministerial Tender's Board threshold, or any other threshold set by the Bureau and approved by the Council.
- (i). the Federal Executive Council for the Executive Arm of Government;
 - (ii). the National Assembly Tender's Board for the Legislative Arm of Government; and
 - (iii). the National Judicial Council Tender's Board for the Judicial Arm of Government.
- (2) The Chief Executive and Accounting Officer of the procuring entity shall chair the Parastatal Tender's Board; the Permanent Secretary shall chair the Ministerial Tender's Board; while the President or his representative shall chair the Federal Executive Council.
- (3) The accounting officers of the parastatals under the National Assembly shall chair the Parastatals Tender's Board; while the Clerk to the National Assembly shall chair the National Assembly Tender's Board.
- (4) The Secretaries and Chief Registrars shall chair the Boards of the Judicial Bodies respectively; while the Chief Justice of Nigeria, or his representative, shall chair the National Judicial Council Tender's Board.
- (5) The Secretary to the Government of the Federation or his representative, shall be the Secretary of the Federal Executive Council; the Secretary, Directorate of Procurement, Estate and Works shall serve as Secretary to the National Assembly Tender's Board; while the Executive Secretary of the National Judicial Council, or his representative, shall be the secretary of the National Judicial Council Tender's Board.
- (6) For the Parastatal Tender's Board and the Ministerial Tender's Board, the Directors of Procurement shall be the secretaries; and in the case of the judiciary, the Secretaries of the Judicial Bodies and the Chief Registrars of the Courts thereof shall be the secretaries.

Committee's Recommendation:

That the provision in Clause 66 be retained (*Senator Solomon O. Adeola — Lagos West*) —
Agreed to.

Question that Clause 66 do stand part of the Bill, put and agreed to.

Clause 67: Section 20 - Accounting Officer

- (1) The accounting officer of a procuring entity shall be the person charged with line supervision of the conduct of all procurement processes; in the

case of ministries the Permanent Secretary and in the case of extra-ministerial departments and corporations the Director-General or officer of co-ordinate responsibility in the case of the National Assembly, the Clerk; and in the case of the Judiciary, the Secretaries of the Judicial Bodies and the Chief Registrars of the Courts.

- (2) The accounting officer of every procuring entity shall have overall responsibility for the planning of, organization of tenders, evaluation of tenders and execution of all procurements and in particular shall be responsible for:
 - (a) ensuring compliance with the provisions of this Act by his entity and liable in person for the breach or contravention of this Act or any regulation made hereunder whether or not the act or omission was carried out by him personally or any of his subordinates and it shall not be material that he had delegated any function duty or power to any person or group of persons;
 - (b) constituting the Procurement Committee and its decisions;
 - (c) ensuring that adequate appropriation is provided specifically for the procurement in the Federal budget;
 - (d) integrating his entity's procurement expenditure into its yearly budget;
 - (e) ensuring that no reduction of values or splitting of procurements is carried out such as to evade the use of the appropriate procurement method;
 - (f) constituting the Evaluation Committee;
 - (g) liaising with the Bureau to ensure the implementation of its regulations.
- (3) The accounting officer of each procuring entity is empowered to purchase or approve contracts without open competitive tendering provided the value of such procurement (low value procurement) does not exceed certain threshold set by the Bureau and approved by the Council.
- (4) For the low-value procurement, the advert shall be for one week on the Notice Board of the procuring entity.
- (5) The Bureau shall prescribe the procedure and other conditions applicable for different procuring entities and for different goods, works and services to be procured.
- (6) The accounting officer shall render a quarterly report to the Parastatal Tender's Board.
- (7) Each employee of a procuring entity and each member of a board or committee of a public entity shall ensure that this Act, within the areas of assigned responsibility of the employee or member, is complied with.

- (8) All bidders for the procurement of any goods, works and services for any public entity shall comply with all relevant provisions of this Act.
- (9) Any stakeholder, be it the accounting officer, an officer of the procuring

entity, a member of a committee or board of a public entity and any bidder of public goods, works and services, who fails to independently perform within the respective assigned responsibility as prescribed under this Act and who contravenes the provisions of this Act, shall be guilty of an offence.

Committee's Recommendation:

That the provision in Clause 67 be retained (*Senator Solomon O. Adeola — Lagos West*) — Agreed to.

Question that Clause 67 do stand part of the Bill, put and agreed to.

Clause 68: Section 22 - Tenders Board

- (1) There is established by this Act:
 - (a) for the Executive Arm of Government:
 - (i). the parastatals Tender's Board in each procuring entity;
 - (ii). the Ministerial Tender's Board in each Ministry and extra-Ministerial Department; and
 - (iii). the Federal Executive Council;
 - (b) for the Legislative Arm of Government:
 - (i). the Parastatals Tender's Board in each procuring entity under the legislature; and
 - (ii). the National Assembly Tender's Board in the National Assembly; and
 - (c) for the Judicial Arm of Government:
 - (i). the judicial bodies and Courts Tender's Boards in each parastatal under the Judiciary and all Courts; and
 - (ii). the National Judicial Council Tender's Board.
- (5) The decisions of all Tender's Boards shall be confirmed respectively by the Political Heads of the procuring entities, provided that the Political Heads are not the Chairmen of the Tender's Board.

Committee's Recommendation:

That the provision in Clause 68 be retained (*Senator Solomon O. Adeola — Lagos West*) — Agreed to.

Question that Clause 68 do stand part of the Bill, put and agreed to.

Clause 69: Section 24 - Open Competitive Bidding

- (1) Except as provided by this Act:
 - (a) all procurements of goods, works and services by all procuring entities shall be conducted by open competitive bidding; and;

- (b) any procuring entity that applies any other procurement option prescribed in this Act, the accounting officer of the entity shall submit a request and obtain the approval of the Bureau.
- (2) Any reference to open competitive bidding in this Act means the process by which a procuring entity based on previously defined criteria, effects

public procurements by offering to every interested bidder, equal simultaneous information and opportunity to offer the goods, works and services needed.

Committee's Recommendation:

That the provision in Clause 69 be retained (*Senator Solomon O. Adeola — Lagos West*) — *Agreed to.*

Question that Clause 69 do stand part of the Bill, put and agreed to.

Clause 70: Section 25 - Invitations to Bid

(2) Every invitation to an open competitive bid shall, in the case of goods, works and services:

(b) under International Competitive Bidding, the invitation for bid shall be advertised in at least two national newspapers and one relevant internationally recognised publication, any official websites of the procuring entity and the Bureau as well as the procurement journal of not more than four weeks for contracts within the thresholds of the Parastatals and Ministerial Tender's Boards and not more than six weeks for contracts above the threshold of the Ministerial Tender's Board before the deadline for the submission of the bids for the goods, works and services; and

(c) valued under National Competitive Bidding, the invitation for bids shall be advertised on the notice board of the procuring entity, any official websites of the procuring entity; at least two national newspapers, and in the procurement journal not more than four weeks for contracts within the thresholds of the Parastatals and Ministerial Tender's Boards and not more than six weeks for contracts above the threshold of the Ministerial Tender's Board before the deadline for submission of the bids for the goods, works and services.

Committee's Recommendation:

That the provision in Clause 70 be retained (*Senator Solomon O. Adeola — Lagos West*) — *Agreed to.*

Question that Clause 70 do stand part of the Bill, put and agreed to.

Clause 71: Section 27 - Submission of Bids

All bids in response to an invitation to open competitive bidding shall be submitted in writing, electronic or any other format stipulated in the tender documents signed (physically or electronically) by an official authorised to bind the bidder to a contract and placed in a sealed envelope.

Committee's Recommendation:

That the provision in Clause 71 be retained (*Senator Solomon O. Adeola — Lagos West*) — *Agreed to.*

Question that Clause 71 do stand part of the Bill, put and agreed to.

Clause 72: Section 30 - Bid Opening

All bids (physical or electronic) shall be submitted before the deadline or date specified in the tender documents or any extension of the deadline for submission and the procuring entity shall:

- (e) call-over to the hearing of all present, the name and address of each bidder, the total amount of each bid, the bid currency, validity period, completion period and shall ensure that these details are recorded by the Secretary of the Tenders Board or his delegate in the minutes of the bid opening; and
- (f) this exercise shall be carried out by the procurement department of the procuring entity in the presence of the legal officer or other relevant official of the entity and all those specified in Section 19 (b) of this Act.

Provided always that the procuring entity shall in lieu of sub-sections (a) to (f) above, comply with any Regulations that the Bureau may make for electronic and virtual procurement pursuant to Section 18 of this Act, which Regulations shall ensure the security, transparency, integrity and fairness of such electronic and virtual procurement processes.

Committee's Recommendation:

That the provision in Clause 72 be retained (*Senator Solomon O. Adeola — Lagos West*) — *Agreed to.*

Question that Clause 72 do stand part of the Bill, put and agreed to.

Clause 73: Section 35 - Mobilisation Fees

- (1) In addition to any other regulation as may be prescribed by the Bureau, a mobilisation fee of not more than 30% for local contractors only may be paid to a supplier or contractor supported by an unconditional bank guarantee or insurance bond issued by an institution acceptable to the procuring entity until the mobilisation fee is fully amortised or recovered.
- (2) Once a mobilization fee has been paid to any supplier or contractor, no further payment shall be made to the supplier or contractor without an interim performance certificate issued in accordance with the contract agreement.
- (3) Where the Bureau has set prior review thresholds in the procurement regulations, no funds shall be disbursed from the Treasurer or Federation Account or any bank account of any procuring entity for any procurement falling above the set thresholds unless the cheque, payments or other form of request for payment is accompanied by a "Certificate" of "No Objection" to award of contract duly issued by the Bureau.

Committee's Recommendation:

That the provision in Clause 73 be retained (*Senator Solomon O. Adeola — Lagos West*) — *Agreed to.*

Question that Clause 73 do stand part of the Bill, put and agreed to.

Clause 74: Section 36 - Contract Performance Guarantee

- (1) The provision of a performance guarantee and, an unconditional insurance bond shall be a precondition for the award if any procurement contract upon which any mobilisation fee is to be paid, provided it is not less than 10% of the contract value.
- (2) All contracts approved by a Tender's Board requiring the opening of irrevocable letter of credit shall be stated explicitly in the contract agreement and the procuring entity shall liaise with the Central Bank of Nigeria, for further guidelines.

Committee's Recommendation:

That the provision in Clause 74 be retained (*Senator Solomon O. Adeola — Lagos West*) — *Agreed to.*

Question that Clause 74 do stand part of the Bill, put and agreed to.

Clause 75: Section 58 - Offence Relating to Public Procurement

- (2) Any offence in contravention of this Act shall be tried by the Federal High Court or a tribunal set up by the Chief Justice of Nigeria.

Committee's Recommendation:

That the provision in Clause 75 be retained (*Senator Solomon O. Adeola — Lagos West*) — *Agreed to.*

Question that Clause 75 do stand part of the Bill, put and agreed to.

Clause 76: Section 60 - Interpretation

“contract” means an agreement entered in writing between a procuring entity and a contractor, supplier or consultant.

“procuring entity” means any public body or Government organ engaged in procurement and includes a Ministry, Extra-Ministerial Office, Government Agency, Parastatal, Corporation, Commission, National Assembly and Judiciary.

“Public Procurement” means the acquisition by any means of goods, works and services by the Government.

Committee's Recommendation:

That the provision in Clause 76 be retained (*Senator Solomon O. Adeola — Lagos West*) — *Agreed to.*

Question that Clause 76 do stand part of the Bill, put and agreed to.

Clause 77: Citation

This Bill may be cited as the Finance Bill, 2020.

Committee's Recommendation:

That the provision in Clause 77 be retained (*Senator Solomon O. Adeola — Lagos West*) — Agreed to.

Question that Clause 77 do stand part of the Bill, put and agreed to.

Chairman to report Bill.

(SENATE IN PLENARY)

The President of the Senate reported that the Senate in the Committee of the Whole considered the Report of the Joint Committee on Finance; Customs, Excise & Tariff; Trade and Investment; and Public Procurement on the Finance Bill, 2020 and approved as follows:

Clauses 1 - 77 — As Recommended

Question: That the Senate do approve the Report of the Committee of the Whole — Resolved in the Affirmative.

Motion made: That the Bill be now Read the Third Time (*Senate Leader*).

Question put and agreed to.

Bill accordingly Read the Third Time and Passed.

16. 2021 FCT Appropriation Bill, 2020 (SB. 596):

Motion made: That a Bill for an Act to authorize the issue from the Federal Capital Territory Administration's Statutory Revenue Fund of the Federal Capital Territory Administration Account, the total sum of ₦299,963,491,523.00 (Two Hundred and Ninety Nine Billion, Nine Hundred And Sixty Three Million, Four Hundred and Ninety One Thousand, Five Hundred And Twenty Three Naira) only, of which the sum of ₦74,523,382,813.00 (Seventy Four Billion, Five Hundred and Twenty Three Million, Three Hundred and Eighty Two Thousand, Eight Hundred and Thirteen Naira) only, is for Personnel Costs; and the sum of ₦61,788,967,930.00 (Sixty One Billion, Seven Hundred and Eighty Eight Million, Nine Hundred and Sixty Seven Thousand, Nine Hundred and Thirty Naira) only, is for Overhead Costs; while the balance of ₦163,651,140,779.00 (One Hundred and Sixty Three Billion, Six Hundred and Fifty One Million, One Hundred and Forty Thousand, Seven Hundred And Seventy Nine Naira) only, is for Capital Projects; for the service of the Federal Capital Territory, Abuja, for the financial year commencing from 1st January and ending on 31st December, 2021 and for Other Matters, 2020 be read the Second Time (*Senate Leader*).

Debate:

Question put and agreed to.

Bill accordingly read the Second Time and referred to the Committee on Federal Capital Territory to report within One (1) week.

17. Nigerian Peace Corps (Establishment) Bill, 2020 (SB.271):

Motion made: That a Bill for an act to establish the Nigerian Peace Corps (NPC) to empower, develop and provide alternative employment for the youths, to facilitate peace, community services, nation-building and for Other Related Matters, 2020 be read the Second Time (*Senator Mohammed A. Ndume — Borno South*).

Debate:

Question put and agreed to.

Bill accordingly read the Second Time and referred to the Committee on Interior to report within Four (4) weeks.

18. Nigerian Hunters Council of Nigeria (Establishment) Bill, 2020 (SB.477):

Motion made: That a Bill for an act to establish the Nigerian Hunters Council of Nigeria (NHG) to provide community policing, maintenance of law and order and community service for Nigerians and for Related Matters, 2020 be read the Second Time (*Senator Biodun C. Olujimi — Ekiti South*).

Debate:

Question put and agreed to.

Bill accordingly read the Second Time and referred to the Committee on Interior to report within Four (4) weeks.

19. National Unity Corps (Establishment) Bill, 2020 (SB.375):

Consideration of Bill deferred to another Legislative Day.

20. Federal College of Nursing and Midwifery, Muchalla Adamawa State (Establishment) Bill, 2020 (SB.517):

Motion made: That a Bill for an Act to provide for the establishment of the Federal College of Nursing and Midwifery, Muchalla Adamawa State and for Other Related Matters, 2020 be read the Second Time (*Senator Elisha C. Ishaku — Adamawa North*).

Debate:

Question put and agreed to.

Bill accordingly read the Second Time and referred to the Committee on Tertiary Institutions and TETFUND to report within Four (4) weeks.

21. Motion:

Breach of 2000/2001 Fiscal Incentive Package Conditions by SINOPEC ADDAX Petroleum resulting in over ₦1.2 Trillion Oil Revenue Loss to the Federal Government:

Motion made: That the Senate notes that in 2000/2001 the Federal Government of Nigeria had provided a Fiscal Incentive Package to Addax Petroleum Company that saw the reduction of the company's Petroleum Profit Tax from 85% in the 1998 Production Sharing Contract (PSC) to 60% in the 2001 Fiscal Incentive Package and the company's share of oil lifting increase from about 45% to 56%;

further notes that Addax Petroleum followed through by investing to grow production from about 10,000bpd in 2000 to over 100,000bpd in 2008;

aware that Sinopec purchased the Addax Petroleum Nigerian Production Sharing Contract (PSC) in 2009;

further aware that from the purchase by Sinopec in 2009, the assets have witnessed significant production decline due to poor investment decisions making production levels to fall presently to approximately 30,000bpd with no developed gas;

observes that Sinopec Addax despite holding a 100% Production Sharing Contract (PSC) with oil mining leases OML-123, OML-124, OML-126 has refused to stick to its end of the bargain to continue investing in the operated assets leading to a revenue loss of about \$3.35 billion per year by the Nigerian Government;

further observes that OML-137 is non-producing because Sinopec-Addax has breached the Fiscal Incentive Package by neglecting to invest in that asset, resulting in huge oil revenue loss to Nigeria;

concerned that in the Q4 of 2018, the lack of competent operations by Sinopec-Addax made five Nigerian General Managers and their Deputies to exit the company voluntarily;

further concerned that given the lack of any demonstration by Sinopec-Addax to stay in Nigeria because of the company's unwillingness to purchase an office building and its refusal to invest for production growth, it is shocking that NNPC continues to honour the elapsed gentleman's agreement that made Sinopec Addax operate these assets and lift 70% of the crude oil they are producing resulting in a huge annual revenue loss to the Nigerian Government;

worried that in 2016 the process of Value For Money (VFM) audit of \$1.37 billion cost of oil that had been lifted by Addax Petroleum from 2007 to 2014 was initiated with the understanding that it would take 3 months to conclude;

further worried that since the initiation of the VFM audit in 2016, Sinopec Addax Petroleum has continued to enjoy oil over lift and have frustrated the process of conclusion of the audit to allow for the equitable and accurate determination of lifting;

disturbed that the COVID-19 Pandemic has negatively impacted on our economy and has thrown Nigeria into debt, meanwhile the Federal government has over ₦1.2 trillion of its oil revenue lying with Sinopec-Addax Petroleum Company; and

further disturbed that Sinopec-Addax Petroleum will be leaving an abandonment/decommissioning liability cost of about \$750 million at the expiration of their stay in Nigeria come 2022.

Accordingly resolves to:

mandate the Committees on Petroleum Resources (Upstream); and Gas to scrutinize the 2000/2001 Fiscal Incentive Package and other Federal Government agreements with Sinopec-Addax Petroleum Company with a view to ascertaining the level of the company's compliance with these agreements and make recommendations (*Senator Gershom H. Bassey — Cross River South*).

Debate:

Proposed Resolution:

Question: That the Senate do mandate the Committees on Petroleum Resources (Upstream); and Gas to scrutinize the 2000/2001 Fiscal Incentive Package and other Federal Government agreements with Sinopec-Addax Petroleum Company with a view to ascertaining the level of the company's compliance with these agreements and make recommendations.

Amendment Proposed:

Leave out Proposed Resolution and *insert* the following instead thereof:

“That the Senate do set up an Ad hoc Committee to scrutinize the 2000/2001 Fiscal Incentive Package and other Federal Government agreements with Sinopec-Addax Petroleum Company with a view to ascertaining the level of the company's compliance with these agreements and make recommendations within four (4) weeks” (*Senator Yahaya A. Abdullahi — Kebbi North*).

Question that the amendment be made, put and agreed to.

Resolved:

That the Senate do set up an Ad hoc Committee to scrutinize the 2000/2001 Fiscal Incentive

Package and other Federal Government agreements with Sinopec-Addax Petroleum Company with a view to ascertaining the level of the company's compliance with these agreements and make recommendations within four (4) weeks (*S/Res/060/02/20*).

Ad hoc Committee:

The President of the Senate named the following Senators as Members of *Ad hoc* Committee on Sinopec-Addax Petroleum Company:

(i)	Senator Aliyu S. Abdullahi	—	Chairman
(ii)	Senator Gershom H. Basse	—	Member
(iii)	Senator Biodun C. Olujimi	—	Member
(iv)	Senator Babba Ahmad Kaita	—	Member
(v)	Senator Jibrin Isa	—	Member
(vi)	Senator Michael A. Nnachi	—	Member
(vii)	Senator Clifford A. Ordia	—	Member
(viii)	Senator Dauda H. Jika	—	Member

22. Adjournment:

And it being 3:57 pm the President of the Senate adjourned the Senate till Wednesday, 16th December, 2020 at 10.00 a.m.

Adjourned accordingly at 3:57 p.m.

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